



Minutes of the Finance Committee Meeting of 14 December 2011

PRESENT: Provost (in the Chair), Chief Operating Officer, Bursar, Registrar, Dean of Arts, Humanities and Social Sciences, Ms. Helen Keelan (by telephone), Mr. Ryan Bartlett, Mr. Fred Cowzer, Treasurer – Secretary of the Committee.

IN

ATTENDANCE: Research Accounting Manager, Dean of Research (for Minutes FN/11-12/38-41)

APOLOGIES: Vice-Provost/Chief Academic Officer

The minutes of the Finance Committee meeting of 30 November 2011 were approved and signed.

Section A

No Items

Section B

FN/11 - 12/36 Institute of Preventative Medicine

Professor Joe Barry, Public Health and Primary Care, 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 7.12.2011 setting out the financial arrangements associated with the proposal to establish an Institute of Preventative Medicine including:

- o an estimate of the capital acquisition and fit-out costs of a property along with the associated funding sources
- o cost neutrality for recurrent activity during the first 3 years will be achieved by support from the School of Medicine, with a surplus accumulating from year 4 onwards as student numbers increase
- o the possibility of securing philanthropic funds.

Noting that it had been considered and approved by Executive Officers at its meeting on 24.11.2011 and, welcoming this initiative, the Committee approved and recommended the financial arrangements for the Institute of Preventive Medicine (including the part purchase of a property adjacent to the AMNCH) as set out in the circulated documentation for onward consideration by Board, in the context of the circulated risk analysis and the role and support of the School of Medicine.

The Committee agreed that the property acquisition and fit-out costs must remain within the approved budget and that a mechanism to automate the associated School capital repayments be put in place.

Action:

36.1 The financial arrangements for the Institute of Preventive Medicine were approved and recommended for onward consideration by Board.

36.2 The Treasurer to make arrangements with the School regarding the automation of repayments associated with the capital funding for the IPM.

FN/11 - 12/37 Postgraduate Fees and Undergraduate Non-EU fees 2012/13

Mr. Paul Coote, Financial Planning Manager, attended for this item.

The Committee, having considered the circulated memorandum from the Financial Planning Manager dated 7.12.2011 with attached schedules, and noting the feedback from the Schools, Dean of Graduate Studies and Registrar, approved the proposed EU and non-EU Postgraduate Fees and other non-EU Fees for the academic year 2012/13. The Committee, noting that the majority would remain at 2011/12 levels, agreed to revisit fee levels in Hilary Term in light of the outcome of the 2012 State grant. The fee levels set by external bodies were also noted. In response to a query, the Treasurer agreed to provide clarification as to the basis of the reduction of fees for certain courses within the School of Dental Science.

Action:

- 37.1** Finance Committee approved the proposed fee levels for the academic year 2012/13 and agreed they would revisit fee levels following the outcome of the 2012 State grant in Hilary Term 2012.
- 37.2** The Treasurer to provide clarification as to the basis of the reduction of fees for certain courses within the School of Dental Science.

FN/11 - 12/38 Science Gallery

(Minute FN/09-10/71 of 25.05.2011 refers)

The Director of the Science Gallery, attended for this item.

The Committee noted the circulated memorandum from the Director of the Science Gallery dated 30.11.2011 and acknowledged the positive financial outcome for the year ended 30.09.2011, along with the plan for a breakeven position in 2011/12. The Committee also offered its congratulations on the significant funding secured to support the creation of Science Gallery International and other achievements in the period since the last report in May 2011.

Following a brief discussion, the Chief Operating Officer agreed to clarify the position in respect of the level of casual pay incurred by the Science Gallery in the context of College policy in this regard. The Committee expressed its satisfaction with the Science Gallery's current financial position however, noting the future requirements for financial support, requested the Science Gallery to submit detailed financial forecasts and funding requirements to the Planning Group in Hilary Term 2012. The Director was invited to provide an update to the Committee in May 2012.

