



Minutes of the Finance Committee Meeting of 30 April 2024

Present: Provost (Chair), Vice-Provost/CAO, Bursar, Dean of Arts, Humanities & Social Sciences, Chief Operating Officer, President of the Students Union (Minutes 73, 74 and 84), Ms. C. Bryce (Minutes 73-79 and 84), Ms. N. Campbell, Ms. N. Holland, Ms. N. Hardiman, Mr. L. Kavanagh (Minutes 73-79 and 84), Chief Financial Officer – Secretary to the Committee

In Attendance: Interim Deputy CFO, CFO's Strategic & Admin Support (Minute-taker)

Apologies: None received

Statement of Interest: None received

The Committee approved the minutes of the Finance Committee meeting of 07.03.2024 as circulated and noted the Matters Arising as outlined.

Section A

No items

Section B

FN/23-24/73 Financial Information Systems Update including Cyber Security and Treasury Reviews

The FIS Manager and Project Appraisal Manager attended for this item.

The Committee noted the circulated memorandum from the FIS Manager, Project Appraisal Manager and Interim Deputy CFO dated 23.04.2024 setting out an update on the University's Financial Information System and associated technology journey, along with an overview of cyber risk as it pertains to FSD/FIS and the outcome of a recent treasury and banking review across the following headings:

- Introduction
- Financial Information System Technology Journey
- Cyber Security Review
- Treasury & Banking Review
- Conclusion



By way of presentation, the FIS Manager highlighted the key deliverables achieved to date since the implementation of the College-wide Oracle ERP system in 2013, including more recent updates and upgrades including:

- Migration of Oracle eBS to OCI
- Invoice Automation Project
- PBCS upgrade to EPM
- Account Reconciliation Cloud solution (ARCs) implementation
- FlowForma Pilot Project

The Committee noted the focus on automation and integration for future projects including an upgrade to Oracle analytics, consideration of BOTS usage and further moves to the Cloud.

The FIS Manager outlined the rationale behind a recent cyber security review undertaken by FSD with a specific focus on the FIS and associated systems and processes. The Committee noted that an external company had been engaged to review the FIS and FSD's security position against industry best practice, evaluating the configuration of security controls using a methodology based on internationally recognised standards.

The Committee welcomed the positive outcome of the review and noted the recommendations arising and next steps as outlined. The FIS Manager confirmed that a process of continuous improvement is in place and that FSD will continue to engage with IT Services to ensure alignment with the overall University approach to cyber security risk. During a brief discussion, the Committee referenced the need to cost the FIS technology roadmap and ensure that future recruitment is aligned with technical requirements, also highlighting the importance of ongoing institution-wide training around cyber security risk and an integrated approach to its management. The Chief Operating Officer also requested the circulated presentation be updated to ensure the scope of the review, limited to FSD and FIS only, was clear.

In considering the recent treasury and banking review undertaken by Mazars, the Committee noted the focus on risk management, operational controls and governance processes as outlined by the Project Appraisal Manager, along with the scope of the review. Having welcomed the positive findings of the review and noting the recommendations arising specifically around



implementing an automated treasury system solution, the Committee agreed that the plans outlined in this regard should be implemented as a priority and also emphasised the need for a consistent approach to banking and treasury controls across the University and its subsidiaries.

The Committee thanked the FIS Manager and Project Appraisal Manager for their report and for the additional clarifications provided regarding the FSD/FIS-specific scope of the cyber review and the ongoing engagement with IT Services to manage the wider risk.

**FN/23-24/74
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Academic Fees for Annual/Single Year Students FY25/26 (1 academic year)
(Minute FN/22-23/85 of 04.05.2023 refers)

The Financial Operations Manager and Dean of Students attended for this item.

Minute redacted due to ongoing consideration of this matter.

Actions

74.1

**FN/23-24/75
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Capital Projects Dashboard

The Committee welcomed the circulated document from the COO, dated April 2024, which provided a high-level overview of the University's major capital programme, including the approved budget for each of the active projects, expected completion dates and key activities to August 2024 along with a RAG status. The Bursar provided a brief status update on Portal and advised that reports on the Old Library Redevelopment Project (OLRP), Trinity South Renewal Programme (TSRP), Trinity East and Portal projects would come forward to the next meeting.

