

**THE UNIVERSITY OF DUBLIN  
TRINITY COLLEGE**

The Minutes of the Finance Committee Meeting of 27<sup>th</sup> June 2007

PRESENT: The Provost, the Bursar, Professor J. Parnell, Mr H. Kearns, Professor T. Brown, the Senior Lecturer\*, the Secretary\*\*, the Treasurer (Secretary of the Finance Committee)

IN  
ATTENDANCE: Deputy Treasurer

APOLOGIES The Registrar, Mr D. Quinn

(PRESENT \* Minute FC/06-07/85 to FC/06-07/86  
FOR) \*\* Minutes FC/06-07/85 to FC/06-07/89 and FC/06-07/91, 93, 95 and 100

The Minutes of the Meeting of 30 May 2007 were approved and signed.

**Section A**

**Section B**

**FN/06 – 07/85**

**Statutes Revision**

Dr. E. O'Dell and Mr D. MacSithigh attended for this item

In the context of the current ongoing review and consultation process associated with the proposed revision of the Consolidated Statutes Mr O'Dell and Mr MacSithigh attended the Finance Committee to outline (a) the Working Party membership charged with review, (b) the requirement for Statutes and the context in which they must operate, (c) the current statutory references to the Finance Committee, Annual Officers and the relationship between the Finance Committee and Faculties and (d) the working methods being adopted by the group carrying out the review. Dr O'Dell tabled extracts from the Statutes as currently drafted to enable consideration by the Committee of its inputs to the Statutes Review Process. The Committee noted the unique position of the Finance Committee in terms of its specific mention in the Statutes and the implications of this in the context of the upcoming review of committees due to commence in Michaelmas term. Following some detailed discussion the Committee noted the following as important issues for consideration at a future discussion of potential inputs to the statutory review process:

- Consideration should be given to including within the Statutes an enabling general statement in relation to Board/Principal Committees with more specific and enabling provisions associated with individual committees being included in the schedules to the Statutes on the basis that reconfiguration of committees by the Board where appropriate would then be possible in an evolving and fast changing environment.
- The HEA Code of Governance will set best practice in relation to all statutory matters including finance. Such best practice should be supplemented by best practice elsewhere in relation to financial matters.
- It should be noted that finance may need to be considered in a holistic way in the context of its integration with strategic planning, resource allocation, control, monitoring, compliance etc.
- The need to reduce the overlap between the Finance Committee and other

committees where various elements of financially related matters are considered which include Strategic Planning, ARAM, Resource Management, Executive Officers and Personnel and Appointments Committee.

- Issues arising from the self-evaluation of the Finance Committee will provide detailed input into the proposed review of the Committee and other committees to be carried out in Michaelmas term 2007.

The Committee noted the Treasurer's comment that the current Statute which had been drafted in 1926 represented a "cutting edge" approach to financial governance at that time and expressed the desire that any proposed new statute would be equally cutting edge in today's environment through the acknowledgement of and outlining of the important holistic effect/impact of finance for an organisation with a 2007/2008 budget of c.€300m operating in an increasingly complex environment.

The Provost, on behalf of the Committee, thanked Dr O'Dell and Mr MacSithigh for the briefing and being present for the discussion in relation to the approach to the new statutory arrangements.

#### **FN/06 – 07/86**

#### **Non-EU student increase plan - International Student Affairs Office Budget**

The Director of International Student Affairs – Mr J. McPartland attended for this item.

A memorandum dated 25 April 2007 from the Director of International Student Affairs, which had already been considered and approved by Executive Officers, had been circulated to the Committee. The Director of International Student Affairs outlined the context for this initiative as being part of the Strategic Plan and briefed the Committee on the very competitive environment in which the College would have to engage in order to increase its non-EU student registrations. It was acknowledged that the marketplace was very discerning in relation to quality and price and noted that quality was the key driver of choice. The Committee noted the advices that the Trinity College brand is strong, that it needed to be defended and expanded not just in existing markets but also in new markets. The current proposals represented a first step towards a more efficient and more effective recruitment of increased numbers of quality students and noted that the experience of existing students are the best marketing tool in relation to future recruitments of increased numbers at TCD. It was noted that increased numbers of non-EU students enabled a double contribution in terms of not just financial return but also diversity in the student body/College community. The Committee noted the necessity to agree targets for the Schools in the relevant areas and to monitor those targets over time.