Action:

- 38.1** The Chief Operating Officer to clarify the position in respect of the level of casual pay incurred by the Science Gallery in the context of College policy in this regard.
- 38.2** The Science Gallery to submit a detailed funding proposal and financial forecasts to Planning Group in Hilary Term 2012.
- 38.3** The Director to provide an update to the Committee in May 2012.

FN/11 - 12/39 CRANN

(Minute FN/10-11/69 of 25.05.2011 refers)

The Executive Director of CRANN attended for this item.

The Committee, having been circulated with a report and related appendices from the Executive Director of CRANN dated December 2011, considered the overview of the current financial position of CRANN, including an update on proposals to enable its long-term sustainability under the following headings:

- Government core funding
- TCD strategic funding
- Research overheads
- Infrastructure support funding.

Following detailed discussion on the issues outlined under the above headings, the Committee agreed that a level of sensitivity analysis on the financial forecasts should be carried out by the Executive Director of CRANN with the results to be included as part of the next report to the Committee in May 2012. Furthermore, the Committee noted that CRANN will provide a report to Executive Officers (via Planning Group) in January 2012 on the status of terms and conditions associated with the recent two-year strategic funding allocation.

The Committee thanked the Executive Director for his comprehensive report and invited him to update the Committee in May 2012 in accordance with the College policy on Trinity Research Institutes (TRI's).

Action:

- 39.1** A level of sensitivity analysis on the financial forecasts to be carried out by the Executive Director of CRANN with the results to be included as part of the next report to the Committee in May 2012.
- 39.2** CRANN to provide an update to the Committee in May Term 2012 in accordance with the College policy on Trinity Research Institutes (TRI's).

FN/11 - 12/40 TCIN

(FN/10-11/70 of 25.05.2011 refers)

The Director and Business Planning Manager of TCIN attended for this item.

The Committee noted the circulated memorandum and associated schedules from the Director of TCIN dated 30.11.2011 which set out an update on the financial position of TCIN under the following headings:

- Financial forecast
- Recent developments regarding grant sponsors
- Miscellaneous issues.

The Committee considered recent successes in obtaining new research funding and proposals in respect of the future commercialisation of activities within TCIN along with the financial issues arising over the next two years as outlined. The Committee noted that issues previously raised in relation to PhD fees are currently being considered by Planning Group and the outcome will be reported to Finance Committee in due course.

The Committee acknowledged the steps taken to date by TCIN to address issues of financial sustainability and noted the recommendations of the appended "Review of Commercialisation at TCIN". Furthermore, the Committee noted that TCIN will report to Executive Officers (via Planning Group) on the status of terms and conditions associated with the recent two-year strategic funding allocation early in 2012.

The Committee thanked the Director of the TCIN for his report and, in accordance with College policy on TRIs, invited him to update the Finance Committee in May 2012.

Action:

- 40.1** The Director of TCIN to provide an update to the Finance Committee in May 2012.

FN/11 - 12/41 IIS

(Minute FN/10-11/84 of 14.06.2011 refers)

The Director of IIS attended for this item.

The Committee welcomed the circulated report from the Director of the IIS dated 6.12.2011 and noted the current funding position, future plans and specific risks associated with income streams as outlined. Expressing its concern in relation to limited sources of future income streams, the Committee noted that the Institute is in the process of submitting a bid for sustainable funding from College (via the Planning Group) in January 2012, which, if successful, will help to ensure its ongoing financial viability. Furthermore, it was noted that income from philanthropic sources is also being explored along with ongoing efforts to generate additional research activity. In accordance with College policy on TRI's, the Committee invited the Director of the IIS to update the Finance Committee in May 2012.

Action:

- 41.1** In accordance with College policy on TRI's, the Committee invited the Director of the IIS to update the Finance Committee in May 2012.

FN/11 - 12/42 Trinity Research Institutes

The Dean of Research attended for this item.

