

Trinity College Dublin Code of Governance

2013



This Code is based upon the sectoral code, ‘Governance of Irish Universities, 2012’, and was adopted by the TCD Board on 19 June 2013 following the report of the Board sub-group on the Code of Governance

Foreword		1
Introduction		2
Part 1	University Legislation and Related Legislative Frameworks	4
1.1	The 1997 Act	5
1.2	Governing Authority	5
1.3	Role of Chairperson and Chief Officer in relation to Governing Authority	9
1.4	Policies on Quality Assurance and Equality	12
1.5	Disposal of Assets and Access to Assets by Third Parties	12
1.6	Remuneration	13
1.7	Reporting Arrangements	13
1.8	Strategic Planning	14
1.9	Borrowing	14
Appendix 1A	Full Relevant Extracts from 1997 Act	15
Appendix 1B	Agreed Framework between the Universities and the HEA for Departures from Approved Levels of Remuneration, Fees, Allowances and Expenses for University Employees	20
Appendix 1C	Framework for Borrowing and Loan Guarantees	24
Appendix 1D	Role of the Accounting Officer	27
Part 2	Universities Code: Principles and Best Practice	28
2.1	Code of Governance	29
2.2	Code of Conduct for Members and Employees	30
2.3	Internal Control and Risk Management	30
2.4	Audit Committee	32
2.5	Internal Audit Functions	33
2.6	Remuneration	33
2.7	Procurement and Tax Clearance	34
2.8	Travel and Subsistence	35
2.9	Disposal of Assets and Access to Assets by Third Parties	35
2.10	Investment Appraisal and Value for Money	36
2.11	Reporting Arrangements	36
2.12	Tax Compliance	37
2.13	Diversification and Establishment of Subsidiaries	38
2.14	Strategic Planning	38
2.15	Legal Disputes	38
Part 3	More Detailed Governance Guidelines	41
3.1	Guidelines for Governance for Board, Provost, New Board Members, Risk Management and Audit Committee	42

3.2	Code of Conduct for Members of the Board and Principal Committees of the Board	51
3.3	Code of Conduct for Employees	57
3.4	Guidelines in respect of Quality Customer Service for Customers and Clients of Universities	61
3.5	Format of Statement of Governance and Internal Control	64
3.6	Guidelines for Best Practice in Asset Disposal and Access to Assets by Third Parties	65
	Appendix 3A TCD Code of Governance – Potential Board Conflicts of Interest	67
	Appendix 3B Risk Management Policy	80
	Appendix 3C Terms of Reference of Trinity College Dublin Audit Committee (2011 Version)	83
	Appendix 3D Charter of Internal Audit	88
	Appendix 3E College Fraud Policy	91
	References	96

Foreword

The Universities Act, 1997 (the “1997 Act”) was very proactive in setting out a framework of accountability for the effective governance of universities. The Act also underscores the autonomy of Irish universities particularly in Section 14 (1) which provides that a university shall “have the right and responsibility to preserve and promote the traditional principles of academic freedom in the conduct of internal and external affairs and be entitled to regulate its affairs in accordance with its independent ethos and traditions” and “...if, in the interpretation of this Act, there is a doubt regarding the meaning of any provision, a construction that would promote the ethos and those traditions and principles shall be preferred to a construction that would not so promote”. The approach to governance set out in this document seeks to preserve the balance between accountability and autonomy which is struck in the Act.

Since the implementation of the Act in 1997 there have been a number of developments in governance and accountability. Some such developments were addressed in the 2001 report “The Financial Governance of Irish Universities: Balancing Autonomy and Accountability”, a code initiated and developed jointly by the universities and the Higher Education Authority (HEA). The more recent developments in governance arrangements in the public and private sectors, both in Ireland and abroad, extend beyond financial governance which was the primary focus of the earlier code. In the light of this, the HEA and the Irish Universities Association (IUA) initiated this further review and the provisions of the “Governance of Irish Universities” update and replace the relevant provisions of the 2001 code.

The Department of Finance issued a revised Code of Practice for the Governance of State Bodies in May 2009, to reflect current best practice in governance. This Code updated the previous 2001 Code which provided a key input into the 2007 HEA/IUA “*Code of Governance for Irish Universities*”.

The Department of Finance 2009 Code, while covering much the same areas as the earlier Code, updated requirements, responsibilities and accountabilities in certain areas such as internal control, audit and risk management. While many of these had been anticipated in the University Code, important new areas were also addressed. The revised “Governance of Irish Universities 2012 ” now reflects the provisions of the 2009 Code of Practice for the Governance of State Bodies.

This document presents the Code of Governance for Trinity College Dublin addressing the requirements of the agreed 2012 sectoral code.

June 2013

Governance of Irish Universities

Introduction

Good governance arrangements are essential for organisations large and small whether operating in the public or private sectors. Governance comprises the systems and procedures under which organisations are directed and controlled. A robust system of governance is vital in order to enable organisations to operate effectively and to discharge their responsibilities as regards transparency and accountability to those they serve. Given their pivotal role in society and in national economic and social development, together with their reliance on public as well as private funding, good governance is particularly important in the case of the universities.

The governance arrangements are set out in three separate parts as outlined below:

- (1) University Legislation and Related Legislative Frameworks;
- (2) Universities Code: Principles and Best Practice;
- (3) More Detailed Governance Guidelines.

(1) University Legislation and Related Legislative Frameworks

This primarily deals with the governance requirements arising from the provisions of the 1997 Act and the agreed frameworks under that Act. These are obligatory requirements.

(2) Universities Code: Principles and Best Practice

This is a voluntary code outlining a further set of principles and best practices, which take account of developments in governance since 1997 and are intended to be generally applicable regarding the internal practices and external relations and accountabilities of the universities.

The governing authority of each university is primarily responsible for ensuring that its activities are governed by the ethical and other considerations enshrined in the Code. Where a university's practices are not consistent with particular provisions of this Code the reasons should be clear and documented.

The provisions of this Code are supplementary to and do not affect existing statutory requirements relating to a university (as set out in **Part 1** of this document) and any other legislation applicable to it or its activities.

(3) More Detailed Governance Guidelines

These are a set of illustrative guidelines to inform the implementation of the Universities Code: Principles and Best Practice while recognising the particular ethos, circumstances and organisational structures of each university. They are not intended to be prescriptive in their detail. It is recognised that it is not feasible or desirable to attempt to provide for all situations or to rule out flexibilities in application that may be needed to take account of the circumstances of individual universities.

Good governance should be seen as an aid to performance and effectiveness. It is not there to inhibit enterprise or innovation. Good governance arrangements necessarily involve having appropriate checks and balances in relation to decision-making in the institutions, so as to safeguard the collective responsibility of the governing authority.

This document will assist universities and their governing authorities in the good and proper management of universities and in ensuring that appropriate procedures and controls are

implemented to manage the risks facing such complex institutions, while at the same time respecting their autonomy.

It will also provide comfort to the State and the public at large that universities are operating to the highest standards of governance and accountability in relation to all their activities.

While this document deals primarily with governance issues as applicable to governing authorities¹, the principles and best practices in it are equally applicable to other organs of governance, such as academic councils/boards, committees of the governing bodies and committees generally, faculties, schools, departments.

It is intended to keep the content and operation of “Governance of Irish Universities” under review and to amend it from time to time in the light of experience and following appropriate consultation.

¹ “A governing authority... shall be known by whatever name the governing authority decides.” [1997 Act, s. 15 (1)]. Currently, the names “Governing Authority”, “Governing Body”, “Údarás na hOllscoile” or “Board” are in use in the respective universities. The TCD governing authority is referred to as the Board.

Part 1	University Legislation and Related Legislative Frameworks	4
1.1	The 1997 Act	5
1.2	Governing Authority	5
1.3	Role of Chairperson and Chief Officer in relation to Governing Authority	9
1.4	Policies on Quality Assurance and Equality	12
1.5	Disposal of Assets and Access to Assets by Third Parties	12
1.6	Remuneration	13
1.7	Reporting Arrangements	13
1.8	Strategic Planning	14
1.9	Borrowing	14
Appendix 1A	Full Relevant Extracts from 1997 Act	15
Appendix 1B	Agreed Framework between the Universities and the HEA for Departures from Approved Levels of Remuneration, Fees, Allowances and Expenses for University Employees	20
Appendix 1C	Framework for Borrowing and Loan Guarantees	24
Appendix 1 D	Role of the Accounting Officer	27

Part 1 University Legislation and Related Legislative Frameworks

1.1 The 1997 Act

- 1.1.1 The Universities Act 1997 is the primary piece of legislation governing universities. The Act imposes a number of considerable governance requirements on universities and these are detailed in this section.

1.2 Governing Authority

- 1.2.1 In accordance with Section 15 of the 1997 Act all universities are required to have a governing authority established:-

“15 – Governing Authority

- (1) Subject to section 21 [see **Appendix 1A**], each university shall have a governing authority established in accordance with this Act which shall be known by whatever name the governing authority decides.*
- (2) Subject to this Act, the functions of a university [see **Section 18 – Appendix 1A**] shall be performed by or on the directions of its governing authority.*
- (3) All acts and things done by a governing authority, or in the name of or on behalf of the university with the express or implied authority of the governing authority, shall be deemed to have been done by the university.*
- (4) The Third Schedule shall apply to the governing authority.”*

- 1.2.2 The governing authority determines the financial constraints within which the Academic Council operates and reviews decisions of that authority in accordance with Section 27 (1) of the 1997 Act:

“27 – Academic Council

- (1) Each university shall have an academic council which shall, subject to the financial constraints determined by the governing authority and to review by that authority, control the academic affairs of the university, including the curriculum of, and instruction and education provided by, the university.”*

- 1.2.3 The operation of the governing authority is governed by the Third Schedule of the Act as set out below:-

Third Schedule GOVERNING AUTHORITY

1. *(1) As soon as practicable after its establishment, the governing authority of a university shall provide and retain in its possession a seal of the university.*

(2) The seal of a university shall be authenticated by the signature of the chairperson or a member of the governing authority, and by the signature of an employee of the university, authorised by the governing authority to act in that behalf.

(3) Judicial notice shall be taken of the seal of a university, and every document purporting to be an instrument made by a university and to be sealed with the seal of the university (purporting to be authenticated in accordance with this Schedule) shall be received in evidence and shall, unless the contrary is shown, be deemed to be such instrument, without further proof.

2. *(1) Each governing authority shall have a chairperson, as provided for in section 17 [see **Paragraph 1.3**], who may be designated by such title as the governing authority determines.*

(2) The chairperson may, at any time, resign from office as chairperson by letter addressed to the governing authority and the resignation shall take effect on the date on which the letter is received.

3. *(1) A member of a governing authority may, for good and valid reason, be removed from office by resolution of the governing authority.*

(2) A member of a governing authority may, at any time, resign from office as a member by letter addressed to the chairperson and the resignation shall take effect on the date on which the letter is received.

(3) A member of a governing authority who is absent from all meetings of the governing authority for a period of six consecutive months, unless the absence was due to illness or was approved by the governing authority, shall at the expiration of that period cease to be a member of the governing authority.

(4) A member of a governing authority (including a chairperson appointed under section 17 (3)) whose term of office expires by effluxion of time shall be eligible for re-appointment.

4. *(1) Subject to this Schedule and to section 21 [see **Appendix 1A**], the term of office of a member of each succeeding governing authority, other than an ex officio member, shall be not less than three years and not more than five years as determined by the governing authority holding office immediately before the appointment of that member.*

(2) A member of a governing authority who is a student of the university shall hold office for such period, not exceeding one year, as the governing authority may determine but may be re-appointed for a further period or further periods, on each occasion not exceeding one year.

5. *(1) If a member of a governing authority dies, resigns, is removed from office or for any other reason ceases to hold office, the governing authority shall arrange for the filling of the casual vacancy so occasioned as soon as practicable.*

(2) A person who becomes a member of a governing authority to fill a casual vacancy shall, subject to this Schedule, hold office for the remainder of the term of office of the member whose death, resignation, removal from office

or ceasing for other reasons to hold office occasioned the casual vacancy and shall, subject to paragraph 3 (4), be eligible for re-appointment.

6. *(1) Each governing authority shall, from time to time as the occasion requires, appoint from amongst its members a member (other than the chief officer) to be its deputy-chairperson.*

(2) The deputy-chairperson shall, unless he or she sooner resigns as deputy-chairperson, hold office until he or she ceases to be a member of the governing authority.

7. *(1) Where a member of a governing authority—*
(a) is adjudged bankrupt or makes, under the protection or procedure of a court, a composition or arrangement with creditors,
(b) is sentenced to a term of imprisonment by a court of competent jurisdiction, or
(c) ceases to be a member of the category of person, as provided for in section 16, to which he or she belonged at the time of becoming a member, he or she shall thereupon cease to be a member of the governing authority.

(2) A person shall not be eligible to be a member of a governing authority if he or she—

- (a) is an undischarged bankrupt,*
(b) within the immediately preceding three years has, under the protection or procedure of a court, made a composition or arrangement with creditors, or
(c) within the immediately preceding five years, has been sentenced to a term of imprisonment by a court of competent jurisdiction.

8. *(1) A member of a governing authority who has an interest in—*
(a) a company (other than a public company of which he or she is not a director or otherwise involved in its management) or concern with which the university proposes to make a contract, or
(b) a contract which the university proposes to make,
shall disclose to the governing authority the fact of the interest and its nature and shall take no part in any deliberation or decision of the governing authority relating to the contract, and the disclosure shall be recorded in the minutes of the governing authority.

(2) A member of a governing authority of a university who is related to a person who is a candidate for appointment by the governing authority as an employee of the university, shall disclose to the governing authority the fact of the relationship and its nature and shall, if the governing authority so decides, take no part in any deliberation or decision of the governing authority relating to the appointment, and the disclosure and decision shall be recorded in the minutes of the governing authority.

(3) A member of a governing authority of a university shall at all times act, as a member, in the best interests of the university and shall not act as a representative of any special interest provided that nothing in this paragraph shall restrict a member from representing at meetings of the governing

authority the views of those by whom he or she has been elected or to restrict the freedom of expression of that member.

9. *The chairperson and members of a governing authority, other than an ex officio member who is an employee of the university, shall be paid out of funds at the disposal of the governing authority such allowances for expenses as the Minister, with the approval of the Minister for Finance, may decide.*
10. (1) *A governing authority shall hold such and so many meetings, and at such times, as the chairperson may determine.*

(2) *The chairperson shall convene a meeting of the governing authority whenever requested to do so by not less than the number of members which constitute a quorum.*

(3) *The quorum for a meeting of a governing authority shall be one third of the total number of members, rounded up to the nearest whole number, plus one.*
11. *At a meeting of a governing authority—*

(a) *the chairperson shall, if present, be the chairperson of the meeting, or*
(b) *if and so long as the chairperson is not present or the office of chairperson is vacant, the deputy-chairperson shall, if present, be the chairperson of the meeting,*
(c) *if and so long as the chairperson is not present or the office of chairperson is vacant, and the deputy-chairperson is not present or the office of deputy-chairperson is vacant, the members of the governing authority who are present shall choose one of their number to preside at the meeting.*
12. *Every question at a meeting of a governing authority shall be determined by consensus, but where in the opinion of the chairperson or other person presiding consensus is not possible, the question shall be decided by a majority of the votes of members present and voting on the question and, in the case of an equal division of votes, the chairperson or other person presiding shall have a second or casting vote.*
13. *Subject to paragraph 10 (3), a governing authority may act notwithstanding one or more than one vacancy among its members or any deficiency in the election or appointment of a member which may subsequently be discovered.*
14. *Subject to this Act, a governing authority shall regulate, by standing orders or otherwise, its procedure and business.*
15. *Subject to this Act, the governing authority of a university may make, from time to time, such regulations as it thinks fit for the conduct of the affairs of the university.*

1.3 Role of Chairperson and Chief Officer in relation to Governing Authority

Role of Chairperson

1.3.1 The roles of the Chairperson and Chief Officer are governed by the 1997 Act. The role of the Chairperson² is governed in particular by Section 17, which is reproduced below and by the Third Schedule of the Act (see **paragraph 1.2.3** above).

“17 – Chairperson of governing authority

- (1) The first meeting of a governing authority of a university shall be chaired by the chief officer and, subject to this section, at that meeting and from time to time as the governing authority determines, the governing authority shall decide whether—
 - (a) the holder of the office of chief officer should be or continue to be the chairperson; or*
 - (b) a person other than the holder of the office of chief officer should be appointed as chairperson.**
- (2) Where the governing authority decides that the holder of the office of chief officer should be the chairperson then, subject to this section, the chief officer shall, ex officio, be the chairperson on and from the passing of the resolution to that effect.*
- (3) Where the governing authority decides at a meeting that a person other than the chief officer should be the chairperson, it shall, as soon as practicable at that or a subsequent meeting, by a majority vote of not less than two-thirds of its members, appoint a person who is not an employee of the university or a member of the governing authority to be the chairperson.*
- (4) Until a person is appointed under subsection (3), but subject to this section, the chief officer shall act as chairperson of all meetings of the governing authority.*
- (5) Subject to this section, a chairperson appointed under subsection (3) shall hold office on such terms and conditions as the governing authority may, at the date of his or her appointment, determine.*
- (6) A person holding office as chairperson of a governing authority in accordance with subsection (3) may, at any time for stated reasons, be removed from the office of chairperson by the governing authority and where a person is so removed from office, subsections (1), (2) and (3), with the necessary modifications, shall apply.*
- (7) In the case of the governing authority of Trinity College or a constituent university, the person holding the office of chief officer (by whatever name known) on the commencement of this Part shall be the chairperson of the governing authority of that university under this Act until his or her term of office as chief officer expires, he or she is sooner removed from the office of chairperson in accordance with subsection (6), or the office otherwise becomes vacant.*
- (8) Where immediately before the commencement of this Part the chief officer of a university was not the chairperson (by whatever name known) of the governing body (by whatever name known) of the university, then, except for the first meeting of a governing authority of the corresponding university*

² The Chairperson “may be designated by such title as the Governing Authority determines.” [1997 Act, Third Schedule, Section 2 (1).] The titles “Chairperson”, “Chancellor” and “Cathaoirleach” are in use.

- under this Act or in the circumstances referred to in subsection (4), the chief officer shall not be eligible to be the chairperson of the governing authority.*
- (9) *An appointment under subsection (3) shall not be on a fulltime basis and the person appointed shall exercise no function in respect of the control and management of the university other than the functions of chairperson of the governing authority.”*

Role of Chief Officer

1.3.2 The role of the Chief Officer³ is governed particularly by Section 24 and by the Fourth Schedule of the Act as amended by Section 53 of the Institute of Technology Act 2006, which are reproduced below. See **Appendix 1D**.

“24 - Chief officer

- (1) *A governing authority shall, in accordance with procedures specified in a statute, appoint in a whole-time capacity a person to be chief officer of its university, who shall be called the President or Provost or by such other title as the governing authority determines, and the person so appointed shall be the accounting officer for the university.*
- (2) *For the purposes of section 19 of the Comptroller and Auditor General (Amendment) Act, 1993⁴, the expression "accounting officer" shall include a chief officer of a university to which this Act applies.*
- (3) *The Fourth Schedule shall apply to the chief officer.”*

Fourth Schedule⁵

CHIEF OFFICER

1. *The chief officer of a university shall, subject to this Act, manage and direct the university in its academic, administrative, financial, personnel and other activities and for those purposes has such powers as are necessary or expedient.*
2. *In performing his or her functions the chief officer shall be subject to such policies as may be determined from time to time by the governing authority and shall be answerable to the governing authority for the efficient and effective management of the university and for the due performance of his or her functions.*
3. (1) *A chief officer may delegate any of his or her functions to an employee of the university, including any functions delegated to the chief officer in accordance with section 25 (2), unless they are so delegated to the chief officer subject to the condition that they shall not be sub-delegated, and the employee shall be answerable to the chief officer for the performance of those functions.*

³ The Chief Officer “shall be called the President or Provost or by such other title as the Governing Authority determines.” [1997 Act, Third Schedule, Section 2 (1).]

⁴ Please see <http://www.irishstatutebook.ie/1993/en/act/pub/0008/index.html>.

⁵ As amended by the Institutes of Technology Act, 2006.

(2) Notwithstanding any such delegation, the chief officer shall at all times remain answerable to the governing authority in respect of the functions so delegated.

