CASS
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Centre for Charity Effectiveness

Charity Investment Theory and Practice course
May – July 2019

Cass Centre for Charity Effectiveness

Over 10 years inspiring transformation within the nonprofit sector

Cass Business School is ideally placed in the City of London, close to the Bank of England, and at the heart of the capital's charity triangle. The School's research output is ranked as world-leading and internationally excellent. Cass CCE is the leading nonprofit and philanthropy centre in the UK.

Our world-class blend of academic research, postgraduate programmes, talent development and consultancy services deliver leading-edge thinking by combining extensive practical experience with best practice, theory and research. For more information visit:
www.cass.city.ac.uk/cce

The UK charity sector is enormously diverse by scale, by purpose and by organisational structure. However, one common feature shared by all charities is a desire to make the most of their resources. This includes ensuring that the financial assets are invested to meet the needs of the charity, whether as a reserve to cover potential liabilities or as a source of return generation.

Introduction

This programme is designed to equip charity trustees and finance staff entrusted with the stewardship of charity investment portfolios with investable assets of £10m or more, with the tools needed to ensure their financial assets are best invested to meet their organisational needs.

The programme is divided into three parts of two-days each with five weeks separating each part, in order to minimise disruption to busy schedules.

WHO IS IT FOR?

The course is intended for trustees and finance staff with existing investment knowledge or investment committee experience, and anyone entrusted with the stewardship of charity investment portfolios with investable assets of £10m or more.

We also want to encourage collaborative relationships between trustees and finance staff wherever possible, so discounts are available for a second member of either the trustee board or senior management team from the same organisation.

PROGRAMME OVERVIEW

The UK charity sector is enormously diverse by scale, by purpose and by organisational structure. However, one common feature shared by all charities is a desire to make the most of their resources.

This includes ensuring that the financial assets are invested to meet the needs of the charity, whether as a reserve to cover potential liabilities or as a source of return generation.

Most charities in the UK have small investment portfolios and are well served by the various charity specific pooled fund options currently available. However, charities with larger portfolios have scope to adopt more tailored investment approaches, but can find it difficult to gain access to impartial advice and guidance on a cost effective basis.

The largest charity funds may have sufficient scale to justify paying fees to investment consultants for bespoke advice, but many do not. Instead relying heavily on their fund managers for all their investment requirements, which can make it difficult to assess performance objectively or consider different approaches.

The course has been designed to provide charity trustees and finance staff the tools they need to make these objective assessments and consider better approaches. The course will cover the following key areas:

- Setting investment objectives suitable to the charity's needs
- Establishing an investment strategy to meet these objectives
- The governance structure required to enable tactical decisions to be taken around this strategy
- Understanding investment risk and its relevance to your charity
- Selecting managers to implement your strategy
- Measuring success and monitoring progress.

BENEFITS

The focus throughout the course will be on practical implementation of the concepts discussed, with case studies about and contributions from other leading charities. You will be taught by academics from Cass Business School and practitioners from investment firms and charities.

In keeping with the focus on practical implementation, we have structured the course to minimise the potential disruption to the participants' busy lives. The course is divided into three sections, each of two days per month for three months.

Outline structure and key content

SECTION I
Establishing a suitable strategy
(14th – 15th May 2019)

LECTURES
Investment objectives
Market history
New geography of investing
Governance
Asset allocations
Sustainable investment

DEBATES
Future returns
Market views

OTHER
Study Group exercises
Strategy case studies
Optional jargon busting

SECTION II
Designing mandates for managers
(18th – 19th June 2019)

LECTURES
Investment risk
Income vs total return
Manager structures
Pension fund issues
Understanding costs
Measuring performance
Hot topics in investment

DEBATES
Managing risk
Sources of advice
Measuring impact
Market views

OTHER
Study Group project
Optional jargon busting

SECTION III
Practical implementation
(23rd – 24th July 2019)

LECTURES
Manager selection
RFPs and managing managers
Lessons from US endowments
Emerging markets

DEBATES
Practitioner challenges

OTHER
Manager role-play
Study Group project
Mock pitches

Meet the team

Professor Paul Palmer

Course Director

Paul Palmer is Professor of Voluntary Sector Management and Associate Dean for Ethics, Sustainability and Engagement at Cass Business School, City, University of London.