The Dean of Research confirmed that a comprehensive review of the sustainability of TRIs will be carried out by Research Committee in 2012 and the outcome in relation to TRI finances will be reported to the Committee in due course.

Action:

- 42.1** The financial issues arising from the review of the TRI's by the Research Committee to be reported to the Committee in due course.

FN/11 - 12/43 Funding Statements for the Year Ended 30.09.2011

Ms. Janet Byrne, Financial Resources Manager, attended for this item.

The Committee had been circulated with:

- (i) Memorandum from the Treasurer dated 7.12.2011
- (ii) Draft Funding Statements for year ended 30.09.2011
- (iii) Draft Funding Statements - Additional Information for year ended 30.09.2011
- (iv) Draft Letter of Representation to KPMG dated 25.01.2012.

By way of presentation, the Committee noted that the Funding Statements represent Part 1 of the financial reporting requirements under Section 37 of the Universities Act (the format of which was approved by the Higher Education Authority in August 2011).

The Treasurer briefed the Committee on the audit status of the Funding Statements and advised that the Board-appointed external auditors (KPMG) expected to issue an unqualified audit opinion following approval by Board in January 2012.

The Committee welcomed the financial highlights for 2010/11 presented by the Treasurer as follows:

- Balanced budget position in 2010/11
- No accumulated recurrent or capital deficit
- Net assets €705m
- €190m investment in capital & recurrent projects between 2008 – 2011 (full funding strategy in place)
- Plans and structures to address future financial challenges
- Financial flexibility to fund approved strategic projects
- Improvement of c.€70m in best/worst case financial outlook to 2016.

Furthermore, the Committee noted in detail the financial information as set out under the following headings:

- Outturn for 2010/11
- Research
- Ancillary Activities
- Balance Sheet
- Financial Strategy & Outlook
- Resource Allocation
- Financial Risk Assessment.

In conclusion, the Treasurer outlined the challenges faced by the College in terms of its capacity to plan strategically as a result of a series of factors which include the global economic uncertainty, visibility of future State funding levels and the reliance on same for core and research funding, the lack of a dynamic State funding model and uncertainty around the reintroduction of tuition fees. Furthermore, barriers to recovering the full economic cost of key activities, increased competition for staff and students along with external factors affecting student and staff retention provide significant additional challenges.

The Committee noted that the College is currently well positioned financially in terms of its capacity to invest in certain proposals that will enable it to progress the delivery of its strategic objectives and endorsed the Treasurer's view that the College must continue to focus on the delivery of international student intake, commercialisation and philanthropy as the three main areas for generating additional non-Exchequer income.

On behalf of the Committee, the Provost thanked the staff of Treasurer's Office and the College as a whole for the efficient and effective stewardship of the College's finances.

In the context of the revised Terms of Reference (FN/10-11/14 of 03.11.2010 refers), the Committee, having considered and noted the draft Funding Statements and Letter of Representation to KPMG as presented, requested that they be submitted to the Audit Committee for review and recommendation for approval by Board.

Action:

43.1 The draft Funding Statements and Letter of Representation to KPMG as presented to be submitted to the Audit Committee for review and recommendation to Board for approval.

FN/11 - 12/44 Quarterly Accounts to 30.09.2011

Ms. Janet Byrne, Financial Resources Manager, attended for this item.

The Committee was circulated with a memorandum dated 7.12.2011 from the Treasurer's Office reporting on the Quarterly Accounts for the period to 30.09.2011, which provided a summary of the year-end financial position across the following categories:

- Areas under the remit of the Chief Academic Officer (CAO)
- Areas under the remit of the Chief Operating Officer (COO)
- Areas outside the remit of the CAO and COO
- Research
- Capital.

The Committee noted the Quarterly Accounts as presented.

Section C

FN/11 - 12/45 Analysis of Academic Recurrent Expenditure and Research Accounts (Green Book) for year ended 30.09.2011

The Committee noted the circulated Annual Analysis of Recurrent Expenditure and Research Accounts (Green Book) for the year ended 30.09.2011, which included the extensive additional information on recurrent expenditure in academic areas along with income and expenditure for all individual research accounts by Faculty/School/Discipline.

