



Minutes of the Finance Committee Meeting of 12 June 2014

PRESENT: Provost (in the Chair), Interim COO, Bursar, Registrar (except for Minutes 104, 107,108 & 109), Professor R. Gilligan, President of the Students Union, Mr. J. Gorringe, Chief Financial Officer (CFO) – Secretary of the Committee.

IN

ATTENDANCE: FSD Project Manager

APOLOGIES Dean of AHSS, Ms. Caroline Curtis

The minutes of the Finance Committee meeting of 15 May 2014 were approved.

The Committee noted the circulated Status Report on the Finance Committee Action List as at May 2014.

Section A

FN/13 - 14/100 XX Student Charges

The Committee, having considered the series of proposals in respect of charges in the (supplementary) circulated memorandum from the Vice-Provost/Chief Academic Officer dated 11.06.2014, and within its terms of reference, approved the fee increases as outlined. With regard to the proposal to create two new charges, the Committee recommended them for onward consideration and approval by Board. The dissent of the President of the Students Union was noted in relation to the proposals to increase/introduce new charges.

In line with established practice in College, the Committee requested that the income generated from the charges would be channelled through the Planning Group for onward allocation.

Action

100.1 Noting the dissent of the President of the Students Union, the Committee recommended the proposal to create two new charges for onward consideration and approval by Board.

100.2 Income generated from approved student charges to be channelled through the Planning Group for onward allocation, in line with established practice in College.

Section B

FN/13 - 14/101 Global Relations Quarterly Report

(Minute FN/13-14/69 of 19.02.2014 refers)

The Vice-President for Global Relations and the Director of Internationalisation attended for this item.

The Committee considered the circulated quarterly report to June 2014 from the Vice President for Global Relations dated 04.06.2014, noting the key issues impacting on expenditure in the period reported, including delays in recruitment and budget phasing. The Committee, noting the updated Non-EU student recruitment position at June 2014 (including the overall target for student entry in September 2014), expressed concern at the current level of undergraduate acceptances versus the targets set, however acknowledged that they will be compensated for by the uplift in visiting student numbers. In the context of revisions to the Global Relations Strategy, as part of the new Strategic Plan, the Committee noted that the non-EU student cohort target would increase from the original target of 14% of total student numbers to 18%.

Having considered the impact of the Global Officers on student recruitment, the Committee requested that a comparative analysis between Schools with and without Global Officers be undertaken as a means of assessing their impact and that the results should be included in the next quarterly report. In addition, the Committee requested that a performance metric on the acquisition cost of students be included in the next report also.

Noting the overall financial position along with the detailed schedules around student numbers, the Committee thanked the Vice-President for Global Relations and Director of Internationalisation for their report and invited them to provide a further update in September 2014.

Action:

- 101.1** A comparative analysis between Schools with and without Global Officers to be undertaken as a means of assessing their impact and the results to be included in the next report.
- 101.2** A performance metric on the acquisition cost of students to be included in the next report.
- 101.3** The Vice-President for Global Relations to provide a further update in September 2014.

FN/13 - 14/102 Communications Strategy Report

(Minute FN/13-14/53 of 18.12.2013 refers)

The Director of Communications and Marketing attended for this item.

The Committee welcomed the second report on the Communications Strategy from the Director of Communications and Marketing, dated 03.06.2014, and noted the update provided under the headings of key achievements and budget, as circulated. The Committee expressed concern about the tangibility of the achievements of the Strategy to-date and their measurability. Noting that the report lacked performance metrics in this regard, the Committee requested that such metrics would be included in future reports. The Committee also requested that the Director of Communications and Marketing liaise with the FSD and adopt the new, standard reporting template for future reports on the Strategy. Lastly, the Committee, in welcoming the re-introduction of the posting of Board decisions on the College intranet, requested that this be extended to Council decisions also and that a College-wide communication be issued to notify the community at large in this regard.

Noting the financial position of the Strategy as set out in the circulated document, and acknowledging the verbal update on the likely cost of the Identity Initiative, the Committee invited the Director to provide an updated report in Michaelmas Term 2014.