The Bursar noted that discussions were ongoing with the HEA in relation to the E3 Learning Foundry and advised the Committee of a change in the funding status of the Dartry Student Accommodation Project with anticipated Government grant funding no longer forthcoming.

The Committee requested an updated Capital Projects dashboard to come forward for consideration at the next meeting.



Actions

75.1 An updated Capital Projects dashboard along with an update on the Old Library Redevelopment Project (OLRP), Trinity South Renewal Programme (TSRP), Trinity East and Portal projects to come forward for consideration at the next meeting.

FN/23-24/76

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Trinity East – Loan Refinancing

The Project Appraisal Manager attended for this item.

The Committee considered the circulated memorandum from the Chief Innovation & Enterprise Officer, College Bursar and Chief Financial Officer dated 23.04.2024 setting out a proposal to refinance a loan underpinning the Trinity East Project across the following headings:

- Context
- Change in strategic direction
- Strategic importance of Trinity East
- Revised Business Case
- Refinancing (incl. indicative interest rates)
- Request

Following a brief introduction by the College Bursar, who outlined the long-term nature of the investment in the site, the Chief Financial Officer highlighted that, while the original intention had been to re-pay or refinance the short-term loan secured in 2019, the change in strategic direction for the site towards a more sustainable model and a phased development approach meant that refinancing was the only viable option.

The Project Appraisal Manager set out details of the existing loan and outcome of market soundings in terms of refinancing the loan, noting the lack of competitiveness in the domestic market. Having outlined the indicative interest rates received, he noted that following the loan refinancing there would be no change to the University's debt levels or gearing, and that the loan already falls within the HEA Borrowing Framework. In response to a query, the Project Appraisal Manager confirmed the University's preference for a fixed-rate loan due to the certainty it provides, noting that the Trinity



East Business Case will be revised to cover full debt servicing costs from Year 10 onwards.

Having considered the various loan options and indicative interest rates as set out, the Committee approved the proposed loan refinance and recommended it for onward consideration and approval by Board, subject to the inclusion of some additional detail on market soundings. Thanking the Chief Financial Officer and Project Appraisal Manager for their presentation, the Committee also requested that the next Treasury Management update include an analysis of the University's fixed and floating debt profile and its alignment to the approved Treasury Management Policy.

Action:

76.1 The proposed loan refinance was approved and recommended for onward consideration and approval by Board, subject to the inclusion of some additional detail on market soundings.

76.2 The next Treasury Management update to include an analysis of the University's fixed and floating debt profile and its alignment to the approved Treasury Management Policy.

FN/23-24/77 Sustainability of Trinity Research Institutes (TRIs) Update

The Dean of Research attended for this item.

The Committee welcomed the circulated presentation from the Dean of Research dated April 2024, which provided an update on the sustainability of the 5 Trinity Research Institutes (TRIs) across the following headings:

- Introduction
- Governance & Oversight
- Sustainability of TRIs
- Strategic Relevance
- Enabling grant capture
- New: quantifying impact pilot study with TLRH
- Financial Viability
- Functioning relationships with Schools
- Evolution and succession



In her presentation, the Dean of Research outlined the development of the 5 Research Institutes and their role in enabling collaborative interdisciplinary research at scale and providing visibility both nationally and internationally, noting their commonalities along with the fundamental differences that impact their operations and budgets. With reference to the sustainability of the TRIs, the Dean of Research outlined the importance of the context within which they sit, including their alignment to strategy and relationships with Schools, in addition to their financial viability.

The Dean of Research highlighted the reputational value and support for the University's core mission provided by the TRIs, along with the very significant research income generated compared to the relatively modest subventions provided to the TRIs and drew the Committee's attention to a pilot study of the TLRH which sought to quantify its impact.

