



Incorporating any amendments approved at subsequent Board meetings

Board Meeting 24 March 2021

This meeting was conducted remotely using the Zoom application and was hosted in the Yeats Room.

Present: Provost (Dr P J Prendergast), Vice-Provost/Chief Academic Officer (Professor J Barkhoff), Senior Lecturer/Dean of Undergraduate Studies (Professor K Mitchell), Registrar (Professor B Tangney), Bursar/Director of Strategic Innovation (Professor V Campbell), Professor K Ahmad, Professor L Brennan, Professor A Burke, Mr K Byrne, Ms J Donoghue, Professor D Faas, Mr D Grouse, Mr E Hand, Professor R A Kenny, Ms L Keogh, Professor C Leahy, Professor R McManus, Professor K McTiernan, Ms R Mathews McKay, Professor A Nolan, Ms M O'Connor, Professor D R Phelan, Ms G Scanlon, Professor A Seery, Professor F Sheerin, Professor J Walsh.

Apologies: Professor L Roe.

In attendance: Assistant Secretary to the College (Ms V Butler).

(ex officio) Secretary to the College (Mr J Coman), Treasurer/Chief Financial Officer (Mr P Reynolds).

(by invitation) Acting Chief Operating Officer (Mr P Magee), Vice-President for Global Relations (Professor J Hussey).

SECTION A

BD/20-21/182 Statements of Interest

The Secretary to the College advised that no potential statements of interest had been received.

BD/20-21/183 Minutes of the meeting of 24 February 2021

The Board approved the draft minutes of the meeting of 24 February 2021 and the proposed amendments to minute BD/20-21/160 as had been circulated.

BD/20-21/184 Matters Arising

The following items were raised under matters arising:

- (i) **BD/20-21/155 – Matters Arising**
BD/20-21/144 - Estates Policy Committee

The Bursar/Director of Strategic Innovation advised the Board that the Estates Policy Committee minutes from 4 December had been amended and were on the agenda for approval.

She also advised the Board that she had written to the Board member to explain the project governance and the role of the opening works. It was noted that the funding approved to date had been approved by Board in June 2019.

(ii) BD/20-21/156 Provost's Report

- **Trinity St James's Cancer Institute**

The Provost informed the Board that Trinity St James's Cancer Institute Memorandum of Understanding will be brought to the next meeting of the Board. The Bursar/Director of Strategic Innovation advised that a small number of amendments to the Memorandum were being finalised and that it will be brought to Board in April and also to St James's Hospital Board in April.

- **Old Library Redevelopment Project**

The Bursar/Director of Strategic Innovation advised the Board that she had liaised with Associate Director for EU Engagement who was aware of the Bauhaus initiative and was monitoring it for opportunities for Trinity.

- **New Generations**

The Provost confirmed that, in keeping with the practice of assigning sponsors to capital projects, a similar practice is in place for philanthropic initiatives.

(iii) BD/20-21/157 Trinity East Pre-Development Project Update

The Provost advised the Board, that as the Board had not approved the proposed name for the early activation building at Trinity East, it was decided to ask staff and students to suggest alternative names. Professor Sheerin has agreed to chair a group to consider the suggestions.

(iv) BD/20-21/162 Appointment of next Provost

The Registrar confirmed that subsequent to the February Board meeting he sent an email to all staff and students on Friday 26 February 2021 clarifying the appointment process to date and received positive feedback.

BD/20-21/185

Provost's Report

The Provost provided an update on the following items:

(i) Strategic Projects

- **Trinity St James's Cancer Institute**

The Provost advised that the memorandum of understanding between Trinity and St James's Hospital has been drafted and will be brought to the next meeting of the Board. Philanthropic funding would help to support research posts.

