

**THE UNIVERSITY OF DUBLIN
TRINITY COLLEGE**

The Minutes of the Finance Committee Meeting of 6 February 2009

PRESENT: Provost (in the Chair), Bursar, Vice-Provost-Chief Academic Officer*, Chief Operating Officer, Professor D. Singleton, Professor M. Marsh, Ms. P. Murphy, Mr. C. Reilly, Treasurer (Acting) – Secretary of the Committee,

IN ATTENDANCE: Research Accounting Manager

APOLOGIES Registrar

*Present for Minutes FN/08 – 09/39 and FN/08 – 09/41

The Minutes of the Meeting of 17 December 2008 were approved and signed.

The Committee were briefed on the status of the Action Points from the meeting of 17.12.2008.

Section A

FN/08 – 09/39 Policy and Control on Reimbursements
(Minute FN/08-09/37 of 17.12.2008 refers)

The Committee had been circulated with a memorandum from the Finance Operations Manager dated 29.01.2009 outlining a revision to the College's air travel policy. Prior to approving the new policy, the Committee requested the Treasurer (Acting) to ensure that the air travel policy was broadly in line with the air travel policy applicable to Government Agencies.

Action:

39.1 The Treasurer (Acting) to ensure that the revised air travel policy is broadly in line with the air travel policy applicable to Government Agencies and to advise the Committee in this regard at the next meeting.

Section B

FN/08 – 09/40 Statutes Review

(Minute FN/06 -07/85 of 27.06.2007refers)

Ms. Mary Sharp and Mr. James Gallen of the Statutes Review Working Party attended for this item.

The Committee had been circulated with Draft 1 of the Chapters in the Statutes in respect of College Officers and Committees dated 16.12.2008. The Committee considered and accepted the Chapters as currently drafted with a recommendation that Schedule 1 of the Chapter on Committees should be amended to reflect the current membership of the Finance Committee. The representatives of the Statutes Review Working Party were requested to bring the observations of the Finance Committee to the next meeting of the Working Party.

Action:

40.1 The representatives of the Statutes Review Working Party to bring the observations of the Finance Committee on the Chapters in the Statutes in respect of College Officers and Committees to the next meeting of the Working Party.

FN/08 – 09/41 Funding Group Report

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

The Vice Provost - Chief Academic Officer invited the Committee's attention to the Report of the Funding Group dated 29.01.2009 as circulated. In outlining the aims of the Funding Group, its membership and mode of working, the Vice Provost – Chief Academic Officer advised the Committee that the Funding Group had benefited from the new College structure and the new roles of the Vice Provost - Chief Academic Officer, Faculty Deans and Chief Operating Officer.

The Committee noted in particular the following aspects of the Report:

- The basis of the data collection along with Income and Expenditure Projections for the period 2009 – 2013
- Analysis of Faculty/Non Faculty Balances
- Ancillary Activities under the control of the Chief Operating Officer for 2008/09
- Proposed savings to be implemented in 2009
- Scenario planning and income and expenditure simulations
- Linking scenario planning with academic activity at School level through the recently approved Resource Planning Model.

The Vice Provost - Chief Academic Officer expressed his appreciation to the members of the Funding Group and all who had contributed to the Report.

The Committee considered and fully endorsed the recommendations set out in the Funding Group's Report including the requirement for the College to make once-off Board approved strategic investment(s) where appropriate.

FN/08 – 09/42 Estimates 2009

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

A memorandum from the Treasurer (Acting) and Financial Resources Manager dated 30.01.2009 had been circulated to the Committee with the following attachments:

- HEA recurrent grant allocation letter dated 19 December 2008 along with accompanying tables
- Basis of Preparation of 2009 Estimates of Income and Expenditure
- 2009 Estimates of Income and Expenditure with explanatory notes
- 2010 High Level Estimates of Income and Expenditure including and excluding Research
- Draft letter from the Provost, on behalf of the College, to the HEA under the Framework for Borrowing and Loan Guarantees
- Draft letter from the Provost, on behalf of the College, to the HEA in accordance with S37(5) of the Universities Act 1997.

The Committee noted in particular the following:

- policy issues which had been considered and re-confirmed by the Executive Officers
- core recurrent grant for the Sector in 2009 represents a decrease of 6.5% over the outturn for 2008
- recurrent core grant to College for 2009 amounted to €88.3m which represents a decrease of 7.5%, (circa €6m) over 2008 after the application of the HEA RGAM
- the HEA have indicated that institutions may increase the student charge for 2009/10 by €600 to €1,500 per student to cover the reduction in the recurrent core grant. This increase amounts to additional income of circa €6m to the College in 2009/10.

The Committee noted the tabled minute of the Executive Officers meeting of 27.01.2009 at which the 2009 Estimates were considered in detail and approved. Furthermore it noted the tabled minute of the Student Services Committee of 3.02.2009 where the allocations

made to Student Services had been considered in detail and that also highlighted the need for extra resources in student services due to the increasing diversification of the student body.