In considering the financial viability of each of the TRIs individually, the Committee noted the level of annual subvention from the University along with Faculty/School contributions and indirect cost income where relevant, further noting performance against budget in 2022/23 along with income and expenditure projections from 2023/24 to 2027/28. The Committee further noted:

- the financial commitment from Faculty for TLRH in addition to the University's subvention; the substantial public humanities programme delivered; low levels of indirect cost income earned; the important role in mentoring and securing external funding along with Philanthropic appeal
- CRANN's provision of scientific infrastructure for several Schools and AMBER along with administrative support for grant applications for all School members; the potential to grow activities with risks around ageing infrastructure and equipment and a dependence on external grant income
- TTMI only recently received central funding and further funding opportunities are expected to arise from the strategic relationship between TTMI and St. James's Cancer Institute
- space is limiting growth and development in TCIN and uncertainty around housing of grants remains with expansion of access charges and additional modes of income being explored



- work remains to clarify the relationship between the TBSI building, the Institute and participating Schools, an overarching research strategy is also required; reduced rental income and equipment costs and an ineffective funding model are further risk factors

The Committee noted the mixed picture presented in terms of the performance and viability of individual Institutes, further noting the challenges of evaluating performance in a standardised manner due to the varying financial and “infrastructure” models utilised by each institute and the lack of clarity around financial ownership/responsibility between the participating Schools, including the appropriate allocation of indirect costs. The Committee welcomed the plans to review the policy underpinning the establishment and management of research institutes to streamline reporting, metrics etc. The Committee also acknowledged the financial realities of hosting research activity as a whole and the need to consider the sustainability of TRIs through this lens, further noting the natural evolution of research themes and the requirement for better KPIs and other metrics around impact in order to assess value and plan for succession over time.

In line with University policy, a further update will come forward for consideration in AY2024/25.

Actions

77.1 A further report to come in AY2024/25.

FN/23-24/78 2024 Annual HEA Budget Meeting Update and State Grant Analysis

The Head of Financial Planning & Analysis attended for this item.

By way of presentation, the Head of Financial Planning & Analysis summarised the key points raised at the annual Budget meeting with the HEA, including the University’s FY23 financial outturn and approved FY24 budget, along with an update on capital projects, climate action and procurement. Further information was subsequently provided to the HEA on energy costs and service contracts to support the Sector-wide position on inflation and non-pay cost impacts. The HEA were also notified that a Section 37 letter would not be required in light of the small, planned surplus in the FY24 Budget.



In considering the 2024 Grant Letter, the Committee noted that:

- While the State Grant is nominally higher year on year, once the Funding the Future allocation is excluded, any remaining increase in grant funding is almost fully matched by an increase in Core pay costs due to pay awards
- A shortfall has been identified in grant received for pay awards versus the actual increase in Core pay. The HEA has indicated that additional funding may be provided following conclusion of Public Sector pay talks
- Trinity's share of the teaching element of the grant (RGAM), based on student numbers, research metrics and access students, has increased slightly to 15.2% (PY 14.9%)
- Research share increased by 0.3%, while access share reduced by 0.3%
- The Funding the Future split is on a 50:50 basis between University and Technological University/IoT sectors rather than on an existing student numbers basis
- ECF principles still apply

Further to a brief discussion around the limitations of the funding received for 2024, the Committee also noted the lack of direct funding from Government to support the University in meeting its legislative obligations to reduce carbon emissions and the lack of capacity in Trinity's own capex budget in this regard. The Provost indicated that the cost of meeting the carbon emission obligations is an issue across the sector and facing the country as a whole.

Thanking the Head of Financial Planning and Analysis for his report, the Provost noted her intention to attend the next annual budgeting meeting with the HEA.

FN/23-24/79 External Audit FY2022/23 – Management Letters

The Committee noted the circulated memorandum from the Interim Deputy CFO dated 23.04.2024 along with the accompanying documents as follows:

- FY2022/23 C&AG Management Letter
- FY2022/23 PwC Management Letter

By way of presentation, the Interim Deputy CFO summarised the audit findings of the University's statutory and commercial auditors in the financial



year 2022/23, along with the audit recommendations and associated management responses to the issues identified.

The Committee reviewed the 5 C&AG audit findings (2 High, 3 Medium), and having regard for the detail provided by the Interim Deputy CFO and input from the Dean of Arts Humanities & Social Sciences on a high rated finding, requested the College Secretary to progress the matter with a view to implementing the audit recommendations and having the matter fully closed out in advance of the financial year-end and the next audit cycle.

Having noted that PwC had no significant findings to report, the Committee commended the work of FSD and the engagement of the University community in delivering such a successful outcome to the annual audit, given the scale of the organisation and range of activities encompassed by the audit process.

Actions

79.1 The College Secretary to progress the high-rated finding of the C&AG with a view to having it fully closed out in advance of the financial year-end and the next audit cycle.

