



## **Trinity College Dublin Code of Governance**

Approved by the Board of Trinity College Dublin  
18 June 2008

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## **Introduction**

Good governance arrangements are essential for organisations large and small and whether operating in the public or private sectors. Governance comprises the systems and procedures under which organisations are directed and controlled.

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.

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

## **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**

#### **1.3.1 Role of Chairperson**

1.3.1.1 The roles of the Chairperson and Chief Officer are governed by the 1997 Act. The role of the Chairperson<sup>1</sup> 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.*

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<sup>1</sup> 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.

(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 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.”*

### **1.3.2 Role of Chief Officer**

1.3.2.2 The role of the Chief Officer<sup>2</sup> 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. The term ‘Chief Officer’ includes the role and functions of Accounting Officer as defined in the Comptroller and Auditor General (Amendment) Act 1993. See **Appendix 1B**.

“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, 1993<sup>3</sup>, 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 Schedule<sup>4</sup> CHIEF OFFICER

*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.*

*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.*

(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.*

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<sup>2</sup> 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).]

<sup>3</sup> Please see [http://www.irishstatutebook.ie/1993\\_8.html](http://www.irishstatutebook.ie/1993_8.html).

<sup>4</sup> 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.*

*A chief officer shall not hold any other office or position without the consent of the governing authority.*

*A chief officer shall be entitled to be a member of and preside over any and every committee appointed by the governing authority.*

*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.*

*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.*

*A Chief Officer shall, whenever required to do so by the Committee of Dail Eireann established under the Standing Orders of Dail Eireann to examine and report to Dail Eireann on the appropriation accounts and reports and reports of the Comptroller and Auditor General, give evidence to that Committee on*

*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,*

*The economy and efficiency of the university in the use of its resources*

*The systems, procedures and practices employed by the university for the purpose of evaluating the effectiveness of its operations, and*

*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 Dail Eireann.*

*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.*

*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 Science] 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 1C**.

## **1.7 Reporting Arrangements**

- 1.7.1 The reporting requirements of universities are set out in Sections 37, 39 & 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 Science

## **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 1D**.

## 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)<sup>5</sup>, is of the opinion that the functions of a university or its governing authority*

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<sup>5</sup> 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,

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.

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*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.”*

(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)<sup>6</sup> 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.*

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<sup>6</sup> 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 Role of the Accounting Officer

- 1B.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.B.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.B.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.

## **Appendix 1C Agreed Framework between the Universities and the HEA for Departures from Approved Levels of Remuneration, Fees, Allowances and Expenses for University Employees**

### **1C.1 Introduction**

1C.1.1 Section 25 (4) of the 1997 Act 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.”*

1C.1.2 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”.*

1C.1.3 For the purposes of the framework set out hereunder the term remuneration shall cover remuneration, fees, allowances and expenses.

### **1C.2 Provisions of the Framework**

#### **1C.2.1 General Provisions**

1C.2.1.1 The universities and the 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 by enabling it to attract a person to its 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 and that its application shall have regard to avoiding any damage to the morale of staff in the universities.

1C.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).

1C.2.1.3 It is agreed by the partners that, subject to **paragraph 2.2.1 (e) and 2.2.3** following, the provisions of the framework should not be used to provide additional remuneration to existing staff.

#### **1C.2.2 Specific provisions and criteria**

1C.2.2.1 Subject to the general provisions set out above a departure as envisaged in Section 25(5)(a) of the 1997 Act 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) Subject to **paragraph 2.2.1 (e)** it is limited to a contract appointment in accordance with the following principles:
- A separate individual contract must be drawn up, the terms of which must differ significantly from the terms of appointment of permanent staff;
  - It must be a specified purpose or fixed-term contract, not normally exceeding five years;
  - 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 **2.2.1 (e)** and **2.2.3** below);
- (d) Any costs arising are met within agreed budgets, in accordance with Section 37(2) of the Universities Act;
- (e) If the appointment is in accordance with the scheme for special professorships set out in the appendix to this Framework.

1C.2.2.2 Subject to the provisions of **paragraph 2.2.1**, where a departure involves an appointment to a non-academic post requiring professional or technical qualifications and experience, the conditions agreed shall be in line with those applying to positions with similar responsibilities and employment conditions in the broader public sector (including commercial semi-state bodies).

1C.2.2.3 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 except in accordance with the provisions at **2.2.1 (e)** above. However, the parties acknowledge that there may be a limited number of specific instances where a departure is required in order to retain key 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 resign from his or her existing position and would be subject to the conditions for the appointment being agreed by the university and the HEA.

1C.2.2.4 In the case of all departures under this framework (including appointments under the appendix to 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 2.2.5** (below).

1C.2.2.5 Each university shall provide to the HEA before end July and end January of each year details of, and justifications for, any departures made by it under this framework. The HEA shall, following consultation with the universities, specify the format in which such information shall be supplied.

1C.2.2.6 The framework shall not apply to the senior officer posts (above the grade of Professor) referred by the Minister for Finance to the New Review Body on Higher Remuneration in the Public Sector for the purpose of the review which commenced in January 2000.