FN/11 - 12/46 Treasurer's Office Annual Report 2010/11

The Committee noted the annual report of the Treasurer's Office for 2010/11 as circulated outlining goals and targets achieved in the year as well as planned objectives/targets for 2011/12. The contribution from the staff of the Treasurer's Office in the preparation of the report was acknowledged. The Committee noted the report will be forwarded to the Chief Operating Officer for onward circulation to Board.

Action:

46.1 The Treasurer's Office Annual Report 2010/11 to be forwarded to the Chief Operating Officer for Board.

FN/11 - 12/47 Service Liaison Report 2010/11

The Committee noted the circulated memorandum and appendices from the Research Accounting Manager dated 7.12.2011, setting out the 2011 update on the actions taken on foot of the recommendations of the external review of the Treasurer's Office carried out in 2007. The Committee also noted the comprehensive approach taken by the Treasurer's Office to date and the ongoing engagement with the College community to improve the overall service provided, along with the affirmation of the success of this strategy as evidenced by the positive outcomes of the recent Treasurer's Office Customer Satisfaction Survey.

FN/11 - 12/48 Related Entity Financial Reporting

The Committee noted the circulated Financial Statements of Ghala Limited for the year ended 30.09.2011 and the related Letter of Representation to KPMG dated 30.11.2011.

Action

48.1 The Financial Statements of Ghala Limited to 30.09.2011 to be forwarded to Board for noting.

FN/11 - 12/49 Prompt Payments of Accounts Act, 1997 2010/2011

The Committee noted the circulated report from KPMG dated 7.12.2011 indicating that, in their opinion, College had complied in all material aspects in 2010/11 with the provisions of the Prompt Payment of Accounts Act, 1997, as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2002 as disclosed in College's Statement of Payment Practice and recommended it for onward circulation to Board.

Action

49.1 The KPMG report in relation to College compliance with the provisions of the Prompt Payment of Accounts Act, 1997, to be forwarded to Board.

FN/11 - 12/50 Report of Audits of Research Accounts 2010/11

The Committee noted the memorandum from the Research Accounting Manager, dated 7.12.2011 as circulated setting out the satisfactory outcome of research account audits during 2010/11.

FN/11 - 12/51 FECP Status Report

The Committee noted the circulated report from the Bursar dated 6.12.2011 setting out an update on the Full Economic Cost Project (FECP) including the submission of final Sector Outputs for 2009/10 to the HEA in June 2011, along with details of the outcome of subsequent meetings between the FEC National Steering Group and the HEA and a meeting with Forfas. Furthermore, updates were provided under the following headings:

- Project Sustainability
- Review of Project Risks
- Internal Communication
- Additional Activities

The Committee, welcomed the update provided and invited the Bursar to provide a further report in Trinity Term 2012.

Action:

51.1 The Bursar to provide a further report on FECP in Trinity Term 2012.

FN/11 - 12/52 Committee Business and Conflicts of Interest

The Treasurer drew the Committee’s attention to the content of the previously circulated memorandum from the Secretary to the College dated 12.12.2011 setting out the requirement of members of Principal Committees to remain impartial in the conduct of their business, in line with Section 3.2 of the College’s Code of Governance.

FN/11 - 12/53 PRTL Cycle V – Industry Collaborative Space
(Minute FN/11-12/23 of 2.11.2011 refers)

The Committee noted the clarification provided by the Treasurer in relation to the funding arrangements and conditions associated with PRTL Cycle V previously approved by the Finance Committee and Board.

The Committee noted that an additional meeting of the Committee will be scheduled for January 2012 and members will be notified of the date and venue in due course.

The Provost extended his thanks to Mr. Fred Cowzer for his service to the Committee in Michaelmas Term 2011 during the sabbatical of Professor. David Singleton.

PROVOST.....

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