



Government College Umuahia Endowment Fund

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ENDOWMENT FUND CHARTER

1. Purpose of the Charter

The purpose of this Endowment Fund Charter (“Charter”) is to govern the development, investment and management of the Endowment Fund (“Fund”) of Government College Umuahia (“College”) which purpose is to contribute to the long-term sustenance of the College, including the support and development of programs and initiatives.

2. The Endowment Committee

The purpose of the Endowment Committee (“Committee”) is to manage, generally and financially, the College’s responsibilities with respect to endowments and legacies, the general oversight of endowment fundraising activities and the disbursement of these funds.

2.1. Appointment of Members of the Endowment Committee

- a. The Fisher Educational Development Trust (“FEDT”), in exercise of its stewardship responsibilities over the College, shall appoint alumni of the Government College Umuahia as Members of the Committee (“Members”) as well as individuals who they consider to have particular skills and experience that would assist the work of the Committee.
- b. The FEDT shall consult with the Government College Umuahia Old Boys Association (“GCUOBA”), both in Nigeria and the diaspora, when appointing Members. However, the appointments of individuals recommended by the GCUOBA, or any other group of persons (corporate or otherwise) is the responsibility of the FEDT.

2.2. Composition of the Endowment Committee

- a. The Committee shall be composed of a minimum of 9 standing Members.

- b. The FEDT shall make reasonable efforts to ensure that membership is representative of alumni in Nigeria and the diaspora.
- c. The Committee can invite to meetings or deliberations, individuals who they believe to have particular skills, competencies, relationships or other qualities that can be of benefit to the Fund and the Committee. These individuals shall not have voting rights.
- d. The Committee can establish subcommittees and appoint individuals to the sub-committees.

2.3. Creation of sub-committees

- a. Members of the Endowment Committee may create sub-committees as they see fit to perform specific functions, including but not limited to such functions as provided in Section 5 of this Charter.

2.4. Responsibilities of the Committee

a. Fund raising

- i. Organizing fund raising activities and other developmental activities to increase the principal value of the Fund.
- ii. Maintaining a comprehensive register of donors and donations.

b. Communication

- i. Communicating and providing regular financial reports and other reports to the FEDT, GCUOBA and other relevant stakeholders as required.
- ii. Managing relationships with relevant stakeholders.

c. Investment stewardship

- i. Reviewing the financial status of the Fund.
- ii. Approving disbursements from the Fund.
- iii. Reviewing the Fund's investments and considering investment recommendations.
- iv. Monitoring and assessing the relevant risks associated with both the investment strategy and the disbursement of funds.
- v. Appointing members of the Investment Committee, auditors, fund custodians, fund managers and all other consultants.
- vi. Reviewing the performance of the Investment Committee as well as those of other consultants and advisors of the Funds.

- vii. Managing the legal aspects of the Funds

2.5. Meetings of the Committee

- a. The Committee shall meet regularly, as decided by Members in a meeting, but no less than quarterly.
- b. A quorum is two-thirds of standing Members.
- c. A vote by a simple majority of a quorum of Members present in a meeting is required for any action of the Committee.
- d. Members may participate in a meeting by means of video conferencing platforms that allow all persons participating in the meeting to hear one another. Participation in a meeting by any such means constitutes presence at such meetings.
- e. Any action required or permitted to be taken at any meeting of the Committee may be taken without a meeting, if a written consent setting forth the action so taken is approved by two-thirds of standing Members.
- f. Members can approve written actions (as set out in 2.4(e)) via a recognized email address.

2.6. Conflicts of Interest

- a. A member shall avoid any action or situation that might result in or create the appearance of using his association with the Committee for private gain, providing unwarranted preferential treatment for any outside individual or organization, losing his independence or impartiality, or adversely affecting the Committee's reputation or integrity.
- b. A conflict of interest includes but is not limited to a situation where the Committee has or is considering a transaction or other business relationship with a Member or a Member's family member (as defined below) or with an outside entity in which the Member or his family member has a material financial interest that conflicts with the interest of the Fund.
- c. A Member's "family member" is a spouse, child, domestic partner, any individual who lives in the same household as the Member and any person to whom the Member provides primary financial support and over whose accounts the Member exercises control or has investment discretion (or provides ongoing investment advice).
- d. If any Member of the Committee becomes aware of a potential conflict of interest, the Member shall so inform the Committee and shall be recused while the Committee

discusses the matter. The Member shall also not be allowed to vote on a waiver or affirmation of the conflict.

- e. All instances of conflicts of interest shall be recorded in minutes.
- f. The conflicts of interest requirements apply to all individuals (both standing and adhoc members) in the Committee.

2.7. Tenure of the Members

- a. Members shall serve for an initial term of (4 years) and is renewable, upon reappointment, for another single term.
- b. The maximum initial tenure for a Member is 4 years. Such a Member having completed a 4 year tenure may be reappointed to the Committee after a 2 year hiatus.
- c. The tenure of membership on the Committee shall be staggered on a 2 year rotation.
- d. Former members may be invited as subject matter experts to advise the Committee

2.8. Remuneration of Members

- a. No amount shall be paid to Members as salary, sitting fee, allowance, bonus or any other form of compensation for service.

2.9. Resignation of Members

- a. A Member may voluntarily resign from office before the expiration of his tenure by providing notice in writing to the FEDT.

2.10. Removal of Members

- a. A Member may be removed before the expiration of his tenure if the Member:
 - i. becomes physically or mentally incapable of serving as a member;
 - ii. is no longer able to perform the responsibilities required of a member;
 - iii. is convicted of an offence which may adversely affect the integrity of the Committee;
 - iv. becomes disqualified by a court of law from being a director of a company.
- b. Upon the occurrence of any of the items in 2.8(a), the Committee shall make a recommendation for removal of the affected member to the FEDT.