### **1C.2.3 Duration and Review**

1C.2.3.1 The framework shall have effect when it has been approved by the HEA and when the HEA has been notified by the Chief Officers that it has been approved by the universities.

1C.2.3.2 Subject to the provisions of **paragraph 2.3.3** below, the framework shall remain in place for a period of two years from the date of its coming into effect. It may, with the agreement of both parties be renewed either indefinitely or for further specific periods.

1C.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.

1C.2.3.4 The application of the framework may be reviewed jointly from time to time by the parties.

## Appendix to Framework

### A Scheme for Special Professorships

1C.3.1 The Irish universities are committed to playing a leading role in the creation of an internationally competitive advanced knowledge society in Ireland. To this end they are agreeing with the HEA to the establishment of a new scheme of [Edmund Burke]<sup>7</sup> professorships.

1C.3.2 The objective of the new scheme is to enable the universities to recruit and retain leading international scholars and researchers by offering them internationally competitive remuneration and conditions. The professorships will be open to scholars and researchers to all academic disciplines and will be made on a personal basis.

1C.3.3 The number of special professorships will be very small and will be limited to appointments of exceptionally talented individuals. The number will be reviewed every two years. There will not be individual institutional quotas.

1C.3.4 Appointment to the [Edmund Burke] professorships will be open to existing permanent and contract academic staff of the Irish universities and to individuals taking up appointments in the Irish universities.

1C.3.5 The proposal to make the appointment of a named individual as an [Edmund Burke] Professor will be made by the "host" university. The proposed appointment will be personal to the individual proposed by the university.

1C.3.6 Securing the funding of these individual appointments will be a responsibility of the university. The additional remuneration costs of the appointments over and above salary levels approved in accordance with Section 25(4) of the Universities Act 1997 will be funded by the university from private or from Exchequer resources other than university core funding (HEA block

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<sup>7</sup> Working title only - to be reviewed

grant<sup>8</sup> plus income from tuition fees in respect of EU undergraduate students). In all cases the funding organization or the university will provide an undertaking to provide funds to meet the full additional remuneration costs of the new post for an initial specified period of the appointment which shall not be less than five years.

- 1C.3.7 The university will, with where appropriate the agreement of the relevant funding organization, set the remuneration and tenure arrangements and conditions for the individual appointment having regard to its assessment of all relevant factors.
- 1C.3.8 Appointments will be subject to demanding, internationally benchmarked and independent vetting procedures. These procedures will be put in place by the relevant State research funding organizations (SFI, EI, IRCHSS, IRCSET and HRB etc., as appropriate) or by the university itself.
- 1C.3.9 Confirmation of each proposed appointment will not be made until the outcome of the vetting and benchmarking process has been confirmed as satisfactory by an independent process review. This will be carried out by a standing Panel of five distinguished international institutional and academic leaders appointed by the HEA in consultation with the universities. In order to avoid potential conflicts of interest, or perceptions of such conflicts, the panel members will not be based in Irish universities and will not have substantive links with individual Irish universities. The review criteria and benchmarks used by the Panel, and its information requirements, will be agreed between the universities, the HEA and the research funding organizations. Proposals will be referred to the Panel by the HEA. The Panel will give its decision on proposals no later than 10 working days from the date of receipt by its members of the proposal details and of the information required for making a decision. The Panel will operate with a quorum of three voting members and will conduct most of its business by email, or by video or audio conferencing supplemented, if necessary, by meetings in a single location. Where necessary, meetings of the panel will be chaired by a non-voting Irish chairperson agreed between the universities and the HEA. The secretariat will be provided by the HEA.
- 1C.3.10 Continuance of approval for each individual appointment (designation of the title and additional remuneration) will be subject to periodic reviews to confirm performance of the appointee in line with the demanding international criteria agreed at the time of appointment and will be subject to confirmation by the university of the availability of additional funding as described in **paragraph 3.6** and by the independent process review described in **paragraph 3.9**. The interval between reviews shall be no greater than five years in the case of each appointment.
- 1C.3.11 The legal basis for this scheme will be provided by way of an agreed amendment to the Agreed Framework of 2 March 2000 between the universities and the HEA. The existing substantive provisions (including **paragraphs 2.1.2 and 2.2.5**) of the Agreed Framework will be retained.

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<sup>8</sup> Dedicated research and other special funding from the HEA can be used for funding these posts only with the agreement of the HEA

## **Appendix 1D Framework for Borrowing and Loan Guarantees**

### **1D.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”.*

### **1D.2 Purposes of Framework**

As stated in the Department of Education letter dated 16<sup>th</sup> 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.

### **1D.3 Understanding**

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

### **1D.4 Budgetary Context**

The wider budgetary arrangements which set the financial context for this framework are outlined in Section 37 of the 1997 Act. 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.

### **1D.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 1997 Act involves either:  
short-term activities by way of overdraft or otherwise within existing arrangements and practices established by the university; or  
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 projects to which section 843 of the Taxes Consolidation Act, 1997 or section 50 of the Finance Act, 1999 apply, 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.