The Committee considered the 2009 Income & Expenditure Estimates as circulated setting out a deficit of €6.2m arrived at after making provision for the Fixed Term Workers Act (FTWA), a contingency fund to meet possible unforeseen/unplanned expenditure requirements before the year-end and the College-wide savings of €7.97m as proposed by the Funding Group. The Committee noted the impact on the outturn at 30 September 2009 if the contingency fund is not required. The Treasurer (Acting) drew the Committee's attention to the high level estimated outturn for the calendar year 2010 (based on certain assumptions made in terms of projected income and both pay and non-pay expenditure) that identified a recurrent deficit of c. €10.2m after provision for FTWA liabilities.

The Committee noted the draft letter from the Provost, on behalf of the College, to the HEA under the Framework for Borrowing and Loan Guarantees.

The Committee noted that, in accordance with Section 37 of the Universities Act 1997, the Provost, as the College's Accounting Officer, will be required to inform the HEA if the Board approves expenditure that is likely to result in a material departure from budget.

In the context of its Terms of Reference, the Finance Committee:

- noted the reduction in grant of 7.5% (circa €6m), over 2008 as determined by the RGAM following the application of the moderating mechanism
- approved the 2009 Estimates for forwarding to Board
- noted the provisional estimated recurrent deficit of €10.2m for 2010
- noted the draft letter to the HEA under the Framework for Borrowing and Loan Guarantees
- noted the draft letter to the HEA under Section 37 of the Universities Act.

Action:

42.1 The Treasurer (Acting) to forward 2009 Estimates to Board.

FN/08 – 09/43 Student Fees 2009/10 – Non EU & Postgraduate

The Committee considered the circulated memorandum from the Financial Planning Manager dated 30.01.2009 with attached schedules setting out the proposed fees for EU and non-EU Postgraduate Fees and other non-EU fees for the academic year 2009/10, which had been reviewed and approved by the Faculty Deans. The Committee noted that the Dean of Graduate Studies recommendations, previously endorsed by the Finance Committee (FN/08 – 09/17 of 17.11.2008 refers), were considered as part of the 2009/10 fee adjustments in each Faculty with the appropriate fee bands being applied to the majority of courses.

The Treasurer (Acting) advised that while the standard rate of fee inflation required to meet incremental expenditure for 2009/10 was originally estimated at 6% (after taking account of expected future pay awards, increments, promotions, pension supplementation and an estimate of non-pay inflation), it would now require further revision in light of the recent Government decision to defer national pay awards scheduled during 2009/10.

In the context of the current economic climate and the funding challenges facing the College, the Finance Committee agreed that the fee levels for 2009/10 be discussed further at the newly formed Planning Group (with input from the Director of the International Office) and for fee level recommendations for 2009/10 to come forward to the next meeting.

Action:

43.1 The newly formed Planning Group to come forward with recommendations in relation to proposed fee levels for 2009/10 to the next meeting.

Section C

FN/08 – 09/44 Funding Statements 2007/08 – KPMG Audit

Having been circulated with the Audit Committee memorandum to Board dated 14.01.2009 along with the accompanying letter from KPMG to the Audit Committee dated 19.12.2008 and the Board Minute BD/08-09/113 of 21.01.2009, the Committee noted that the 2007/08 Funding Statements had been approved by the Board and were signed without qualification by the external auditors KPMG on 21.01.2009.

FN/08 – 09/45 Travel and Subsistence Rates for Ireland and Abroad 2009

The Committee noted and approved the memorandum as circulated from the Finance Operations Manager dated 30.01.2009 with the accompanying 2009 College booklet on Travel and Subsistence Rates for Ireland and Abroad. It was agreed that the booklet would be circulated to Faculty Deans, Heads of School/Support Units and Principal Investigators and in addition it will be made available to all interested parties on the College website.

Action:

- 45.1 The Treasurer's Office to circulate the Travel and Subsistence Rates booklet for 2009 to the Faculty Deans, Heads of School/Support Units and Principal Investigators and also publish it on the College website.

FN/08 – 09/46 HEA Correspondence

The Committee was circulated with correspondence from the HEA dated 22.12.2008 regarding the payment of the final instalment of the 2008 Recurrent Grant which included funding in respect of the following:

- Provision for 2007 arrears and 2008 costs arising from Report No. 42 of the Review Body on Higher Remuneration in the Public Sector
- IT Investment Fund
- Supporting the Achievement of Agreed ICT Targets
- National Digital Learning Repository.

The next meeting of the Finance Committee has been arranged for 4th March 2009 at 2.30p.m. in the Board Room.

PROVOST.....

DATE.....

/fcmin 06.02.2009