Action:

- 102.1** Clear performance metrics on the Communications Strategy to be included in future reports.
- 102.2** The Director of Communications and Marketing to liaise with the FSD and adopt the new, standard reporting template for future reports on the Strategy.
- 102.3** Council, along with Board decisions to now be posted on the College intranet and a College-wide communication to be issued to notify the College community at large in this regard.
- 102.4** The Director of Communications and Marketing to provide an updated report in Michaelmas Term 2014.

FN/13 – 14/103 Trinity Biomedical Sciences Institute (TBSI)

(Minute FN/13-14/49 of 18.12.2013 refers)

The Executive and Technical Director of TBSI attended for this item.

The Committee considered the circulated report from the Executive and Technical Director of TBSI dated June 2014, noting the high level update on its activities since the last report along with a financial summary of the Institute and details of the research proposals submitted and contracts awarded in the reporting period. Having considered the full schedule of grant applications made in the reporting period as attached, the Committee queried its completeness and requested that it would be reviewed and updated if necessary with the revised schedule to be provided to the Provost for his consideration before the end of Trinity Term 2014. Plans to develop additional space within TBSI,

supported by the strategic funding allocation from College, were also noted.

In considering the overhead income as set out, the Committee was concerned to note that the flow of overhead was currently ring-fenced to SFI grants only and requested that TBSI engage with the relevant Heads of School as a matter of urgency to secure an arrangement whereby the appropriate overhead income on grants from other sponsors flows to the Institute to support the costs of the services provided to the relevant PI's.

Having noted the detailed financial position as set out along with the sustainability issues and risks outlined, the Committee invited the Executive and Technical Director to update the Committee in Michaelmas Term 2014 in accordance with College policy on Trinity Research Institutes (TRI's).

Action

- 103.1** The full schedule of grant applications made in the reporting period to be reviewed and updated if necessary, with the revised schedule to be provided to the Provost before the end of Trinity Term 2014.
- 103.2** TBSI to engage with the relevant Heads of School as a matter of urgency to secure an arrangement whereby the appropriate overhead flows to the Institute to support the costs of the services provided to the relevant PIs.
- 103.3** The Executive and Technical Director of TBSI to provide an updated report in Michaelmas Term 2014 in line with College Policy on TRI's.

FN/13 - 14/104 Commercialisation Strategy

(Minute FN/13-14/29 of 14.11.2013 refers)

The Commercial Director attended for this item.

In considering the Commercial Director's presentation and circulated report on the Commercialisation Strategy dated 05.06.2014 (as previously presented to the CRU Board in May 2014) the Committee noted the updated position in relation to the combined performance of the Commercial Revenue Unit, including the distribution of surpluses in the CRU, along with the performance of individual units in the year to date. The Committee requested that the Commercial Director liaise with the FSD and adopt the new, standard reporting template for future reports on the Strategy.

Noting the importance of this Strategy to the College, which includes new financial initiatives, and welcoming the progress made to date, the Committee thanked the Commercial Director for his clear presentation and invited him to provide an updated status report in Michaelmas Term 2014.

Action

- 104.1** The Commercial Director to liaise with the FSD and adopt the new, standard reporting template for future reports on the Strategy.
- 104.2** The Commercial Director to provide an updated status report in Michaelmas Term 2014.

FN/13 - 14/105 Financial Forecasts to 2018/19 and Scenario Planning for growth in Non-EU Student Numbers

(Minute FN/13-14/68 of 19.02.2014 refers)

The Committee considered the circulated memorandum from the Senior ABC/FECF Accountant dated 05.06.2014, which provided revised consolidated GAAP financial projections to 2018/19, including analysis of the projected cumulative College financial position over the five-year period based on key assumptions regarding income and expenditure. Noting the key differences between the current projections and those considered in February 2014, the Committee, considered the Non-EU student number growth scenarios as presented to Board on 28.05.2014 and their impact on overall student numbers and the College's financial position. The Committee also noted that the anticipated growth in student numbers as approved by Board would not achieve the target of a 2% overall consolidated surplus by 2018/19 and that other income/cost saving strategies would be necessary.