#### **1D.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. 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.

#### **1D.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.

#### **1D.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 audited statements. Income derived from self-funded ancillary operations are excluded from this definition of annual income.

## Section 2 Trinity College Dublin Code: Principles and Best Practise

### 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 guidelines issued by the Higher Education Authority, 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 cover:

- The Governing Authority;
- Role of the Provost, who is both Chairperson and Chief Officer in relation to Governing Authority; (known as the Board)
- Briefing for new Board members;
- Disclosure of interests by members of the Board;
- Risk management;
- Audit Committee.

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

2.1.3 Trinity College Dublin, including its subsidiaries<sup>9</sup>, has adopted this Code, Principles and Best Practice and, in accordance with **paragraph 2.10.**

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 Trinity College Dublin and their subsidiaries shall bear in mind, therefore, that it is primarily their responsibility to ensure that all of their work-related activities, whether covered specifically or otherwise in this document, shall be governed by the ethical and other considerations implicit in the Code.

### 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 upon request with a copy of each such code being accessible through the TCD website.

2.2.2 As part of the Annual Governance reporting requirements set out in **paragraph 2.10.4** that are to be supplied to the HEA, the Provost shall affirm to the HEA that codes of conduct in respect of governance of the College for members of the Board and employees have been put in place.

2.2.3 In addition to complying with the requirements of Trinity College's Statutes each member of the Board and each person holding a designated position of employment with TCD shall ensure

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<sup>9</sup> For the purposes of this code subsidiary is defined as a company in which TCD holds a majority of the shareholders or members voting rights. The University while cognisant of potential risks to the University shall apply the code to subsidiaries in a manner which does not compromise the commercial sensitivities of their operations. The only subsidiary which currently fulfils these criteria is Ghala Ltd.

his/her compliance with relevant provisions of the *Ethics in Public Office Act, 1995* and *Standards in Public Office Act, 2001*<sup>10</sup>.

2.2.4 The College shall promote standards of service and the initiatives outlined in the TCD Service Charter referred to in Part 3.3.

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. The reports must be received by the Board prior to the Provost's Report to the HEA.

### **2.3 Internal Control and Risk Management**

2.3.1 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, a person at a senior level will be nominated to have overall responsibility for risk management.

### **2.4 Audit Committee**

2.4.1 An Audit Committee shall be established by the Board with written terms of reference, which deal clearly with its role.

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 In establishing the constitution and terms of reference of the Audit Committee the Board shall have regard to the following guidelines:

- members of the Board who hold senior management positions within the College shall not be members of the Audit Committee. The Provost shall not be a member of the Audit Committee;<sup>11</sup>

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<sup>10</sup> In 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.

<sup>11</sup> While the 1997 Act provides that the Chief Officer is entitled to be chairperson of any committee appointed by the Governing Authority, it would not be good governance practice for a Chief Officer or Chairperson to chair or to be a member of the Audit Committee.

- the Committee shall meet sufficiently regularly to enable it to fulfil its duties;
- the Committee shall report annually to the Board;
- the Committee shall have explicit authority to investigate any matters within its terms of reference and shall be given the resources needed for this purpose, including outside professional advice as necessary;
- the Committee shall keep under review and advise on the operation and effectiveness of the College's risk management systems, shall conduct a full assessment of the Risk Register with the executive management and report annually thereon to the Board;
- the Committee shall advise on the selection and appointment of the external auditors engaged by the Board;
- at least once a year the Committee shall meet separately with each of the following: (a) the external auditors and (b) the internal auditors, without members of management being present; and
- 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 with a formal charter, including terms of reference, approved by the Board.
- 2.5.2 The Head of Internal Audit shall have direct access to the Provost, as Chief Officer and Chairperson of the Board and to the Chairperson of the Audit Committee.
- 2.5.3 The objective of Internal Audit shall be to provide assurance that the College has a sound system of internal control.
- 2.5.4 The reporting structure for Internal Audit shall be clear and formally recorded.
- 2.5.5 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 of College affairs.
- 2.5.6 The Internal Audit function shall liaise frequently with the external auditors engaged by the Board so that the potential for cooperation between the two is maximised. In planning, executing and reporting its work, the Internal Audit function shall ensure that value-for-money auditing receives adequate attention.
- 2.5.7 As part of its work the Internal Audit function shall review compliance with procurement and disposal procedures from time to time and report to the Audit Committee and the Board.

## **2.6 Remuneration**

- 2.6.1 In dealing with issues of Remuneration, the Board shall comply with the frameworks of the *Universities Act 1997* and will have regard to Government pay policies as expressed from time to time.

## **2.7 Procurement and Tax Clearance**

- 2.7.1 The College shall adopt competitive tendering as the normal procedure in the procurement process of the College subject to **paragraph 2.7.2** below. The detailed procurement procedures, as set out in the "Public Procurement Guidelines – Competitive Process" (current edition issued in 2004), in respect of competitive tendering shall be applied, together with other relevant guidelines issued by the Department of Finance as well as the relevant EU Directives, which have the force of law in this and all Member States. The Board, and College

management, shall ensure that appropriate systems and procedures are implemented to address material risks of non-compliance. The College community shall fulfil its obligations in the devolved structure and conduct activities in accordance with legislation and the guidelines and support available. The Provost as Chairman and Chief Officer shall, in his report to the HEA (see **paragraph 2.10.4** below), affirm that such systems and procedures are in place and that to the best of his knowledge and belief the College has been compliant with the procurement procedures outlined above.