4. *A chief officer shall not hold any other office or position without the consent of the governing authority.*
5. *A chief officer shall be entitled to be a member of and preside over any and every committee appointed by the governing authority.*
6. *A person who, immediately before the commencement of Part III, was employed as the President of a constituent college or as Master of the Recognised College of St. Patrick's College, Maynooth shall, if he or she so consents, be appointed as the chief officer of the corresponding constituent university on that commencement.*
7. *Unless he or she otherwise resigns, retires or is removed from office, a chief officer shall hold office for a period of 10 years and, in the case of a chief officer to whom paragraph 6 applies, any period spent as President of a constituent college or as Master of the Recognised College of St. Patrick's College, Maynooth before the commencement of Part III shall be reckoned as part of that 10 year period.*
8. *A Chief Officer shall, whenever required to do so by the Committee of Dáil Éireann established under the Standing Orders of Dáil Éireann to examine and report to Dáil Éireann on the appropriation accounts and reports and reports of the Comptroller and Auditor General, give evidence to that Committee on-*
 - (a) *The regularity and propriety of the transactions recorded or required to be recorded in any book or other record of account subject to audit by the Comptroller and Auditor General that the university is required by this Act to prepare,*
 - (b) *The economy and efficiency of the university in the use of its resources*
 - (c) *The systems, procedures and practices employed by the university for the purpose of evaluating the effectiveness of its operations, and*
 - (d) *Any matter affecting the university referred to in a special report of the Comptroller and Auditor General under Section 11(2) of the Comptroller and Auditor General Act 1993 or in any other report of the Comptroller and Auditor General (in so far as it relates to a matter specified in subparagraph (a), (b) or (c)) that is laid before Dáil Éireann.*
9. *A Chief Officer, if required under paragraph 8 to give evidence, shall not question or express an opinion on the merits of any policy of the Government or a Minister of the Government or on the merits of the objectives of such a policy.*

10. *From time to time and whenever so requested, a chief officer shall account for the performance of the university's functions to a Committee of one or both Houses of the Oireachtas and shall have regard to any recommendations of such Committee relevant to these functions."*

1.4 Policies on Quality Assurance and Equality

- 1.4.1 Section 35 of the 1997 Act deals with Quality Assurance.
- 1.4.2 Universities are required under Section 35 (1) of the 1997 Act to *"...establish procedures for quality assurance aimed at improving the quality of education and related services provided by the university."*
- 1.4.3 Section 35 (3) of the 1997 Act requires a governing authority to *"...implement any findings arising out of an evaluation carried out in accordance with procedures established under this section ..."*
- 1.4.4 Section 35 (4) of the 1997 Act requires a governing authority to *"...arrange for a review of the effectiveness of the procedures provided for by this section and the implementation of the findings arising out of the application of those procedures."*
- 1.4.5 The full provisions of Section 35 of the 1997 Act are set out in **Appendix 1A**.
- 1.4.6 Section 36 of the 1997 Act deals with Equality policy and requires:
"...the chief officer to prepare a statement of the policies of the university in respect of—
(a) *access to the university and to university education by economically or socially disadvantaged people, by people who have a disability and by people from sections of society significantly under-represented in the student body; and*
(b) *equality, including gender equality, in all activities of the university, and the chief officer, in preparing the statement, shall have regard to such policies on those matters as may from time to time be determined by the Minister."*
and to implement those policies in accordance with Section 36 (3) of the Act.
- 1.4.7 The full provisions of 36 of the 1997 Act are set out in **Appendix 1A**.

1.5 Disposal of Assets and Access to Assets by Third Parties

- 1.5.1 The disposal of university assets and access to university assets are governed by the 1997 Act, and in particular by Sections 13 and 42 of that Act. Section 13 (2) of the 1997 Act provides that universities *"may purchase or otherwise acquire, hold and dispose of land or other property"*.
- 1.5.2 Section 42 deals with the disposal of land or other property and is set out below:-

"42 – Disposal of Land, etc.
(1) Subject to subsection (2), a university may sell or otherwise dispose of any land the property of the university.
(2) Where the acquisition, development or refurbishment of land, the property of a university, was funded in whole or in part out of moneys provided by the Oireachtas

after the date of the passing of this Act, a sale or other disposal of that land shall be subject to such terms and conditions relating to a payment to the Minister in recompense for such moneys, as may be agreed between the Minister and the governing authority.

(3) If a university ceases to be funded substantially from moneys provided by the Oireachtas, then all moneys provided to the university by the Oireachtas after the date of the passing of this Act for the acquisition, development or refurbishment of land, or for the acquisition of any other assets which are the property of the university, shall be repayable to the Minister subject to such terms and conditions, including as to the amount to be so repaid, as may be agreed between the Minister and the governing authority.

(4) Where the Minister and a governing authority cannot agree on terms and conditions referred to in this section, the issues in dispute shall be determined by an arbitrator appointed by the President of the High Court and any arbitration shall be conducted in accordance with the Arbitration Acts, 1954 and 1980."

1.6 Remuneration

1.6.1 Section 25 of the 1997 Act deals with remuneration of staff and provides for the payment to university employees of "*such remuneration, fees, allowances and expenses as may be approved from time to time by the Minister [for Education and Skills] with the consent of the Minister for Finance*" and further provides that "*a university may depart from levels of remuneration, fees, allowances and expenses approved ...in accordance with a framework which shall be agreed between the universities and An tÚdarás [HEA]*". This framework is attached at **Appendix 1B**.

1.7 Reporting Arrangements

1.7.1 The reporting requirements of universities are set out in Sections 37, 39 and 41 of the 1997 Act.

1.7.2 Section 37 deals with university budgets and requires a governing authority to "*...prepare and submit to An tÚdarás, in such form and manner as may from time to time be approved by An tÚdarás, a statement of the proposed expenditure and expected income of the university for the financial year.*"

1.7.3 Section 39 deals with keeping of accounts and records and requires that accounts "*...be submitted annually by a university to the Comptroller and Auditor General, for audit....and immediately after the audit, a copy of the accounts, together with a copy of the report of the Comptroller and Auditor General on the accounts, shall be presented by the university to An tÚdarás and to the Minister.*"

1.7.4 Section 41 requires the Chief Officer with the approval of the governing authority to "*...prepare a report on the operations and the performance of the university...*" and send this to the HEA and the Minister for Education and Skills.

1.8 Strategic Planning

- 1.8.1 Section 34 of the 1997 Act makes provisions in regard to strategic planning and evaluation in the universities.
- 1.8.2 The requirement to prepare “*a plan which shall set out the aims of the Governing Authority for the operation and development of the university and its strategy for achieving those aims, and for carrying out the functions of the university, during the period, being not less than three years, to which the plan relates*” is provided for in Section 34(1) of the 1997 Act.
- 1.8.3 In accordance with Section 34(3) a copy of the strategic development plan is provided to the Minister and to the HEA.
- 1.8.4 The full provisions of Section 34 of the 1997 Act are set out in **Appendix 1A**.
- 1.8.5 Under Section 41(1) of the 1997 Act, the Chief officer shall, with the approval of the governing authority and having regard to the strategic development plan under Section 34, as soon as practicable after the statutory interval (not exceeding three years), prepare a report on the operations and performance of the university during that period.
- 1.8.6 In accordance with Section 41(2) the governing authority shall publish the report at 1.8.5 in such form as it sees fit and provide the Minister with a copy. On receipt of the report the Minister will lay it before each House of the Oireachtas as soon as practicable.
- 1.8.7 The full provisions of Section 41 of the 1997 Act are set out in **Appendix 1A**.

1.9 Borrowing

- 1.9.1 Under Section 38 of the 1997 Act, universities must observe the provisions of any Framework for Borrowings and Loan Guarantees (as amended, adapted or extended from time to time) agreed between the universities and the HEA under Section 38(2) of the 1997 Act. The current framework is at **Appendix 1C**.

Appendix 1A Full Relevant Extracts From 1997 Act

18 – Functions of Governing Authority

- (1) *The functions of the governing authority of a university shall be, in pursuance of the objects of the university under section 12 but within the constraints of its budget under section 37-*
 - (a) *to control and administer the land and other property of the university,*
 - (b) *to appoint the chief officer and such other employees as it thinks necessary for the purposes of the university,*
 - (c) *subject to this Act and its charter, if any, statutes and regulations, to determine the membership from time to time of the governing authority, and*
 - (d) *to perform such other functions as are imposed on it by or under this or any other Act or by its charter, if any, statutes and regulations.*
- (2) *For the purposes of the performance of its functions under subsection (1)(b), the governing authority shall develop such interview and other procedures as in its opinion will best ensure participation in the selection process by high quality candidates from both within and outside of the employees of the university and specify those procedures in a statute or regulation.*
- (3) *A governing authority has, subject to this or any other Act or its charter, if any, such powers as are necessary for the purposes of performing its functions.*
- (4) *A governing authority may, from time to time, appoint such and as many committees, consisting either wholly or partly of members of the governing authority, as it thinks necessary to assist it in the performance of its functions and may assign to those committees such of its functions as it thinks fit.*
- (5) *A committee appointed under subsection (4) shall operate in such manner as the governing authority may direct and its acts shall be subject to confirmation by the governing authority unless the governing authority otherwise directs.*
- (6) *In performing its functions a governing authority, or a committee where appropriate, shall—*
 - (a) *have regard to the promotion and use of the Irish language as a language of general communication and promote the cultivation of the Irish language and its associated literary and cultural traditions;*
 - (b) *have regard to the attainment of gender balance and equality of opportunity among the students and employees of the university and shall, in particular, promote access to the university and to university education by economically or socially disadvantaged people and by people from sections of society significantly under-represented in the student body; and*
 - (c) *ensure as far as it can that the university contributes to the promotion of the economic, cultural and social development of the State and to respect for the diversity of values, beliefs and traditions in Irish society.*

21 – Suspension of Governing Authority

- (1) *Where the Minister, after considering the report of an inquiry by a Visitor made in pursuance of a request under section 20(1)⁶, is of the opinion that the functions of a*

⁶ Section 20(1) states, “Where the Minister is of the opinion that there are reasonable grounds for contending that the functions of a university are being performed in a manner which prima facie constitutes a breach of the laws, statutes or ordinances applicable to the university, the Minister may, after first advising the governing authority of his or her opinion and with the concurrence of the Government, request the Visitor to the university to inquire into any matter giving rise to the Minister's opinion.”

university or its governing authority are being performed in a manner which constitutes a breach of the laws, statutes or ordinances of or applicable to the university, the Minister shall so inform the chief officer and give to the chief officer a copy of the report of the Visitor.

- (2) *(a) if the Minister is still of the opinion that the functions are being performed in a manner which constitutes a breach of the laws, statutes or ordinances of or applicable to the university; and
(b) is of the opinion that, because of the report, the governing authority should be suspended and the Visitor concurs, recommend to the Government the suspension of the governing authority and of the membership of its members.*
- (3) *On receiving the recommendation of the Minister the Government may, by order but subject to subsection (8), suspend the governing authority.*
- (4) *Where the Government makes an order under section (3), the Visitor to the university shall, following consultation with the Minister and such persons within the university as the Visitor considers appropriate, appoint such person or body of persons as the Visitor thinks fit to perform the functions of the governing authority and that person or body shall perform those functions until the commencement of the first meeting of the governing authority after the appointment of its members in pursuance of subsection (6).*
- (5) *The remuneration, if any, of a person or member of a body appointed under subsection (4) shall be paid out of moneys provided by the Oireachtas.*
- (6) *The Visitor shall, as soon as practicable, but in any case not later than 12 months, after the suspension of a governing authority, following consultation with such persons within the university as the Visitor considers appropriate, determine the composition of the new governing authority and, by notice in writing, inform the Minister of the composition as so determined.*
- (7) *On the Minister being informed as provided in subsection (6), the governing authority shall be so constituted as so determined, in accordance with Chapter II.*
- (8) *Where the Government proposes to make an order under subsection (3), it shall cause a draft of the proposed order to be laid before each House of the Oireachtas and the order shall not be made until a resolution approving of the draft has been passed by both Houses.*

25 – Staff

- (1) *Subject to subsection (2), a university may, in accordance with procedures specified in a statute or regulation, appoint such and so many persons to be its employees as it thinks appropriate, having regard to—
(a) the efficient use of its available resources, the requirements of accountability for the use of moneys provided to it by the Oireachtas and the policy relating to pay and conditions in the Public Service as determined from time to time by the Government,
(b) the implications of the appointments for its budget and for subsequent budgets, and
(c) the guidelines, if any, issued under section 50.*
- (2) *A governing authority may, subject to such conditions as it thinks fit, delegate to the chief officer any of the functions of the governing authority or the university relating to the appointment of employees of the university and the determination of selection procedures.*
- (3) *Except as otherwise provided by this section, the employees of a university shall be employed on such terms and conditions as the university from time to time determines.*

- (4) *Subject to subsection (5), there shall be paid by a university to the employees of that university, such remuneration, fees, allowances and expenses as may be approved from time to time by the Minister with the consent of the Minister for Finance.*
- (5) (a) *A university may depart from levels of remuneration, fees, allowances and expenses approved under subsection (4) where the governing authority is satisfied that it is necessary to meet the objects of the university, but may do so only in accordance with a framework which shall be agreed between the universities and An tÚdarás.*
 (b) *A corporation referred to in section 13(2)(c)⁷ may pay to employees of a university remuneration, fees, allowances and expenses only in accordance with a framework which shall be agreed between the universities and An tÚdarás.*
- (6) *A university may suspend or dismiss any employee but only in accordance with procedures, and subject to any conditions, specified in a statute made following consultation through normal industrial relations structures operating in the university with recognised staff associations or trade unions, which procedures or conditions may provide for the delegation of powers relating to suspension or dismissal to the chief officer and shall provide for the tenure of officers.*
- (7) *A university or the National University of Ireland shall determine the terms and conditions of any superannuation scheme for its employees in accordance with the Fifth Schedule and that Schedule shall apply to an amendment to an existing scheme in the same way as it applies to a new scheme.*
- (8) *For the removal of doubt, it is hereby declared that—*
 (a) *the rights and entitlement in respect of tenure, remuneration, fees, allowances, expenses and superannuation enjoyed on the commencement of this section by persons who are employees, and in the case of superannuation, former employees, of a university to which this Act applies shall not, by virtue of the operation of this Act, be any less beneficial than those rights and entitlements enjoyed by those persons as employees of the university or corresponding constituent college or Recognised College immediately before that commencement, and*
 (b) *the conditions of service, restrictions and obligations to which such persons were subject immediately before the commencement of this Act shall, unless they are varied by agreement, continue to apply to such persons and shall be exercised or imposed by the university or the chief officer as may be appropriate, while such persons are employed by the university.*

34 - Strategic development plan

- (1) *A governing authority shall, as soon as practicable after its appointment and at such other times as it thinks fit, require the chief officer to prepare a plan which shall set out the aims of the governing authority for the operation and development of the university and its strategy for achieving those aims, and for carrying out the functions of the university, during the period, being not less than three years, to which the plan relates.*
- (2) *A governing authority may, having regard to the resources available to the university, either approve a strategic development plan prepared under subsection (1) without modification or, after consultation with the chief officer, approve the plan with such modifications as it thinks fit.*

⁷ Section 13(2)(c) states that, “A University...may establish by incorporation in the State or elsewhere, or participate in the establishment of, such trading, research or other corporations as it thinks fit for the purpose of promoting or assisting, or in connection with the functions of, the University.”

- (3) *As soon as practicable after it approves the strategic development plan under subsection (2), the governing authority shall provide a copy of the plan to An tÚdarás and to the Minister.*

35 - Quality assurance

- (1) *A governing authority, in consultation with the academic council, shall, as soon as practicable after the governing authority is established under this Act and at such other times as it thinks fit, require the chief officer to establish procedures for quality assurance aimed at improving the quality of education and related services provided by the university.*
- (2) *The procedures shall include—*
(a) the evaluation, at regular intervals and in any case not less than once in every 10 years or such longer period as may be determined by the university in agreement with An tÚdarás, of each department and, where appropriate, faculty of the university and any service provided by the university, by employees of the university in the first instance and by persons, other than employees, who are competent to make national and international comparisons on the quality of teaching and research and the provision of other services at university level; and
(b) assessment by those, including students, availing of the teaching, research and other services provided by the university, and shall provide for the publication in such form and manner as the governing authority thinks fit of findings arising out of the application of those procedures.
- (3) *A governing authority shall implement any findings arising out of an evaluation carried out in accordance with procedures established under this section unless, having regard to the resources available to the university or for any other reason, it would, in the opinion of the governing authority, be impractical or unreasonable to do so.*
- (4) *A governing authority shall, from time to time, and in any case at least every 15 years, having regard to the resources available to the university and having consulted with An tÚdarás, arrange for a review of the effectiveness of the procedures provided for by this section and the implementation of the findings arising out of the application of those procedures.*
- (5) *A governing authority, in a report prepared in accordance with section 41, shall publish the results of a review conducted under subsection (4).*

36 - Equality policy

- (1) *A governing authority shall, as soon as practicable but not later than 12 months after it is established under this Act and at such other times as it thinks fit, require the chief officer to prepare a statement of the policies of the university in respect of—*
(a) access to the university and to university education by economically or socially disadvantaged people, by people who have a disability and by people from sections of society significantly under-represented in the student body; and

(b) equality, including gender equality, in all activities of the university, and the chief officer, in preparing the statement, shall have regard to such policies on those matters as may from time to time be determined by the Minister.

- (2) A governing authority may, having regard to the resources available to the university, either approve the statement prepared under subsection (1) without modification or, after consultation with the chief officer, approve the statement with such modifications as it thinks fit.*
- (3) A university shall implement the policies set out in the statement as approved under subsection (2).*

41 - Report and information

- (1) The chief officer shall, with the approval of the governing authority and having regard to the strategic development plan under section 34, as soon as practicable after the end of each period, not exceeding three years commencing on the commencement of this Part or at the end of the previous such period, whichever is the later, as the governing authority thinks fit, prepare a report on the operations and the performance of the university during that period.*
- (2) The governing authority shall publish the report in such form as it thinks fit and shall provide the Minister with a copy and the Minister shall cause a copy of the report to be laid before each House of the Oireachtas as soon as practicable after it is received by him or her.*

Appendix 1B

The Universities Act 1997 – Agreed Framework between the Universities and the Higher Education Authority for Departures from Approved Levels of Remuneration, Fees, Allowances and Expenses for University Employees

1B.1 Introduction

1B.1.1 Section 25 (1) of the Universities Act 1997 provides as follows:

“subject to subsection (2), a university may, in accordance with procedures specified in a statute or regulation, appoint such and so many persons to be its employees as it thinks appropriate, having regard to—

(a) the efficient use of its available resources, the requirements of accountability for the use of moneys provided to it by the Oireachtas and the policy relating to pay and conditions in the Public Service as determined from time to time by the Government,

(b) the implications of the appointments for its budget and for subsequent budgets, and

(c) the guidelines, if any, issued under section 50.”

1B.1.2 Section 25(4) of the Universities Act 1997 provides as follows :

“Subject to subsection (5), there shall be paid by a university to the employees of that university, such remuneration, fees, allowances and expenses as may be approved from time to time by the Minister with the consent of the Minister for Finance.”

1B.1.3 Section 25(5) (a) of the Act, allows for departures from levels of remuneration etc. as follows:

“A university may depart from levels of remuneration, fees, allowances and expenses approved under subsection (4) where the governing authority is satisfied that it is necessary to meet the objects of the university, but may do so only in accordance with a framework, which shall be agreed between the universities and An tÚdarás”.

1B.1.4 For the purposes of the framework set out hereunder the term remuneration shall cover all forms of remuneration including fees, allowances and expenses.

1B.2 Provisions of the Framework

1B.2.1 General Provisions

1B.2.1.1 The universities and the Higher Education Authority (HEA) (the parties) agree that the purpose of the framework provided for in the Act is to lay down principles to which the parties subscribe regarding the exercise of discretion on the part of a university to depart from levels of remuneration etc. approved by the Minister. The purpose of Section 25(5)(a) is to provide a discretion to a university where necessary to meet the objects of the university, in particular the advancement of knowledge through teaching, scholarly research and scientific investigation, the promotion of

learning in its student body and in society generally and the promotion of the highest standards in, and quality of, teaching and research. It will enable universities to attract a person to its academic and research staff, who would, because of exceptional or scarce expertise and/or qualifications, command remuneration higher than the norm and who would not be prepared to work for the university unless so rewarded. The parties agree that the provisions of the framework will be used in exceptional circumstances only, for academic and research posts, and that its application shall have regard to avoiding any damage to the morale of staff in the universities. This framework shall not be used for administrative or technical appointments. Where a university wishes to make such an appointment outside approved levels of remuneration it shall make a submission to the HEA who shall forward this proposals, together with its observations, for consideration of the Ministers for Education and Skills and Finance, in accordance with section 25 (4) of the Universities Act.

1B.2.1.2 It is agreed by the parties that the implementation of this framework by a university should not have any repercussive effects in the university sector or in the public service generally deriving for example, from pay relativities or linkages or other conditions of employment which could form a basis for comparative claims from other groups. The parties agree that any employee who is paid as a result of an agreement under this framework shall be red circled and that any claims from university employees for improved conditions which are based on, or refer to, agreements made under this framework shall be opposed on that ground (without prejudice to any other grounds the university may have).

1B.2.1.3 It is agreed by the parties that, subject to paragraph 2.2.3 following, the provisions of the framework should not be used to provide additional remuneration to existing staff.

1B.2.1.4 The parties shall have regard to the IUA co-operation agreement in operating this framework with recruitment of staff being open and transparent and on the basis of best international practice.

