

**THE UNIVERSITY OF DUBLIN
TRINITY COLLEGE**

CONFIDENTIAL

The Minutes of the Finance Committee Meeting of 22 May 2002.

PRESENT: The Provost (in the Chair), the Bursar, the Registrar, the Dean of ESS, Dr. J. Killen, Prof. J. Fitzpatrick, Dr. A. Ní Chasaide, the Treasurer (Secretary of the Finance Committee)

OBSERVERS: The Vice-Provost, Ms. A. Power, Prof. E. McCabe, Prof. M. Marsh, Dr. M. O'Moore, the Secretary

IN ATTENDANCE: Deputy Treasurer

APOLOGIES: The Senior Lecturer, the Dean of BESS, Dr. E. Drew, Ms. E. Drew

The Minutes of the Meeting of 8 May 2002 were approved and signed subject to the following:

- Minute 2002/87 A new sentence should be inserted prior to the last sentence on page 2 of the Minutes and should read "The President of the Student's Union expressed concern that the Capitation Committee submission was not addressed in detail".
- Minute 2002/87 Extend the note on page 3 in relation to the Research Committee allocation for HPC basic service to read "This represents the final allocation in respect of this service".

2002/91 Estimates of Recurrent Income and Expenditure – 2002
(Minutes 2002/24, 2002/83 and 2002/87 of 7.11.2001, 24.4.2002 and 8.5.2002 refer)

- XX The Treasurer indicated to the Committee that the Estimates, as recommended by the Finance Committee at its meeting of 8.05.2002, had been accepted by the Board with the exception of the proposal that Capitation Committee should report to the Student Services Committee. This recommendation was referred by the Board to the Student Services Committee for consideration and subsequent discussion at Finance Committee. The Committee noted that in this context the allocation of €100,000 to the Student Services Committee would be referred back to the Executive Officers Group for allocation between the Capitation Committee and the Student Services Committee.

The Committee briefly discussed the process by which allocations were made as part of the 2002 Estimates. The Provost outlined the significant changes and benefits which had been brought about by the current year's process but indicated that minor changes may be required as the process evolves in future years.

2002/92 Estimates of Recurrent Income and Expenditure for 2002 – HEA Budget Meeting

- XX The annual budget meeting with the HEA had been held on 22.05.2002. The College was represented by the Provost, Vice-Provost, Bursar, Senior Lecturer, Secretary and Treasurer (with the Deputy Treasurer in attendance). The

Treasurer briefed the Committee on the issues addressed and considered with the HEA representatives. These included:

- College opening statement:
The Provost indicated to the HEA that there were three issues which he wished to raise which would provide a context for the discussions:
 1. Strategic Plan -
The College is currently undertaking a strategic planning exercise and it was clear that funding levels were a critical element for the future.
 2. Infrastructure -
In the context of the current inadequate infrastructure to support existing levels of teaching and research there is clear need for further development and enhancement of facilities.
 3. Quality Issues -
As the College approaches the end of its five-year cycle of quality reviews and benchmarking, cognisance needs to be given to the issues arising from the reviews and their implications in a funding and non-funding sense.

- Outturn for 2001
The HEA acknowledged the unqualified audit opinion and the submission by the College of the annual verifications required under the HEA/CHIU report on "The Financial Governance of Irish Universities".

The HEA reviewed with the College, in some detail matters including non-pay allocations, expenditure from recurrent grants for capital purposes, non-EU fee income, and miscellaneous income and pension supplementation levels.

- Estimates 2002
Issues raised by the HEA for clarification included pay:non-pay ratios, pension supplementation and expenditure included in the estimates for capital purposes. TCD raised with the HEA the late notification of grant and the implications for the Accounting Officer, the College and the Board, clarity and transparency associated with the sectoral grant allocation process, the treatment of Unit Cost data and its relationship with current levels of miscellaneous income and issues arising from the current funding arrangements for ICT/Skills initiatives. The HEA indicated they had not yet received grant notification letter from the Department of Education and Science and accordingly grant allocations were provisional. In relation to the sectoral grant allocation process the HEA have indicated that they would be willing to meet Trinity College representatives in this regard.

- Capital
The College indicated its concern regarding PRTL I – Cycle I and II inflation and the College's preference that this be an allowable submission under PRTL I – Cycle IV. The HEA acknowledged that donor funding may be available for 50% of PRTL I Cycle I and II inflation costs.

The College expressed its concern regarding the level of recurrent costs of new buildings currently being commissioned and the implications for future activity within the context of recurrent grant levels. The College welcomed the continuation of the backlog maintenance grant but expressed some concern regarding the lack of small capital projects provision under the Capital Budget heading with the consequent implication that such projects were on occasion met from recurrent grant.

- Ten-Year Trends

The College outlined for the HEA ten-year trends in student numbers, fee inflation and HEA grant indicating the consequences which such trends have and would in future have for quality and levels of activity to be undertaken. The HEA indicated to the College that a submission in relation to the quality issues had been made to the Department of Education and Science.

- Targeted Initiatives
As had previously been outlined by the College in June 2001 there was a need for the recurrent grant to be increased to accommodate core activities which are currently funded under the Targeted Initiatives Scheme. The HEA representatives outlined the Authority's position and the fact that this matter would be reviewed in the near future. Space issues particularly in the context of targeted initiatives were also discussed.

- Miscellaneous Matters
The College and the HEA acknowledged the ongoing work being carried out in relation to Financial Reporting Harmonisation across the sector and the requirement for the allied issue of Financial Reporting Standard 17 on Pensions to be addressed.