- 2.7.2 In accordance with Procurement Directives, the College shall permit certain supply contracts, where the products involved are manufactured purely for the purpose of research, experimentation, study or development, to be awarded outside of the procedural rules on advertising etc. [Article 31 (2) (a) of Directive 2004/18/EC].
- 2.7.3 The College shall ensure that it fully adheres to the Tax Clearance requirements as set out by the Department of Finance. [Department of Finance Circular 43/2006 governs the Public Sector Contracts and Department of Finance Circular 44/2006 now governs the Grants, Subsidies and Similar Type payments.]
- 2.7.4 The College shall not engage in 'offensive'<sup>12</sup> practices when sourcing the supply of goods and services from third parties.
- 2.7.5 The College shall recognise the importance of public procurement as a mechanism for contributing to the maintenance of employment standards and norms, including in respect of wage levels, while also ensuring competitive tendering and value of money in public expenditure.

## **2.8 Disposal of Assets and Access to Assets by Third Parties**

- 2.8.1 In addition to the relevant statutory provisions of the 1997 Act as set out in **Part 1.5** of this document. The College shall adhere to best practice for the disposal of assets or the granting of access to property or infrastructure for commercial arrangements as outlined in the guidelines laid out in **Part 3.6** of this document. Disposal of physical assets shall be subject to the approval of the Board of the College and the College's Fixed Asset Register shall act as a framework for the monitoring of acquisitions and disposals. The College shall report each year on material disposals and access arrangements as part of the annual financial audit.
- 2.8.2 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/storage/hrbresearch/Intellectual-Property-Guidelines.pdf>.

## **2.9 Investment Appraisal and Value for Money**

- 2.9.1 The Board and the relevant management staff of the College shall have regard to the relevant guidelines for the Appraisal and Management of Capital Expenditure Proposals and Value for Money Measures in the Public Sector as communicated by the HEA and the Department of Finance in the planning, appraisal and management of projects involving significant expenditure. 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

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<sup>12</sup> . "Offensive" practices in this context can be interpreted to be those which involve the use of procurement procedures for a purpose other than achieving value for money in an open, transparent and equitable fashion.

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 Reporting Arrangements**

- 2.10.1 In addition to the reporting requirements set out in the relevant legislation, the College shall meet the following additional requirements:
- 2.10.2 Included with the accounts, which are kept in accordance with Section 39 of the 1997 Act (see **paragraph 1.7.3**), there shall be a statement on the system of internal control in the form set out in **Part 3.5**, which shall be signed by the Provost, as Chairman and Chief Officer, and the Treasurer. This statement shall be reviewed by the external auditors engaged by the Board to confirm that it reflects compliance with the requirements of **paragraph 2.10.4** and they shall consider if the statement is inconsistent with the information of which they are aware from their audit work on the financial statements. The external auditors shall report their findings accordingly in the accounts to be submitted annually by the College to the Comptroller & Auditor General for audit, in accordance with Section 39 of the 1997 Act. The statement shall be reviewed also by the Comptroller & Auditor General.
- 2.10.3 The annual financial statements of the College shall reflect all post-balance sheet events, in accordance with generally accepted accounting principles (GAAP).
- 2.10.4 In addition to these requirements, the following information shall be included in an annual governance statement signed by the Provost, as Chief Officer and Chairman, and submitted to the HEA:
- (a) a statement confirming that a Code of Governance and a Code of Conduct in respect of the Governance of TCD, for Members and Employees, have been adopted;
  - (b) financially significant developments affecting the College 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;
  - (c) a statement affirming that the College has had regard to government pay policy (see **paragraph 2.6.1**);
  - (d) a statement affirming that all appropriate procedures for financial reporting, internal audit, procurement and asset disposals are being carried out;
  - (e) confirmation that the Guidelines for the Appraisal and Management of Capital Proposals are being adhered to where appropriate;
  - (f) 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 College are being followed<sup>13</sup>;
  - (g) a statement affirming the College's compliance with tax laws.

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 providing an explanation for this and stating any corrective action taken or contemplated.

## **2.11 Tax Compliance**

- 2.11.1 As major beneficiaries of State funding, the College shall be exemplary in its compliance with taxation laws and shall ensure that all tax liabilities are paid on or before the relevant due dates.
- 2.11.2 The College, while availing of all legitimate taxation arrangements, shall 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

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<sup>13</sup> (Ref: <http://www.finance.gov.ie/documents/publications/other/pubproc&cap.app.pdf>)

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 shall consult the Revenue Commissioners.

## **2.12 Diversification and Establishment of Subsidiaries**

- 2.12.1 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.*”
- 2.12.2 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 considers the full implications, including any financial or other risks, for the College.