1B.2.2 Specific provisions and criteria

1B.2.2.1 Subject to the general provisions set out above a departure as envisaged in Section 25(5)(a) of the Universities Act, 1997 shall take place only if

- (a) the Chief Officer confirms that the Governing Authority is satisfied and so certifies, that there is clear and documented justification that the departure is necessary to meet the objects of the university and that, in so far as its best endeavours can ascertain, it will have no adverse implications within the university sector or in the public sector generally;
- (b) it is limited to a contract appointment in accordance with the following principles:
 - a separate individual contract must be drawn up
 - it must be a specified purpose or fixed-term contract, not normally exceeding five years. It may be renewed for one further period of up to five years after which a permanent appointment may be made

using scales approved by the Ministers. Alternatively a university may seek prior approval of the Ministers for a salary outside approved limits

- the post must bear a unique title, duties and responsibilities, which differentiates it from an established post or grade
- the contract should include stated performance objectives for the post holder, provisions for performance review in the light of these stated objectives, and for reduction in remuneration and/or for early termination of contract in the event of failure to meet the stated objectives

(c) it is used as a means of recruiting a new staff member (but see 2.2.2 below);

(d) any costs arising are met within agreed budgets, in accordance with Section 37(2) of the Universities Act.

1B.2.2.2 The framework shall not, in line with the statement of general purpose in paragraph 2.1.1 (above), be used to change the conditions of existing permanent employees of the universities. However, the parties acknowledge that there may be a limited number of specific instances where a departure is required in order to retain key academic/research personnel because of their outstanding existing and potential contribution to the capacity of the university to meet its objects. In such cases a university may, with the prior agreement of the HEA, apply the provisions of the framework to existing staff. Any such appointments would be on a contract basis and would require the member of staff to be formally seconded from his or her existing position and would be subject to the conditions for the appointment being agreed in advance by the university and the HEA.

1B.2.2.3 In the case of all departures under this framework the Chief Officer, as Accounting Officer, shall arrange for the documentation of all supporting considerations, including the conditions applying in appropriate comparable employments, and shall make such documentation available to the HEA in accordance with paragraph 2.2.4 (below).

1B.2.2.4 Each university shall provide to the Higher Education Authority before end July and end January of each year details of, and detailed justifications for, any departures made by it under this framework. The justification will include the rationale for the proposed remuneration package. A template will be issued to the universities.

1B.2.2.5 The framework shall not apply to the senior academic posts above the grade of Professor.

1B.2.3 Duration and Review

1B.2.3.1 The revised framework shall have effect when it has been approved by the Higher Education Authority and when the HEA has been notified by the Chief Officers that it has been approved by the universities.

1B.2.3.2 It will be subject to review by both parties after a period of four years or sooner if deemed necessary by either party.

1B.2.3.3

The framework shall cease to have effect with regard to any further appointments following notice in writing by either the HEA or by any of the universities that they no longer, for stated reasons, subscribe to the framework. Such a notice shall be preceded by consultations between the parties and shall not affect any agreements made with specific individuals during the period when the framework was in force.

Appendix 1C

Universities Act 1997 Framework for Borrowing and Loan Guarantees

1C.1. Provision in the Universities Act

"38 (1) A university may borrow money by means of a bank overdraft or otherwise and may guarantee or underwrite a loan taken or borrowing undertaken by a person or body of persons.

(2) Borrowing, guaranteeing and underwriting under subsection (1) shall be in accordance with a framework which shall be agreed from time to time between the universities and An tÚdarás, following consultations by An tÚdarás with the Minister [for Education and Science] and the Minister for Finance."

1C.2 Purposes of Framework

As stated in the Department of Education letter dated 16th December, 1996 to Dr. Michael Mortell, Chairman, Conference of Heads of Irish Universities, the intent of the framework is

- That a university can engage in borrowing, underwriting and guaranteeing activities provided that they impose no threat to, and do not create any contingent liabilities for, the public purse.
- To ensure that the capacity of a university to function effectively is not endangered.
- That advanced approval by An tÚdarás or the ministers, of individual instances of borrowing, underwriting or guaranteeing by a university would not be required.

1C.3 Understanding

The framework is set in the context of the current scheme operated by An tÚdarás for the funding of universities.

1C.4 Budgetary Context

The wider budgetary arrangements which set the financial context for this framework are outlined in Section 37 of the Universities Act, 1997. This section requires a university to operate within an annual budget agreed with the HEA and stipulates that where a university incurs expenditure in excess of its budget that excess shall be a first charge on the budget for next succeeding financial year.

1C.5 Framework Criteria

A university shall not be required to obtain prior consent from An tÚdarás to engage in borrowing, underwriting, and guaranteeing activities if the exercise of its powers under Section 38 (1) of the Universities Act, 1997 involves either

- (1) short-term activities by way of overdraft or otherwise within existing arrangements and practices established by the university; or

- (2) long-term activities for capital purposes only.

In either case the activities must comply with the following conditions:

- I the purpose of the transaction is in accordance with the objects and functions of the university;
- II any new capital investment is in accordance with the university's strategic plan;
- III the university is able to demonstrate the benefit of the transaction, whether it be refinancing or new investments;
- IV the university is able to meet annual servicing costs without recourse to additional grants from An tÚdarás;
- V the university's ability to maintain financial and academic viability and structural and general service is not impaired;
- VI the university has ensured that the servicing costs of the transaction represent value for money;
- VII the level of charge against the core teaching and research funds of the university in respect of the annual servicing cost of capital, defined as the cost of capital repayment and total interest costs spread evenly over the period of the borrowing, based on a ten year repayment period, shall not exceed 4% of the University's annual income, as defined at paragraph 8 below;
- VIII borrowing to finance additional student capacity where such capacity gives rise to the need for additional exchequer funding may only take place with the prior approval An tÚdarás;
- IX borrowing arising from fully financed or tax financed projects approved under the Finance Acts, are not subject to the borrowing limit established under this framework and may take place provided the servicing of these borrowings has no impact on the annual income of the University, as defined in paragraph 8;
- X the borrowing capacity of an individual university under this framework may not be transferred to another university.

1C.6 Reporting/Recording Requirements

Full details of borrowing, underwriting and guaranteeing arrangements (including repayment periods and interest rates) and implications for recurrent expenditure, as certified by the Accounting Officer for the university, must be submitted with the annual budget to An tÚdarás. Although excluded from the calculation of the 4% limit the annual borrowing report should include borrowings in respect of fully financed and tax financed projects. Recording in the audited accounts should be in accordance with standard reporting practice and in accordance with the openness, transparency and accountability obligations of a publicly funded institution.

1C.7 Review

The framework shall be reviewed by An tÚdarás and the universities every three years, or earlier as may be required by either side.

1C.8 Annual Income

For the purpose of this Framework, a university's annual income is defined as core teaching income – comprising recurrent State grant, student fees and sundry income – and research income as reported in the University's funding statements. Income

derived from self-funded ancillary operations is excluded from this definition of annual income for the purposes of calculating the borrowing limit as are the related borrowings.

22 September 2009

Appendix 1D

The Role of the Accounting Officer

- 1D.1 The Provost is the Accounting Officer for the College, which imposes additional accountability obligations to the Dáil. Accounting officers have a key role in the system of accountability for public monies. The key feature of the accounting officer role is his or her personal responsibility for the regularity and propriety of the transactions in the accounts for which he or she is answerable, the control of assets held by the organisation and economy and efficiency in the use of its resources and for the systems, practices and procedures used to evaluate the effectiveness of its operations.
- 1.D.2 This accountability is exercised by means of rigorous examination of the manner in which an accounting officer has discharged his or her responsibilities by means of independent audit and examinations by the C&AG and of scrutiny by the PAC. The duty of signing the accounts and of appearing before the PAC to give evidence about them is one for the Accounting Officer to perform in person and may not be delegated.
- 1.D.3 The Report of the Working Group on the Accountability of Accounting Officers in the Civil Service and the Department of Finance document, Public Financial Procedures focused on the role of the Accounting Officer as including:
- the safeguarding of public funds and property under his/her control
 - ensuring all relevant financial considerations are taken into account and where necessary brought to the attention of Ministers where they concern the preparation and implementation of policy proposals relating to expenditure or income for which he/she is Accounting Officer
 - economy and efficiency of the (organisation) in the use of its resources
 - the systems, procedures and practices employed by the (organisation) for the purposes of evaluating the effectiveness of its operations
 - the adequacy of arrangements within the (organisation) to ensure the correctness of all payments under his/her control and the prompt and efficient recovery and bringing to account of all receipts connected with the Vote, or with any fund for which his/her (organisation) is responsible
 - ensuring that appropriate sanction for expenditure has been obtained in accordance with Government policy and for the maintenance of a central record of both delegated and specific sanctions
 - risk management systems
 - appearing before Oireachtas Committees when requested.

Part 2	Universities Code: Principles and Best Practice	28
2.1	Code of Governance	29
2.2	Code of Conduct for Members and Employees	30
2.3	Internal Control and Risk Management	30
2.4	Audit Committee	32
2.5	Internal Audit Functions	33
2.6	Remuneration	33
2.7	Procurement and Tax Clearance	34
2.8	Travel and Subsistence	35
2.9	Disposal of Assets and Access to Assets by Third Parties	35
2.10	Investment Appraisal and Value for Money	36
2.11	Reporting Arrangements	36
2.12	Tax Compliance	37
2.13	Diversification and Establishment of Subsidiaries	38
2.14	Strategic Planning	38
2.15	Legal Disputes	38

Part 2 Universities Code: Principles and Best Practice

2.1 Code of Governance

2.1.1 Trinity College Dublin (the College) has put in place a code of governance and in doing so has had regard to the guidelines for governance set out at Part 3.1 of the 2012 sectoral code, the Consolidated Statutes of the College and the University and the Trinity College, Dublin (Charters and Letters Patent Amendment) Act, 2000. The guidelines in Part 3.1 (of the TCD code) cover:

- The Board
- Role of the Provost, who is both Chairperson and Chief Officer in relation to governing authority
- Briefing for new governing authority members
- Disclosure of interests by members of the governing authority
- Risk management
- Audit Committee

2.1.2 The role of Secretary to the College includes the duty of keeping Board members briefed in respect of all relevant developments in governance and accountability.

2.1.3 The College, including its subsidiaries⁸, has adopted this Universities Code: Principles and Best Practice and, in accordance with **paragraph 2.11** confirm to the HEA that this has been done.

2.1.4 It is not feasible to have a code of best practice which will specifically provide for all situations that may arise. Members of the Board and employees of universities and their subsidiaries should bear in mind, therefore, that it is primarily their responsibility to ensure that all of their activities, whether covered specifically or otherwise in this document, are governed by the ethical and other considerations implicit in the Code.

⁸The Companies Act (section 155) provides that a company is deemed to be the subsidiary of another if, but only if,

(a) that other—

(i) holds a majority of the shareholders' or members' voting rights in the undertaking, or

(ii) is a shareholder or member of it and controls the composition of its board of directors, or

(iii) is a shareholder or member of it and controls alone, pursuant to an agreement with other shareholders or members, a majority of the shareholders' or members' voting rights; or

(b) that other has the right to exercise a dominant influence over it—

(i) by virtue of provisions contained in its memorandum or articles, or

(ii) by virtue of a control contract; or

(c) that other has the power to exercise, or actually exercises, dominant influence or control over it, or

(ca) that other and the subsidiary undertaking are managed on a unified basis, or

(d) the undertaking is a subsidiary of any undertaking which is that other's subsidiary undertaking.

2.2 Code of Conduct for Members and Employees

2.2.1

Trinity College Dublin has a written code of conduct in respect of governance for members of the Board and employees. The Code has been approved by the Board, taking into account the implications of all the relevant provisions of the *Universities Act 1997* as well as the *Ethics in Public Office Act 1995* and *Standards in Public Office Act 2001*. The code is set out in **Part 3.2** of this document. The Code is available on the TCD website: <http://www.tcd.ie/about/code-governance/>.

2.2.2

As part of the Annual Governance and Internal Control reporting requirements set out in **paragraph 2.11** that are to be supplied to the HEA, the Provost should affirm to the HEA that codes of conduct for members of the governing authority and employees have been put in place.

2.2.3

In addition to complying with the requirements of the College's own governing legislation (The 2010 Consolidated Statutes) each member of the Board and each person holding a designated position of employment with a university should ensure his/her compliance with relevant provisions of the Ethics in Public Office Act, 1995 and Standards in Public Office Act, 2001⁹.

2.2.4

The College should promote the standards of service and the initiatives outlined in the "Principles of Quality Customer Service for Customers and Clients of the Public Service" which was originally launched in 1997 and was revised in 2000, having regard to the universities' own quality and appeal systems. Guidelines in relation to the Principles of such standards of service are included at **Part 3.4**.

2.2.5

The requirements specified in this Code shall in general be applied in all operating subsidiaries of the College. Subsidiaries will formally report to the Board in accordance with the procedures determined by the Board and taking account of **paragraph 2.1.3** above. This report should be received prior to the Provost's report to the HEA. The Board will receive a report in a timely manner and in accordance with College procedures.

2.3 Internal Control and Risk Management

2.3.1

A system of internal control has a key role in the management of risks that are significant to the fulfilment of institutional objectives. A sound system of internal control contributes to safeguarding the interests of all relevant parties and the university's assets. Internal control facilitates the effectiveness and efficiency of

⁹In brief, the Act requires *inter alia* that persons in public bodies who hold designated directorships and designated positions of employment must make an annual statement or declaration of those interests (as defined in the Act) which could materially influence them in the performance of their functions and refrain them from exercising such functions in accordance with the Act. The annual statement, which may be updated if interests change, must be made to a designated person within the Public body, in accordance with the provisions of the Act, and, in the case of those who hold designated directorships, to the Public Offices Commission established under the Act. The Commission will provide advice and publish mandatory procedures concerning steps to be taken by designated directors and holders of designated positions (among others) to ensure compliance with the Act. Where a person who holds a designated directorship or designated position of employment in a Public body is advised by the Commission, or it appears from guidelines published by the Commission that his/her interest or the interest of a connected person should be disclosed, that person must make an appropriate statement to the relevant authority in the Public body.

operations; helps ensure the reliability of internal and external reporting and assists compliance with laws and regulations.

- 2.3.2 Effective financial controls, including clear delineation and separation of functions and the maintenance of proper accounting records, are an important element of internal control. They help ensure that the university is not unnecessarily exposed to avoidable financial risks and that financial information used and published is reliable. They also contribute to the safeguarding of assets, including the prevention and detection of fraud.
- 2.3.3 The College's objectives, its internal organisation and the environment in which it operates are continually evolving and, as a result, the risks it faces are continually changing. A sound system of internal control therefore depends on a thorough and regular evaluation of the nature and extent of the risks to which the College is exposed.
- 2.3.4 A sound system of internal control reduces, but cannot eliminate, the possibility of poor judgement in decision-making, human error, control processes being deliberately circumvented by employees and others, management overriding controls and the occurrence of unforeseeable circumstances.
- 2.3.5 A sound system of internal control therefore provides reasonable, but not absolute, assurance that the university will not be hindered in achieving its objectives, or in the orderly and legitimate conduct of its business, by circumstances which may reasonably be foreseen. A system of internal control cannot provide protection with certainty against failing to meet objectives or prevent all material failures, errors, losses, fraud, or breaches of laws or regulations.
- 2.3.6 Systematic assessment and management of risk is becoming an increasingly important part of internal control. Risk identification and management is seen as necessary to maximise the likelihood of achieving an institution's desired objectives and outcomes.
- 2.3.7 It is the responsibility of the Board to ensure that a robust system of internal control and risk management is in place in the university, taking account of the detailed guidelines in **Part 3**.
- 2.3.8 The Board should ensure that the risk assessment and management process is integrated into existing management systems. It should be kept as simple as possible. Roles and responsibilities should be clearly assigned and a person at a senior level with overall responsibility for it should be nominated who ensures a direct reporting line to the governing authority. Risk management expertise should also be included in the membership of the Risk Management Committee or Audit Committee as appropriate.
- 2.3.9 The Board shall ensure that:
- (i) internal control will have a key role in the management of risks that are significant to the fulfilment of the College's objectives;
 - (ii) a robust system of risk management will be in place in the College;

- (iii) effective financial controls, including the maintenance of proper accounting records, will be put in place;
- (iv) there will be a thorough and regular evaluation of the nature and extent of the risks to which the College is exposed with a view to managing and controlling risk appropriately rather than eliminating it;
- (v) risk assessment and management will be integrated into existing management systems and that roles and responsibilities will be clearly assigned, and that appropriate persons at a senior level will be nominated in the areas of academic and administrative risk management

2.4 Audit Committee

- 2.4.1 There shall be an Audit Committee established by the Board¹⁰ with written terms of reference which deal clearly with its authority and duties.
- 2.4.2 The constitution and terms of reference of the Audit Committee shall be reviewed regularly by the Board and updated as appropriate.
- 2.4.3 Members of the Board who hold executive responsibility within the College shall not be members of the Audit Committee. The Provost shall not be a member of the Audit Committee.¹¹ Consideration shall be given to having a number of members external to the university.
- 2.4.4 The Audit Committee shall monitor and review the effectiveness of the College's internal audit activities.
- 2.4.5 The Committee shall meet regularly to enable it to fulfil its duties.
- 2.4.6 The Committee shall report annually to the Board.
- 2.4.7 The Committee shall have explicit authority to investigate any matters within its terms of reference and should be given the resources needed for this purpose including outside professional advice as necessary, and full access to information. Any internal audit / audit items that relate to the Board's areas of responsibility should be communicated to the Board as soon as possible.
- 2.4.8 The Committee shall keep under review and advise on the operation and effectiveness of the College's risk management systems and report annually thereon to the governing authority.
- 2.4.9 The Committee shall advise on the selection and appointment of the external auditors engaged by the Board.
- 2.4.10 At least once a year the Committee shall meet separately with each of the following:
(a) the external auditors, and (b) the Head of Internal Audit without members of

¹⁰ All seven universities have established such audit committees.

¹¹ While the 1997 Act provides that the Chief Officer is entitled to be chairperson of any committee appointed by the governing authority, it obviously would not be good governance practice for a Chief Officer or Chairperson to chair or to be a member of the Audit Committee.

management being present. The Committee shall meet regularly with a representative of the Office of the Comptroller & Auditor General.

2.4.11 The Head of Internal Audit shall have ongoing access to the Chairperson of the Audit Committee.

2.4.12 The Committee shall meet with the nominated person with overall responsibility for Risk Management at least once a year.

2.5 Internal Audit Functions

2.5.1 There shall be a properly constituted and functioning internal audit service in the College, whether provided in-house or out-sourced.

2.5.2 The Internal Audit function shall have a formal charter, including terms of reference, which should be approved by the Board and shall report directly to the Audit Committee or its equivalent.

2.5.3 The Head of Internal Audit shall have direct access to the Provost and to the Chairperson of the Audit Committee.

2.5.4 The objective of Internal Audit should be to provide assurance that the university has a sound system of internal control.

2.5.5 The functional reporting structure for Internal Audit within the organisation should be clear and formally recorded.

2.5.6 The Internal Audit function, within the overall financial constraints of the College, shall be adequately resourced with the necessary skills including the ability to deal with non-financial aspects.

2.5.7 The Internal Audit function should liaise frequently with the external auditors engaged by the governing authority so that the potential for cooperation between the two is maximised. In planning, executing and reporting its work, the Internal Audit function should ensure that value-for-money auditing receives adequate attention.

2.5.8 The Audit Committee should periodically consult with the Comptroller and Auditor General regarding best practice in the operation of the internal audit function.

2.5.9 As part of its work the Internal Audit function should review compliance with procurement and disposal procedures from time to time and report to the Audit Committee and the governing authority.

2.6 Remuneration

2.6.1 The Board is required to implement Government pay policy as expressed from time to time. These arrangements cover total remuneration. Further pay policy as expressed from time to time in accordance with Frameworks agreed between the universities and the HEA under Section 25 (5) of the 1997 Act must also be implemented and adhered to. The Agreed Framework between the universities and

the HEA for Departures from Approved Levels of Remuneration, Fees, Allowances and Expenses for University Employees is attached at **Appendix 1B**.