- **The Old Library Redevelopment Project**

It was noted that plans for this project are developing well. Efforts are continuing to secure philanthropic funding for the project and a request for funding has also been submitted to the Government. The Provost advised the Board that he will keep Board members updated and noted the significance of the project both from a preservation and, also a tourism aspect. In particular, he noted the opportunity to install new environmental and fire safety controls which will protect the building and collections.

- **E3**

It was noted that Trinity East and the development options for the E3 Research Institute (E3RI) was on the agenda for discussion later in the meeting.

- **New Generations**

The Provost advised the Board that the New Generations project was progressing well with a new campaign for PhD scholarships being developed.

(ii) **Governance**

It was noted that the Government legislative proposals regarding the governance of Irish Higher Education institutions was on the agenda for discussion.

It was also noted that meetings of the new management structures for dealing with the Covid-19 Pandemic were continuing.

Professor Walsh joined the meeting at this point.

BD/20-21/186 2010 Consolidated Statutes: Proposed Changes to Schedule 1 to the Chapter on Provost

The Registrar introduced this item with reference to his memorandum dated 18 March 2021. He advised the Board that in keeping with the Statutes, the Registrar shall not vote in the Provost's election but in the event of an equal number of votes for two candidates, the Registrar has the deciding vote as to who shall be eliminated from the process. He advised the Board that the Statutes are silent on a 3, or more, way tie. The Registrar informed the Board that he had consulted with a colleague in the School of Computer Science and Statistics and that there was a non-trivial possibility of such a tie occurring. To address this, an amendment to the Schedule in the Statutes is proposed to introduce a provision so that in the event of a 3-way tie there is a way it can be decided. The Registrar advised that he had consulted with the Statutes and Schedules Working Party and had received internal and external legal advice on the matter. He also advised the Board that there is an existing provision in the Statutes for non-Provost elections where drawing by lot is the way to proceed in the event of a tie.

The Registrar concluded by clarifying for the Board that it is proposed to amend the relevant schedule in the Statutes to decide a 3-way tie by the drawing of lots and that the wording of the proposed amendment was before the Board for approval. He also noted that the current timeline would not facilitate a change to a Chapter in the Statutes and as such, the proposal was brought in the interest of having a contingency for a 3-way tie.

A number of Board members expressed reservations about the proposal noting possible external perceptions. A preference for the ballot to be re-run was also expressed.

In response, the Registrar advised that such matters had been given careful consideration. He advised that it is unlikely for such a tie to happen, and that given the timeline did not permit a change to the Chapter of the Statutes, it would be important to have a contingency in place for election day. He also noted that such a provision is already provided for in the Statutes for other elections and is common practice for other national/ international democratic elections. He also noted that a number of steps had been provided for ensure the process is fully transparent.

Following the expression of reservations by other Board members, the Registrar acknowledged the concerns being raised. He advised that he had received extensive legal advice internally from members of the Law School and the College Solicitor & Information Compliance Officer and that external legal advice had also been received. The Registrar also noted that should the Board decide to not approve the proposal there was no viable way to progress the election on the day should a 3-way tie arise.

The Vice-Provost/Chief Academic Officer, noting that he served as Registrar for the 2011 election, commended the Registrar and the Steering Committee for having identified the issue and for preparing a proposal to address it. He acknowledged the reservations raised by Board members but noted that not addressing matter could be of greater risk. In addition, he advised that the drawing of lots formed part of the democratic process of College and the country and was a well-

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established mechanism to resolve a tie. The Vice-Provost/Chief Academic Officer, noting the potential for the entire process to be disrupted, recommended the proposal to the Board for approval.

Following comments from Board members, the Registrar clarified the scenario by which the process would be used in that it would be used to resolve a 3-way tie in first round of voting and that the process would then continue to a second round of voting whereby the next Provost would be elected. Noting that all options had been carefully considered, he further clarified that the possibility of re-running the first round of voting was currently not a viable option. The Registrar also clarified that all 3 candidates were in agreement with the proposal.