## **2.13 Strategic Planning**

- 2.13.1 In addition to the requirements of Section 34 of the 1997 Act (see **paragraph 1.8.2**), the College’s Strategic Plans, as approved from time to time by the Board, shall set appropriate objectives, goals and relevant indicators and targets against which performance can be clearly measured.
- 2.13.2 In addition to the requirements of Section 41(1) of the 1997 Act (see **paragraph 1.8.5**), the report of the Provost shall normally refer to the College’s monitoring of the implementation of the Strategic Plan.

## **Part 3: Detailed Governance Guidelines**

### **3.1 The Governing Authority (the Board of TCD)**

#### **3.1.1 Operation and Functions of the Board**

- 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, to exercise effectively its strategic governance role and monitor executive management and performance.
- 3.1.1.3 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 **Appendix 3A**.
- 3.1.1.4 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.
- 3.1.1.5 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 College or its subsidiaries. The schedule specifies clear quantitative thresholds for contracts above which the approval of the Board is required;
  - major investments and capital projects, delegated authority levels, treasury policy and risk management policies;
  - approval of terms of major contracts.
- 3.1.1.6 It shall be the responsibility of the Provost, as Chairman, 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.
- 3.1.1.7 All members of the Board shall have independent access to the advice and services of the Secretary to the College, who shall endeavour to ensure that Board members are fully aware of the appropriate rules, regulations and procedures.

- 3.1.1.8 In the normal course, outside legal or other advice required shall be obtained by the Secretary to the College on behalf of the Board in accordance with the collective nature of its responsibilities.
- 3.1.1.9 Any business or other interests, which could affect a member's independence, shall be dealt with as outlined in **paragraph 3.1.4** below.
- 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 College. 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 College.
- 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 Governing Authority 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 Science, 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 their 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 Board shall be supplied, in a timely fashion, with information which is of a suitable quality to enable members to satisfactorily discharge their duties.
- 3.1.1.17 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 shall 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, it constitutes a material breach of the Board's obligations, the Provost as Chairman of the Board shall advise the HEA accordingly.
- 3.1.1.18 The Board shall be responsible for establishing procedures for maintaining an appropriate relationship with the external auditors engaged by it.

### **3.1.2. Role of Chairperson and Chief Officer in relation to the Board.**

- 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 Chairman of the Board.

### ***Role of the Provost as Chairman***

- 3.1.2.2 The Provost, as Chairman of Board, shall be responsible for the leadership of the Board. As Chairman of its meetings he/she shall promote its well-being 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 shall 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 appropriately. The Provost, as Chairman 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 an effective way. The Provost, as Chairman, shall also lead a periodic review by the Board of its own effectiveness.
- 3.1.2.4 Through leadership of the Board, the Provost shall play 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 and its day-to-day direction. The Provost shall not decide upon matters reserved for the Board.
- 3.1.2.6 The specific responsibilities of the Provost, as Chief Officer, in relation to Board business shall 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.
- 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 each Board member shall 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:
- 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 legislation 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's responsibilities in relation to the preparation/approval of the accounts and the College'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 to the College;
- code of ethics/conduct for Board, including disclosure of Board members' interests
- relevant background information specific to the College;
- 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 Board members shall act impartially.

3.1.4.2 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"*.

3.1.4.3 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 (family<sup>14</sup>, financial, business 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 Code shall have regard, as appropriate, to the relevant disclosure provisions of the Code of Practice for State Bodies. A member for whom a relevant interest arises in relation to matters for decision by the Board shall not take part in any deliberation or decision of the Board in relation to those matters.

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

3.1.4.7 The procedures in this section shall also apply in subsidiaries of the College.

#### **3.1.5. Risk Management**

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<sup>14</sup> For this purpose, persons and bodies connected with a member should include:

- a spouse/partner, parent, brother, sister, child or step-child;
- a body corporate with which the member is associated;
- 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
- 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.

- 3.1.5.1 The Board shall be responsible for ensuring that a robust system of risk management, covering *inter alia*, strategic risks, operational risks, financial risks and reputation risks is in place in the College. This involves:
- the identification of risks that threaten the achievement of College's objectives;
  - the evaluation of the likelihood of occurrence and potential impact of the risks identified;
  - the segregation of risks according to their potential impact;
  - 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.
- 3.1.5.2 The Board shall ensure that the risk assessment and management process is integrated into existing management systems and that roles and responsibilities are clearly assigned with overall responsibility assigned to a nominated person at a senior level.<sup>15</sup> The College's Risk Management Policy is available in **Appendix 3B**.
- 3.1.6. Audit Committee and Internal Audit**
- 3.1.6.1 An Audit Committee, of at least three members, shall be established by the Board and shall report annually to the Board..
- 3.1.6.2 The Audit Committee shall have written terms of reference which deal clearly with its authority and duties.
- 3.1.6.3 The Board, in appointing members to the Audit Committee, shall give consideration to appointing individuals external to the staff and members of the College.
- 3.1.6.4 The Committee shall operate within its Terms of Reference which are available in **Appendix 3C** to this document.
- 3.1.6.5 The Internal Audit function shall operate according to its Charter which is available in **Appendix 3D**.

