



Minutes of the Finance Committee Meeting of 30 November 2011

PRESENT: Provost (in the Chair), Vice-Provost/Chief Academic Officer, Bursar, Registrar, Mr. Ryan Bartlett, Mr. Fred Cowzer, Treasurer – Secretary of the Committee,

IN

ATTENDANCE: Research Accounting Manager

APOLOGIES: Chief Operating Officer, Professor M. Marsh, Ms. Helen Keelan

The minutes of the Finance Committee meeting of 2 November 2011 were approved and signed. The status of open actions was noted with an updated action point minuted separately below (FN/11-12/29 refers).

Section A

No Items

Section B

FN/11 - 12/29 Finance Committee Self-Evaluation
(Minute FN/11-12/21 of 2.11.2011 refers)

The Provost, having confirmed that the Committee would benefit from the expertise of a further external member, requested the Treasurer to consult with the College Secretary to progress this matter.

Action:

29.1 The Treasurer to consult with the College Secretary in relation to the addition of a further external member to the Committee.

FN/11 - 12/30 Singapore Institute of Technology

Dr. Juliette Hussey, School of Physiotherapy, Dr. Clodagh Nolan & Dr. Deirdre Connolly, School of Occupational Therapy and Mr. Paul Coote, Financial Planning Manager, attended for this item.

The Committee considered the circulated memorandum and supplementary schedules from the Financial Planning Manager dated 24.11.2011 setting out the financial arrangements associated with the proposed agreement with the Singapore Institute of Technology (SIT) for the delivery of undergraduate courses in Physiotherapy and Occupational Therapy in the first instance. In the context of the College's forthcoming globalisation strategy, the Committee welcomed this exciting initiative and noted that, at its meeting on 24.11.2011, the University Council had approved the proposed arrangement in relation to Physiotherapy and that the proposal in respect of Occupational Therapy would be considered in due course.

By way of presentation, Dr. Juliette Hussey and the Financial Planning Manager briefed the Committee on the background to the agreement with SIT and the financial arrangements associated with the programme to be delivered. The Committee considered the principal elements of the financial arrangements which included:

- the start-up and recurrent costs along with the associated non-Exchequer funding streams, including a one-off payment to College to meet course start-up costs
- the minimum/maximum number of students, the fee per student over 10 years and minimum guaranteed fee income
- the allocation of income in line with the Board-approved policy for attracting non-EU students.
- additional staff resources required
- arrangements to cap the College's foreign exchange risk
- models of financial scenarios
- a detailed financial risk analysis.

Noting that no capital investment was necessary and that the College may be required to set up a legal entity in Singapore after the first three years of the agreement, the Committee, having considered the associated financial risks, supported the proposal and the financial arrangements as presented. Furthermore, the Committee, acknowledging that the allocation of resources was in line the Board policy for attracting Non-EU students, requested that additional costs incurred by each Discipline in the delivery of the agreed programmes be fully supported through existing governance structures.

The Committee, expressing its appreciation to all those involved in developing the proposed alliance with SIT and congratulating them on the innovative and strategically important agreement that had been negotiated on the College's behalf, recommended the financial elements of the proposal for consideration by Board at its meeting of 7.12.2011.

Action:

30.1 The Committee requested that additional costs incurred by each Discipline in the delivery of the agreed programmes be fully supported through existing governance structures.

30.2 The Committee recommended the financial elements of the proposed agreement with Singapore Institute of Technology for consideration by Board at its meeting of 7.12.2011.

Section C

FN/11 - 12/31 Control Exception Report

The Committee noted the bi-annual Control Exception Report for the period to November 2011 as circulated, which included issues in relation to the repetitive nature of certain control exceptions (namely use of reimbursements for items purchased by staff, approval of invoices for payment twice, non-use of preferred suppliers), use of invoices for employee-related work, non-maintenance of appropriately authorised purchase orders and issues associated with unrecorded liabilities. In accordance with normal practice, the Control Exception Report will be circulated to the Faculty Deans for Heads of School and also circulated to the Chief Operating Officer for Heads of Service and Support areas.

The Committee expressed its appreciation to the Finance Operations Manager for the clear and concise information included in the circulated documentation.

Action:

31.1 The Control Exception Report to be circulated to the Faculty Deans for Heads of School and also circulated to the Chief Operating Officer for Heads of Service and Support areas.

FN/11 - 12/32 Capital Projects
(Minute FN/10-11/83 of 14.06.2011 refers)

The Committee noted the circulated memorandum from the Treasurer dated 24.11.2011 and accompanying documentation in relation to a specific capital project and approved the proposal therein that funding required to meet the final approved project expenditure be allocated from current uncommitted capital resources. Noting that the Director of Buildings and the Treasurer were at present developing enhanced information in respect of capital projects, the Committee requested that this information form part of future quarterly reporting, commencing 31.12.2011, to facilitate greater oversight of capital expenditure throughout the lifecycle of individual capital projects against the original/revised budget.

Action:

- 32.1** Funding required to meet the final project expenditure associated with a specific project to be allocated from current uncommitted capital resources.
- 32.2** Enhanced information on capital projects, to facilitate greater oversight of capital expenditure throughout the lifecycle of individual capital projects against the original/revised budget, to form part of future quarterly reporting commencing 31.12.2011.

FN/11 - 12/33 Related Entity Financial Reporting

The Committee considered the circulated 2010 director’s report and financial statements in respect of HEAnet and agreed that they be forwarded to Board for noting.

Action:

- 33.1** The 2010 director’s report and financial statements in respect of HEAnet to be forwarded to Board for noting.

FN/11 - 12/34 Annual Reporting of Sub Committee of Finance Committee for 2010/11

The Committee noted the Investment Committee annual report for the year ended 30.09.2011 which set out the achievements in 2010/11 and the planned activity for 2011/12.

FN/11 - 12/35 Minutes of Sub Committees

In the context of the current economic environment and the related financial impact for College, the Committee noted and approved the minutes of the Investment Committee meeting of 15.11.2011.

The next meeting of the Finance Committee will take place on 14 December 2011 at 2.30pm in the Provost’s Library.

PROVOST.....

DATE.....