The Provost noting that the low probability of a 3-way tie and the associated risks, acknowledged the views expressed by Board members. In light of this discussion, the Registrar withdrew the proposal as contained in his memorandum dated 18 March 2021.

It was agreed that the election process would be suspended in the event of a 3-way tie in the first round of voting. The Provost advised that an emergency Board meeting could be called and changes to the process prepared for the approval of the Visitors if needed.

Action/Decision

186.01 The Registrar withdrew the proposal as contained in his memorandum dated 18 March 2021.

186.02 It was agreed that the election process would be suspended in the event of a 3-way tie in the first round of voting.

BD/20-21/187 Appointment of the Next Provost

The Registrar provided Board members with an update on the process to date. He advised Board members that the process was progressing well. It was noted that there was a moderated discussion with Sharon Ní Bheoláin on Friday, 26 March 2021. The Registrar also advised that the format of the final hustings scheduled for Wednesday, 7 April 2021 will be determined in the coming days.

The Registrar advised Board members that a briefing note was to be issued later that day which will advise members of the electorate on the voting process. He also provided Board members with a draft proposed schedule for the election on 10 April.

He also emphasised the importance of members of the electorate having familiarity with the voting software and process noting that at least 2 practice sessions for the entire electorate had been organised.

The Secretary to the College clarified that the Board meeting which was originally proposed to take place on 10 April 2021 will not now go ahead and that the appointment of the next Provost will be brought to the scheduled Board meeting following the election on Wednesday, 21 April 2021.

Action/Decision

187.01 The Board received the update from the Registrar.

BD/20-21/188 Timeline for Fellows Assents to New Fellows

The Registrar, with reference to his memorandum dated 18 March 2021, summarised the Fellows' Assent timeline as contained within.

He also encouraged all Fellows to be vigilant of the Assents process given that it was running consecutively with the Provost's appointment process.

Action/Decision

188.01 The Board considered and approved the memorandum from the Registrar, dated 18 March 2021 and the Fellows' Assent timeline as contained within.

BD/20-21/189 Fellowship 2021

The Provost read aloud the names of those going forward for election to Fellowship and Professorial Fellowship.

Reading aloud the names of those to be elected to Honorary Fellowship, the Provost provided a brief biography for each of those nominated.

Action/Decision

189.01 The Board approved the nominations for Fellowship, Professorial Fellowship and Honorary Fellowship as presented by the Provost.

BD/20-21/190 Government Legislative Proposals regarding Governance of Irish Higher Education Institutions

The Provost introduced this item with reference to a memorandum from himself and the Secretary to the College dated 18 March 2021 and the accompanying Initial Submission document. He advised Board members that it appears likely that the legislative proposals will be brought forward quite quickly with a view to having the legislation enacted before the end of the year.

The Provost advised the Board that the proposals would not only see changes to the governance of the Higher Education Authority and system as a whole but also to the governance of the Universities and Technological Universities. In Trinity's initial submission it was noted that there are significant concerns with the proposals, particularly as Trinity requires a governance structure that will facilitate its performance, its method of working and distinct legal structure, its traditions and ethos.

It was noted that proposed governance model implies that the Board would only deal with finance and compliance matters with all academic matters only being considered by an Academic Council. However, the Provost noted the importance of having sufficient academic competence on the Board. He noted that this is a practice that has benefitted Trinity greatly over the years with commercial revenue, philanthropic and internationalisation strategies being developed with the educational and research strategy of the University at the forefront.

The Provost also advised the Board that Trinity would not be in favour of a majority of external members being on the Board, noting the importance of having a balance in membership with several internal members. However, it was acknowledged that perhaps the size of the Trinity Board could be reduced with the possibility of having an external member as Chair of the Board.

The Provost opened the item or discussion and questions.

Several Board members commended the initial submission which had been made and expressed support for pursuing the possibility of Trinity introducing a Private Bill in the Oireachtas as happened in 2000. The importance of trying to maintain staff representation on the Board was also acknowledged. A number of Board members commented on the reduction in the level of funding from the State.