The Committee discussed the necessity to ensure the appropriate support and student services were in place to provide a quality TCD experience for non-EU students and in this context the Committee requested that the supports and services required be defined by the Director of International Student Affairs. The Finance Committee would then give consideration to how best the student experience elements of the internationalisation plan might be planned, managed on an ongoing basis and resources/issues dealt with in order to ensure a holistic approach to internationalisation covering all areas from recruitment to services provided for non-EU students.

The Finance Committee endorsed the Executive Officer decision to invest €468,000 per annum in the International Student Affairs Office. The Finance Committee requested that:

- The Director of International Student Affairs engage with heads of school in relation to setting targets equal to those outlined for the College for the projected increase in international student numbers in the relevant market areas.
- The Director of International Student Affairs revert to the Finance Committee with a memorandum setting out the service and support areas/issues which need to be considered as part of addressing support needs of increasing numbers of international students in order to ensure a quality TCD experience.

- The Finance Committee having received advice from the Director of International Affairs identify how and by whom the support and service element of the internationalisation plan will be planned, managed and resourced into the future. This should be done in Michaelmas term 2007.

The Finance Committee noted that this new allocation represents an additional cost to administration and will have ARAM consequences.

Actions:

86.1 The Director of International Student Affairs will report to the Finance Committee annually in relation to achievement of actual recruitment against total targets for the College (as outlined in the proposal) and the associated targets for individual Schools associated therewith. The Finance Committee will require ongoing updates on the investment made and/or supplements required to enable successful implementation of the plan in the medium term.

**FN/06 – 07/87 Institutes – Financial Management Guidelines**  
(Minute FN/06-07/59 of 11.04.2007 refers)

The Committee noted and approved, subject to minor amendments, high level guidelines for the financial management of Institutes. It was agreed that the Treasurer should send these guidelines to Directors of Institutes formally approved by the Research Committee.

Actions:

87.1 Treasurer to send guidelines to Research Institutes approved by the Research Committee.

**FN/06 – 07/88 Research - TCIN**  
(Minute FN/06-07/59 of 11.04.2007 refers)

The Finance Committee had been circulated with a memorandum dated 18 June 2007 from the Interim Accountant of the Trinity College Institute of Neurosciences (TCIN). The Committee noted the TCIN Board responded to individual elements of Minute FN/06-07/59 of the Finance Committee and concurred with items 1 – 5, 8 and 9. The TCIN Board expressed concern however in relation to sustainability of the Institute in the context of inadequate funding arrangements currently in place and in particular the resolution of ARAM credits between the participating Schools and the Institute. The Committee also considered in detail preliminary budgets for the period July 2007 to December 2009 and expressed its concern regarding the excess of expenditure over income before any consideration of ARAM credits. Arising from consideration of all of these issues and while noting the number of the research income sources that remained to be confirmed the Committee requested the Director of the Institute be invited to attend the Finance Committee during Michaelmas Term to provide more refined budgetary estimates for 07-09 on the basis of updated information, consideration of the charging of MRI use as direct costs to research grants and projects and full consideration of the outcome of ARAM discussions due to commence week of 2 July 2007.

The Committee also considered job descriptions of the Director and Executive Director of the Institute and decided that the overall responsibility for the financial affairs of the Institute would be that of the Director and not the Executive Director as set out in the documentation. The Committee based its decision in this regard on the fact that the Director as the most senior person would have responsibility while also having the ability to delegate operational and reporting arrangements associated with financial issues to the Executive Director. The Treasurer was asked to liaise with the Director of the Institute in this regard.

Actions:

- 88.1 The Director of TCIN prepare refined estimates on the budgetary position from 2007 to 2009 on the basis of updated information and following consideration of direct charging issues associated with the MRI scanner and further progress on the ARAM discussions to commence on 2 July 2007. The Director of TCIN to submit to and attend Finance Committee in Michaelmas Term on all these issues.
- 88.2 The Treasurer to brief the Director of TCIN in relation to the job description of the Director and the Executive Director in relation to financial management responsibilities.