2.7 Procurement and Tax Clearance

- 2.7.1 Competitive tendering should be the standard procedure in the procurement process of universities subject to **paragraph 2.7.2** below. In addition to the national guidelines, set out by the Department of Finance, the relevant EU Directives, which have the force of law in this and all Member States, apply. It is the responsibility of the Board and management to ensure that appropriate systems and procedures are implemented to ensure that the requirements for public procurement are adhered to and that the current value thresholds for the application of EU and national procurement rules are respected. The Provost, as Chairperson and Chief Officer should, in his/her report to the HEA (see **paragraph 2.11** below), affirm that such systems and procedures are in place and that to the best of his/her knowledge and belief the College has been compliant with the procurement procedures outlined above.
- 2.7.2 EU Directives and national regulations impose legal obligations in regard to advertising and the use of objective tendering procedures for awarding contracts above certain value thresholds. Even in the case of procurement that might not be subject to the full scope of EU Directives, such as certain 'non-priority' services or service concessions, the EU Commission and European Court of Justice have ruled that EU Treaty principles (including non-discrimination, equal treatment, transparency, mutual recognition, freedom to provide service and freedom of establishment) must be observed.
- 2.7.3 Contracts for supplying a research and development service and certain research and development supply contracts as specified in Article 31 (2) (a) of Directive 2004/18/EC may be exempt from the scope of Procurement Directives where their benefits are for the greater public good, not confined to the contracting authority, on condition that the service supplied is wholly paid for by the authority. In this context, where a university enters into research collaborations, joint ventures with industry or other external parties, or other arrangements where Intellectual Property may be brought to a university, and where a decision has been taken that competitive tendering is not required, such cases should be reported to the governing authority with evidence of a valid and informed basis for the decision and evidence that the principle of obtaining best value for public funding has been followed.
- 2.7.4 The College shall ensure that the Tax Clearance requirements set out in Department of Finance Circular *44/2006 of 21 December 2006* (which deals with payment of grants, subsidies and similar type payments), and Department of Finance Circular 43/2006, as regards Public Sector Contracts, are adhered to fully.
- 2.7.5 Information on procurement policy and competitive tendering and general guidance on procurement matters, including in relation to construction, is published by the National Public Procurement Policy Unit. This can be viewed or downloaded from the national public procurement website www.etenders.gov.ie.

2.8 Travel and Subsistence

- 2.8.1 The College should adopt and comply in all respects with the circulars issued or amended from time to time by the Department of Finance regarding travel and subsistence. These are available on the Department of Finance website.
- 2.8.2 In matters of official travel and subsistence, the College should adhere to civil service procedures as set out from time to time in guidance issued by the Department of Finance or communicated via the Department of Education and Skills or the Higher Education Authority, as appropriate. Similarly, universities should also be cognisant of the need to achieve economy and efficiency in their expenditure on official travel and should have a policy in place that covers both foreign and domestic travel.
- 2.8.3 The Board should satisfy itself that the principles of the travel policy are adhered to and that the internal audit process is effective in ensuring that the College is fully complying with the policy.
- 2.8.4 The purpose of the travel policy should be to ensure that the best value for money is obtained in respect of each official trip undertaken, consistent with the requirements of official business.
- 2.8.5 Board members and staff should be advised of the details of the policy applying.

https://www.tcd.ie/Treasurers_Office/docs/Travel_Policy.pdf

2.9 Disposal of Assets and Access to Assets by Third Parties

- 2.9.1 In addition to the relevant statutory provisions of the 1997 Act as set out in **Part 1.5** of this document, the College should adhere to best practice for the disposal of assets or the granting of access to property or infrastructure for commercial arrangements e.g. joint ventures with third parties, with an anticipated value at or above a threshold level of €150,000, which should be by auction or competitive tendering process, other than in exceptional circumstances (such as a sale to a charitable body or in circumstances set out in **paragraph 2.7.3** above). The method used should be both transparent and likely to achieve a fair market-related price. Suggested guidelines for best practice are outlined in **Part 3.6** of this document.
- 2.9.2 The College shall have regard to the guidelines on Intellectual Property entitled “Funding Agency Requirements & Guidelines for Managing Research Generated Intellectual Property”, a joint publication of Enterprise Ireland, Forfás, Health Research Board, HEA, Industrial Development Authority, IRCSET and Science Foundation Ireland, 2006. This document is available at:
http://www.hrb.ie/fileadmin/Staging/Documents/RSF/PEER/Policy_Docs/Grant_policies/Intellectual-Property-Guidelines.pdf

2.10 Investment Appraisal and Value for Money

2.10.1 “Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector” were issued by the Department of Finance in February 2005. These procedures outline best practice for the management of significant capital expenditure proposals in the public sector. The Board and the relevant management staff of the College should have regard to these guidelines in the planning, appraisal and management of significant expenditure projects. This document is available at:
<http://www.finance.gov.ie/documents/publications/other/capappguide05.pdf>.

The objective of these procedures is to ensure best practice in the planning, appraisal and management of significant projects. Proposals for capital expenditure shall be consistent with the College’s strategic objectives and shall be subject to the approval of the Board or any body to which such approval shall be delegated.

2.10.2 The HEA’s letter of 4 May 2006 to the President of each university regarding Capital Appraisal Guidelines and other Value for Money measures refers. This requires confirmation that necessary arrangements have been made to ensure full compliance with these requirements. Details of these requirements can be found at:
<http://www.finance.gov.ie/viewdoc.asp?DocID=3561>

2.11 Reporting Arrangements

2.11.1 In addition to the reporting requirements set out in the relevant legislation the College shall provide to the HEA an annual Statement of Governance and Internal Control which will be signed by the Provost and accompanied by a covering letter from the chairperson of the governing authority confirming that the Statement has been approved by the Board.

2.11.2 This statement should be reviewed by the external auditors engaged by the Board which should consider if the statement is consistent with the information of which they are aware from their audit work. The external auditors should report their findings accordingly in the accounts to be submitted annually by a university to the Comptroller & Auditor General for audit, in accordance with Section 39 of the 1997 Act. The statement may be reviewed also by the Comptroller & Auditor General.

2.11.3 The annual financial statements of the College should reflect all post-balance sheet events, in accordance with generally accepted accounting principles (GAAP).

2.11.4 In addition to these requirements, the following information should be included in the Statement of Governance and Internal Control:

- (i) A statement affirming that the Board is responsible for and is satisfied that the university is in compliance with all statutory obligations applicable to the university that may be set out in legislation governing the establishment of the university or in other relevant legislation;
- (ii) A statement confirming that a code of Governance and a Code of Conduct for Members and Employees have been put in place and implemented;

- (iii) Financially significant developments affecting the university in the past year, including the establishment of subsidiaries or joint ventures and acquisitions, and major issues likely to arise in the short to medium term;
- (iv) A statement affirming that Government policy on pay is being complied with (see **paragraph 2.6.1**);
- (v) A statement affirming that all appropriate procedures for financial reporting, internal audit, procurement and asset disposals are being carried out;
- (vi) Confirmation that the Guidelines for the Appraisal and Management of Capital Proposals are being adhered to where appropriate;
- (vii) Certification that Government travel policy requirements are being implemented in all respects
- (viii) Confirmation that the Guidelines on Achieving Value for Money in Public Expenditure as set out in the address by the Minister for Finance of 20 October 2005 and communicated to the universities are being followed;
- (ix) A statement affirming the university's compliance with tax laws;
- (x) Confirmation that a child protection policy is in place;
- (xi) Confirmation that fees and/or expenses paid to members of Board are in accordance with the guidelines from the Department of Finance and are presented in the University's Annual Report. A note on the schedule of fees and aggregate expenses payable to external Board members should be included.
- (xii) Confirmation that a code of governance is in place in respect of trading subsidiaries (i.e. subsidiaries with annual turnover and employees), with annual statements provided to the Board.

The suggested format for the remainder of the Statement of Governance and Internal Control insofar as it relates to the College's system of internal control is set out in **Section 3.5**.

2.11.5 In the event that the College fails to comply with any of the above the College shall report such matters of non-compliance to the HEA as part of the Statement of Governance and Internal Control, providing an explanation for same and stating any corrective action taken or contemplated.

2.12 Tax Compliance

2.12.1 As major beneficiaries of State funding, the College should be exemplary in its compliance with taxation laws and should ensure that all tax liabilities are paid on or before the relevant due dates.

2.12.2 The College, while availing of all legitimate taxation arrangements, should not engage in 'offensive' tax avoidance transactions. In broad terms tax avoidance is *offensive* if it involves the use of the tax code for a purpose other than that intended by the Oireachtas (including an unintended use of a tax incentive) with a view to reducing the amount of tax to be paid by the College or some other party to a transaction in which the College participates. Where a doubt arises in a particular instance, the College should consult the Revenue Commissioners.

2.13 Diversification and Establishment of Subsidiaries

2.13.1 The College shall conform to section 13 (2) (c) of the 1997 Act in relation to the establishment of subsidiaries. This section provides that a university, “... *may establish by incorporation in the State or elsewhere, or participate in the establishment of, such trading, research or other corporations as it thinks fit for the purpose of promoting or assisting, or in connection with the functions of, the university.*”

2.13.2 Any proposals for the diversification of the College’s activities, particularly in relation to diversification into areas outside the core functions of teaching and research, or for the establishment of new subsidiaries shall require the approval of the Board, which shall consider the full implications, including any financial or other risks, for the university.

2.14 Strategic Planning

2.14.1 In addition to the requirements of Section 34 of the 1997 Act (see **paragraph 1.8.2**), strategic plans, approved by the Board, should set appropriate objectives, goals and relevant indicators and targets against which performance can be clearly measured.

2.14.2 In addition to the requirements of Section 41(1) of the 1997 Act (**see paragraph 1.8.5**), the report of the Provost should normally refer to the specific aims and targets proposed by the university in its strategic plan, the expected outputs and outcomes and the key performance indicators by which the achievement of the aims and targets is assessed. Implementation of the College’s strategy should be supported through an annual planning and budgeting cycle.

2.14.3 Decisions on major items of expenditure should be aligned with medium to long-term strategies. A performance measurement system should be put in place to assess the effectiveness/ outcome of such expenditure.

2.15 Legal Disputes

2.15.1 Where a legal dispute involving other public bodies arises every effort should be made to mediate, arbitrate or otherwise before expensive legal costs are incurred.

Part 3	More Detailed Governance Guidelines	41
3.1	Guidelines for Governance for Board, Provost, New Board Members, Risk Management and Audit Committee	42
3.2	Code of Conduct for Members of the Board and Principal Committees of the Board	51
3.3	Code of Conduct for Employees	57
3.4	Guidelines in respect of Quality Customer Service for Customers and Clients of Universities	61
3.5	Format of Statement of Governance and Internal Control	64
3.6	Guidelines for Best Practice in Asset Disposal and Access to Assets by Third Parties	65
	Appendix 3A TCD Code of Governance – Potential Board Conflicts of Interest	67
	Appendix 3B Risk Management Policy	80
	Appendix 3C Terms of Reference of Trinity College Dublin Audit Committee (2011 Version)	83
	Appendix 3D Charter of Internal Audit	88
	Appendix 3E College Fraud Policy	91
	References	96

Part 3 Guidelines for Governance for Board, Provost, New Board Members, Risk Management and Audit Committee

3.1 Guidelines for Governance

3.1.1 The Governing Authority (The Board of Trinity College Dublin)

3.1.1.1 The procedural operation and functions of the Board of Trinity College Dublin are governed by the 1997 Universities Act, the Trinity College, Dublin (Charters and Letters Patent Amendment) Act, 2000 and the Consolidated Statutes of the College. Section 18 of the 1997 Act (see **Appendix 1A**) sets out the general functions of the University Governing Authority. The Third Schedule of the Act (see **paragraph 1.2.3**) in particular governs the operation of the Governing Authority. (Board)

3.1.1.2 The Board shall meet regularly, exercise effectively its strategic governance role and monitor the executive management and performance.

- The Board may delegate decision-making on its behalf to Principal and other Committees of Board and Council and to designated members of the College's Senior Executive staff. A schedule of Principal Committees is available in the *Calendar*
- In accordance with the Trinity College, Dublin (Charters and Letters Patent Amendment) Act, 2000, the Secretary to the College shall be Secretary to the Board.

3.1.1.3 The Board shall have a formal schedule of matters specifically reserved to it for decision to ensure the proper management and control of the College. This schedule includes the various statutory functions reserved to the governing authority as set out in the 1997 Act:

- Section 18 - Functions of a Governing Authority
- Section 25 - Staff
- Section 27 - Academic Council
- Section 34 - Strategic Development Plan
- Section 35 - Quality Assurance
- Section 36 - Equality Policy

In addition, the schedule includes the following:

- Significant acquisitions, disposals and retirement of assets of the university or its subsidiaries. The schedule specifies clear quantitative thresholds for contracts above which the approval of the governing authority is required
- Major investments and capital projects, delegated authority levels, treasury policy and risk management policies
- Approval of terms of major contracts

3.1.1.4 It shall be the responsibility of the Provost, as Chairperson, to ensure that the collective responsibility and authority of the Board is safeguarded. Excessive influence on Board decision-making by individual members shall

be avoided, while allowing Board members the opportunity fully to contribute to Board deliberations.

- 3.1.1.5 All members of the Board should have independent access to the advice and services of the Secretary to the College who must ensure that Board members are fully aware of the appropriate rules, regulations and procedures.
- 3.1.1.6 In the normal course, outside legal or other advice required will be obtained by the Secretary to the College on behalf of the Board in accordance with the collective nature of its responsibilities. Notwithstanding the foregoing, the Board should consider making provision for the seeking in exceptional circumstances of independent legal or other professional advice by an individual member or group of members at the reasonable expense of the College, the Secretary shall deal with the matter in accordance with procedures to be laid down by the Board.
- 3.1.1.7 Any business or other interests, which could affect a member's independence, should be dealt with as outlined in **paragraph 3.1.4** below.
- 3.1.1.8 Fees are not payable to Board members. Expenses paid to Board members will be in accordance with guidelines from the Department of Finance and a statement certifying this to be the case will be included in the annual Statement of Governance and Internal Control. The schedule of aggregate expenses paid to members will be presented in the College's annual report.
- 3.1.1.9 The attendances of each member at Board meetings will be included in the College's annual report and members should be informed accordingly.
- 3.1.1.10 External members of the Board shall also take care not to become involved in the day-to-day executive management of the institution. This shall also apply to the staff and student members of the Board, except that in the course of their employment or in their activities as students, they may have executive responsibilities within the institution.
- 3.1.1.11 It should be noted that the 1997 Act provides as follows, "*A member of a governing authority of a university shall at all times act, as a member, in the best interests of the university and shall not act as a representative of any special interest provided that nothing in this paragraph shall restrict a member from representing at meetings of the Board the views of those by whom he or she has been elected or to restrict the freedom of expression of that member.*" (Third Schedule of 1997 Act, Section 8 (3)).
- 3.1.1.12 The Board shall ensure that a balanced and understandable assessment of the College's position is made in presenting its annual accounts to the Minister for Education and Skills, and to the HEA.
- 3.1.1.13 The Board shall state in the annual accounts that it is responsible for approving the accounts. There shall also be a statement by the external auditors engaged by the Board about its reporting responsibilities.

- 3.1.1.14 The Board shall ensure that the College has in place a sound system of internal management and control, including
- Managerial control systems, which may include defining policies, setting objectives and plans, setting Key Performance Indicators and monitoring financial and other performance
 - Financial and operational control systems and procedures which may include the physical safeguards of assets, segregation of duties, authority and approval procedures and information systems
- 3.1.1.15 The Board shall review on a periodic basis the effectiveness of the College's system of internal controls, including financial, operational and compliance controls and risk management.
- 3.1.1.16 The Committees of the Board shall have their constitution and terms of reference reviewed regularly by the Board and updated as appropriate.
- 3.1.1.17 The Board shall be supplied, in a timely fashion, with information which is of a suitable quality to enable Board members satisfactorily to discharge their duties.
- 3.1.1.18 The Board shall be responsible for ensuring compliance with all statutory obligations applicable to the College. Where individual Board members become aware of non-compliance with any such obligation, they should immediately bring this to the attention of their fellow Board members with a view to having the matter rectified subject to the provisions of the 1997 Act. However, if the matter cannot be rectified or, if in the view of the Board, constitutes a flagrant breach of the Board's obligations, the Provost, as Chairperson, shall advise the HEA accordingly.
- 3.1.1.19 The Board shall be responsible for establishing procedures for maintaining an appropriate relationship with the external auditors engaged by it.
- 3.1.1.20 In line with legislation, the Board should put in place procedures for Good Faith Reporting whereby employees may, in confidence, raise concern about possible irregularities in financial reporting or other matters and for ensuring meaningful follow-up of matters raised in this way. The College Fraud Policy is attached as **Appendix 3E**.

3.1.2. Role of Chairperson and Chief Officer in relation to Governing Authority

- 3.1.2.1 In accordance with Section 17 (2) of the Universities Act 1997, the Board has decided that the Provost, as Chief Officer, shall be Chair of the Board.

Role of the Provost as Chairperson

- 3.1.2.2 The Provost is responsible for the leadership of the Board. As chairperson of its meetings he/she should promote its wellbeing and efficient operation, ensuring that its members work together effectively and have confidence in the procedures laid down for the conduct of business. The Provost shall be responsible to the Board for ensuring that Board procedures are followed and the applicable rules and regulations are complied with, having regard to the advice of the Secretary to the College.

3.1.2.3 The Provost should take particular care that the Board observes the principles of good governance, and that committees which play a central role in the proper conduct of the Board's business report back appropriately. The Provost as Chairperson shall also ultimately be responsible for ensuring that the Board operates effectively, discusses those issues which it needs to discuss, and dispatches its responsibilities in a business-like way. The Provost as Chairperson shall lead a periodic review by the Board of its own effectiveness.

"The College's system of accountability is [also] robust. Its extensive committee structure ensures a strong system of checks. The unusually predominant role of the Finance Committee, combined with the statutory role of the Treasurer, ensures that there is extensive oversight and tight control over the College's financial affairs."
[Extract from Report to Board of the Working Party on Appointment of the Provost of Trinity College, Dublin, 26 June 2007]

The potential for conflict of interest from the Provost's dual role is minimised by the fact that most business is brought to Board by officers or Principal Committees. Principal Committees play an important role in helping Board hold the Executive to account. Where a conflict of interest arises the Provost may absent him/herself from the meeting and the Vice-Provost/Chief Academic Officer shall take over the chair.¹²

Provision is made in the Statutes for the Vice-Provost/Chief Academic Officer to act as Chair of the Board.

3.1.2.4 Through leadership of the Board, the Provost plays a key role in the strategic direction of the institution.

Role of the Provost as Chief Officer

3.1.2.5 The Provost as Chief Officer shall be responsible for the executive management of the College. He or she shall not determine matters reserved for the Board. The Provost shall not decide upon matters reserved for the Board, except as provided for in the Statutes in relation to the conduct of business between Board meetings.¹³

3.1.2.6 The specific responsibilities of the Provost as Chief Officer in relation to Board business include:

- Implementing the decisions of the Board or ensuring that they are implemented through the relevant part of the College's management structure
- Initiating discussion and consultation including, where appropriate, consultation with the staff and the University Council on proposals concerning the College's future development, and ensuring that such proposals are presented to the Board
- Presentation of a work plan and an annual report to Board.

¹² Statutes: Chapter on the Board, Schedule 2, Standing Orders, Section 3.

¹³ Statutes, Chapter on the Board, Schedule 2, Standing Orders, Section 10.

3.1.2.7 It is noted that the 1997 Act provides as follows: *“Where the chief officer of a university is of the opinion that a proposed course of action of the governing authority will or is likely to result in expenditure in excess of the budget ... a ‘material departure from the budget’, the chief officer shall so inform the governing authority. Where a governing authority... decides to proceed with its course of action, the chief officer shall, unless satisfied that a material departure from the budget will not occur, as soon as practicable, inform An tÚdarás of the decision of the governing authority.”*[Section 37(5) and 37(6).]

3.1.3 Briefing for new Board Members

3.1.3.1 Board members of the College have duties and obligations under the 1997 Act and it is the responsibility of each Board member to act in conformity with the applicable provisions of this Act.

3.1.3.2 New Board members on appointment shall be provided, by the Secretary to the College, with the following information, in the form of a member’s handbook or guide:

- an outline of the duties of Board members and a clarification of the primacy of their duty of care to the Board over all other interests or duties in College
- A formal schedule of matters reserved to the Board for decision
- Procedures for obtaining information on relevant new laws and regulations
- Procedures to be followed when, exceptionally, decisions are required between Board meetings
- A schedule detailing the composition of all Board committees and their terms of reference
- A statement explaining the Board members’ responsibilities in relation to the preparation/approval of the accounts, the university’s system of internal control and audit
- A statement informing the Board members that they have access to the advice and services of the Secretary who is responsible to the Board for ensuring that Board procedures are followed and the applicable rules and regulations are complied with
- Code of ethics/conduct for Board, including disclosure of Board members’ interests and procedures for dealing with conflicts of interest (**see Appendix 3A**)
- Specific College information
- A copy of the most up-to-date version of the “Trinity College Dublin Code of Governance” together with any relevant circulars and/or guidance notes
- Any arrangements laid down by the Board for seeking legal or other professional advice

3.1.4. Disclosure of Interests by members of the Board

- 3.1.4.1 It is central to the conduct of the business of the Board that members should act, and be perceived to act, impartially and not to be influenced in their roles as members by business or social relationships.
- 3.1.4.2 The requirements of the Ethics in Public Office Act 1995, and the Standards in Public Office Act 2001 have been referred to at **paragraph 2.2.3** of the Universities Code: Principles and Best Practice.
- 3.1.4.3 It should be noted that in relation to contracts the 1997 Act (Third Schedule, 8(1)) provides that, *“A member of a governing authority who has an interest in (a) a company (other than a public company of which he or she is not a director or otherwise involved in its management) or concern with which the university proposes to make a contract, or (b) a contract which the university proposes to make, shall disclose to the governing authority the fact of the interest and its nature and shall take no part in any deliberations or decision of the governing authority relating to the contract, and the disclosure shall be recorded in the minutes of the governing authority”*.
- 3.1.4.4 The provisions of 8(2) of the Third Schedule deal with the obligations of a member of a governing authority who is related to a candidate for appointment by the governing authority as an employee in the university, *“A member of a governing authority of a university who is related to a person who is a candidate for appointment by the governing authority as an employee of the university, shall disclose to the governing authority the fact of the relationship and its nature and shall, if the governing authority so decides, take no part in any deliberation or decision of the governing authority relating to the appointment, and the disclosure and decision shall be recorded in the minutes of the governing authority.”*
- 3.1.4.5 In addition to the statutory requirements, the Board shall set down a broader code for the disclosure of all relevant interests (pecuniary, family¹⁴, financial or other) by members of the Board, which pose a real or potential risk for conflict of interest or could materially influence the member in the performance of his or her functions as a member of the Board or damage public confidence in the College. The broader code shall have regard, as appropriate, to best practice in reputable universities internationally and in the Irish public sector with respect to the relevant detailed disclosure provisions. A member for whom a relevant interest arises in relation to

¹⁴For this purpose, persons and bodies connected with a member should include:

- (a) a spouse, parent, brother, sister, child or step-child;
- (b) a body corporate with which the member is associated;
- (c) a person acting as the trustee of any trust, the beneficiaries of which include the member or the persons at (a) above or the body corporate at (b) above; and
- (d) a person acting as a partner of the member or of any person or body who, by virtue of (a) - (c) above, is connected with the member.

matters for decision by the Board should not take part in any deliberation or decision of the Board in relation to those matters.