The potential benefits of proposing an external chair of the Board was noted and the importance of the method of appointment of such a chair was emphasised. The importance of an external chair having an appreciation for the values of the university was also acknowledged.

Responding to comments and queries from Board members, the Secretary to the College advised that over 40 submissions had apparently been made to the Department in respect of the proposals which were currently being considered by the Department and the Minister. He also advised that the next step is that the Minister is to meet with university representatives with the proposals being published in early April.

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The Provost advised the Board that he had met with the Secretary General of the Department of Further and Higher Education, Research, Innovation and Science to discuss the possibility of Trinity preparing a Private Bill and that this may prove a pathway for both sides to be satisfied.

In response to queries from a Board member, the Provost advised Board members that it is proposed that the Board Review Working Group bring further proposals to a future meeting of the Board regarding the appointment process for an external chair of the Board. The Secretary to College clarified the appointment process followed by another university when appointing the external chair of its Governing Authority.

The Provost noted that initial consultation by the Minister had been with the Chairs of the Governing Authorities. He also informed Board members that many of the other universities had indicated varying levels of support for the legislative changes.

In response to comments from a Board member, the Provost acknowledged the importance of having student representation on the Board and noted that Trinity would be suggesting that the Presidents of the Students' Union and Graduate Students' Union should serve as members of the Board.

It was noted that the Students' Union of Ireland had also issued a submission to the Government in respect of the legislative proposals with a focus on retaining student representation on the Governing Authorities (Boards) of universities.

The Provost advised that the Board Review Working Group will take in to account the views expressed and will bring back to Board a draft proposal regarding the appointment of an external chair of the Board with all members meeting competencies set by the Board.

It was noted that the Secretary to the College will send a copy of the Initial Submission to the Fellows.

Action/Decision

190.01 The Board approved the memorandum from the Provost and the Secretary to the College dated 18 March 2021.

190.2 It was noted that the Secretary to the College will send a copy of initial submission to Fellows.

BD/20-21/191 Audit Committee Annual Report 2019/20 – Response to Board

The Treasurer/Chief Financial Officer introduced this item with reference to his presentation dated 24 March 2021 and the document from the Executive Officers' Group (EOG) which had been circulated in advance. He provided the Board with a summary of the EOG's response to the Audit Committee Annual Report 2019/20 noting that the response was split into 7 broad themes which followed the structure of the 2019/20 Audit Committee Report.

The Provost thanked the Treasurer/Chief Financial Officer and opened the item for discussion and questions.

In respect of the Audit Recommendations Log, it was noted that a discussion on the Log had been held at the last meeting of the Audit Committee and it was noted that the relevant Executive Officers had agreed to review any longstanding recommendations on the log.

In response to comments from a Board member regarding the reference in the Report to the need to optimise governance in a changing environment, it was noted that a reference to a robust governance system would be more appropriate. It was also noted that the governance, staffing and management systems have shown resilience and agility in responding to the effects of the Pandemic during the last year.

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A Board member referencing comments in the Audit Committee Report in respect of the devolved management structure in Trinity, noted that the Audit Committee should avoid engaging in the 2nd line of defence and that it is not the remit of the Audit Committee to advise the University on any organisational structure. He also noted that Trinity is not any more devolved than other universities and many multinational organisations.

The benefits of good and timely communication were acknowledged and the importance of Internal Audit being in regular communication with Chief Risk Officer, so that everyone is fully informed, was noted.

The importance of the Internal Audit function taking a holistic view and moving away from piecemeal audit approach was acknowledged, particularly as governance, risk and audit are interdependent.

In response to queries from a Board member, it was agreed that information on administrative appointments in academic units be supplied for a future meeting of the Board.