He has extensive knowledge of financial, management and governance issues in the nonprofit sector and was a member of the Charity Commission SORP committee from 2000-2005. He acts as an independent consultant on Charities to UBS Wealth Management, and an independent expert on charity dispute issues for courts and arbitration.

More information about Paul including a detailed list of his previous publications can be found at: www.cass.city.ac.uk/faculties-and-research/experts/paul-palmer

John Harrison

Course Director

John Harrison spent most of his career with UBS Asset Management, including 5 years as UK Chief Investment Officer. Since his retirement from UBS in 2010, John has pursued a range of advisory and investment management roles as a Partner at Aon Hewitt, an Investment Director at Henderson and a Managing Director at MJ Hudson Allenbridge. Most recently John served as Interim Chief Investment Officer setting up the investment operation at Border to Coast, the largest of the new LGPS asset pools. John remains an Adviser to Border to Coast.

John pioneered the first course on investment management for charities in the early 1990s and in 1994 published *Managing Charitable Investments*. He is now a Visiting Professor in Charity Investment at Cass Business School.

WHAT PREVIOUS CHARITY INVESTMENT COURSE PARTICIPANTS HAVE SAID:

"I learned to understand and appreciate the other side of the investment fence."

"A special course for trustees on how to challenge investment managers – I would pay for all my trustees to attend."

"The professionalism and expertise of the speakers was remarkably high."

"The course gave me a much stronger perspective and foundation for assessing our asset allocation and fund managers' performance."

Key features

MODULE DATES

Six days over three months:
14th – 15th May 2019
18th – 19th June 2019
23rd – 24th July 2019

COST

- £1,200 per person for staff and trustees of charities and non-profit organisations, with a reduction to £995 for applications received by 18th April 2019.
- £500 per person for additional members of either the trustee board or senior management team, with a reduction to £350 for applications received by 18th April 2019. We want to encourage corroborative relationships between staff and trustees wherever possible.
- £6,000 per person for applicants from the commercial sector.

APPLICATION PROCESS

- All participants wishing to attend will be subject to approval by a Selection Committee including Prof Paul Palmer and John Harrison. Our sponsors will be consulted if any applications are received from potential participants who are employed by competitor firms.

WHO THE COURSE IS AIMED AT

- The course is intended for trustees and finance staff with existing investment knowledge or investment committee experience.
- Anyone entrusted with the stewardship of charity investment portfolios with investible assets of £10m or more.

LOCATION

All modules will be held at Cass Business School's Executive Education suite, at 200 Aldersgate Street, London EC1A 4HD

LANGUAGE

English

TRAVEL AND ACCOMMODATION

Cass Business School is located in the City of London and is well served by local underground stations and bus routes. It is also easily reached by delegates flying into London airports or travelling on the Eurostar. London offers a wide range of hotels to suit every budget.

OTHER SPEAKERS

Professor Andrew Clare
Professor of Asset Management
Author of *The Trustee Guide to Investment*

Professor Andrew Hind
Executive Editor, Civil Society Media
Former CEO of Charity Commission

Professor Jerome Booth
Chairman of New Sparta
Former Head of Research at Ashmore

David Rowe
Former Head of UK Affluent Desk at UBS
Honorary Treasurer, SSAFA

Mark Salway
Director of Sustainable Finance, Cass Business School
Former FD at Care International

FURTHER INFORMATION AND HOW TO APPLY

Please visit **www.cass.city.ac.uk/charityinvestmentcourse**

Or contact:
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Course and Exams Officer,
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Sponsors

Rathbones
Look forward

Rathbones has been in business since 1742. Looking forward has carried us and our clients safely through many eras. We continue to move with the times, blending new ideas and the latest technology with our long-standing investment experience and constant values. We are one of the leading investment managers for charities and not-for-profit organisations in the UK. We have £4.6* billion in funds under management for more than 1,000 charities, in portfolios that range from £10,000 to more than £100 million. To find out more about our investment services for charities, visit: www.rathbones.com/charities

* As at 31 March 2018

UBS

UBS has specialised in wealth management for more than 150 years. Today, in the UK we deliver a complete wealth management service from our offices across the country. We also have a dedicated team of investment specialists who advise charities and who work closely with experts from our investment banking and asset management businesses, giving our clients access to the latest research and industry-leading investment solutions. For more information, visit: www.ubs.com/charities-uk

CAPITAL GROUP℠

Founded in the US in 1931, Capital Group is one of the world's largest independent investment managers. Today, we manage $1.8 trillion of assets across actively managed equity, fixed income and multi-asset strategies (as at 30/09/18).