The Board appointed a sub-group which brought proposals to the Board on 7 November 2012 and were adopted (BD/12-13/077). See **Appendix 3A**.

3.1.4.6 Former members of a Board shall treat commercial information received while acting in that capacity as confidential.

3.1.4.7 Former members of the Board shall not retain confidential documentation obtained during their terms of office as members (see 3.2.8.2 below).

3.1.4.8 The procedures in this section shall also be applied in subsidiaries and to Principal Committees of the College.

3.1.5. Risk Management

3.1.5.1 Systematic assessment and management of risk is becoming an increasingly important part of internal control. Risk identification and management is seen as necessary to maximise the likelihood of achieving the College's desired objectives and outcomes. Risk assessment is included in the terms of reference of the Audit Committee which is attached as **Appendix 3C** and risk management falls to the Executive Officers Group with the process as outlined in the Risk Management Policy which is attached as **Appendix 3B**.

3.1.5.2 Risks fall into a variety of categories, some of the most common being:

- Strategic risks
- Operational risks
- Financial risks
- Reputation risks.

3.1.5.3 The Board shall be responsible for ensuring that a robust system of risk management is in place in the College. This involves:

- The identification of risks that threaten the achievement of the university's objectives
- The evaluation of the likelihood of occurrence and potential impact of the risks identified
- The segregation of risks according to their gravity
- An appraisal of the techniques employed to manage the major risks and identification of any further steps that should be taken
- An appraisal of the levels of residual risk - after the application of mitigation techniques - and whether the residual risk is acceptable
- Continuous monitoring of the effectiveness of controls and management techniques
- Decision-making informed by the risk management process.

The Board shall make a provision for:

- approving the risk management policy and monitoring its effectiveness
- reviewing material risk incidents and noting actions taken to deal with them

- making risk management a standing meeting agenda item regularly and at least once annually
- requiring an external review of the effectiveness of the risk management framework on a periodic basis

The Board has considered, in the context of the Risk Management Policy, the establishment of a Risk Committee and has included review of the effectiveness of risk management in the terms of reference of the Audit Committee. The Risk Management Policy approved by the Board, which is attached as **Appendix 3B**, includes the following provision:

5.5 At its regular meetings the Executive Officers' Group will consider both new risks arising and progress on key actions in response to previously identified risks. Risk management will be a standing item on its agenda and risk assessment will form a part of all significant proposals presented to or by the Group and the decisions and recommendations of the Group.

3.1.5.4 The Board shall ensure that the risk assessment and risk management processes are integrated into existing management systems. It should be kept as simple as possible. Roles and responsibilities should be clearly assigned and a person at a senior level with overall responsibility for it should be nominated.¹⁵

3.1.6. Audit Committee

3.1.6.1 There shall be an Audit Committee established by the Board¹⁶ of at least three members with written terms of reference which deal clearly with its authority and duties. In appointing members, consideration shall be given to appointing individuals external to the staff and members of the College.

3.1.6.2 The constitution and terms of reference of the Audit Committee should be reviewed regularly by the Board and updated as appropriate.

3.1.6.3 The Committee should meet at least four times each year.

3.1.6.4 The Committee should report annually to the Board.

3.1.6.5 The Committee should have explicit authority to investigate any matters within its terms of reference and should be given the resources needed for this purpose including outside professional advice as necessary.

3.1.6.6 The Committee should keep under review and advise on the operation and effectiveness of the College's risk management systems and report annually thereon to the Board.

¹⁵ Reference may be made to "Risk Management Guidance for Government: Departments and Offices" issued by the Department of Finance in March 2004 as well as the State Body Code of May 2009.

¹⁶ All seven universities have established such audit committees.

- 3.1.6.7 The Committee should advise on the selection and appointment of the external auditors.
- 3.1.6.8 The Committee should meet the external auditors at least once a year in the absence of executive members of the Board and other executive management.
- 3.1.6.9 The Head of Internal Audit should have ongoing access to the Chairperson of the Audit Committee and the Committee should meet the Head of Internal Audit at least once a year.
- 3.1.6.10 The Committee should meet with the nominated person with overall responsibility for Risk Management at least once a year.
- 3.1.6.11 The Committee shall operate within its Terms of Reference which are available in **Appendix 3C** to this document.
- 3.1.6.12 The Internal Audit function shall operate according to its Charter which is available in **Appendix 3D**

3.2 Code of Conduct for Members of the Board and Principal Committees of Board

Trinity College Dublin Code of Conduct

3.2.1 The College has developed this Code of Conduct for members of the Board and employees according to the guidelines contained in the 2012 Sectoral Code . This Code of Conduct takes account of the implications of the Ethics of Public Office Acts, 1995 and the Standards in Public Office Act 2001 as well as the 1997 Act. A copy of the Code will be circulated to all members and employees and it will be available upon request through the university's website.

Intent and scope

3.2.2 The purpose of the Code is to provide guidance to the Chairperson and members of the Board of the College in performing their duties as members of the Board and employees as set down in the relevant legislation (insert name of Act as appropriate) Copies of the Act have been provided to all members of the Board.

Objectives

3.2.3 The objectives of the Code are

- To set out an agreed set of ethical principles
- To promote and maintain confidence and trust in the Board and employees of the College
- To prevent the development or acceptance of unethical practices
- To promote the highest legal, management and ethical standards in all the activities of the College
- To promote compliance with best current governance and management practices in all the activities of the College

3.2.4 *Application of the Code to Trinity College Dublin*

3.2.4.1 This Code applies to all members of the Board of Trinity College and to members of committees established by the Board for whatever purpose.

3.2.4.2 For the purposes of this Code, 'Board Member' means an elected, appointed or nominated member of the Board or of a Committee of the Board, except where the context otherwise implies, and where appropriate will also extend to those individuals who are regularly in attendance at Board meetings.

3.2.4.3 This Code is intended to ensure that Board Members are aware of, and accept, the responsibilities associated with membership and follow high standards of ethical and professional conduct, as members of the Board, in the interests of the Board and the College as a whole.

3.2.4.4 A complaint or allegation that a Board Member is in breach of this Code shall be referred to the Secretary to the College (see **Section 3.2.11** below).

3.2.4.5 Nothing in this Code shall impede or constrain a Board Member in performing his/her duties/functions as prescribed in the Statutes or in the Universities Act 1997. The Universities Act (1997) Third Schedule, Paragraph 8 (3):

A member of a governing authority of a university shall at all times act, as a member, in the best interests of the university and shall not act as a representative of any special interest provided that nothing in this paragraph shall restrict a member from representing at meetings of the governing authority the views of those by whom he or she has been elected or to restrict the freedom of expression of that member.

3.2.5 Functions of the Board

3.2.5.1 The functions of the Board, as defined in Section 18 of the Universities Act 1997, shall be carried out by Board Members with integrity, independence, honesty, good faith and proper purpose and in the best interests of the College.

3.2.6 Due skill and Care

3.2.6.1 Board Members shall act responsibly and fairly with the due care, skill, diligence, loyalty and prudence of a reasonable individual. Board Members shall have a primary duty of care to the Board which shall take precedence over all other College interests or duties.

3.2.7 Conduct as Board Members

3.2.7.1 Board Members shall:

- (a) treat each other, and College staff and students, with professionalism, courtesy and respect;
- (b) not improperly influence other Board Members;
- (c) not act as spokespersons for the Board, in either public or private fora, unless specifically requested by the Board to do so;
- (d) participate actively and work co-operatively with other Board Members in discharging their responsibilities as Board Members.

3.2.8 Confidentiality/ Use of Information

3.2.8.1 Trinity College Dublin is committed to providing access to general information relating to its activities in a way that is open and enhances its accountability to the general public. However, in the course of their duties, Board Members will have access, in written form and in the course of deliberations, to sensitive information such as personal information, information received in confidence by the College and commercially sensitive information. Board Members shall respect the confidentiality of all information they receive in the course of their duties. The Board shall develop, in line with legislation, a process through which Board Members providing information internally, or to external agencies, in good faith, and in the interests of the integrity of the Board overall, shall be protected.

3.2.8.2 Board Members shall act collectively to:

- (a) ensure that appropriate care is taken to guarantee the security of sensitive Board and other documents, whether in paper or in electronic form;
- (b) respect the confidentiality of information received in the performance of their duties, as well as the confidentiality of the deliberations of the Board;
- (c) ensure that confidential records are subject to appropriate access safeguards;
- (d) observe any restrictions agreed by the Board on the use or dissemination of information (subject to Freedom of Information Act or Data Protection Act requirements);
- (e) respect the privacy of individuals.

3.2.9 *Duty to be adequately informed*

3.2.9.1 Board Members shall:

- (a) develop and maintain a clear understanding of the functions of the Board and of the Statutes (where that Statute is not superseded by the Universities Act);
- (b) familiarise themselves with the contents of the Universities Act and the Statutes;
- (c) develop and maintain a clear understanding of the role of any Board Committee on which they serve;
- (d) prepare for meetings by reading and considering all papers circulated with the agenda, provided to them, ordinarily, at least one week before each meeting of the Board.

General Principles

3.2.10 All members of the Board are required to observe the following fundamental principles as set out in the guidelines for the Sectoral Code of Conduct.

Integrity and Conflict of Interest

- Members of the Board are required to disclose outside employment/business interests which they consider may be in conflict or in potential conflict with the business of the College, or may be perceived as such - see **Section 3.1.4.3** for further details of disclosure requirements, in the 1997 Act, and see **Appendix 3A** below for procedures developed by the Board.
- The Board will not allow management or employees to be involved in outside employment/business interests in conflict or in potential conflict with the business of the College. It will put in place appropriate arrangements to give effect to this
- Members of the Board will avoid giving or receiving gifts, corporate hospitality, preferential treatment or benefits which might affect or appear to affect the ability of the donor or the recipient to make independent judgement on business transactions. The College Ethics Policy is available at: <http://www.tcd.ie/about/policies/ethics-policy.php>
- Members of the Board must be committed to having the College compete vigorously and energetically but also ethically and honestly with other educational institutions, commercial and other providers of research and advisory services
- the College is committed to conducting its purchasing activities of goods/services in accordance with public policy and best business practice and its purchasing regulations reflect this
- the College is also committed to ensuring that its engagement of consultancy and other services is in compliance with public policy guidelines
- the College is also committed to ensuring a culture of claiming expenses only as appropriate to official needs and in accordance with good practice in the public sector

- the College is committed to ensuring that the accounts/reports accurately reflect the operating performance of the university and are not misleading or designed to be misleading
- Members of the Board and employees are required to avoid the use of the College resources or time for personal gain, for the benefit of persons/organisations unconnected with the institutions or its activities or for the benefit of competitors, and
- the College is committed not to acquire information or business secrets by improper means.

Information

- The College is committed to providing access to general information relating to its activities in a way that is open and enhances its accountability to the general public
- Members of the Board are required to respect the confidentiality of sensitive information held by the College This would constitute material such as:
 - personal information
 - information received in confidence by the College
 - any commercially sensitive information or other information sensitive to the reputation of the College including future plans or details of major organisational or structural changes. These obligations do not cease when membership of the Board or employment in the institution concerned has ended
- The College will observe appropriate prior consultation procedures with third parties where, exceptionally, it is proposed to release sensitive information in the public interest
- The College will comply with all relevant statutory provisions (e.g. data protection legislation, the Freedom of Information Act, 1997)
- Members of the Board and staff will observe due confidentiality in relation to all discussions and decisions taken at meetings of the Board

Obligations

- The College will fulfil all regulatory and statutory obligations imposed on the [university] by (insert title of relevant Act)
- The College will comply with detailed tendering and purchasing procedures, as well as complying with prescribed levels of authority for sanctioning any relevant expenditure
- The College has introduced measures to prevent fraud and to ensure compliance with the prescribed levels of authority for sanctioning any relevant expenditure
- Members are required to use their reasonable endeavours to attend all Board meetings
- It is acknowledged that the acceptance of positions following employment and/or engagement by a third level institution can give rise to the potential for conflicts of interest and to confidentiality concerns. The Board of the College will consider any cases in which such conflicts of interest or confidentiality concerns may arise and will take appropriate steps to deal with such matters in an effective

manner during a reasonable period following employment by a third level institution. The Board will also ensure that any procedures that it may put in place in this regard are monitored and enforced

- The Board of the College acknowledges the duty of all to conform to the highest standards of business ethics

Loyalty

- The Board of the College acknowledges the responsibility to be loyal to the College and to be fully committed to all its activities, with due respect to the tenets of academic freedom, while mindful that the College itself must at all times take into account the interests of its students and providers of funds including taxpayers

Fairness

- The College is committed to complying with employment equality and equal status legislation
- The College is committed to fairness in all business dealings, and
- The College values its students, suppliers, employees and customers and treats all its students, suppliers, employees and customers equally

Work/External Environment

- The Board of the College places the highest priority on promoting and preserving the health and safety of its employees and students
- The College will ensure that community concerns are fully considered in its activities and operations
- The College will minimise any detrimental impact of its operations on the environment

Responsibility

- The College will circulate this Code of Conduct (and a policy document on disclosure of interests) to all members of the Board and employees for their retention
- The College will ensure that all members of the Board and employees receive a copy of the Code and understand its contents
- The College will provide practical guidance and direction as required on such areas as gifts and entertainment and on other ethical considerations which arise routinely

Review

- The College will review this Code of Conduct as appropriate

3.2.11

Breaches of the Code

3.2.11.1

Any complaint or allegation that a Board Member is in breach of the Code shall be referred in writing to the Secretary to the College and signed by the person who is bringing the matter to the attention of the Board. On receipt of such a complaint, the Secretary to the College, in consultation with the Provost, shall investigate whether there is a *prima facie* case which should be addressed, during which process the person against whom an allegation has been made should be informed

and given a right of reply. In the event that a decision is taken that a *prima facie* case does not exist, a report to that effect shall be made to the Board.

3.2.11.2 In the event that the Secretary to the College and the Provost are satisfied that there is an issue which requires investigation, the Board shall appoint a sub-committee comprising members of the Board to carry-out an investigation and to make recommendations to Board. Board members so appointed shall not participate in any subsequent Board discussions and/or decisions on this matter.

3.2.11.3 This investigation shall normally be completed within 4 weeks from the appointment of the sub-committee by the Board.

3.2.11.4 The scope of the sub-committee's recommendations to the Board shall not exceed the provisions of Schedule 3, paragraph 3 of the Universities Act 1997 which states that

3. (1) A member of a governing authority may, for good and valid reason, be removed from office by resolution of the governing authority.

(2) A member of a governing authority may, at any time, resign from office as a member by letter addressed to the chairperson and the resignation shall take effect on the date on which the letter is received.

(3) A member of a governing authority who is absent from all meetings of the governing authority for a period of six consecutive months, unless the absence was due to illness or was approved by the governing authority, shall at the expiration of that period cease to be a member of the governing authority.

3.2.12 Dissemination

3.2.12.1 The Secretary to the College shall provide a copy of this Code to each Board Member, and shall promote, disseminate and ensure the implementation of this Code.

3.3 Code of Conduct for Employees

All employees shall be required to observe the following fundamental principles:

3.3.1 Integrity

- 3.3.1.1 Members of staff who hold certain designated positions for the purposes of the Ethics Acts shall disclose outside employment/business interests which they consider may be in conflict or in potential conflict with the business of Trinity College, or may be perceived as such. Employees to whom this provision applies shall comply fully with the disclosure procedure utilised by College.
- 3.3.1.2 Employees shall not at any time engage in, or be connected with any outside employment/business or activity which would, conflict, or be in potential conflict, with the interests of Trinity College, be inconsistent with their official position, or tend to impair their ability to carry out their duties as employees.
- 3.3.1.3 Employees of the College shall avoid giving or receiving gifts, hospitality, preferential treatment or benefits which might affect or appear to affect the ability of the donor or the recipient to make independent judgement on business transactions. The overriding concern is that the actions of employees be above suspicion and not give rise to any actual or potential conflict of interest, and that their dealings with commercial and other interests should bear the closest possible scrutiny.

Gifts

- 3.3.1.4 The receipt of gifts, as distinct from hospitality, by employees, from those with whom they have official dealings shall be governed by the highest standards. The following general guidelines provide a framework within which decisions in this area can be made or local rules formulated. For the purposes of these provisions, the term "gift" includes any benefit which is given to an employee free of charge or at less than its commercial price.
- 3.3.1.5 Subject to any rules which Trinity College may determine, an employee may accept and retain gifts of modest value (e.g. diaries, pens, etc.). Any gift of more significant value shall be refused or, if such refusal would cause offence, shall be handed over by the employee concerned to the Head of School/Area, or Staff Office.
- 3.3.1.6 A gift, other than a gift of modest value, given to an employee by virtue of his or her official relationship with the donor, or Trinity College's commercial dealings with the donor, shall be regarded as property of Trinity College.
- 3.3.1.7 Particular care should be taken in relation to gifts from donors who stand to derive a personal or commercial benefit from their relationship with Trinity College.
- 3.3.1.8 Cash, gift cheques or any vouchers that may be exchanged for cash shall not be accepted regardless of the amount.
- 3.3.1.9 Employees shall not solicit gifts, directly or indirectly.
- 3.3.1.10 Employees shall not approach any business with which they have contact through their official duties seeking sponsorship or support for any club, charitable organisation, association, trade union or other organisation. Trinity College shall apply discretion in the application of this rule to instances of very small patronage. Staff members / staff groups should seek guidance from the Staff Secretary if any doubt exists in this regard.

3.3.1.11 Employees shall not accept special facilities or discounts on private purchases from suppliers with whom they have official dealings.

3.3.1.12 It should be noted that, under the Prevention of Corruption Acts 1889 to 2001 as amended by the Ethics in Public Office Act 1995, the corrupt giving of gifts to, or receipt of gifts by, employees is a criminal offence punishable by imprisonment, or fine, or both. The Acts provide that money, gifts or other consideration received by an employee from a person holding or seeking to obtain a contract from Trinity College is deemed to have been received corruptly unless the contrary is proved.

Hospitality

3.3.1.13 It is impossible to lay down definite rules covering the acceptance of hospitality in all circumstances. The overriding concern is that all actions of employees in carrying out their official duties be above suspicion and not give rise to any actual or potential conflict of interest, and that their dealings with commercial and other interests should bear the closest possible scrutiny. It is accepted that employees shall not be put in a position where they cannot accept what are regarded as normal courtesies in business relationships. However, in their contacts with outside organisations or persons, every care shall be taken by employees to ensure that their acceptance of hospitality does not influence them, and could not reasonably be seen to influence them, in discharging their official functions.

3.3.1.14 The following general guidelines provide a framework within which decisions in this area can be made or local rules formulated.

3.3.1.15 All offers of hospitality from commercial interests which have or might have contractual relations with Trinity College shall be reported by that employee to his or her manager for direction.

3.3.1.16 No objection would normally be made to the acceptance of what is regarded as routine hospitality, for example, a business lunch. What may be regarded as "routine" for this purpose will depend on a number of factors such as the value of the hospitality offered, the frequency of offers, whether there is an element of reciprocity and the general circumstances in which it is offered (for example, whether it is offered by a company to all its customers or is directed at specific or potential customers). Certain types of hospitality (for example involving travelling abroad or holiday weekends) shall not be regarded as routine and shall always be referred to management for direction.

3.3.1.17 Employees shall not accept offers of hospitality which go beyond the routine practices referred to above, except where acceptance of such an offer can be clearly shown to be in the interest of Trinity College and has been approved by the manager of the employee concerned.