**FN/06 – 07/89 Research**

- (a) Research Account reports requested by Finance Committee  
(Minute FN/6 – 07/63 of 11.04.2007 refers)

The Committee considered reports in relation to two groups of research accounts and noted the extent to which issues had been clarified as a result of obtaining the relevant reports. It was noted that discussions would be required with the Trinity Foundation in relation to one aspect of the reports and it was agreed that the Deputy Treasurer would pursue this matter. It was agreed that both sets of research accounts would be reviewed on an ongoing basis as part of the quarterly accounts.

- (b) Contract Management/Review Transition  
(Minute FN/06-07/42 (Action 42.2) of 7.02.2007 refers)

At its meeting of 7 February 2007 the Committee requested that the Director of Research and Innovations would provide a report in relation to the transition contract review/management which should be brought forward to the Finance Committee in June 2007. The Committee noted that the Director of Research and Innovation Services had tendered his resignation and a written report was not currently available. However, the Committee heard that the transition had progressed and that during the coming months the Treasurer's Office would be seconding a staff member to the Research and Innovation Office pending the putting in place of firm arrangements for contract review and management into the future.

- (c) SFI Claims

The Treasurer briefed the Committee that she had received on 25 June 2007, final information in relation to salary augmentation on SFI Cycle 1 and Cycle 2 contracts which was required in order to complete SFI claims requested in February 2007. The Treasurer informed the Committee that the claims would now be progressed and submitted to SFI.

Action:

- 89.1 Research/Trinity Foundation issue to be clarified by Deputy Treasurer.
- 89.2 Two groups of accounts to be reviewed in detail as part of the quarterly accounts

**FN/06 – 07/90 Finance Committee – Self Evaluation**

(Minute FN/06-07/72 of 9.05.2007 refers)

According to its terms of reference, the Finance Committee agreed on 9 May 2007 to undertake an evaluation of its performance. The evaluation was carried out by way of a questionnaire which was circulated to all committee members by the Treasurer on 17 May. In order to facilitate the confidentiality of responses and independence of analysis it was agreed that the Assistant Secretary would receive and analyse the completed questionnaires. The Committee had been circulated with a memorandum with various attachments dated 19.06.2007 from the Assistant Secretary outlining the findings from the survey.

Following some discussion the Committee agreed that the overall evaluation of the Finance Committee was good and it is considered to be a committee that works well and professionally within the limitations to its functions, particularly as so much is decided elsewhere in relation to financial matters. The Committee's difficulties arising from the establishment, in recent years of other committees, taskforces and groups which address in part the functions normally associated with the Finance Committee were noted. It was noted that the Finance Committee seems to have responsibility and accountability but no authority or real input into financial planning. A view arising from self-evaluation was that the Finance Committee should be responsible for all financial matters in College and that without holistic consideration of financial/resource issues at one College committee there was a lack of clarity on:

- Linking financial investment to prioritised objectives.
- The lines of authority, responsibility and accountability of various committees and individuals.

The outcome clearly underpinned the need for a full revamp of the finance/resource committee structures with appropriate streamlining of functions and membership. As part of its considerations the Finance Committee noted that it was possible, even with its unique statutory position, to add additional elements to the remit of the Finance Committee and that the possibility existed of bringing to the Committee external financial expertise through the statutory membership provision for two co-opted members. The Committee agreed that the memorandum of the analysis of the self-evaluation of the Finance Committee prepared by the Assistant Secretary to the College should be forwarded to the group considering the restructuring of the committees which is planned for Michaelmas term 2007.

The Provost, on behalf of the Committee, expressed his appreciation to the Assistant Secretary for providing a very helpful and clear analysis of the outcomes of the self-evaluation process for the Finance Committee.

Action:

- 90.1 The Treasurer to forward the memorandum to a group to be identified to carry out the review of committees in Michaelmas term 2007.

**FN/06 – 07/91      PhD Research student fees and ARAM**

A memorandum from the Dean of Graduate Studies dated 7 June 2007 had been circulated to the Committee outlining proposed amendments to the structure of PhD research student fees. It was proposed, and the Committee agreed the arrangements would be:

- The part-time fee would be set at two-thirds the full-time fee.
- The ARAM credits would be set at two thirds of the full-time ARAM credits.
- The minimum number of years on the register would be three (whereas the minimum for a full-time PhD student is two).
- The full fee is paid for five years (whereas for full-time PhD students it is three) after which a continuation fee would be paid. The continuation fee would be set at two-thirds of the full-time continuation fee.
- ARAM credits will operate in full for six years (whereas for full-time PhD

students it is four years).

