

**THE UNIVERSITY OF DUBLIN
TRINITY COLLEGE**

The Minutes of the Finance Committee Meeting of 5 March 2008

PRESENT: The Senior Lecturer (in the Chair), Professor M. Marsh, Ms. P. Murphy, the Registrar, the Secretary, Mr. A. Byrne, the Treasurer (Acting) - Secretary of the Finance Committee

IN
ATTENDANCE: Research Accounting Manager

APOLOGIES The Provost, the Bursar, Professor J. Parnell

The Minutes of the Meeting of 18 February 2008 were approved and signed.

The Committee were briefed on the status of Action Points from the meeting of 18.02.2008.

Section A

FN/07 – 08/47 Revised Committee Structures

The Committee had been circulated with

- (i) A memorandum from the Senior Lecturer dated 26.02.2008 and accompanying draft report and recommendations of the Restructuring Implementation Oversight Group (RIOG) on Revised Committee Structures;
- (ii) A draft terms of reference for a Finance Committee (encompassing Strategic Planning and Resource Management);
- (iii) Minute 90 of Finance Committee meeting of 27.06.2007.

The Senior Lecturer briefed the Committee on the memorandum and the key principles that guided the Working Group on Revised Committee Structures, the existing committees and sub-committees and the proposed recommendations. The RIOG has now requested that the eight Principal Committees of Board (including the Finance Committee) review their remit and the remits and functions of the sub-committees/associated committees/working groups and make recommendations to the RIOG on a future structure and terms of reference by 25.04.2008.

To assist in formulating a response to the RIOG, the Committee reviewed in detail the draft terms of reference for a Finance Committee (encompassing Strategic Planning and Resource Management) that set out the overall objective of having ultimate responsibility for all matters relating to financial affairs and responsibility in the areas of strategic planning, resource management, financial planning, modelling, monitoring and reporting.

The Committee also considered Minute 90 of the Finance Committee meeting of 27.06.2007 (Finance Committee 2007 self evaluation) that set out the view that the Finance Committee should have responsibility for all financial matters in College and the need for a full revamp of finance/resource committee structures with appropriate streamlining of functions and membership.

The usefulness of the tabled diagram that highlighted the various current committee inter-relationships and overlapping memberships was acknowledged. The Committee requested that the RIOG consider the impact on workload and existing resource allocation across support areas when finalising their proposal on Revised Committee Structures.

The Treasurer (Acting) was requested to redraft the terms of reference for a Finance Committee (encompassing Strategic Planning and Resource Management) taking account of the initial suggested amendments put forward and the practical aspects of interactions with its sub-committees. The redrafted terms of reference should be circulated to the Committee for further consideration and subsequent approval at a future meeting in order to facilitate a response to the RIOG by the due date.

Action:

- 47.1 The Treasurer (Acting) to redraft the draft terms of reference for the Finance Committee taking account of the initial suggested amendments put forward and the practical aspects of interactions with its sub-committees, for circulating to the Committee for further consideration and subsequent approval.
- 47.2 The RIOG be requested to consider the impact on workload and existing resource allocation across support areas when finalising their proposal on Revised Committee Structures.

Section B

FN/07 – 08/48

Science Gallery (Minute FN/07-08/02 of 11.10.2007 refers)

The Director of the Science Gallery attended for this item

The Committee was circulated with a memorandum and various appendices from the Director of the Science Gallery dated 27.02.2008 providing an update on the financial status of the Gallery. The Committee congratulated the Director on the recent successful launch of the Gallery and welcomed the significant progress in fundraising achieved in the last 6 months. The Committee noted that the total estimated final cost of €1.474M for the fit-out of the Gallery was well within the approved cost budget of €1.554M however the final cost over the funding available of €1.454M will now require c.€20,000 of additional funding to be secured by the Gallery instead of the €100,000 originally estimated. In addition, the Committee agreed that the first call on future funding raised by the Science Gallery would be the Gallery's share of the €1M capital funding (yet to be sourced) for the CRANN Building/Gallery and requested CRANN and the Gallery to apportion the responsibility for sourcing the €1M funding outstanding and to report to the June meeting in this regard.

The Director briefed the Committee on the estimated operational deficit out-turn of €443,000 in 2008, which was significantly below the previously approved projected deficit due to the successful fundraising. The estimated operational deficit, if no further recurrent funding is received and the Gallery operates at full capacity, of €1.2M in 2009 was also reviewed. While noting that additional Government and corporate support is being actively pursued with significant support from the Trinity Foundation, the Committee was seriously concerned at the level of deficit currently being projected for 2009 and requested the Science Gallery Steering Group to review the financial status of the Gallery in detail at its next meeting and consider the options available to ensure financial stability in the short and long term. The Director was requested to bring forward an updated status report on the finances of the Gallery to the June meeting.