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<sup>15</sup> Reference may be made to "Risk Management Guidance for Government: Departments and Offices" issued by the Department of Finance in March 2004.

## **3.2. Code of Conduct for Members of the Board and Principal Committees of Board**

### **3.2.1 Introduction**

- 3.2.1.1 This Code applies to all members of the Board of Trinity College and to members of committees established by the Board for whatever purpose.
- 3.2.1.2 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.
- 3.2.1.3 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.
- 3.2.1.4 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 3.2.9** below).
- 3.2.1.5 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.*

### **3.2.2 Functions of the Board**

- 3.2.2.1 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.

### **3.2.3 Due skill and Care**

- 3.2.3.1 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.

### **3.2.4 Conduct as Board Members**

- 3.2.4.1 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.

### **3.2.5 Confidentiality/ Use of Information**

- 3.2.5.1 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 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.

3.2.5.2 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.

### **3.2.6 Duty to be adequately informed**

3.2.6.1 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.

### **3.2.7 Conflict of Interest**

3.2.7.1 A Board Member shall be considered to have a **real** conflict of interest when he/she holds a personal interest, whether direct or indirect, of which he/she is aware and which in the opinion of a reasonably informed and well-advised person, is sufficient to put into question the independence, impartiality and objectiveness that the said Board Member is obliged to exercise in the performance of his/her duties.

3.2.7.2 A Board Member shall be aware that he/she may have a **perceived** conflict of interest when he/she appears to have, in the opinion of a reasonably informed and well-advised person, a personal interest, whether direct or indirect, that is sufficient to put into question the independence, impartiality and objectiveness that the said Board Member is obliged to exercise in the performance of his/her duties.

3.2.7.3 The requirements of the Universities Act in this regard are set out in the Third Schedule, Paragraph 8 of the 1997 Universities Act (**Section 1.2.3** of this document).

3.2.7.4 Board Members shall:

- (a) make a full disclosure in writing to the Secretary to the College of all potential conflicts of interest, as soon as he/she becomes aware of it, having due regard to perceived conflicts;
- (b) not use his/her position as a Board Member for personal profit, gain or advantage;
- (c) not accept a gift, fee or favour, reward, gratuity or remuneration of any kind if it could be seen by the public, knowing the full facts, as intended, or likely to cause, a Board Member to act in a particular way or deviate from the performance of his/her duty;
- (d) not assist any person or any organisation in its dealings with the College when such intervention may result in real or apparent preferential treatment to the person or organisation by the College;

- (e) not use, directly or indirectly, any facilities or services of the College, nor allow them to be used, for purposes other than expressly approved by the College;
- (f) in the course of a Board meeting resolve a conflict of interest in the best interests of the College by declaring his/her interests and leaving the room, thereby taking no part in the relevant discussion, decision or action. In circumstances where a Board Member is unsure as to whether or not a conflict of interest exists or is material, he/she should discuss the matter with the Provost prior to the meeting. If in doubt he/she should declare and offer to withdraw.

3.2.7.5 In accordance with good governance practice, Board Members shall:

- (a) on ceasing to be a Board Member, not make use of any information obtained in their capacity as a Board Member that is not generally available to the public, in order to derive therefrom a benefit or advantage for themselves or that of any family member;
- (b) for a period of two years after ceasing to be a Board Member, not give advice nor act in the name of, or on behalf of, a third party in negotiations with, or in regard to, contracts with the College

3.2.7.6 Nothing in this Code shall restrict staff representatives in the Board from participating in deliberations or voting on, any matters relating to conditions of employment, which are not confined in their effect to the individual staff member.

### **3.2.8 Register of Interests**

3.2.8.1 Board Members shall comply with the provisions of the **Ethics in Public Office Act (1995)** and **The Standards in Public Office Act (2001)** as these are applied to the Board. The necessary Statement of Interest shall be returned annually to the Secretary to the College and to the Commission on Standards in Public Office by the due date.

### **3.2.9 Breaches of the Code**

3.2.9.1 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. 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.

3.2.9.2 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.

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

3.2.9.4 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.*

**3.2.10 Dissemination**

3.2.10.1 The Secretary to the College shall provide a copy of this Code to each Board Members and; shall promote disseminate and ensure the implementation of this Code.

### **3.3 Code of Conduct for Employees**

#### **3.3.1 Introduction**

3.3.1.1 Employees of Trinity College Dublin (the College) can be justly proud of the high standards of conduct which have characterised their service over many years and enabled them to carry out the mission of the College. The Trinity College Employee Code of Conduct is an important element of the overall framework within which all employees are expected to work. It sets out the standards required of employees in the discharge of their duties. These standards of behaviour and values will support a high quality service, based on high levels of personal performance and responsibility.

3.3.1.2 Trinity College has developed this Code of Conduct for employees taking 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 Universities Act. A copy of the Code will be available upon request and shall be placed on our College website.

#### **3.3.2 Intent and scope**

3.3.2.1 The purpose of the Code is, particularly, to provide guidance to employees of Trinity College in performing their duties as employees as set down in the relevant legislation, (Consolidated Statutes of the College and the University, the Universities Act 1997, and the Trinity College Dublin (Charters and Letters Patent Amendment) Act 2000, in force for the time being).