Both the College and the HEA welcomed the format of the current year's meeting.

2002/93 Quarterly Accounts to 31.03.2002

Capital Projects Funded by HEA Capital Grants:

The Committee noted the delays in reimbursement from the HEA of expenditure being encountered on the Library and NASR PRTL I projects and the consequent impact on interest earnings.

Capital Projects Not Funded by HEA Capital Grants:

The Committee noted the significant amounts due to be received in respect of the Trinity Centre St. James's Hospital from sources which include non-EU fees, Durkan funds and donor funds.

Faculty and Departmental Budgets:

The Committee heard a report from the Deputy Treasurer indicating that:

- Recurrent equipment allocations remained outstanding for Arts (Humanities), Arts (Letters), BESS, Health Sciences and Science.
- Self Financing fee transfers had been included
- Non-EU fee transfers would be completed in the next quarter
- Telephone charges remained outstanding since 30.06.2001. The Committee requested that this matter be brought up to date as soon as possible.
- Delays have been incurred in Buildings Office charges.

The Committee noted that the Deputy Treasurer had followed up and sought responses where necessary from Departments.

Administrative and other Non-Pay Budgets:

Service Departments:

Library
Information System Services
Bio Resources Unit
Audio Visual and Media Services
Centre for Microscopy and Analysis
Buildings Office
Student Health Service
Counselling Service

Subsidiary Activities

- Residential Rooms – College
- Residential Rooms – Trinity Hall
- Catering
- Library Shop
- Copying Service
- Diagnostic Services
- College Day Nursery
- Innovation Services
- Enterprise Centre, Pearse St.
- Department of Sport
- High Performance Computing

New Research Accounts

Research Account Balances

Research Accounts – Overdrawn Balances:

The Committee reviewed in detail the unfunded excess expenditure balances on the large group of research accounts and requested the Treasurer to seek a written plan from the principle investigator of how current underfunding would be met along with assurances on the position in relation to various other accounts.

2002/94 Student Fees 2002/2003

XX The Committee received a memorandum dated 13.05.2002 from Ms. M. Matthews setting out the proposed fee levels for 2002/2003. The Treasurer indicated that the schedules had been prepared on the basis of a 6% increase in tuition fees for EU undergraduate degree and diploma students along with miscellaneous fees and student charge. The Committee noted a list of self-financing courses for which fees had not been increased by the standard fee increase at the request of the Heads of Department. The Committee further approved a 6% increase in cista communis contribution for application to self-financing courses and noted that the fee increase proposal is conditional on agreement of the increase on consultation with the HEA and Department of Education and Science. The Committee noted the very significant administrative burden involved in the collection of the stand-alone student levy of €3.81 and agreed that the College would for the current year collect this levy on behalf of the Students' Union but invited the Students' Union to bring forward alternative proposals for the collection of the levy in future years. It was noted that fees in relation to the new nursing undergraduate programme remained to be determined at a sectoral level and would in due course be included in the College Calendar.

2002/95 Pension Fund

The Committee noted the Trustee Report to members for the year to 30.09.2001. The Committee further heard a report on the actuarial valuation and its results as at 30.09.2001.

2002/96 Fraunhofer Institute

The Committee considered a memorandum dated 11.04.2002 from Dr. E. O'Neill, Secretary of the Business and Industry Committee requesting consideration by the Finance Committee of a proposal to establish the Fraunhofer Centre in association with TCD. Following detailed discussion the Finance Committee deferred making a decision until a future meeting and requested that the Dean of Research (as Chairperson of the Business and Industry Committee and the Research Committee) meet the proposer to address and bring forward full

proposals for dealing with the issues outlined in the memorandum to the Finance Committee which included:

- Balancing the College and Institute commitments of the PI
- Obtaining within the resources of the Institute and retaining from the outset experienced business world CEO and CFO skills to be responsible for all governance and financial matters without involvement of the PI.
- Plans to ensure that the Institute would organise collection of funds from sources in complete collaboration and harmony with all the College's fund raising activities.
- Ensuring that the establishment of the Institute would not compete with normal research activities of the PI's department.

Furthermore the Finance Committee requested a fully updated business plan.

2002/97 Associated Colleges

The Finance Committee noted and approved a memorandum from the Registrar dated 14.05.2002 extending current research degree fee remission arrangements for College staff to College of Education staff on an equivalent basis to College staff.

2002/98 Faculty Pay Budget Allocations 2002/2003

The Finance Committee noted and approved a memorandum from the Deputy Treasurer dated 15.05.2002, setting out the basis on which Faculty Pay Budget Allocations for 2002/2003 had been calculated. These allocations would be notified to The Deans Committee as soon as possible.

2002/99 Non-Pay Budget Allocations – 2002/2003

The Finance Committee received a memorandum from the Deputy Treasurer dated 15.05.2002, requesting that a minimum guaranteed level of non-pay baseline for all academic and non-academic areas should be determined as soon as possible in order to provide all areas of College with the ability to plan their expenditure for the coming year. The Committee agreed that the minimum guaranteed non-pay budget levels for 2002/2003 would be set at the baseline levels approved for 2001/2002.

2002/100 Recurrent Equipment Allocation 2002/2003

The Committee considered and approved a memorandum from the Deputy Treasurer dated 15.05.2002 requesting that the minimum guaranteed level of recurrent equipment baseline for 2002/2003 for all academic areas should be set at baselines levels for approved for 2001/2002 in order that expenditure can be undertaken on a planned basis.

PROVOST.....

DATE.....

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