The Committee also noted the academic regulations that would apply in this regard. The Finance Committee endorsed the proposals as agreed and noted that it would bring the College into agreement with the Irish Universities Quality Board (IUQB) guidelines in respect of part-time PhD fees.

**FN/06 – 07/92 Treasurer’s Office Review**  
(Minute FN/06-07/76 of 30.05.2007 refers)

As part of a supplementary circulation the Committee had received the Athrú Consultancy Limited report on “Review of the Finance Function of the University of Dublin, Trinity College”. The Committee accepted the report as circulated and noted that the final written report addressed all elements of the terms of reference. In particular the Committee noted the themes and recommendations and accepted that in October 2007 it would consider how recommendations set out might best be progressed in order to address the concerns, risks and how best practice issues might be addressed.

Action:

92.1 The Finance Committee of 3 October 2007 to consider detailed actions to be taken on foot of the recommendations in the Athrú Consultancy Limited report on the review of the TCD Finance Function.

**FN/06 – 07/93 Diploma in Dental Nursing-Validation Fees**

Correspondence from Professor Noel Claffey dated 19 June 2007 had been circulated to and was considered by the Committee. The Committee noted that it was proposed that the validation fees in respect of the Diploma in Dental Nursing (National Dental Nurse Training Programme of Ireland) would be set at €200 per student and that it was expected that approximately 70 students would enrol annually. The Committee accepted the proposals as set out.

### Section C

**FN/06- 07/94 Haughton Institute**

The Committee noted the Financial Statements and unqualified audit opinion for the year-ended 31 December 2006 as circulated.

**FN/06- 07/95 Minutes of Sub-Committees**

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(i) Catering Management Committee

The Committee noted the minutes of the meeting of 12.06.2007 as circulated and as requested approved the 5% increase as recommended.

(ii) Residences Management Committee

(a) The minutes of the meeting of 7.06.2007 as circulated were noted by the Committee.

(b) The Committee had been circulated with Minute 8 of the Residences Management Committee of 19.02.2007 and the related memorandum from the Accommodation Officer dated 12.02.2007. As requested, the Committee re-endorsed their approval of the proposals on credit control policies.

**FN/06- 07/96      Review of the Management Procedures for Research – Report**

As set out in the circulated memorandum from the Deputy Treasurer dated 19.06.2007, the Committee noted the background and outcome of the Review of the Financial Management Procedures that had been conducted by Mazars in 2006 on behalf of the Standing Committee of Research Funding Bodies. The Committee welcomed the auditors' findings that no significant concerns were reported with regard to the management procedures for research activity of two Principal Investigators in College.

**FN/06- 07/97      House Purchase Loan**

The Committee approved the House Loan request as circulated.

**FN/06- 07/98      Finance Committee Meeting Schedule: 2007/2008**

The Committee noted the schedule of meetings for 2007/08 which have been coordinated with future Board meetings as set out in the circulated memorandum from the Treasurer dated 19.05.2007.

**FN/06- 07/99      Sub-Committee – Investment Committee**

The Committee noted the resignation from the Investment Committee after 3 years membership of Professor C. Kearney. The Committee expressed its thanks to Professor Kearney for his contribution to the Committee.

The Provost proposed and the Committee endorsed the nomination of Professor P. Honohan as a new member of the Committee.

**FN/06- 07/100      Non EU Undergraduate Medical and Dental Fees for 2008/09**

\*\* The Committee approved a proposal from the Irish Universities Medical Consortium that the undergraduate medical and dental fee for non-EU students for 2008/09 should be €29,000. The Committee noted that this represented a 7.4% increase on the 2007/08 fee.

The Provost brought to the attention of the Committee the forthcoming retirement of Mr H. Kearns, Board member of the Committee. On behalf of the Committee the Provost expressed his appreciation to Mr Kearns for his valuable contribution to the Committee and wished him well in his retirement.

Thanks were also expressed to Professor Brown and Mr Quinn for their respective contributions.

The next meeting of the Finance Committee has been arranged for 3<sup>rd</sup> October 2007 at **2.00 pm**, in the Board Room.

PROVOST.....

DATE.....

/fcmin 27 06 2007