Section C

FN/23-24/80 Commercial Revenue Unit (CRU) Update
(Minute FN/23-24/18 of 26.10.2023 refers)

The Committee noted the circulated memorandum from the CRU Commercial Director, dated 19.04.2024, which provided an update on CRU activity and performance in Q2 FY24, highlighting the opening of the new Book of Kells Experience Pavilion in January 2024 and the positive reviews and media coverage the immersive exhibition has received internationally.

The Committee noted that retail activity has now moved to the new Pavilion and while sales are ahead of prior year, conversion and customer spend is tracking behind budget due to lower North American visitor numbers. The



Committee further noted the remedial actions planned, along with the potential sales uplift that public access to the new retail facility may provide.

The update provided on Catering and summer commercial accommodation performance, along with the continued success of Trinity Trails as outlined, were also noted. The Committee welcomed the positive variance to budget and prior year at Q2, noting the importance of Q3 and Q4 performance to the overall contribution to the University and the careful management required in this regard. The next update will come forward for consideration in Michaelmas Term 2024.

Action:

80.1 An update on CRU performance to come forward for consideration in Michaelmas Term 2024.

FN/23-24/81 FC Self Evaluation Questionnaire 2023/24

The Committee noted the circulated memorandum from the Chief Financial Officer dated 23.04.2024 and accompanying draft Finance Committee Self-Evaluation Survey for 2023/24.

Following the incorporation of any amendments sought by the Committee, a link to the finalised survey will be circulated to Committee members for timely completion in order that the outcome of the process may be considered at the final meeting of the year in May 2024.

Action:

81.1 The final self-evaluation survey to be circulated for completion following incorporation of any amendments sought by the Committee.

81.2 The outcome of the Self-Evaluation process to be considered at the final meeting of the year.



FN/23-24/82 Procurement Strategy Update
(Minute FN/23-24/23 of 23.10.2023 refers)

The Committee noted the circulated paper from the Procurement Manager dated 23.04.2024, setting out the second of the bi-annual updates on the University's Procurement Strategy, across the following headings:

- Introduction & Overall Environment
- C&AG
- Capital Works
- Facilities
- Sustainable Procurement
- Category Activity
- Resourcing
- Systems and Processes

The Committee noted the overall levelling off in price rises across the University's main categories of expenditure along with availability no longer being flagged as an area of concern. The Committee also noted the outcome of the annual C&AG audit, the result of work undertaken to mitigate audit risk and increased contract coverage across all areas of spend.

The Committee noted the high level of activity in the Capital Works and Facilities categories, and the update provided on active and pipeline projects, further noting the body of work required to implement new government requirements covering four elements (Liability Caps, Price Variation Clauses, International Constructions Measurement Standards and Building Information Modelling) for current and all future Works projects. The Committee also noted the update provided on sustainable procurement, including recent engagement with a range of Irish and UK suppliers seeking their input on new or updated products/services, logistics, packaging, waste reduction, maintenance and refurbishment with a view to generating momentum around sustainability across all categories. The additional resource requirements to meet Government-mandated sustainability objectives arising from the recently published 'Buying Greener: Green Public Procurement Strategy and Action Plan 2024 – 2027' were also noted.



The Committee further noted the overview of each spend category and the updates on overall resourcing requirements along with system and process development as outlined. An updated report will come forward for consideration in Michaelmas Term 2024.

Action:

82.1 An updated report to come forward for consideration in Michaelmas Term 2024.

FN/23-24/83 Federal Aid Loan (Stafford Loan) Program – Auditors Report y/e 30.09.2023

The Committee, having been circulated with a memorandum from the Director of Academic Registry and the Head of Student Finance, dated 08.04.2024 along with the Report of Independent Auditor, Bender, Ciccotto & Co. for the year ended 30 September 2023 in relation to the University's compliance with the Federal Family Education Loan Program (Federal Aid Program), noted the unqualified audit opinion received and the absence of any audit findings in the year under review.

FN/23-24/84 Fee Derogations for Academic Year 2025-26

The Committee noted the circulated memorandum and appendices from the Financial Operations Manager dated 23.04.2024, which set out a series of fee derogation requests applicable to new entrants in 2025/26, previously approved by the relevant Course Director, Head of School, Faculty Dean and reviewed by FSD. Fees for continuing students remain in accordance with the Board-approved fee certainty policy.