Further noting the main reconciling items between the projected outturn on the College's HEA Funding Statements and the Consolidated GAAP Financial Statements, the projected net depreciation charge and the format of the reconciliation, the Committee requested the CFO to present the financial outturn going forward highlighting the operating performance of the College before the provision for net depreciation. The Committee, noting that depreciation is a real cost, also requested the CFO to prepare a briefing paper setting out the basis for College to prepare its financial forecasts on a consolidated GAAP basis, including the need to make provision for depreciation going forward.

Action

- 105.1** The financial outturn going forward to be presented highlighting the operating performance of the College before the provision for net depreciation
- 105.2** The CFO to prepare a briefing paper setting out the basis for College to prepare its financial forecasts on a consolidated GAAP basis, including the need to make provision for depreciation going forward.

FN/13 - 14/106 FECP Status Update and Strategic Use of FEC Data/Information

(Minute FN/13-14/16 of 19.09.2013 refers)

The Senior ABC/FECP Accountant attended for this item

The Committee noted the circulated memorandum from the Senior ABC/FECP Accountant (on behalf of the FECP Steering Group) dated 05.06.2014, which included an update on the status of 2012/13 Full Economic Cost data. Welcoming the update provided, the Committee invited a further report on the FECP outcomes, at the first meeting of Michaelmas Term 2014, following sign-off by the IUA National Steering Group.

In considering the strategic uses of FEC Data/Information, also outlined in the memorandum, the Committee noted the recommendations set out in relation to cost-effectiveness, viability of new courses, student number expansion, targeted cost reductions and Heads of School/Research Committee meetings. The Committee agreed that the FEC data should be distributed to the Faculty Finance Partners and the Office of the Vice-President for Global Relations to support student numbers expansion and course related financial projections etc. In addition, the Committee agreed that FEC should be added as an item to future Heads of School and Research Committee meetings. Such information, when made available, should be issued with appropriate guidance or via a presentation where necessary.

Action

- 106.1** A report on the FECP outcomes to be provided at the first meeting of Michaelmas Term 2014.
- 106.2** FEC data to be distributed to the Faculty Finance Partners and the Office of the Vice-President for Global Relations to support student numbers expansion and course related financial projections etc. with the information to be issued with appropriate guidance or via a presentation where necessary.
- 106.3** FEC to be included as an agenda item in future Heads of School and Research Committee meetings, with the information to be issued with appropriate guidance or via a presentation where necessary.

FN/13 - 14/107 On-Line Education Pilot Programme

(Minute FN/13-14/42 of 18.12.2013 refers)

The Associate Dean for On-Line Education attended for this item.

The Committee noted the circulated memorandum from the Associate Dean for On-line Education dated 03.06.2014, and welcomed the progress achieved to date on the On-Line Education Pilot Programme, including the first MOOC that had been very recently launched. However, the Committee expressed concern in relation to student number projections and the risk around uncertain levels of uptake for some courses, and the resulting impact on the projected revenues/approved level of subvention required from College. In considering the updated risk register, the Committee also noted the risk associated with the resources required to deliver the Programme targets for 2014/15. The Committee indicated that any request for additional resources should be directed to the Planning Group.

Having noted the student number targets, revenue streams and the Programme's overall financial position, the Committee thanked the Associate Dean for his report and invited him to submit an updated report in Michaelmas Term 2014.

Action

- 107.1** Any request for additional resources for the On-Line Education Pilot Programme to be directed to the Planning Group.
- 107.2** The Associate Dean for On-Line Education to submit an updated report in Michaelmas Term 2014.

FN/13 - 14/108 Student Contribution – Review of Payment in Two Instalments

(Minute FN/13-14/103 of 12.06,2013 refers)

The Committee considered the circulated memorandum from the Financial Planning Manager dated 05.06.2014 and, noting the financial impact and risk as outlined, approved that the option to pay in two instalments would continue to be offered to students.

Action

- 108.1** The option to pay the student contribution in two instalments to continue to be offered to students on an ongoing basis.