Acquiring goods and services

3.3.1.18 Trinity College is committed to conducting its purchasing of goods and services in accordance with public policy and best business practice and its purchasing regulations reflect this. In this regard employees shall specifically note the following standards

- (a) An employee shall not seek contracts with Trinity College for the supply of goods or services (other than for employment) either for his or her own benefit, or for any partnership or company with which he or she has an

involvement in his or her private capacity, or on behalf of other persons or organisations;

- (b) Trinity College shall not knowingly undertake to contract for the supply of goods or services (other than for employment) with an employee, or with any partnership or company with which an employee has an involvement in his or her private capacity;
- (c) No purchase shall be made from, and no sale made to, an employee, or any partnership or company with which an employee has an involvement in his or her private capacity, in respect of goods or services, unless prior sanction has been obtained from the relevant Manager in the area in which the transaction arises, following consultation with the Staff Secretary.

3.3.1.19 An employee who enters into any undertaking, or who holds any outside interest, or participates in any outside business affecting, or likely to affect, a Trinity College contract, or the purchase or sale of Trinity College property, shall immediately disclose the nature and extent of his or her interest to Trinity College. An employee should not accept a directorship (except as a nominee of Trinity College) in any company holding a Trinity College contract or in a company which may reasonably be expected to hold such a contract in future.

3.3.1.20 Employees shall not negotiate or arbitrate in any matter affecting a Trinity College contract or the purchase from, or sale of, goods to Trinity College where, in their private capacities, they are interested either as principals or as shareholders in a company being one of the principals in the matter under consideration.

3.3.2 Information

3.3.2.1 Trinity College is committed to providing access to general information relating to its activities in a way that is open and enhances its accountability to the general public. All employees shall ensure that they deal with queries from members of the public in an open and helpful way. Under the Freedom of Information Acts 1997 and 2003 (FOI Acts), members of the public (including employees of College) enjoy a legal right of access to information held by Trinity College and other public bodies, subject to certain exemptions defined in the FOI Acts. Arising from the FOI Acts, certain employees members (trained as Decision Makers) are given explicit responsibility for the provision of information to members of the public on foot of requests under the FOI Acts.

3.3.2.2 Particular care shall be taken to safeguard information concerning the private or commercial affairs of students, members of the public, clients, or organisations, which may have been submitted in connection with official business, on condition, or on the reasonable assumption, that it would remain confidential. The FOI Acts recognise the importance of protecting such information in the normal course from third party access. Where exceptionally sensitive information of a personal, commercially sensitive or confidential nature is under consideration for release in the public interest, the FOI Acts impose a number of safeguards to ensure the rights of the person(s) concerned are fully respected.

3.3.2.3 Employees of the College shall observe due confidentiality in relation to all discussions and decisions taken at meetings of the Board, Council and other bodies in College, and will treat in the strictest confidence, all information received in their capacity, either as members of these bodies, or as attendees.

3.3.3 ***Obligations***

3.3.3.1 Employees of College shall comply with detailed tendering and purchasing procedures, as well as complying with prescribed levels of authority for sanctioning any relevant expenditure;

3.3.3.2 It is acknowledged that the acceptance of positions following employment and/or engagement by a third level institution can give rise to the potential for conflicts of interest and to confidentiality concerns. In any case where an employee intends to take up an appointment in a competitor institution, or other similar organisation, where there may be, or appear to be a conflict of interest, the matter shall be referred to the Staff Secretary, who may consult with the Secretary to the College as appropriate. College's consent will not be unreasonably withheld, but it is expected that matters related to confidentiality will be mutually agreed.

3.3.4 ***Loyalty***

3.3.4.1 Employees of Trinity College acknowledge their responsibility to Trinity College and shall be fully committed to all its activities, with due respect to the tenets of academic freedom, while mindful that Trinity College itself must at all times take into account the interests of its students, staff and providers of funds including taxpayers and society generally.

3.3.4.2 The Board and employees of Trinity College acknowledge the duty of all to conform to highest standards of business ethics, including impartiality, integrity and respect for the law.

3.3.5 ***Fairness***

3.3.5.1 Trinity College shall be committed to complying with employment equality and equal status legislation.

3.3.5.2 Trinity College shall be committed to fairness in all business dealings.

3.3.5.3 Trinity College shall value its students, suppliers, employees and customers and treat all its students, suppliers, employees and customers equally and loyally.

3.3.6 ***Behaviour at Work***

3.3.6.1 The Board of Trinity College places the highest priority on promoting and preserving the health and safety of its employees and students. This Code places an obligation on all employees to ensure that they familiarise themselves with College policies and practices regarding Dignity and Work, and Health and Safety, and that they act accordingly.

3.3.6.2 Employees of Trinity College shall endeavour to ensure the proper, effective, and efficient use of College resources. All employees shall take proper and reasonable care of College property, and not to use, or permit its use, for unauthorised purposes. ("De minimis" use, i.e. use that results in no actual cost to the College/negligible cost, is permitted).

3.3.6.3 Employees of the College shall avoid the use of Trinity College resources or time for personal gain, for the benefit of persons/organisations unconnected with the College or its activities, or for the benefit of competitors.

3.3.6.4 Employees of the College are required, to attend at work as required and not to absent themselves from duty without proper authorisation; to comply with the

terms of the sick leave regulations; at all times, to act in a manner consistent with, the proper performance of the functions of their Trinity College position, and with the maintenance of public confidence in such performance, including refraining from conduct which might impair performance;¹⁷ to ensure non-discriminatory language is used in all communications, both internal and external, including display material and documents in electronic form; and not to engage in any outside business or occupation during their normal hours of duty.

3.3.7 Responsibility

3.3.7.1 Trinity College shall circulate this Code of Conduct (and a policy document on disclosure of interests) to all members of the Board and employees holding designated posts, for their retention.

3.3.7.2 Trinity College shall ensure that all employees have appropriate access to a copy of the Code.

3.3.7.3 Trinity College shall provide practical guidance and direction as required on such areas as gifts and entertainment and on other ethical considerations which arise routinely.

3.3.8 Review

3.3.8.1 Trinity College shall review this Code of Conduct as appropriate, and in any case, at not less than four year intervals.

3.4 Guidelines in respect of Quality Customer Service for Customers and Clients of the College

In its dealings with the public, the College shall have regard to the following:

Quality Service Standards

3.4.1 Publish a statement that outlines the nature and quality of service which customers can expect and, where appropriate, display it prominently at the point of service delivery.

Equality/Diversity

3.4.2 Ensure the rights to equal treatment, established by equality legislation, and accommodate diversity, so as to contribute to equality for the groups covered by the equality legislation (under the grounds of gender, marital status, family status, sexual orientation, religious belief, age, disability, race and membership of the Traveller Community).

Identify and work to eliminate barriers to access to services for people experiencing poverty and social exclusion, and for those facing geographic barriers to services.

¹⁷Trinity College's Employee Assistance Programme is available to help staff manage personal difficulties, which if left unaddressed, might adversely affect their work performance and/or attendance and their quality of life.

Physical Access

- 3.4.3 Provide clean, accessible public offices that comply with occupational and safety standards and, as part of this, facilitate access for people with disabilities and others with specific needs.

Information

- 3.4.4 Take a proactive approach in providing information that is clear, timely and accurate, is available at all points of contact and meets the requirements of people with specific needs. Ensure that the potential offered by Information Technology is fully availed of, and that the information available on university web sites follows the guidelines on web publication.

Continue the drive for simplification of rules, regulations, forms, information leaflets and procedures.

Timeliness and Courtesy

- 3.4.5 Deliver quality services with courtesy, sensitivity and the minimum delay, fostering a climate of mutual respect between provider and customer. Give contact names in all communications to ensure ease of ongoing transactions.

Complaints

- 3.4.6 Maintain a well-publicised, accessible, transparent and simple-to-use system of dealing with complaints about the quality of service provided.

Appeals

- 3.4.7 Similarly, maintain a formalised, well-publicised, accessible, transparent and simple-to-use system of appeal/review for customers who are dissatisfied with decisions in relation to services.

Consultation and Evaluation

- 3.4.8 Provide a structured approach to meaningful consultation with, and participation by, the customer in relation to the development, delivery and review of services. Ensure meaningful evaluation of service delivery.

Choice

- 3.4.9 Provide choice, where feasible, in service delivery including payment methods, location of contact points, opening hours and delivery times. Use available and emerging technologies to ensure maximum access and choice and quality of delivery.

Official Languages Equality

- 3.4.10 Provide quality services through Irish and/or bilingually and inform customers of their right to choose to be dealt with through one or other of the official languages.

Better Co-ordination

- 3.4.11 Foster a more co-ordinated and integrated approach to delivery of services.

Internal Customer

- 3.4.12 Ensure staff are recognised as internal customers and that they are properly supported and consulted with regard to service delivery issues.

3.5 Format of Statement of Governance and Internal Control

Text taken from 'Governance of Irish Universities, 2012'

- 3.5.1 Acknowledgment by Chief Officer that the governing authority is responsible for the body's system of internal control, which statement requires the formal approval of the governing authority.
- 3.5.2 An explanation that such a system can provide only reasonable and not absolute assurance against material error.
- 3.5.3 Description of the key procedures, which have been put in place by the governing authority, designed to provide effective internal control including:
- i) The steps taken to ensure an appropriate control environment (such as clearly defined management responsibilities and evidence of reaction to control failures);
 - ii) Processes used to identify business risks and to evaluate their financial implications;
 - iii) Details of the major information systems in place such as budgets, and means of comparing actual results with budgets during the year;
 - iv) The procedures for addressing the financial implications of major business risks (such as financial instructions and notes of procedures, delegation practices such as authorisation limits, segregation of duties and methods of preventing and detecting fraud); and
 - v) The procedures for monitoring the effectiveness of the internal control system which may include: audit committees, management reviews, consultancy, inspection and review studies, the work of internal audit, quality audit reviews and statements from the heads of internal audit.
- 3.5.4 Confirmation that there has been a review of the effectiveness of the system of internal control.
- 3.5.5 Information (if appropriate) about the weaknesses in internal control that have resulted in material losses, contingencies or uncertainties which require disclosure in the financial statements or the auditor's report on the financial statements.
- 3.5.6 The information relating to weaknesses in internal control should be a description of the action taken, or intended to be taken, to correct the weaknesses, or an explanation of why no action is considered necessary.

Signed

Provost

3.6 Guidelines for Best Practice in Asset Disposal and Access to Assets by Third Parties

Text taken from 'Governance of Irish Universities, 2012'

- 3.6.1 The disposal of university assets and access to university assets are governed by the 1997 Act, and in particular by Sections 13 and 42 of that Act.
- 3.6.2 Universities should adhere to best practice for the disposal of assets or the granting of access to property or infrastructure for commercial arrangements e.g. joint ventures with third parties. It should be standard practice that the disposal of assets of universities or the granting of access to property or infrastructure for commercial arrangements e.g. joint ventures with third parties, with an anticipated value at or above a threshold level of €150,000, should be by auction or competitive tendering process, other than in exceptional circumstances. The method used should be both transparent and likely to achieve a fair market-related price. The anticipated value may be determined either by a reserve price recorded in advance or by a formal sign-off in accordance with university policy, as agreed by the governing authority. Regard should be had to accounting standards best practice in Ireland.
- 3.6.3 The exceptional circumstances mentioned at **3.6.2** could include a sale to a charitable body or where universities believe that competitive tendering is not appropriate due to the sensitive nature of particular arrangements in respect of research collaborations, joint ventures with industry or other external parties or in respect of arrangements where Intellectual Property may be brought to a university. Where in such circumstances a decision has been taken that competitive tendering is not appropriate such cases should be reported to the governing authority. In all cases, the method used should be both transparent and likely to achieve a fair market-related price.
- 3.6.4 If an auction or competitive tendering process takes place and the highest bid is not accepted, it is desirable that specific governing authority approval be required before the disposal of the asset, or granting of access to property or infrastructure for commercial arrangements with third parties, can be completed. For reasons of transparency, such approval together with the reason why a lower bid was permitted to be accepted should be noted in the minutes of the governing authority.
- 3.6.5 If an auction or competitive tendering process does not take place, and the agreed price is €150,000 or more, then it is desirable that specific governing authority approval be required before negotiations start and also before the disposal of the asset or granting of access to property or infrastructure for commercial joint venture arrangements with third parties can be completed.
- 3.6.6 No disposal of an asset or grant of access to property or infrastructure for commercial arrangements with third parties should be completed until the officer authorising the disposal or grant of access has certified formally that (i) governing authority approval is not necessary, with the reasons therefor, or (ii) governing authority approval, where necessary, has been obtained.

- 3.6.7 In accordance with best practice, it is desirable that disposal of assets to members of governing authorities, employees or their families or connected persons, should, as with all disposals, be by a transparent method and at a fair market-related price. A record of all such disposals to such persons (to include details of the asset disposed of, price paid and name of the buyer) should be noted in a register kept for this purpose (minor disposals below a threshold approved by the governing authority may be omitted from the register). This register should be available for inspection, if requested, by the governing authority or by any member of the governing authority. The governing authority may retain a requirement that any disposal above an approved threshold may not be made without having been formally endorsed by the governing authority which may impose specific restrictions with regard to any such disposal.
- 3.6.8 In accordance with best practice, details of all disposals of assets or grants of access to property or infrastructure for commercial arrangements with third parties (save for connected third parties which is dealt with in **paragraph 3.6.4**) with an individual or combined material value (i.e. in excess of €10K) below the threshold value of €150,000, without auction or competitive tendering process, should be formally reported, with the price paid and the name of the buyer, to the governing authority, or a governing authority committee, on an annual basis.
- 3.6.9 Details of and explanations for the disposals of assets or grants of access to property or infrastructure for commercial arrangements with third parties above the threshold of €150,000 which have not been the subject of auction or competitive tendering process should be included in the combined Annual Governance Statement and Statement of Internal Control.
- 3.6.10 The Chief Officer in his report to the HEA (see **paragraph 2.11**) should affirm that the disposal procedures, as outlined above, have been complied with.

Appendix 3A

TCD Code of Governance

Potential Board Conflicts of Interest

3A.1 Legal Position

3A.1.1 For the purposes of Section 17 of the Ethics in Public Office Acts 1995 and 2001, Board members are required to make a Statement of Interests, copy attached. The Statement includes the following definition:

*“In relation to each of the following disclosable interests under the Ethics in Public Office Act 1995, you should state any interest held **by you** and any interests held, to your actual knowledge, **by your spouse or civil partner, a child of yours, or a child of your spouse**, which could materially influence you in or in relation to the performance of your official functions.”* With regard to monetary value, the Statement clarifies that the amount or monetary value of the interests need not be specified.

3A.1.2 In addition, under the Third Schedule of the Universities Act 1997, Board members are required to make certain disclosures of interests and to take no part in the deliberation or decision of the Board in particular circumstances, see footnotes to attached matrix.

3A.1.3 In considering the application of these principles to Trinity College Dublin, the following definition from the University of Alberta, Canada, provides useful clarification.

*‘A conflict is described as
“a situation in which there is or may be perceived to be a divergence between the private financial benefit or financial interest or personal benefit of a person, family member, or an outside party, and that person’s obligations to the University, such that an impartial observer might reasonably question whether related actions to be taken or decisions made by the person would be influenced by consideration of the person’s own interests”.’*

3A.2 Consideration of Potential Conflicts of Interest before Board meetings

3A.2.1 In the interests of transparency, all Statements of Interests in accordance with the Ethics in Public Office Acts 1995 and 2001, made by each Board member and by non-Board members (such as Chief Operations Officer, Treasurer and Secretary) who are in attendance for meetings and may contribute to a Board discussion (“those in attendance”) are, with effect from the Statements made in January 2013, to be made accessible on a confidential basis to all Board members and to those in attendance. Such access will be provided on written request to the College Secretary and the

access requested will be arranged in the Secretary's Office where notes may be taken but taking of copies (or photo images) will not be permitted. In addition, the Board may wish to consider from time to time whether it wishes to provide guidance about what should be declared in addition to the "9. Other Interests" portion of the Statements of Interests form, such as political party [membership/involvement/affiliation], special interest/lobbying group [membership/involvement/affiliation].

3A.2.2 In advance of each Board meeting, each Board member and those in attendance are asked to assess whether any particular actual or potential conflicts of interest arise. This assessment should be done in the light of the agenda and papers for each Board meeting or, if possible, prior to circulation of Board papers e.g., if it is known in advance that a particular matter is coming up on a future agenda.

3A.2.3 Any such actual or potential conflicts should be assessed and considered as far as possible in advance of each Board meeting so that the matter can be addressed in an agreed manner beforehand. In view of the fact that the roles of Chair of the Board and Provost are combined, the primary contact should be the College Secretary. Therefore, when Board papers are sent out to members and to those in attendance (generally a week in advance), the College Secretary will in a covering Memo and/or email suggest that the agenda and documents be read as soon as possible and that any potential conflicts of interest be brought to the attention of the College Secretary with a copy to the Chair of the Board (Provost). In order to allow time to assess the issue, any such issue should be highlighted (ideally in written format) at least one working day and preferably more than two working days in advance of the meeting date e.g. in the case of a Wednesday meeting, by 4pm on the previous Friday. In addition, the College Secretary may raise a query in relation to potential conflict of interest based on knowledge in the Secretary's possession, including the contents of the annual Statements of Interest.

3A.2.4 The declaration should set out the name of the individual (if not the person making the declaration), the matter or agenda item involved, the level of responsibility or interest involved and the particular circumstances which could give rise to a potential conflict of interest. On receipt of the declaration or notification, the College Secretary will if appropriate seek further information or verification in relation to the interest. The College Secretary will then contact the person who is the subject of the declaration/notification with a view to agreeing the appropriate course of action. The person who is the subject of the declaration/notification could use the attached matrix to suggest the most appropriate action to address the potential conflict of interest.

3A.2.5 In considering the matter, the College Secretary will seek advice from the Chair of the Board (Provost (and if necessary from legal or other advisers) on the issue in light of:

- the Universities Act 1997, the Ethics in Public Office Acts 1995 and 2001 and any other relevant legislation

- the TCD Code of Governance, the TCD Ethics Policy and any other relevant public sector guidelines or TCD policies
- best practice in corporate governance and protection of the reputation of the College.

- 3A.2.6 The College Secretary may decide to
- (1) agree with the suggestion of the person who is the subject of the declaration/notification as to the most appropriate action to address the potential conflict of interest, or alternatively,
 - (2) may wish to suggest an alternative course of action to the individual.

If (1) is agreed or (2) an alternative course of action is agreed with the individual, then it will be noted at the outset of the Board meeting under “Statement of Interest” and included in the draft Board minutes under either Section A, or Section D if requested by the individual involved. The expression “Statement of Interest” covers both real and perceived Conflict of Interest.

It is expected that most circumstances would be resolved in that way.

3A.3 Consideration of Potential Conflicts of Interest at Board meetings

- 3A.3.1 However, if the College Secretary cannot agree a course of action with the individual in advance of the Board meeting, then the Chair of the Board (Provost) will bring the matter to the attention of the Board at the outset of the Board meeting under “Statement of Interest” on the agenda.

- 3A.3.2 Likewise if, in exceptional circumstances, something arises at the time of the meeting or just beforehand, the College Secretary will raise the matter with the relevant Board member (or person in attendance) before the meeting if time allows or the Chair of the Board (Provost) will bring the matter to the attention of the Board at the outset of the Board meeting under “Statement of Interest” on the agenda.

- 3A.3.3 If the individual involved wishes to speak on the matter of the conflict of interest, they will be provided with that opportunity. The individual involved would then withdraw for the discussion of the matter of the conflict of interest, unless the Board decided otherwise, and would be invited back in to the Boardroom to hear the conclusion.

- 3A.3.4 The Board could use the attached guidance matrix to suggest the most appropriate action to address the potential conflict of interest. In considering the matter, the Board may seek advice from the Secretary on the issue in the light of
- the Universities Act 1997, the Ethics in Public Office Act 1995 and 2001 and any other relevant legislation
 - the TCD Code of Governance, the TCD Ethics Policy and any other relevant public sector guidelines or TCD policies
 - best practice in corporate governance and protection of the reputation of the College.

3A.3.5

The Board may decide to

- (1) agree with the suggestion of the Chair of the Board (Provost) as to the most appropriate action to address the potential conflict of interest or alternatively;
- (2) agree with the suggestion of the person making the declaration as to the most appropriate action to address the potential conflict of interest or alternatively;
- (3) may agree an alternative course of action (including those suggested in the guidance matrix).

Whatever course of action is agreed will be noted at the outset of the Board meeting under "Statement of Interest" and included in the draft Board minutes under either Section A, or Section D if requested by the individual involved.

1ST November 2012

Ethics in Public Office Acts 1995 and 2001

- Designated Directorships -

**Statement of Interests for the purposes of Section 17 of the
Ethics in Public Office Act 1995**

Please complete in **BLOCK CAPITALS**

Name:	
Title of Designated Directorship held (e.g. board member, etc.):	
Public Body:	
Date of Appointment:	
Period comprehended by this Statement (i.e. 1 January to 31 December or part thereof):	
Address for Correspondence:	

In relation to each of the following disclosable interests under the Ethics in Public Office Act 1995, you should state any interest held **by you** and any interests held, to your actual knowledge, **by your spouse¹ or civil partner², a child of yours, or a child of your spouse**, which could materially influence³ you in or in relation to the performance of your official functions. **The amount or monetary value of the interests need not be specified.** Explanatory notes on certain of the required statements are attached.