We started managing assets for charities and foundations in 1975 and our aim has always been to deliver superior, consistent results for our long-term investors.

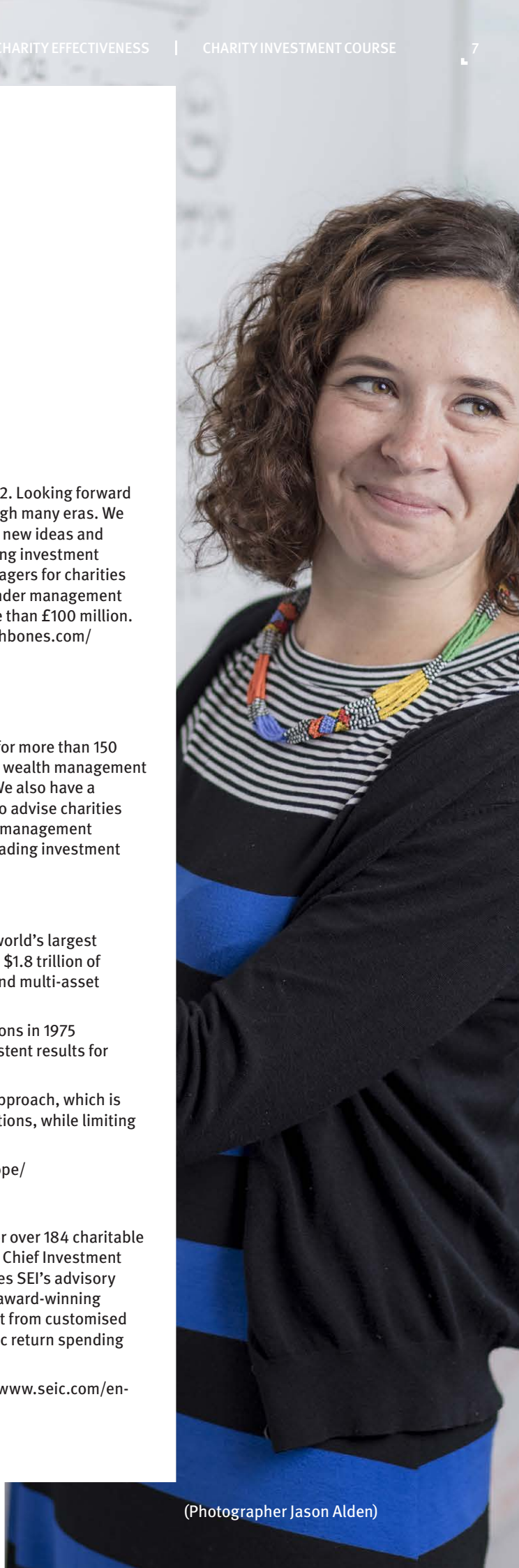
Fundamental proprietary research forms the backbone of our investment approach, which is designed to enable investment professionals to act on their highest convictions, while limiting the risk associated with isolated decision-making.

For more information please visit our website: www.capitalgroup.com/europe/

SEI New ways. New answers.®

SEI advises on more than £20 billion for over 184 charitable endowments globally. Its "Outsourced Chief Investment Officer" or "OCIO" proposition combines SEI's advisory capabilities with significant scale and award-winning manager-of-managers approach so that charitable endowments can benefit from customised and cost-effective investment strategies integrated with, a charity's specific return spending and liquidity requirements.

Further details about SEI's tailored solutions for Charities can be found at: www.seic.com/en-gb/who-we-serve/institutional-investors/charities



(Photographer Jason Alden)

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www.cass.city.ac.uk/charityinvestmentcourse

youtube.com/user/cassprogrammes

Centre for Charity Effectiveness, Cass Business School

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Cass Business School
In 2002, the School was renamed Sir John Cass Business School following a generous donation towards the development of its new Bunhill Row premises.

Sir John Cass's Foundation
Sir John Cass's Foundation has supported education in London since the 18th century and takes its name from its founder, Sir John Cass, who established a school in Aldgate in 1710. Born in the City of London in 1661, Sir John served as an MP for the City and was knighted in 1713.