

**THE UNIVERSITY OF DUBLIN
TRINITY COLLEGE**

CONFIDENTIAL

The Minutes of the Finance Committee Meeting of 28 November 2001.

PRESENT: The Provost (in the Chair), the Vice Provost, the Bursar, the Registrar, the Dean of BESS, the Dean of ESS, Dr. J. Killen, Dr. E. Drew, Professor J. Fitzpatrick, Professor M. Marsh, Dr. A. Ní Chasaide, Ms. A. Power, Professor E. McCabe, Dr. M. O'Moore, the Secretary and the Treasurer (Secretary of the Finance Committee)

IN ATTENDANCE: Deputy Treasurer

APOLOGIES: The Senior Lecturer

The Provost, on behalf of the Finance Committee, welcomed Professor J. Fitzpatrick and Dr. A. Ní Chasaide as the new Board representatives on the Finance Committee. The Committee recorded its thanks to Professor B. Wright who retires from the Committee for her contribution during her time on the Committee.

The Minutes of the Meeting of 7 November 2001 were approved and signed.

2002/31 Insurance

(Minute 2002/21 of 7.11.2001 refers)

The Treasurer provided clarification regarding insurance cover for field trips indicating that staff and students participating in course-related field trips were fully covered for insurance purposes. In relation to clubs and societies it was noted that students participating in trips arising from club and society activities were not covered by the College's insurance. The clubs and societies were obliged to put in place their own insurance. It was agreed that the Deputy Treasurer would reconfirm these issues with the Capitation Committee as soon as possible and furthermore that each department would be notified in relation to the position for staff participating in non-course field trips.

2002/32 Capital Projects

(Minute 2002/22 of 7.11.2001 refers)

The Finance Committee had been circulated with a paper entitled 'Building Capital Projects: Financial Position and Other Issues' with detailed attachments dated 21.11.2001 from the Bursar, Director of Buildings, Secretary and Treasurer. The Bursar outlined in some detail, on a project by project basis in an overall context both the individual and total budgets available, the funding in place, the likely outcomes, the actions required/awaited and a summary of the overall position in respect of projects under construction/not yet finalised, projects where construction had not yet started and projects where construction planning was in the 'pipeline'. Consideration was also given to the extent of recurrent costs arising from the commissioning of new buildings, a considerable proportion of which would not be

funded by the HEA and would therefore ultimately impact on any flexibility within the College's recurrent budget.

The Committee noted that detailed discussions were ongoing in relation to certain of the projects and that actions would be required in the very near future. The Committee reconfirmed the necessity to continue detailed monitoring and negotiation in relation to each of the individual projects in order

- (1) that all transaction structuring and documentation is appropriately dealt with,
- (2) to ensure that they could be safely delivered within agreed budgets,
- (3) that cash flows were managed to ensure minimum bridging costs,
- (4) to facilitate continuous review of recurrent costs associated with new buildings by the Bursar, Director of Buildings and Treasurer so as to ensure the most appropriate and cost effective provision of services.

The Committee welcomed the paper from the Bursar and his colleagues and noted that they would receive a similar paper on a regular basis.

2002/33 Quarterly Accounts to 30 September 2001

Capital Projects funded from HEA Capital Grants: The Treasurer outlined the financial issues now arising, at the date of practical completion of the James Ussher Library, due to late receipt of direct State Grants required to legally complete the project. Concern was expressed regarding the knock-on consequences for the recurrent account.

Capital Projects not funded by HEA Capital Grants: The Finance Committee noted that final payments had been made to the GMB residential refurbishment project and on Goldsmith Hall. The Committee was briefed on current commitments on the Residential Redevelopment Account in respect of Botany Bay Phase I and II.

Faculty and Departmental Budgets: The Committee requested that the Deans Committee arrange for the 2001/2002 allocation of non pay, quarterly salaries and recurrent equipment allocations to Faculties as soon as possible. Furthermore, the Committee requested that Faculty and Departmental balances be considered by Heads of Departments and Deans with the Deputy Treasurer where appropriate.