FN/13 - 14/109 Consolidated Financial Estimates – Energy Costs

(Minute FN/13-14/87 of 15.05.2014 refers)

The Director of Buildings attended for this item.

Further to a query raised at a previous meeting, the Committee considered a circulated memorandum from the Director of Buildings setting out a detailed analysis of energy and utility costs in College. The Committee noted the impact of additional building area on energy costs, for example the North East Corner and TBSI sites, the impact of energy intensive research activities in such buildings along with recent cost reduction/energy conservation initiatives adopted by the College as outlined.

Having welcomed the ongoing measures undertaken to ensure College energy costs are minimised, the Committee requested that the Director of Buildings Office introduce a pilot review to identify and analyse the current level of consumption in TBSI and, having applied consumption reduction measures in that building over 12 months (including publication of consumption levels), to come back to the Committee with a report on the outcome in Trinity Term 2015.

Action

- 109.1** The Director of Buildings Office to introduce a pilot review to identify and analyse the current level of consumption in TBSI and, having applied consumption reduction measures in that building over 12 months (including publication of consumption levels), to come back to the Committee with a report on the outcome in Trinity Term 2015.

Section C

FN/13 - 14/110 Control Exception Report

(Minute FN/13-14/47 of 18.12.2014 refers)

The Committee noted the bi-annual Control Exception Report for the period to May 2014 as circulated, which included issues in relation to the repetitive nature of certain control exceptions along with a number of new exceptions occurring in the reporting period and further noted that, as previously reported, a number of the issues arising will be resolved following the full implementation of the new financial information system. 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 Interim Chief Operating Officer for Heads of Service and Support areas.

Action

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

FN/13 - 14/111 Campus Company Formation

(Minute FN/13-14/94 of 15.05.2014 refers)

In considering the circulated memorandum from the Technology Transfer Manager dated 07.05.2014 setting out detailed information in relation to Campus Company formation, as requested at the May meeting, the Committee noted comparative data supporting the success of the derogation from College's current IP policy and related financial information. Having considered the additional information provided, and noting the financial impact of the current derogation, the Committee agreed that it should be included as part of a revised IP Policy for College to be brought forward for approval in due course.

Action

111.1 The current derogation to be included as part of a revised IP Policy for College to be brought forward for approval in due course.

FN/13 - 14/112 Trinity Long Room Hub

(Minute FN/13-14/44 of 18.12.2014 refers)

The Committee noted the second of the bi-annual reports from the Director of the TRLH, dated June 2014, which set out a high level update since the last report along with a summary of the financial activity during the reporting period, including actual figures for 2013 and forecasts for 2014-17, an outline of risk and sustainability issues, in addition to the detail of grant applications submitted in the reporting period. The dependence of the Institute on greater co-operation with the Schools to achieve its research income targets, a key factor in achieving financial sustainability/reducing risk as outlined was also noted.

In line with College policy on TRI's, a further report will come forward from the TLRH in Michaelmas Term 2014.

Action

112.1 In line with College Policy on TRI's, a further report will come forward from the TLRH in Michaelmas Term 2014.

FN/13 - 14/113 Financial Information System (FIS) Project Update

(Minute FN/13-14/2 of 19.09.2013 refers)

The Committee noted the circulated progress report on the FIS Project provided by the Chairman of the FIS Steering Committee dated 05.06.2014 (previously considered by Board at its meeting of 28.05.2014) across the following headings:

- Project background
- Progress to date
- Project costs
- Project benefits
- The change management challenge

Noting the conclusion that the FIS Project is well managed, the Committee further noted the challenges in ensuring the College now reaps the benefit from its investment and that a further update on the Project would come forward in Michaelmas Term 2014.

Action

113.1 A further update on the FIS Project to come forward in Michaelmas Term 2014.

FN/13 - 14/114 FIS/GeneSIS/EA & HR Project Updates
(Minute FN/13-14/70 of 19.02.2014 refers)

Noting the financial position of the GeneSIS, FIS, HR and Enterprise Architecture Projects at April 2014 as set out in the circulated memorandum from the Project Management Office (PMO) dated 05.06.2014, the Committee requested a further update to be provided in Michaelmas Term 2014.