Action:

- 48.1 CRANN and the Gallery to apportion the responsibility for sourcing the €1M capital funding outstanding on the building with the outcome to be reported to the June meeting;
- 48.2 The Science Gallery Steering Group to review the financial status of the Gallery in detail and consider the options to ensure financial stability in the short and long term;
- 48.3 The Director of the Gallery to bring forward an updated status report on the finances of the Gallery to the June meeting.

FN/07 – 08/49 Finance Committee – Self Evaluation

In the context of paragraph 6.1 of its terms of reference requiring the Committee to review its performance, the Committee was circulated with a memorandum dated 25.02.2008 from Treasurer (Acting) and an accompanying draft evaluation form. As the review of committee structures is currently in progress, the Committee held the view that the requirement to review its performance should be postponed for this year and requested the College Secretary to seek derogation from Board in this regard.

Action:

49.1 The College Secretary be requested to seek derogation from Board for the Finance Committee to postpone the annual review of its own performance in 2008 as required by its terms of reference.

Section C**FN/07 – 08/50 Quarterly Accounts to 31.12.2007**

The Committee received a memorandum dated 27.02.2008 accompanying the quarterly accounts schedules for the period to 31.12.2007 from the Financial Accountant and the Research Accounting Manager. The Committee noted the movements, balance levels and trends arising and the actions being taken under various headings.

The Committee had serious concerns in relation to the level of debit balances on a number of named research accounts. In the context of the new Faculty structures the Committee requested the relevant Faculty Deans and Principal Investigators to attend the May meeting to present a detailed report (previously circulated) in relation to the overall financial situation of their respective group of research accounts and clearly setting out detailed, auditable proposals for clearing the existing deficits.

Action:

50.1 The Treasurer (Acting) to request the relevant Faculty Deans and Principal Investigators to attend the May meeting to present a detailed report on the overall financial situation of their respective group of research accounts and clearly setting out detailed, auditable proposals for clearing the existing deficits.

FN/07 – 08/51 Capital Projects

The Committee were circulated with a memorandum dated 27.02.2008 from the Treasurer (Acting) enclosing the Capital Projects Report (Issue 10) that had previously been considered by the Site & Facilities Committee. In the context of its remit to review the financial elements of the report, the Committee noted the current position on projects recently constructed/nearing completion, the extensive financial information provided in relation to the North East corner, the current proposed new projects, the commencement of a new development control plan and the considerable work currently being undertaken by the College's Property Review Group. The continued lack of adequate funding for the upkeep of College was considered as a serious issue.

The Committee noted that the estimated capital deficit of €5.6m was mainly attributable to the outcome of the North East Corner project. The report concluded that the current level of financial deficit although significant in monetary terms was reasonable having regard to the scale and pace of the College's recent Capital development. The need to address this deficit in the short term had been notified by the Treasurer (Acting) to the Board in the context of recent Financial Statements and by the College Auditors KPMG to the Audit Committee.

Action:

51.1 The Executive Officers to consider options to clear the current capital deficit.

FN/07 – 08/52 Full Economic Costing

As circulated, the Committee received a memorandum dated 27.02.2008 from the Treasurer (Acting) introducing the project to implement Activity Costing of University Research and Teaching (ACURAT) in the College. The Committee noted the main objectives/benefits of the ACURAT system and that its design had been signed off in January 2008 by the Heads of all seven universities. In addition, the Committee approved the Provost's nomination of the Dean of Engineering, Mathematics and Science as the project sponsor and chair of the Steering Group, the membership of the Steering Group, the draft terms of reference, the reporting framework and the proposed timeframe for completion.

FN/07 – 08/53 Minutes of Sub-Committees

The Committee noted and approved the minutes of the Investment Committee meeting held on 14.02.2008 as circulated.

FN/07 – 08/54 HEA Correspondence

The Committee considered the circulated correspondence from the HEA dated 17.01.2008 requesting the College to undertake a review (coordinated through the IUA) in order to achieve a more effective and efficient use of existing resources as overall economic projections indicate that tax revenue resources will be more constrained in the future. While it is intended that the delivery of front-line services should not be jeopardised as part of the review, it was noted that they should not be exempt from examination. The Committee noted the detailed response from the IUA dated 19.02.2008 as circulated which highlighted:

- the level of radical structural and strategic changes already undertaken by Universities that had yielded many efficiency and service quality improvements (despite progressive cuts in exchequer support);
- the potential for engagement with the HEA to achieve further efficiencies;
- industrial relations dimensions;
- other overlap and duplication matters.

The College Secretary confirmed that any savings proposed under the pay heading would be discussed in advance through normal staff relations mechanisms.

FN/07 – 08/55 Risk – Research Contracts

(Minute FN/07-08/04 of 11.10.2007 refers)

As set out in the circulated correspondence from the Dean of Research dated 27.02.2008, the Committee were pleased to note that after several months of staffing issues the Contracts Section in the Research & Innovations Office are expected to be fully resourced in terms of agreed staffing levels by 1.03.2008.

The next meeting of the Finance Committee has been arranged for 9 April 2008 at 2.00 pm, in the Board Room.

PROVOST.....

DATE.....

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