1. OCCUPATIONAL INCOME , ETC.

Details of any remunerated trade, profession, employment, vocation or other occupation (other than the directorship described on the first page of this form), the remuneration from which exceeded €2,600, during the period comprehended by this statement, should be listed here.

Description of Occupation	Business Address
<u>Self:</u>	
<u>Spouse or Civil Partner or Child (name):</u>	

2. SHARES ETC.

Details of any holding of shares in, or bonds or debentures of, or other like investments in, a particular company or other enterprise or undertaking, where the aggregate value of the holding exceeded €13,000 at any time during the period comprehended by this statement, should be listed here⁴.

Type of Holding	Where held	Nature of Business
<u>Self:</u>		
<u>Spouse or Civil Partner or Child (name):</u>		

3. DIRECTORSHIPS

Details of any directorship or shadow directorship of any company⁵ held during the period comprehended by this statement should be listed here⁶.

Type of Directorship	Business Address	Nature of Business
<u>Self:</u>		
<u>Spouse or Civil Partner or Child (name):</u>		

4. LAND (EXCLUDING PRIVATE HOME⁷)

Details of any interest in land where the value of such interest exceeded €13,000 at any time during the period comprehended by this statement should be listed here, including -

- (i) any contract entered into for the purchase of land, whether or not a deposit or part payment has been made under the contract; and
- (ii) any option held to purchase land, whether or not any consideration has been paid in respect thereof, or land in respect of which such an option has been exercised but has not yet been conveyed.

Property Address	Purpose for which used
<u>Self:</u>	
<u>Spouse or Civil Partner or Child (name):</u>	

5. TRAVEL, ACCOMMODATION, MEALS, ETC.

Details of travel facilities, living accommodation, meals or entertainment supplied during the period comprehended by this statement, free of charge or at a price that was less than the commercial price or prices, should be listed here⁸.

Full Description	Name and Address of Supplier
<u>Self:</u>	
<u>Spouse or Civil Partner or Child (name):</u>	

6. OTHER REMUNERATED POSITIONS

Details of any remunerated positions held as a political or public affairs lobbyist, consultant or adviser during the period comprehended by this statement, should be listed here.

Full Description of Position	Name and Address of Person / Company / Organisation
<u>Self:</u>	
<u>Spouse or Civil Partner or Child (name):</u>	

7. PUBLIC SERVICE CONTRACTS

Details of any contract to which the person concerned was a party, or was in any other way, directly or indirectly interested, for the supply of goods or services to a Minister of the Government, or a public body during the period comprehended by this statement, if the value of the goods or services supplied exceeded €6,500 or, in case other goods or services were supplied under such a contract if the aggregate of their value and the value aforesaid exceeded €6,500, should be listed here.

Description of Contract and Interest	Name and Address of Contractor	Minister / Public Body Concerned
<u>Self:</u>		
<u>Spouse or Civil Partner or Child (name):</u>		

8. GIFTS, PROPERTY & SERVICES

Details of:

- (i) any gift given during the period comprehended by this statement⁹;

- (ii) property supplied or lent, or a service supplied to the person, once or more than once by the same person, during the period comprehended by this statement, for a consideration or considerations, or at a price or prices less than the commercial consideration or considerations, or the commercial price or prices, by more than €650; and
- (iii) property lent, or a service supplied to the person, once or more than once by the same person, during the period comprehended by this statement, free of charge if the commercial consideration or considerations, or the commercial price or prices was, or were more than €650¹⁰;

should be listed here¹¹.

Full Description of Gift, Property and/or Service	Name and Address of Benefactor, Supplier and/or Lender
<u>Self:</u>	
<u>Spouse or Civil Partner or Child (name):</u>	

9. OTHER INTERESTS

In line with the provisions of Section 30 of the Ethics in Public Office Act 1995, voluntary statements in respect of any interests not specified in the Second Schedule to that Act (i.e., other than those specified at 1. to 8. above), and which are held by **you or your spouse or a civil partner, or a child of yours or your spouse**, may be listed here if it is considered that such interests could materially influence you in or in relation to the performance of your official duties.

<u>Self:</u>
<u>Spouse or Civil Partner or Child (name):</u>

OBLIGATION TO DISCLOSE A MATERIAL INTEREST IN AN OFFICIAL FUNCTION

I am aware of the obligations placed on me by Section 17(1)(b) of the Ethics in Public Office Act 1995¹².

Signed: _____

Date: _____

¹ "spouse", in relation to a person, does not include a spouse who is living separately and apart from the person;

² "*civil partner*" in relation to a person, means a civil partner within the meaning of the *Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010*, but does not include a civil partner who is living separately and apart from the person;

³ which could materially influence you in or in relation to the performance of the functions of the directorship by reason of the fact that such performance could so affect those interests as to confer on or withhold from you or your spouse or civil partner or child of yours or child of your spouse a substantial benefit.

⁴ "*holding*" does not include money in a current, deposit or other similar account with a financial institution.

⁵ "*company*" means any body corporate;

⁶ "*shadow directorship*" means the position held by a person who is a shadow director within the meaning of the Companies Acts 1963 to 1990, or, in the case of a public body that is not a company (within the meaning of the Companies Act 1963) and is specified in subparagraph (8), (9), (10), (11), or (12), or stands prescribed for the purposes of subparagraph (13), of paragraph 1 of the First Schedule to the Ethics in Public Office Act 1995, the position held by the person in accordance with whose instructions or directions, the members of the body, or the members of the board or other body that controls manages or administers that body, are accustomed to act.

⁷ but excluding any interest in land consisting of any private home of the person or of his or her spouse or civil partner, that is to say, a building or part of a building that is occupied by the person or his or her spouse or a child of the person or of the spouse as a separate dwelling and any garden or other land usually occupied with the dwelling, being land that is subsidiary or ancillary to it, is required for its amenity or convenience and is not being used or developed primarily for commercial purposes.

⁸ but excluding:

- (a) travel facilities, living accommodation, meals or entertainment provided -
 - (i) within the State, or
 - (ii) in the course and for the purpose of -
 - the performance of the functions of the person as the holder of a designated directorship, or
 - the trade, profession, employment, vocation or other occupation of the person (other than as the holder of a designated directorship);
- (b) travel facilities, living accommodation, meals or entertainment supplied to the person by a relative or civil partner or friend of the person, or of his or her spouse or civil partner, or of a child of the person or of his or her spouse, where such supply was in the nature of a gift to the person and for personal reasons only, unless the acceptance of such facilities, accommodation, meals or entertainment might reasonably be seen to have been capable of

influencing him or her in the performance of his or her functions as the holder of a designated directorship;

(c) travel facilities, living accommodation, meals or entertainment supplied to the person, once or more than once by the same person during the period comprehended by this statement, free of charge if the commercial price, or the aggregate of the commercial prices, of the facilities, accommodation, meals or entertainment did not exceed €650; or

(d) travel facilities, living accommodation, meals or entertainment supplied to the person, once or more than once by the same person during the period comprehended by this statement, at a price or prices less than the commercial price or prices by not more than €650.

⁹ but excluding -

(i) a gift to the person by a relative or civil partner or friend of the person or of his or her spouse or civil partner, or of a child of the person or of his or her spouse, for purely personal reasons only, unless the acceptance of the gift by the person could have materially influenced him or her in the performance of his or her functions as the holder of a designated directorship; and

(ii) a gift given to the person, or gifts given to the person by the same person, during the period comprehended by the statement, as respects which the value, or the aggregate value, of the property the subject of the gift or gifts did not exceed €650 at any time during the period comprehended by the statement.

¹⁰ other than property supplied or lent, or a service supplied to a person by a relative or civil partner or friend of the person, or of his or her spouse or civil partner, or of a child of the person or of his or her spouse, where such supply or loan was in the nature of a gift to the person and for personal reasons only, unless the acceptance of the property or loan or the service by the person could have materially influenced him or her in the performance of his or her functions as the holder of a designated directorship.

¹¹ insofar as services in (ii) and (iii) relate to legal or medical services (including psychiatric or psychological services), it is only necessary to state that such services were supplied to you or to a person (who need not be identified) in respect of whom you are required to make a statement.

¹² in any case where a function, or a function of any other office or position held by the holder of a designated directorship in that public body, falls to be performed and the holder of a designated directorship has actual knowledge that he or she or a connected person within the meaning of the Ethics in Public Office Act 1995 and section 97 of the Civil Partnership and Certain Rights and Obligations of Cohabitants Act 2010 has a material interest in a matter to which the function relates, he or she shall prepare and furnish to the other directors of the public body and to the Standards in Public Office Commission a statement in writing of those facts and shall not perform the function unless there are compelling reasons requiring him or her to do so. If the holder of a designated directorship proposes to perform the function, he or she shall prepare and furnish to the other directors of the body and to the Standards Commission a statement in writing of the compelling reasons aforesaid.

Additional information

Additional information on the requirements of the Ethics Acts and further relevant definitions are set out in the Standards in Public Office Commission's guidelines for public servants on compliance with the provisions of the Ethics in Public Office Acts 1995 and 2001. In addition to the guidelines, public servants may seek further information or advice from the Standards in Public Office Commission (tel: 01 639 5666; e-mail: sipo@sipo.gov.ie) concerning any provision of the legislation or the application of any such provision in any particular case.

ETHICS IN PUBLIC OFFICE ACT 1995 SECTION 17

Designated directorships. **17.—(1)** A person who holds or held a designated directorship of a public body specified in *subparagraphs (8) to (12)*, or standing prescribed under *subparagraph (13)*, of *paragraph 1* of the *First Schedule*—

(a) shall, subject to *section 20 (3)*, in each year during any part of which he or she holds or held the directorship, prepare and furnish to the Commission and to such officer of the body as may be determined by the Minister a statement in writing of—

(i) the interests of the person, and

(ii) the interests of which he or she has actual knowledge of his or her spouse or civil partner or a child of the person or of his or her spouse, during the appropriate period specified in *section 20 (1)* which could materially influence the person in or in relation to the performance of the functions of the directorship by reason of the fact that such performance could so affect those interests as to confer on or withhold from the person or the spouse or civil partner or child a substantial benefit, and

(b) in any case where such a function, or a function of any other office or position held by the person in that public body, falls to be performed and he or she has actual knowledge that he or she or a connected person has a material interest in a matter to which the function relates—

(i) shall, as soon as may be, prepare and furnish to the other directors of the body a statement in writing of those facts,

(ii) shall not perform the function unless there are compelling reasons requiring him or her to do so, and

(iii) shall, if he or she proposes to perform the function, prepare and furnish to the other directors of the body and to the Commission, before or, if that is not reasonably practicable, as soon as may be after such performance, a statement in writing of the compelling reasons aforesaid.

(2) There shall be deemed to be included in the terms on which a person holds a designated directorship referred to in *subsection (1)* a term that the person shall comply with that subsection.

Guidance Matrix of Examples of Potential Conflict of Interest Scenarios

	Declaration	Declare and minute (a)	Declare and minute (b)	Declare and minute (c)	Declare and minute (d)	Declare and minute (e)	No need to declare (f)
	Action (Board to decide)	Withdraw	Be present but not participate	State views, provide clarifications then withdraw	Be present, participate, not vote	Be present, participate, vote	Be present, participate, vote
	Case involving contract, eg, services or property ¹⁸	√					
	Case involving family member as employee ¹⁹	√ <i>if Board decides</i>					
	Case involving individual employment, eg discipline						
	Case involving individual's family, eg, discipline						
	Case affecting individual's career, eg, promotion						
	Case involving career of family member, eg, promotion						
	Case involving personal or family appointment, eg, Head of School, Dean						
	Case involving group of College staff, including Board members						

¹⁸ Universities Act 1997, Third Schedule Clause 8:

8. (1) A member of a governing authority who has an interest in—

- (a) a company (other than a public company of which he or she is not a director or otherwise involved in its management) or concern with which the university proposes to make a contract, or
- (b) a contract which the university proposes to make, shall disclose to the governing authority the fact of the interest and its nature and shall take no part in any deliberation or decision of the governing authority relating to the contract, and the disclosure shall be recorded in the minutes of the governing authority.

¹⁹ Universities Act 1997, Third Schedule Clause 8: (2) A member of a governing authority of a university who is related to a person who is a candidate for appointment by the governing authority as an employee of the university, shall disclose to the governing authority the fact of the relationship and its nature and shall, if the governing authority so decides, take no part in any deliberation or decision of the governing authority relating to the appointment, and the disclosure and decision shall be recorded in the minutes of the governing authority.

Case involving group of College staff, including Board members, where Board Member has position of responsibility ²⁰							
Case involving College staff other than individual or family							
Case involving policy ²¹							

²⁰ Board Member should recognise that level of interest /conflict of interest may depend on level of responsibility.

²¹ Universities Act 1997, Third Schedule Clause 8: (3) A member of a governing authority of a university shall at all times act, as a member, in the best interests of the university and shall not act as a representative of any special interest provided that nothing in this paragraph shall restrict a member from representing at meetings of the governing authority the views of those by whom he or she has been elected or to restrict the freedom of expression of that member.

Appendix 3B

Risk Management Policy

3B.1. Risk Management

3B.1.1 The governance of the College lies ultimately with the Board. Governance is the system by which College is directed and controlled in order to achieve its objectives and meet the necessary standards of accountability, probity and compliance. Risk management is an essential element of the process of governance.

3B.1.2 The College defines risk as any threat to the achievement of objectives and recognises that risk is unavoidable and that the effective management rather than elimination of risk is its objective. It is further recognised that the level of risk that is tolerable is dynamic and depends upon many factors including potential rewards, the nature of operations and the appetite of College for risk, any of which may vary over time. It therefore requires that risk management is kept constantly under review and becomes an integral component of all decision making.

3B.1.3 Risk management involves the following:

- the identification of risks that threaten achievement of objectives
- the evaluation of the likelihood of occurrence and potential impact of the risks identified
- the segregation of risks according to their gravity
- an appraisal of the techniques employed to manage the major risks and identification of any further steps that should be taken
- an appraisal of the levels of residual risk: after the application of management techniques and whether the residual level is acceptable
- continuous monitoring of the effectiveness of controls and management technique, and
- decision making informed by the risk management process.

3B.2. Purpose of this policy

3B.2.1 This process involves the full College community and the purpose of this document is to define for all staff:

- the College's approach to risk management;
- the roles and responsibilities;
- the procedures to compile and report risk information; and
 - the process to evaluate the effectiveness of the College's procedures.

- 3B 3 Key Principles**
- 3B3.1 The following key principles outline the College’s approach to risk management and internal control:
- 3B 3.1.1 The Board has responsibility for overseeing the management of risk within the College as a whole.
- 3B 3.1.2 All members of the College community have a responsibility to engage in effective risk management. Heads of units will be responsible for encouraging good risk management practice within their area.
- 3B 3.1.3 Risks will be identified, within a general risk framework, by considering them in the context of the units and College objectives as set out in the Strategic Plan and unit business plans.
- 3B 3.1.4 Risks will need to be managed and not necessarily avoided. This will be achieved by transferring the risk via insurance cover, employing controls to mitigate or avoid the risk, altering activity to reduce the level of risk or perhaps withdrawing from the activity entirely. Any one or a combination of techniques may be employed.
- 3B 3.1.5 Controls as well as risks will be identified, evaluated and assessed so that judgements may be made about the residual levels of risk to be borne and to focus a review on the effectiveness of the control systems.
- 3B 3.1.6 The risk management process will be fully embedded in the normal management structures and processes so that risk issues are considered by those involved in the day to day running of College who are charged with the achievement of objectives. All significant proposals brought forward for decisions should include a specific section on the assessment of risk and how it will be managed. The Executive Officers Group will have overall responsibility for managing the process.
- 3B 3.1.7 The assessment of risks will be completed at both a high strategic level that is concerned with risks of significance to the College as a whole as well as at a unit level. The high-level risk assessment will, in due course, be informed by the assessments carried out at the lower level in the units. The process for each is described in Appendix 1 to this policy.
- 3B 4. Risk Appetite**
- 3B 4.1 The risk appetite is the tolerance level for risk. The approach to risk taking is conservative except in the areas of research and strategy. Risks scoring up to 90 may be tolerated in these areas.
- 3B 4.2 Risks scoring above 30 in other areas should not be tolerated and steps should be taken to reduce the risk to acceptable levels. Risks being carried above the appetite level should be brought to the attention of Board immediately they are identified.
- 3B 5. Reporting and Review**
- 3B 5.1 The risk assessment process will be regularly reviewed and updated as circumstances change and at least once per annum.

- 3B 5.2 The Principal Committee with responsibility for each area will be apprised of the risks identified, and the process for addressing them. All units should submit their risk assessment to the relevant Committee in their area.
- 3B 5.3 The **Administrative Management Group** will be responsible for reviewing the risks arising across the administrative units. The **Chief Operating Officer** will advise the Executive Officers' Group of risks that might have College wide significance for consideration in compiling the high level register.
- 3B 5.4 The **Academic Management Group** will be responsible for reviewing the risks arising across academic units and identified in the quality review process. The **Vice-Provost/Chief Academic Officer** will advise the Executive Officers' Group of risks that might have College wide significance for consideration in compiling the high level register.
- 3B 5.5 At its regular meetings the Executive Officers' Group will consider both new risks arising and progress on key actions in response to previously identified risks. Risk management will be a standing item on its agenda and risk assessment will form a part of all significant proposals presented to or by the Group and the decisions and recommendations of the Group.
- 3B 5.6 On an annual basis the Executive Officers' will formally consider the high level risks and the Provost will bring forward a report to Board by the first meeting in Hilary Term.
- 3B 5.7 The Audit Committee, on behalf of Board, is responsible for reviewing the effectiveness of the risk management process. The Audit Committee will review the high-level risk register and form an independent view of the risks identified, the likelihood of their occurrence, the potential impact and the adequacy of steps taken to manage them. The Audit Committee may also review individual unit registers. On an annual basis, or more often should the need arise, the Audit Committee will report to Board an opinion, based on its review, on the effectiveness of operation of the risk assessment process and management of the risks including the effectiveness of the key controls.
- 3B 5.8 In order to further enhance the embedding of the process within the normal operations of the College, risk assessment and management will be incorporated as part of other processes such as quality review, capital programme planning, decision making, etc. and all proposals requiring decisions should have a specific section on risk and controls.

Appendix 3C

Terms of Reference of Trinity College Dublin Audit Committee (2011 version)

**Approved by the Board:
9th November 2011**

3C.1 Objectives

- 3C.1.1 The Audit Committee is a Principal Committee of the Board. Its main objective is to assist Board fulfil its functions by providing independent and timely advice to Board on areas within its remit.
- 3C.1.2 The main function of the Audit Committee is to review the significant financial reporting issues and judgements made in connection with the College's financial statements and reports, and to review the scope and effectiveness of the College's internal controls, including financial, operational and compliance controls (including systems established by management to identify, assess, manage and monitor key risks, both financial and operational, taking account of the key objectives of the College as contained in the Strategic Plan).

3C.2 Membership

- 3C.2.1 The Committee, which shall be appointed by the Board, shall comprise not less than four members as follows:
- One Board Member
 - One Member of College Staff
 - One former Senior Annual Officer
 - At least one External Member
- In attendance: Internal Auditor
Secretary to the College
- 3C.2.2 The Chairperson of the Committee shall be an External Member.
- 3C.2.3 Membership of the Committee shall be structured to achieve an appropriate balance of recent and relevant experience taking account of the full range of the Committee's activities.
- 3C.2.4 Membership of the Committee shall be reviewed each year by the Provost and the Registrar who shall consult with the Chairperson of the Audit Committee and changes as required shall be recommended to the Board at that time.
- 3C.2.5 Membership of the Committee shall normally be for an initial term of three years, with the possibility of an extension of a further three years. The

general aim is to change the membership from time to time to ensure an appropriate balance between continuity and fresh perspectives.

3C.2.6 The Internal Auditor shall act as secretary to the Committee and be responsible for the preparation and distribution of agenda, papers, minutes and reports following consultation with the Chairperson of the Committee.

3C.3 Meetings and Quorum

3C.3.1 The Committee shall meet on at least four occasions per annum
Other meetings as required shall be convened by the Chairperson.

3C.3.2 The quorum for meetings shall be 50% of the membership plus one. At least one external and one internal member is required for the quorum to be satisfied.

3C.3.3 Other College Officers shall attend meetings by invitation for specific agenda items. The Committee may also invite any Officer of the College, or other person to attend any meeting(s) of the Committee, as it may from time to time consider desirable, to assist the Committee in the attainment of its objectives. The Committee shall meet College Officers responsible for the risk assessment and management system.

3C.3.4 The External Auditors shall attend meetings by invitation for agenda items when the financial accounts and issues in relation to the conduct of their audit are being considered, or at their request for other items, bar the approval of the minutes.