Administrative and Other Non Pay Budgets

Service Departments

Library

Information Systems Services

Bioresources Unit

Audio Visual and Media Services

Electron Microscope Unit

Buildings Office

Student Health Service

Counselling Service

Subsidiary Activities

Residential Rooms - College

Residential Rooms - Trinity Hall

Study Programmes and Conferences - College

Residential Development Account - College

Residential Development Account - Trinity Hall

Catering

Library Shop

Copying Services

Diagnostic Services

College Day Nursery

Innovation Services

College Gallery
High Performance Computing
Dublin Experience
Capitation Committee
Enterprise Centre, Pearse Street (IDA)
Campus Companies Proceeds and Research Royalties
New Research Accounts: The Committee noted that during the quarter 75 new research accounts had been opened bringing the total for the year to 206 and research expenditure during the year amounted to IR£19.597m. The Committee noted that only 17 of the research accounts opened in the current quarter provided for an overhead contribution to College costs.
Research Account Balances
Research Accounts - Overdrawn Balances

2002/34 VAT on Research Grants and Contracts and Other Areas

(Minute 2001/79 of 28.5.2001 refers)

The Research Accounting Manager and Ms M. Tracey attended for this item.

The Finance Committee had been circulated with documentation outlining changes in the VAT legislation, the speed of the change, the broad range of College activities affected, the implications for College staff, procedures and systems along with recommended actions to ensure compliance in all areas. The Committee further noted correspondence dated 22 August 2001 from the Higher Education Authority enclosing the Revenue information leaflet dealing with the VAT treatment of research services applicable to the University sector from 1 September 2001. Furthermore, the Committee had been circulated with a draft memorandum from BDO Simpson Xavier dated 16 November 2001 outlining the implications of the guidelines for both research and non-educational University activities.

Arising from a detailed discussion and clarifications arising from the presentation on VAT issues made by the Treasurer, and the consequences either arising or likely to arise, the Committee recommends the permanent appointment of a VAT expert on the Administrative Grade I Scale (to be approved by Staff Appointments Committee) at the earliest possible date in order to progress VAT in all the areas outlined including the potential recoupment of VAT on indirect College costs associated with VATable research and other activities.

2002/35 Science Foundation of Ireland

The Research Accounting Manager and Ms M Tracey attended for this item

The Committee had been circulated with documentation dated 21.11.2001 outlining the current status and issues associated with the 7 SFI contracts with a total value of IR£32.925m and related refurbishment costs amounting to IR£2.6m and overhead (after refurbishment contribution of IR£1.032m) of IR£1.08m over a five year period to be split on a 50:50 basis between the Departments and College. The Committee had also been circulated with a copy of the SFI contract and noted the particularly extensive requirements in relation to financial administration and their comparison to best practice. The Committee considered in detail the issues raised and in light of the significant volume increases and SFI reporting and other matters arising therefrom agreed to the appointment following approval by the Staff Appointments Committee of one (in the first instance) SFI College administrator who would liaise with PIs and SFI in order to ensure all requirements for financial administration, funding and reporting to be carried out in accordance with the contract. It is recommended that the appointment be for a period of 5 years in the first instance and linked to SFI funding thereafter.

2002/36 Fraud Policy

(Minute 2002/25 of 7.11.2001 refers)

The Committee recommended to Board approval of the draft Fraud Policy dated 21.11.2001 as presented.

2002/37 Annual Reports of Sub Committees of the Finance Committee for the year 30 September 2001

The Committee approved the annual reports, which had been circulated, of each of the following:

- a) Investment Committee
- b) Catering Management Committee
- c) Business and Industry Committee
- d) Financial Assistance Committee
- e) Conferences Committee
- f) Capitation Committee (Incl. Trinity Week Events)

The schedule of meetings of the Finance Committee have been arranged for:

- Monday 17 December 2001 at 2.30 p.m.
- Wednesday, 30 January 2002 at 2.30 p.m.
- Wednesday, 27 February 2002 at 2.30 p.m.
- Wednesday, 27 March 2002 at 2.30 p.m.
- Wednesday, 24 April 2002 at 2.30 p.m.
- Wednesday, 22 May 2002 at 2.30 p.m.
- Wednesday, 26 June 2002 at 2.30 p.m.

to held in the Provost's Library.

PROVOST.....

DATE.....

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