Action

114.1 A further update on the four projects to be provided by the PMO in Michaelmas Term 2014.

FN/13 - 14/115 Related Entity Financial Reporting
XX

The Committee noted circulated documents as set out below, and recommended that they be forwarded to Board for noting:

- HEAnet – Directors’ Report and audited Financial Statements for the year ended 31.12.2012
- Trinity College Dublin Academy of Dramatic Art Limited - Directors’ Report and audited Financial Statements for the year ended 30.09.2013

Action

115.1 The Director’s Reports and Annual Financial Statements of HEAnet and the Trinity College Dublin Academy of Dramatic Art Limited, for the years ending 31.12.2012 and 30.09.2013 respectively, to be forwarded to Board for noting.

FN/13 - 14/116 Provost’s Expenses

The circulated memorandum from the Secretary to College, dated 29.05.2014, setting out a report of the Provost’s expenses for the period 1.07.2013 to 31.12.2013 was noted. Furthermore, the Committee noted that all expenses incurred were approved in line with relevant College policies and that reimbursement claims (and associated supporting documentation) were available for review at the meeting.

FN/13 - 14/117 2014 SFI and Enterprise Ireland OIP Allocations
(Minute FN/13-14/13 of 19.09.2013 refers)

The Committee noted the 2014 SFI and Enterprise Ireland OIP allocations as outlined in the circulated memorandum from the Interim Research Accounting Manager dated 12.06.2014, which had been previously noted by Planning Group at its meeting of 01.04.2014. It was further noted that both allocations are now aligned to the academic year.

FN/13 - 14/118 Minutes of Sub-Committees

The Committee noted the minutes of the FECP Steering Group meeting of 28.04.2014 as circulated.

FN/13 - 14/119 Minutes of Audit Committee

The Committee noted the draft minutes of the Audit Committee meeting of 24.04.2014 and 19.05.2014, as circulated.

FN/13 - 14/120 Minutes of Commercial Revenue Unit Board

The Committee noted the minutes of the Commercial Revenue Unit Board, dated 11.13.2014 and 13.05.2014 (draft), as circulated.

FN/13 - 14/121 FSD Risk Assessment Update

The Committee considered the circulated memorandum from the Financial Planning Manager dated 05.06.2014, which set out an update of financial risks. The Committee noted the new high and medium risks as set out and that all risks will be forwarded to the Interim Chief Operating Officer for inclusion in College's overall risk process.

Action

121.1 The FSD Risk Assessment to be forwarded to the Interim Chief Operating Officer for inclusion in College's overall risk process.

FN/13 - 14/122 Stafford Loans Auditors' Report

The Committee noted the memorandum from the Financial Planning Manager dated 05.06.2014 in relation to the College's compliance with the Federal Family Education Loan Program (Stafford Loan Program) and the associated unqualified audit opinion dated 17.03.2014 issued by the Auditors for the year ended 30 September 2013 as circulated.

FN/13 - 14/123 Finance Committee Self-Evaluation

(Minute FN/13-14/86 of 15.05.2014 refers)

Noting that this item had been deferred due to a lack of response to the self-evaluation questionnaire, the Committee members agreed to complete the questionnaires in order to facilitate consideration of the self- evaluation report at the first meeting of Michaelmas Term 2014.

Action

123.1 The Committee members to complete the self-evaluation questionnaires to facilitate consideration of the self-evaluation report at the first meeting of Michaelmas Term 2014.

FN/13 - 14/124 Finance Committee Meeting Schedule 2014/15

The Committee approved the schedule of meetings for 2014/15 as circulated.

The Provost, on behalf of the Committee, thanked Mr. Tom Lenihan, President of the Student's Union, the Dean of Arts, Humanities and Social Sciences, Professor James Wickham and Professor Robbie Gilligan for their constructive contribution to the Finance Committee meetings during their respective terms.

The Committee noted that the next Finance Committee meeting is scheduled for Monday, 22 September 2014 at 2.30.m. in the Provost's Library.

PROVOST.....

DATE.....