- c. Upon removal from office, Members shall not be entitled to or claim that they are entitled to any compensation or like payment whether claimed as lost profits, lost investments, loss of goodwill or otherwise.
- d. The FEDT, upon a member's removal, shall immediately commence proceedings to appoint a replacement.

3. Endowment Funds

- 3.1. The Committee shall establish The Government College Umuahia Endowment Fund (GCUEF) and may also establish other funds.
- 3.2. These additional funds may include endowments sponsored by an individual, a group of individuals, families, or corporate entities. These sponsored endowments shall be managed by the Committee in accordance with the contracted requirements of the donor(s), the provisions of this Charter and the Investment Policy of the Committee.
- 3.3. The Committee shall determine the minimum amount, types of assets and conditions under which it would accept a sponsored endowment.
- 3.4. The Committee shall maintain proper accounting records for each sponsored donation.

4. Donations to the Fund

- 4.1. The Committee shall maintain dedicated bank accounts, in multiple jurisdictions, for the purposes of receiving donations to the Funds.
- 4.2. All donations to the Fund, unless specified in writing by the donor, shall be deemed to be for the GCUEF.
- 4.3. The Committee shall confirm to donors in writing that their donations have been received, within a reasonable time after receipt of the funds.

5. Fund Investments

- 5.1. An Investment Committee shall be created by the Endowment Committee and it shall be accountable to the Endowment Committee.
- 5.2. The overarching investment objectives of the Fund are:
 - a. the conservation of principal for the effective maintenance of purchasing power; and
 - b. the growth of principal and income to offset inflation.

- 5.3. The Funds shall be invested and managed in conformity with the following standards of conduct by the Investment Committee and other appointed individuals or consultants:
- a. The Investment Committee is responsible for manager search and selection, asset allocation, performance evaluation and reporting.
 - b. The Investment Managers shall manage their respective funds with the care and diligence a prudent person in like position would exercise under similar circumstances (the Prudent Man Rule).
 - c. In managing the Endowment Fund, the Committee may incur only costs that are appropriate and reasonable in relation to the assets, the needs of the College and the skills available to the Committee.
 - d. The Investment Committee shall perform the appropriate due diligence required to verify facts relevant to the management and investment of each fund.
- 5.4. The Investment Committee shall consider the following factors in managing and investing the Funds:
- a. preservation of the principal value of the Funds;
 - b. the general economic condition;
 - c. the possible effects of inflation and deflation;
 - d. the expected tax consequences, if any, of investment decisions and strategies;
 - e. the role that each investment or course of action plays within the overall investment portfolio of each fund;
 - f. the expected total return from income and the appreciation of investments;
 - g. other resources of the College; and the needs of the College
- 5.5. Assets may be pooled or aggregated by investment objectives and risk tolerance, in order to save on cost, taxes or derive other benefits
- 5.6. The Investment Committee has powers to invest in assets or properties consistent with the investment objectives approved by the Endowment Committee.
- 5.7. The Investment Committee shall make reasonable efforts to diversify the investments of the Fund, unless the Investment Committee determines that because of special circumstances, the purposes of the Fund are better served without diversification.

6. Reporting Requirements

- 6.1. The Committee shall ensure the preparation of audited financial statements on an annual basis.
- 6.2. The Committee shall ensure the preparation of quarterly management accounts.
- 6.3. The Committee shall ensure the preparation of quarterly performance reports for each fund.
- 6.4. The Committee shall share with the FEDT, GCUOBA and other stakeholders a quarterly report on their activities as well as the Funds' receipts, performance and disbursements.

7. Disbursements from the Fund

- 7.1. The Committee will be involved in the approval of disbursements from the Endowment Fund.
- 7.2. At the end of each year, the FEDT shall inform the Committee of the developmental priorities of the College for the following year. The Committee shall then advise the FEDT on the amount that may be appropriated from the Funds to support the developmental priorities of the College. The amount available may be different from what is requested by the FEDT.
- 7.3. The Committee shall not approve the disbursement of the principal value of the Fund, except in situations of extreme financial crisis that can be reasonably deemed to affect the continued existence of the College.
- 7.4. Where the Committee approves in any year the disbursement of more than 50% of the fair market value of a fund, after deducting the principal value, it must:
 - a. document in writing its reason for determining that the disbursement of such an amount is prudent; and
 - b. approve of such a disbursement by a vote of two-thirds of all Members then in office.

8. Delegation of Responsibilities

- 8.1. The Committee may delegate to an external agent the management and investment of a fund, to the extent that the Committee can prudently delegate under the circumstances.

- 8.2. When delegating to an agent, the Committee shall act in good faith, with the care that an ordinarily prudent person in like position would exercise under similar circumstances, in:
- a. selecting an agent;
 - b. establishing the terms and scope of the delegation, consistent with the purposes of the Committee and investment mandate;
 - c. periodically reviewing the agent's action in order to monitor the agent's performance and compliance with the scope and terms of the delegation
- 8.3. Members shall not be liable for the decisions or actions of an agent to which the function was properly delegated.

9. Liability of Members of the Endowment Committee

- 9.1. A Member shall not be liable for any loss suffered by the Endowment Fund, except where such loss is as a result of defalcation or a breach of ethics by the Member.

10. Amendments to this Charter

- 10.1. Any amendment which will change, alter or amend the provisions contained in this Charter shall require a two-thirds vote by the Members in office at the time of the proposed amendment before it can be adopted.