The derogations sought arise for a variety of reasons such as fixed pricing in existing contracts, alignment with market rates to help maintain competitiveness and to grow applicant numbers. The SU President, welcoming the fee reductions and 0% increases set out, noted his dissent from proposed fee increases where applicable.



FN/23-24/85 Student Sport Development Charge 2025/26

The Committee noted the circulated memorandum from the Director of Sport and Physical Activity dated 28.03.2024, which advised of an increase of €3 to the Student Sports Development Charge (from €131 to €134) in 2025/26. The Committee approved the increase, noting it aligned with an inflation measure included in a 2007 Student Referendum and had also been agreed with the Students Union and Trinity Sport Union.

FN/23-24/86 Trinity Innovation & Enterprise - Share of Equity Proceeds

The Committee noted the circulated memorandum from the Executive Director, the Licensing Manager and the Start-Up Development Manager, Knowledge Exchange Office, Trinity Innovation and Enterprise (Tr&IE) dated 23.04.2024, setting out a request for a share of equity proceeds from a recent acquisition (in line with the University's approved Intellectual Property Policy), which was approved as presented.

FN/23-24/87 Treasury Policy Annual Compliance Report

In line with the requirements of the updated Treasury Policy (approved by Board in January 2023), the Committee noted the circulated memorandum from the Project Appraisal Manager and the Senior Corporate Finance Accountant dated 23.04.2024, which enclosed an annual compliance report, under prescribed headings, as follows:

- Exceptions during the test period
- Exceptions to the Policy
- New facilities (short and long term)
- Derivative transactions
- Bank accounts opened or closed during the period.

FN/23-24/88 Minutes of Sub-Committee including quarterly performance summary of the Trinity Endowment Fund q/e 31.12.2023

The Committee noted the circulated memorandum from the Chief Financial Officer dated 24.04.2024 and the accompanying draft minutes of the



Investment Committee meeting of 19.03.2024, which included the following items:

- Endowment Fund – 31 December 2023
- Benchmarking Endowment Fund 2022/23
- Review of Investment Portfolio Asset Allocation and Strategic Asset Ranges
- Endowment Fund Marketing Flyer
- University Bridge Fund Review of the year
- Trinity Endowment Fund Financial Statements (for noting)

The Committee also noted the quarterly performance summary to 31.12.2023 as circulated.

FN/23-24/89 Minutes of Commercial Revenue Unit (CRU) Advisory Board

The Committee noted the circulated memorandum from the Chief Financial Officer dated 23.04.2024 and the accompanying minutes of the CRU Advisory Board meeting of 07.12.2023, which included the following items:

- Remco Update
- Financial Highlights FY23 – Recap
- Budget FY24 – Recap
- Key Challenges FY24
- Gaia Update
- Book of Kells Experience Update

FN/23-24/90 Minutes of Audit Committee (AC)

The Committee noted the circulated memorandum from the Chief Financial Officer dated 23.04.2024 and the accompanying minutes of the Audit Committee meetings of 06.12.2023 and 13.02.2024, which included the following items:

- Review of Completed & Risk Accepted Recommendations
- Audit of Adjunct Academic Processes
- Audit of Central Events Management
- Internal Audit Strategy
- Internal Audit Annual Plan 2024
- Risk and Compliance Committee



- Update from Chief Operating Officer
- AC Annual Report 2023/24
- Divisional Update and Audit Recommendations Log
- Report from the Trinity Foundation Audit and Risk Committee
- Audit of Research Ethics Application Management
- Internal Audit Annual Report
- Governance Statements

FN/23-24/91 Related Entity Financial Reporting
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The Committee noted the circulated memorandum from the Chief Financial Officer dated 23.04.2024 and recommended the Directors' Report and audited Financial Statements of the Irish Bioeconomy Foundation CLG for the year ended 31.12.2022 to Board for noting.

Action:

- 91.1** The Directors' Report and audited Financial Statements of the Irish Bioeconomy Foundation CLG for the year ended 31.12.2022 to be forwarded to Board for noting.

The Committee noted the next Finance Committee meeting is scheduled for **30 May 2024 at 10:00am** in the Provost's Library.

PROVOST..... DATE.....