3C.3.5 The Committee may meet privately and shall arrange for a programme of separate and joint meetings with the Internal Auditor and the External Auditors. The Committee shall also meet with the Vice Provost/Chief Academic Officer, or such other persons as it sees fit, in the discharge of its duties in relation to reviewing the effectiveness of risk management.

3C.3.6 The Chairperson shall present a written report to the Board, prior to the submission of the annual financial statements to the Board, summarising the work of the Committee in the previous year. Additionally, the Chairperson shall report to the Board the Committee's views in relation to the audited financial accounts. The External Auditors shall attend the Board when the audited financial statements are being considered.

3C.3.7 The draft minutes of the Audit Committee shall be circulated to the Board as soon as possible for noting and/or discussion as necessary. The Board representative on the Committee shall be available to report orally to the Board on key aspects of the proceedings of the Committee as required.

3C.4 Duties

In pursuance of its objectives, the Committee shall have regard to:

Financial Reporting

- 3C.4.1 Reviewing and challenging where necessary, the actions and judgements of management in relation to the annual financial statements before submission to the Board, taking account of the results of the annual audit and any advice and information supplied by the External Auditors.

Internal Control and Risk Management

- 3C.4.2 Subject to the available resources, to review, on an annual basis, at a high level, the College's internal controls, including financial, operational and compliance controls and including systems established by management to identify, assess, manage and monitor key risks, both financial and non financial which might have significant implications for the College and report to Board accordingly.
- 3C.4.3 Reviewing the findings of any third party reports on the governance of the College or regulatory examinations.
- 3C.4.4 Within the resources available, to give consideration at a high level to the effectiveness of the systems put in place to achieve value for money.

Compliance

- 3C.4.5 Reviewing arrangements established by management for compliance with legislative and regulatory requirements and Board policies. Reviewing and advising the Board, where appropriate, in its consideration of any compliance statement required.

Internal Audit

- 3C.4.6 Reviewing and approving the internal audit annual plan, including the degree of co-ordination with the external audit plan.
- 3C.4.7 Reviewing internal audit reports and findings and the implementation by management of significant recommendations .
- 3C.4.8 Reviewing the External Auditors' Management Letter and responses from management.
- 3C.4.9 Monitoring and reviewing, at least annually, the effectiveness of the Internal Audit function and advising on the necessary level of resources and seeking to ensure that it is independent and free from management or other restrictions.

External Auditors

- 3C.4.10 Making recommendations to the Board on the appointment, re-appointment and removal of the External Auditors.
- 3C.4.11 Approving, following input it deems appropriate from management, the remuneration and terms of engagement of the External Auditors in respect of the provision of audit services to the College and its subsidiaries.
- 3C.4.12 Reviewing with the External Auditors their plan for their audit of the College's financial statements.
- 3C.4.13 Reviewing the results of the external audit, including:
- any problems which may have been encountered by the External Auditors and the degree of co-operation received
 - significant recommendations to management in the management letters and management's response.
- 3C.4.14 Monitoring the performance and quality of the services provided by the External Auditors. Reviewing their qualifications, independence and objectivity annually, taking into consideration all relationships between the College and the External Auditors.
- 3C.4.15 Monitoring the engagement of the External Auditors to supply non-audit services taking into account relevant legal requirements and guidance regarding the provision of non-audit services by the External Auditors and the provision of audit related services by other audit firms, considering their expertise and value for money.
- 3C.4.16 Monitoring the External Auditors' compliance with relevant statutory or regulatory requirements.

Comptroller and Auditor General

- 3C.4.17 Considering the C&AG's annual Letter of Engagement along with issues which the Treasurer's Office may wish to bring to its attention, and, if necessary, advising the Board of its opinion in relation to the issues raised.
- 3C.4.18 Considering the C&AG's report to the Oireachtas on completion of his audit, together with management's response to any issues raised by the C&AG in course of his audit, and advising Board accordingly.

3C.5 Authority

- 3C.5.1 The Committee shall operate under delegated authority from the Board, which is ultimately responsible for all matters relating to the presentation of financial accounts and all issues arising from internal and external audits in the College. The Audit Committee will have devolved authority to:
- Approve the internal audit annual plan

- Approve the remuneration and terms of engagement of the External Auditors in respect of the provision of audit services to the College and its subsidiaries and approve the selection process to be followed
- Approve the carrying out of non audit services by the External Auditors

3C.5.2 The Committee shall act as a channel of communication between the Board, management and the External Auditors and shall report to the Board with its recommendations, where it considers action or improvement is needed in any area under its remit.

3C.5.3 The Committee may investigate any matter falling within its terms of reference, calling on whatever resources and information it considers necessary to so do.

3C.5.4 The Committee is authorised to seek any information it requires from any employee of the College to enable it discharge its responsibilities and shall have made available to it on a timely basis all information requested from any employee in a clear, concise and well organised manner.

3C.6 Performance Evaluation

3C.6.1 The Committee shall, at least once a year, arrange for the review its performance and its terms of reference and shall report its conclusions and recommend any changes it considers necessary to the Board.

Appendix 3D

Charter for Internal Audit

3D.1 College Governance

- 3D.1.1 Ultimately, the Board has overall responsibility for ensuring that there are effective systems of control in operation throughout the College; that College complies with all applicable laws and regulations; and that the systems of control ensure the integrity and reliability of external financial reporting. This responsibility is reinforced by the requirement in the Code of Governance for Universities to make annual statements of assurance on internal control and related governance matters.
- 3D.1.2 Heads of function, as co-ordinated through the Principal Committees and Executive Officers' Group, are responsible for the establishment, operation and monitoring of appropriate systems of control.
- 3D.1.3 The College aspires to best practice in governance and in this regard Internal Audit has an important role to play in providing an independent appraisal of the governance and control environment. Board consideration of the financial statements and any statements it may make on governance, internal control or responsibilities in its reporting are informed and supported by the regular reporting of Officers; Principal Committees; Staff; the risk assessment process; and by the Audit Committee and the work carried out by Internal Audit.
- 3D.1.4 Internal Audit is responsible for providing an independent, objective and impartial appraisal of the activities of the university so as to make an assessment of the effectiveness of the systems of governance, risk management, controls and of compliance.

3D.2 Mission of Internal Audit

- 3D.2.1 The general aim of Internal Audit is to help the Audit Committee fulfil its terms of reference so that the College may be supported in accomplishing its objectives and the Board and Officers informed on systems and compliance issues in making judgements and decisions. To achieve this, Internal Audit will carry out reviews independently and report thereon to the Audit Committee.

3D.3 Scope

- 3D.3.1 All the university's activities, funded from whatever source, fall within the remit of Internal Audit, the scope of which is not confined solely to financial matters. Internal Audit may consider any activities, the effectiveness of governance processes, risk assessment; risk management, internal controls, and compliance in all areas, including subsidiary or associated undertakings controlled by the College.

3D.3.2 Internal Audit will normally carry out work to a plan agreed by the Audit Committee and advised to the Board. However, it may also conduct any special reviews requested by the Board, the Provost or the Audit Committee provided such reviews do not compromise its objectivity or independence or achievement of the approved audit plan.

3D.4 Authority and Access

3D.4.1 Internal Audit derives its authority from the Board through the Audit Committee.

3D.4.2 Internal Audit has right of access to, or enquiry into, all of the university's records, information and assets which it considers necessary to fulfil its responsibilities, including access to other bodies or undertakings controlled or funded by the university, or in which it participates or is associated.

3D.4.3 The Internal Auditor shall have direct access to the Chair of the Audit Committee and to the Provost in the performance of professional duties. The Internal Auditor shall have access to the Board, normally through the Audit Committee.

3D.4.4 Internal Audit shall be afforded the full co-operation of all employees and agents of the university in carrying out professional duties.

3D.5 Independence and Objectivity

3D.5.1 Internal Audit has no executive role or authority and has no operating responsibilities. It will remain independent of the activities being examined. Internal Audit is not part of the systems of governance, internal controls, risk management or compliance but, rather is an independent appraisal function, which seeks to objectively and impartially review and report on those areas.

3D.5.2 However, if deemed appropriate by the Audit Committee, its remit may extend to systems being developed and it may provide advice on control and related matters arising, provided such work does not prejudice its independence or its right to subsequently audit such systems.

3D.5.2 It is the duty of the Internal Auditor to report fully, fairly and impartially and to take the steps necessary to ensure that the Audit Committee, the Provost and Board are fully informed of all significant matters arising in the conduct of the work.

3D.6 Standards

3D.6.1 Internal Audit shall carry out its work with due professional care having regard to appropriate professional auditing practice as contained in Auditing Standards published by the Auditing Practices Board and by the Institute of Internal Auditors.

3D.7 Approach to work

3D.7.1 The Internal Auditor shall develop an overall audit strategy taking account, *inter alia*, of available resources, the College's risk assessment process, knowledge of the College, work of external auditors and own assessment of risks. The Internal Auditor shall draw to the Audit Committee's attention any limitations placed on the scope of work by lack of resources or other factors.

3D.7.2 The Internal Auditor, adopting a risk based approach and exercising professional judgement, shall prepare periodic audit plans proposing areas for audit work, which shall be submitted to the Audit Committee for approval. The plan should encompass steps to appraise the effectiveness of governance processes, risk assessment; risk management, internal controls, and compliance in all areas, including subsidiary or associated undertakings controlled by the College.

3D.8 Reporting and Relationships

3D.8.1 The Internal Auditor shall normally advise those responsible for areas being reviewed of the purpose, timing and scope of work to be undertaken; and in due course inform them of the outcome of that work. The Internal Auditor shall have regard to their observations when planning the work, forming opinions and compiling reports. However, this shall not be construed or applied to hinder the work, or limit the scope of the work or reporting, of Internal Audit.

3D.8.2 The Internal Auditor shall report to the Audit Committee at regular intervals during the year on the results of audit work undertaken. The Internal Auditor, in consultation with the Audit Committee, shall prepare an annual report on behalf of the Committee that summarises the results of the significant audit activities and provides an overview of the year for consideration by Board. The report shall make clear the extent of the work carried out and review the adequacy of the resources available to Internal Audit. It shall also contain the opinion of the Internal Auditor on the effectiveness of the systems of internal control and the extent to which Board can rely upon them.

The Internal Auditor shall liaise with the external auditors engaged on audits of the financial statements. The Internal Auditor may also liaise with other auditors.

Appendix 3E

College Fraud Policy Approved by the Board on 12th December 2001.

3E.1 Purpose

The University of Dublin, Trinity College is and wishes to be seen by all as being honest and opposed to fraud in the way it conducts its business. The College's fraud policy addresses the responsibility of employees and management for the detecting and reporting of fraud or suspected fraud.

3E.2 Scope

This policy is limited to financial and asset related fraud within the College and its subsidiary companies and operations. It is anticipated that this document will form the first part of a more all-encompassing document which will cover academic and other fraud related matters.

3E.3 Policy

It is the policy of the College to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the College and, when appropriate, to pursue legal remedies available under the law. The College aims to promote an organisation culture which encourages the prevention of fraud by raising awareness of the need for high standards of personal conduct.

Any act of fraud ascertained upon investigation, or pursuant to a criminal conviction, or through written acknowledgment by the employee(s) concerned, shall result in the appropriate disciplinary and legal actions against the employee(s) and/or entities, to include the possibility of termination of employment, restitution and/or forwarding information to the appropriate authorities for criminal prosecution. The repayment of losses will be sought in all cases and the College would normally expect to recover all costs in addition to the recovery of losses.

3E.4. Definitions

For the purposes of this policy, fraud shall include but not be limited to:

- Theft or misappropriation of College assets
- Submitting false claims for payments or reimbursement
- Accepting or offering a bribe or accepting gifts or other favours under circumstances that might lead to the inference that the gift or favour was intended to influence an employee's decision-making while serving the College
- Accepting a commission from or paying same to a third party
- Blackmail or extortion
- 'Off Books' accounting or making false or fictitious entries

- Knowingly creating and/or distributing false or misleading financial reports
- Paying of excessive prices or fees where justification thereof is not documented
- Violation of the College's procedures with the aim of personal gain or to the detriment of the College
- Willful negligence intended to cause damage to the material interest of the College
- A dishonourable or irresponsible or deliberate act against the interests of the College

For the purposes of this policy, an employee refers to a staff member who receives remuneration, either full or part time from the College. The term also includes any volunteer who provided services to the College through an official arrangement with the College or a College organisation.

3E.5 **Responsibility for the Detection and Prevention of Fraud**

Heads of Department, managers and employees at all levels are responsible for exercising due diligence and control to prevent, detect and report acts of fraud. Those who fail to carry out these responsibilities will be subject to disciplinary action up to and including termination of employment.

Responsibility of Management

It is the responsibility of Heads of Department and managers to be familiar with the types of improprieties that might occur in their area and be alert for any indication that improper activity, misappropriation or dishonest activity is or was in existence in his or her area and put in place controls to avoid such occurrences. Deans, Heads of Departments and area managers are required to support and work with College Officers, other involved departments and law enforcement agencies in the detection, reporting and investigation of dishonest or fraudulent activity including the prosecution of offenders. If a fraud is detected in an area the Head of Department or manager is responsible for taking appropriate corrective actions to ensure adequate controls exist to prevent reoccurrence of improper actions.

Responsibility of Employees

It is the responsibility of all employees to conduct their College business in such a way as to prevent fraud occurring in the workplace. Employees must also be alert to the possibilities for fraud and be on guard for any indications that improper or dishonest activity is taking place.

3E.6 **Reporting Fraud**

It is the responsibility of all College staff to report any suspicions of fraud without delay according to the procedure laid out below. Persons who cover up, obstruct, fail to report, or monitor a fraud that they become aware of, or ought to have been aware of, will be considered to be an accessory after the fact and may be subject to disciplinary action and/or discharge. Persons who threaten retaliation against a person reporting a suspected fraud shall be

subject to disciplinary action up to and including termination of employment.

Great care must be taken in dealing with suspected dishonest or fraudulent activities to avoid:

- Incorrect accusations
- Alerting suspected individuals to an investigation underway
- Treating employees unfairly
- Making statements that could lead to claims of false accusations or other charges

In the case of all employees and management, the incident, facts, suspicions or allegations should not be discussed with anyone inside or outside the College unless specifically directed to do so by the College Officer investigating the incident. In particular, the matter should not be discussed with the individual suspected of fraud.

Fraud can be detected at any level within the College and the following general principles should apply in the reporting of suspected fraud:

A person who suspects that fraudulent practice may be operating should, in the first instance, report the matter to his/her Head of Department, Dean or immediate superior. Should it be inappropriate to make such a report to an immediate superior, the report should be made to that person's manager or directly to the Secretary to the College*.

Once a report of suspected fraud is made to supervisor/manager that person should report the suspicion to his/her Head of Department, Dean or immediate Superior or directly to the Secretary to the College*.

A Head of Department, Dean or immediate superior on receipt of a report of a suspected fraud should report the matter to the Senior Dean in the case of an academic member of staff and the College Secretary* in respect of all other staff.

A Fraud Incident Report should be completed by the person reporting suspected fraud.

No investigation of the suspected fraud should take place until the Senior Dean (in the case of academic staff) and/or Secretary to the College* (in the case of Administrative Staff) has been informed.

3E.7

Procedures for the Investigation of Alleged Fraud

The Senior Dean or the Secretary to the College* will (except in any case involving his or her Office) have responsibility for co-ordinating the College's response and will seek expert legal advice from the College's legal advisors or other advice if required. The Senior Dean or the Secretary to the College* will inform the Provost, and relevant College Officers identified by the Provost (who might include Vice Provost, Bursar, Registrar, Treasurer, Staff

Secretary, the Chief Steward) and other heads of department as appropriate and keep them informed of developments.

The Senior Dean or the Secretary to the College*, on behalf of the Provost, will notify the Internal Auditor who will, if appropriate, conduct an initial investigation to gather factual information and reach a preliminary view as to whether further action is required. The Internal Auditor will report the findings, conclusions any recommendations to the Provost via the Secretary to the College*.

Where initial investigation provides reasonable grounds for suspecting a member or members of staff of fraud or a dishonest activity, the Provost, in consultation with the Secretary to the College* and other relevant College Officers, will decide if any actions are necessary to prevent further loss. This may require, in consultation with the Staff Secretary, the suspension with or without pay of the member or members of staff (which will take place in accordance with Chapter 12 Schedule III - paragraph 12 of the Statutes) and/or the decision as to whether further investigation is required.

Each case will be considered individually in accordance with the expert advice obtained with a view to minimising the losses (both monetary and otherwise) to the College. Having reached a decision as to what further action is necessary and how such actions should be undertaken, the Senior Dean or the Secretary to the College* will liaise with the head(s) of department.

When further investigation is required, an Investigating Committee and its Chair will be appointed by the Provost for each case. All meetings of the Committee will be treated as confidential and shall be fully documented with investigation work normally led by the Internal Auditor. In circumstances where the investigation requires the use of technical expertise which the Internal Auditor may not possess, the Investigating Committee may appoint external specialists (subject to the approval of the Provost) to lead and/or contribute to the investigation.

Upon completion of its investigation, the Investigating Committee will submit a written report of its findings and its recommendation(s) to the Provost who, in consultation with the Senior Dean or Secretary to the College*, and relevant College Officers, will issue a decision on the matter and determine whether internal disciplinary procedures should be invoked or whether the Gardaí should be notified. The Secretary to the College* will communicate the decision to the person(s) accused of the fraud or related dishonest activity and will submit a copy of the report to the Audit Committee and Board.

Employees who are under investigation shall be entitled to have a member of College staff or other appropriate individual present during the course of any interview that is conducted in connection with the alleged fraud or related dishonest activity with a view to defending their case.

The Senior Dean or the Secretary to the College* will notify the College's Insurance Brokers at an early stage to ensure that insurance matters are dealt with promptly and properly.

The Senior Dean or the Secretary to the College* will be responsible for dealing with any enquiries from the press and other media.

The Audit Committee will, at an appropriate time, consider the results of the investigation and assess whether there is a weakness in the College's systems of internal control which need to be addressed. The Audit Committee will report the findings, conclusions and recommendations, following consultation with the relevant department(s), to the Board of the College.

3E.8. Accounting for Loss, Restitution and Recovery

The department incurring the loss from a dishonest or fraudulent act will normally suffer the loss until monies can be recovered through insurance or restitution.

3E.9. Notifying the HEA

The Provost, Secretary to the College* and other relevant College Officers will consider reporting to the HEA the confirmed Fraud indicating what steps have been taken to address weaknesses in the systems of internal control related to the Fraud.

3E.10. References for Employees Disciplined or Prosecuted for Fraud

Where there is a request for a reference for a member of staff who has been disciplined or prosecuted for fraud or a dishonest activity, the Staff Secretary shall prepare any reply to a request for a reference having regard to College policies and employment law.

3E.11. Review of Fraud Policy

This fraud policy will be reviewed tri-annually by the Finance Committee.

3E.12. Note

* If the suspected incident involves the Office of the Secretary to the College the Treasurer shall undertake the role and functions specified for the Secretary to the College

References

2010 Consolidated Statutes of Trinity College Dublin and of the University of Dublin

Report of the Working Party on Appointment of the Provost of Trinity College, Dublin, June 2007

The University of Dublin Calendar, Part 1

Text taken from the 2012 Sectoral Code

The Working Group reviewed a number of seminal documents on governance and took account of new developments in the area, particularly in regard to the university sector. A number of these documents are listed below.

The Financial Governance of Irish Universities, Balancing Autonomy and Accountability; HEA; 2001 ("The O'Higgins Report")

Office of the Director of Corporate Enforcement (ODCE): Draft ODCE Guidelines on Audit Committees; ODCE; April 2006

Code of Practice for Governance of State Bodies; Department of Finance; 2001

Code of Practice for Governance of State Bodies; Department of Finance; 2009

The Role and Responsibilities of Accounting Officers – A Memorandum for Accounting Officers; Department of Finance; December 2003

Public Procurement Guidelines: Competitive Process; Department of Finance; July 2004

Guidelines on Compliance with the Provisions of the Ethics in Public Office Acts 1995 and 2001 – Public Servants; Standards in Public Office Commission; June 2006

Funding Agency Requirements and Guidelines for Managing Research-Generated Intellectual Property; Commercialisation Steering Group; February 2006

Local Government Act 2001 - Code of Conduct for Councillors; Department of the Environment, Heritage and Local Government; June 2004

Report of the Working Group on the Accountability of Secretaries General and Accounting Officers, July 2002 ("The Mullarkey Report")

The Combined Code on Corporate Governance; Financial Reporting Council; June 2006 (Update of "The Turnbull Report")

Internal Control – Revised Guidance for Directors on the Combined Code; Financial Reporting Council; October 2005

Guide for Members of Higher Education Governing Bodies in the UK; Committee of University Chairmen; November 2004.

OECD Review of Higher Education in Ireland: Examiner's Report; OECD; September 2004

OECD Principles of Corporate Governance; OECD; 2004

Review of Quality Assurance in Irish Universities: Sectoral Report; EUA; February 2005

Issues in Australian University Governance; Coaldrake, Stedman and Little; August 2003

University Resourcing: Australia in an International Context; Productivity Commission (Australia); December 2003.