

**THE UNIVERSITY OF DUBLIN
TRINITY COLLEGE**

The Minutes of the Finance Committee Meeting of 22 February 2006

PRESENT: The Provost (in the Chair), the Bursar, the Registrar, Professor J. Parnell, Mr H. Kearns, President Students Union, the Senior Lecturer, the Treasurer (Secretary of the Finance Committee)

IN
ATTENDANCE: The Deputy Treasurer

APOLOGIES The Dean of Arts & Humanities, the Secretary

The Minutes of the Meeting of 8 February 2006 were approved and signed.

Section A

None

Section B

FN/05-06/63 **Research and Related Accounts for Professor W. Blau**
(Finance Committee Minute FN/05-06/51 of 08.02.06 refers)

Since the last meeting of the Finance Committee the Provost and Treasurer had met with the HEA to update them in relation to Professor Blau's PRTL account outcomes. At this meeting the HEA was briefed on the scientific inputs/outputs, the financial position and the actions which have been taken by the Schools involved and the College. The issue of future reporting and related audit issues was also considered as was the critical role of Information Systems in supporting the changed levels of teaching and research activity in today's environment. The HEA noted that the research funders Mazars' report is expected to be cognisant of such issues.

The Committee requested an update from the College Secretary in relation to the proposed large summer conference and the outcome of certain proposed actions on this group of accounts.

Action:

- 63.1 The College Secretary to brief the Finance Committee at its next meeting on
- (i) the current status of the 2006 conference
 - (ii) outcome of proposed actions on this group of accounts.

FN/05-06/64 Recurrent Income and Expenditure Estimates - 2006

The Committee considered a memorandum and attachments as circulated from the Deputy Treasurer dated 15.02.2006 which included

- HEA correspondence dated 2 February 2006 indicating a *provisional* grant allocation for 2006
- the basis of the preparation of the 2006 Estimates approved by Executive Officers in November 2005
- estimates of Recurrent Income and Expenditure with explanatory notes for 2006
- a schedule of Income and Expenditure for the 15 months to 31 December 2006
- high level Estimates of Income and Expenditure for 2007
- draft letters from the Provost on behalf of the College to the HEA arising from Section 37 (5) of the Universities Act (1997) and Framework for Borrowing and Loan Guarantees.

The Committee was invited to consider the Recurrent Estimates of Income and Expenditure in the context of its role in the estimates process as set out in the terms of reference (also circulated) approved by the Board.

The Treasurer highlighted the estimates related policy issues, funding related matters and in particular notification of a *provisional* grant for 2006, the impact of the application of the new recurrent funding mechanism already considered by both the Finance Committee and the Board, estimates treatment of the Fixed Term Workers Act liabilities and the notified lack of any funding to address retrospective, current or future liabilities in this regard.

In relation to the calendar year Estimates the Committee noted the planned deficit of €7.5m of which the liabilities in relation to the Fixed Term Workers Act amount to an estimated €7.0m. The Committee noted the difficulty which the College faces in relation to financial planning in the context of annual notification of recurrent grant while new competitive funding streams such as the Strategic Innovation Fund (SIF) provide for a five year planning timeframe. The Committee expressed concern in relation to the significant underlying deficit and core activity and the difficulties which this poses for the introduction of incremental new initiatives. The Committee discussed potential ARAM outcomes which might arise from the estimates as presented. The Treasurer and Deputy Treasurer responded to a wide variety of queries on the estimates and estimated related matters.

Following consideration of the estimates related policies previously considered and reconfirmed by the Executive Officers and the issues/risks associated with the income and expenditure estimates as presented, the Committee:

- confirmed the policy basis on which the estimates had been prepared
- noted and accepted the analysis of the issues/risks associated with the outcomes of the estimates decisions. The Committee however expressed its very strong concern in relation to the potential obligations arising from core and research activity under the Fixed Term Workers Act for which no funding has been provided by either the HEA or research sponsors and the extent of the underlying deficit estimated at €7m arising therefrom

- recommends to the Board draft correspondence dated 1 March 2006 from the Provost, as Accounting Officer, to the HEA, as required under Section 37 (5) of the Universities Act (1997) arising from the deficit being planned by the College
- approved draft letter to the HEA as required under the Framework for Borrowing and Loan Guarantees in relation to 2004/05
- approved the 2006 Estimates and the associated detailed notes (with the addition of one further explanatory note) for immediate circulation to the Board for its meeting of 1 March following which the Estimates would be submitted to the HEA in the usual format.

The Provost and Treasurer respectively extended their appreciation to the team in the Treasurer's Office for the comprehensive and detailed set of information made available to the meeting.

Action:

64.1 2006 Estimates of Recurrent Income and Expenditure to be forwarded immediately to Board for its meeting of 1 March along with the proposed draft Section 37 letter in relation to the planned deficit as agreed by the Committee along with annual correspondence required in relation to the Framework for Borrowing and Loan Guarantees for 2005/05.

FN/05-06/65 Catering Management Committee

The Committee had been circulated with the draft minutes of the Catering Management Committee meeting of 7.02.2006. The Committee noted that the Committee had received a presentation in relation to the outcomes of the external review of the College Catering Service. The Committee was advised that arising from this presentation the Director of Accommodation and Catering would be formulating the recommendations and associated plans for consideration at the May Finance Committee meeting.

The next meeting of the Finance Committee has been arranged for 22 March 2006 at **2.00 pm**, in the Board Room.

PROVOST.....

DATE.....

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