3.3.2.2 For the purposes of this Code, employees are defined as all individuals in the paid employment of College, full and part time, irrespective of whether the College is their primary employer, and including those in receipt of stipends.

#### **3.3.3 Objectives**

3.3.3.1 The objectives of the Code are to:

- set out a clear set of ethical principles;
- promote and maintain confidence and trust in the employees of Trinity College;
- prevent the development or acceptance of unethical practices;
- promote the highest legal, management and ethical standards in all the activities of Trinity College;
- promote compliance with best current governance and management practices in all the activities of Trinity College.

#### **3.3.4 The Requirements of the Code**

3.3.4.1 In the performance of their duties employees shall:

- (a) Maintain high standards in service delivery by:
  - conscientiously, honestly and impartially serving the College
  - always acting within the law; and
  - performing their duties with efficiency, diligence and courtesy
- (b) Observe appropriate behaviour at work by:
  - dealing with students and the public sympathetically, fairly and promptly; and
  - treating their colleagues with respect
- (c) Maintain the highest standards of probity by:
  - conducting themselves with honesty, impartiality and integrity;

- never seeking to use improper influence, in particular, never seeking to use political influence to affect decisions concerning their official positions;
- abiding by guidelines in respect of offers of gifts or hospitality; and
- avoiding conflicts of interest.

### **3.3.5 General Principles**

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

#### **3.3.5.1 Integrity**

3.3.5.1.1 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.

3.3.5.1.2 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.

3.3.5.1.3 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**

3.3.5.1.4 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.

3.3.5.1.5 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.

3.3.5.1.6 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.

3.3.5.1.7 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.

3.3.5.1.8 Cash, gift cheques or any vouchers that may be exchanged for cash shall not be accepted regardless of the amount.

3.3.5.1.9 Employees shall not solicit gifts, directly or indirectly.

- 3.3.5.1.10 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.
- 3.3.5.1.11 Employees shall not accept special facilities or discounts on private purchases from suppliers with whom they have official dealings.
- 3.3.5.1.12 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***

- 3.3.5.1.13 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.
- 3.3.5.1.14 The following general guidelines provide a framework within which decisions in this area can be made or local rules formulated.
- 3.3.5.1.15 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.
- 3.3.5.1.16 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.
- 3.3.5.1.17 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***

- 3.3.5.1.18 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.

3.3.5.1.19 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.

3.3.5.1.20 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.

### **3.3.5.2 Information**

3.3.5.2.1 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.

3.3.5.2.2 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.

3.3.5.2.3 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.

### **3.3.5.3 Obligations**

3.3.5.3.1 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;

3.3.5.3.2 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.

#### **3.3.5.4 Loyalty**

- 3.3.5.4.1 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.
- 3.3.5.4.2 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.

#### **3.3.5.5 Fairness**

- 3.3.5.5.1 Trinity College shall be committed to complying with employment equality and equal status legislation.
- 3.3.5.5.2 Trinity College shall be committed to fairness in all business dealings.
- 3.3.5.5.3 Trinity College shall value its students, suppliers, employees and customers and treat all its students, suppliers, employees and customers equally and loyally.

#### **3.3.5.6 Behaviour at Work**

- 3.3.5.6.1 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.
- 3.3.5.6.2 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).
- 3.3.5.6.3 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.
- 3.3.5.6.4 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;<sup>16</sup> 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.

#### **3.3.5.7 Responsibility**

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<sup>16</sup>Trinity 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.

3.3.5.7.1 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.

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

3.3.5.7.3 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.

**3.3.5.8 *Review***

3.3.5.8.1 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 Universities**

TO BE DRAFTED

### **3.5 Format of Statement of Internal Control**

*(Text taken from 'Code of Governance for Universities')*

- 3.5.1 Acknowledgment by the Chairperson and Chief Officer that the governing authority is responsible for the body's system of internal control.
- 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**

- 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 €70,000, should be by auction or competitive tendering process, other than in exceptional circumstances. Such exceptional circumstances 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.
- 3.6.3 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.
- 3.6.4 If an auction or competitive tendering process does not take place, and the agreed price is €70,000 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.
- 3.6.5 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.
- 3.6.6 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.
- 3.6.7 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 3.6.2**) without auction or competitive tendering process should be formally reported, with the price paid and the name of the buyer, to the governing authority on an annual basis.
- 3.6.8 The Chairperson and Chief Officer in their report to the HEA (see **paragraph 2.10.4**) should affirm that the disposal procedures, as outlined above, have been complied with.

**Appendix 3A:** Schedule of Principal and Other Committees of Board and Council

The following Committees report to Board and Council<sup>17</sup>

Audit Committee (Board)

Finance Committee (Board)

Heads of School Committee (Council)

Information Policy Committee (Board and Council)

Personnel and Appointments Committee (Board and Council)

Research Committee (Board and Council)

Site and Facilities Committee (Board)

Student Services Committee (Board and Council)

Equality Committee (Board)

Safety Committee (Board)

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<sup>17</sup> This schedule was correct at time of writing. It will be up-dated following Board decisions in relation to Committees.

## **Appendix 3B: College's Risk Management Policy**

### **1. Risk Management**

- 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.
- 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.
- 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 techniques; and
  - decision making informed by the risk management process.

### **2. Purpose of this policy**

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.

### **3. Key Principles**

- 3.1 The following key principles outline the College's approach to risk management and internal control:
  - 3.1.1 The Board has responsibility for overseeing the management of risk within the College as a whole.
  - 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.
  - 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.
  - 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.

- 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.
- 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.
- 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.

#### **4. Risk Appetite**

- 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. High risks may be tolerated in these areas.
- 4.2 Risks identified as medium or above require continuous monitoring and Board will be advised in regard to these from time to time.

#### **5. Reporting and Review**

- 5.1 The risk assessment process will be regularly reviewed and updated as circumstances change and at least once per annum.
- 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.
- 5.3 The Senior Administrators' Group will be responsible for reviewing the risks arising across the administrative units. The Secretary will advise the Executive Officers' Group of risks that might have College wide significance for consideration in compiling the high level register.
- 5.4 The Heads of School Committee will be responsible for reviewing the risks arising across academic units and identified in the quality review process.
- 5.5 The Senior Lecturer will advise the Executive Officers' Group of risks that might have College wide significance for consideration in compiling the high level register.
- 5.6 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.
- 5.7 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.
- 5.8 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.

- 5.9 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.

Approved by Board  
3 May 2006

## **Appendix 3C: Terms of Reference for Trinity College Dublin Audit Committee**

### **1. Objectives**

- 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.
- 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).

### **2. Membership**

- 2.1 The Committee, which shall be appointed by the Board, shall comprise not less than four (4) 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  
Assistant Secretary to the College
- 2.2 The Chairperson of the Committee shall be an External Member.
- 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.
- 2.4 Membership of the Committee shall be reviewed each year by the Provost, in consultation with the Registrar and with the Chairperson of the Audit Committee, and changes as required shall be recommended to the Board at that time.
- 2.5 Membership of the Committee shall normally be for an initial term of three (3) years, with the possibility of an extension of a further three (3) years. The general aim is to change the membership from time to time to ensure an appropriate balance between continuity and fresh perspectives.
- 2.6 The Assistant Secretary 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.

### **3. Meetings and Quorum**

- 3.1 The Committee shall meet on at least three occasions per annum:
  - prior to the external audit, to approve the audit plan
  - prior to the issuance of the audited accounts to the Board
  - during the year to discuss internal controls.Other meetings as required shall be convened by the Chairperson.
- 3.2 The quorum for meetings shall be three (3) members (50% of the membership plus one).

- 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.
- 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.
- 3.5 The Committee may meet privately and shall arrange to meet separately, at least once a year, with the Internal Auditor, the External Auditors, the College Officers responsible for the risk assessment and management systems and with the Comptroller and Auditor General.
- 3.6 The Chairperson shall present a written report annually 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.
- 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.

#### **4. Duties**

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

##### **- Financial Reporting**

- 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, paying particular attention to:
- critical accounting policies and practices, and any proposed changes to them
  - decisions requiring a major element of judgement
  - the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed
  - the clarity of disclosures
  - significant adjustments resulting from the audit
  - the "going concern" assumption
  - compliance with accounting standards or other requirements
  - reviewing any statements on internal control prior to endorsement by the Board.

##### **- Internal Control and Risk Management**

- 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.
- 4.3 Reviewing the findings of any third party reports on the governance of the College or regulatory examinations.
- 4.4 Within the resources available, to review, at a high level, the effectiveness of the systems put in place to achieve value for money.

**- Compliance**

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

**- Internal Audit**

- 4.6 Reviewing and approving the internal audit annual plan, including the degree of co-ordination with the external audit plan.
- 4.7 Reviewing internal audit reports and findings and seeking to ensure the implementation by management of significant recommendations by carrying out follow-up reports as necessary.
- 4.8 Reviewing the External Auditors' Management Letter and responses from management and carrying out follow-up reviews as necessary
- 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**

- 4.10 Making recommendations to the Board on the appointment, re-appointment and removal of the External Auditors.
- 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 subsidiary/ies.
- 4.12 Reviewing with the External Auditors their plan for their audit of the College's financial statements.
- 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.
- 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.
- 4.15 Developing and implementing a policy on 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.
- 4.16 Monitoring the External Auditors' compliance with relevant statutory or regulatory requirements.

**- Comptroller and Auditor General**

- 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.
- 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.

## **5. Authority**

- 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
- 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.
- 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.
- 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.

## **6. Performance Evaluation**

- 6.1 The Committee shall, at least once a year, arrange for the review of 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**

### **1. College Governance**

- 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.
- 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.
- 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.
- 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.

### **2. Mission of Internal Audit**

- 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.

### **3. Scope**

- 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.
- 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.

### **4. Authority and Access**

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

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.

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

## **5. Independence and Objectivity**

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.

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.

5.3. 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.

## **6. Standards**

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.

## **7. Approach to work**

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.

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.

## **8. Reporting and Relationships**

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.

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.