Action/Decision

191.01. The Board considered and noted the document from Executive Officers dated 16 March 2021.

191.02 It was agreed to share the EOG response and the Board deliberations with the Audit Committee.

191.03 It was agreed that information on administrative appointments in academic units will be provided for a future meeting of the Board.

BD/20-21/192 Report on University Pensions

Deputy Chief Financial Officer, Ms Louise Ryan, and Pensions Manager, Mr David Hurcombe joined the meeting for this item.

The Treasurer/Chief Financial officer introduced this item with reference to a presentation from himself and the Deputy Chief Financial Officer dated March 2021, which had been circulated in advance. He and the Deputy Chief Financial Officer summarised the key elements of the Master, Model and Single Pension schemes.

In respect of the Master Pension Scheme the Deputy Chief Financial Officer advised Board members that this scheme was closed to new entrants in 2005 and that under Ministerial Order all associated assets and liabilities were transferred to the State in 2009. Under the Transfer Order legislation, the retirement benefit obligations of the Master Scheme were guaranteed by the State which also has an obligation to fund annual pension payments if the aggregate of the members and employers' contributions are insufficient to meet the University's obligations. She advised that in recent years, State funding in respect of the Master scheme obligations (through the State grant) has fallen below the required levels to meet annual payments. While the liabilities, as recorded in pension control accounts, are ultimately guaranteed by the State, there is a risk to University cashflow if annual State funding is insufficient to meet payment obligations as they fall due.

With reference to the Model Pension Scheme, which was established in 2005 and closed to new entrants in 2012, the Deputy Chief Financial Officer advised that the membership profile of this scheme is at an earlier stage of maturity than the Master Scheme and that contributions are projected to exceed payment obligations until 2035, and there are therefore no short-term funding concerns. She advised that while there is no formal State guarantee under legislation, the scheme has recently been moved from an administrative to a statutory basis and that under SI 39 of 2019, the scheme

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has been exempted from meeting the funding standard requirement for defined benefit pension schemes, implying recognition of obligations by the State. She also explained that under HEA directives, the University is required to use surpluses on the Model Scheme to part fund payment obligations on the Master Scheme, further reinforcing the State obligations to this scheme. While the University is satisfied regarding the State's obligations to this scheme, and records an asset in its financial statements to record this obligation from the State, she advised that the University's external auditors apply a threshold of virtual certainty to the recognition of pension assets in the University's financial statements and continue to qualify their audit opinion on this basis while noting that the State's auditors, the Comptroller and Auditor General (C&AG) are satisfied with the accounting treatment and do not qualify their opinion in this regard.

Referencing the Single Pension Scheme which applies to new entrants to the Irish Public Service from 1 January 2013, the Deputy Chief Financial Officer advised that contributions are made monthly to the Department of Public Expenditure and Reform and that the State will make the payments of retirement benefit. In addition, the University's liabilities in this respect are guaranteed by State under the Public Service Pensions Act 2012.

The Treasurer/Chief Financial Officer advised that both Trinity and the University sector are continuing to actively engage with the Higher Education Authority (HEA) and the relevant Government Departments to ensure that the State increases annual allocations for grant funding to ensure that the State meets its obligations in full in respect of the Master scheme and as they fall due. Separately the University sector is actively engaged with the HEA and relevant Government departments to ensure that the State further confirms its obligations in respect of the Model Scheme. In the meantime, the University is satisfied that the accounting treatment of the pension asset in the financial statements is appropriate and consistent with the views of HEA, Comptroller and Auditor General and external legal advice received.

A Board member made the following observations:

- The external Auditor qualifies the Financial Statements annually as the University believes the State will guarantee the Model Scheme however, no written guarantee has been received. As such the primary obligation to meet the liability could rest with the University.
- The State is not currently meeting its statutory obligation in respect of funding for the Master Pension Scheme.
- This matter poses a current issue and future risk for the University.
- Funds transferred to the State in respect of the Master Pension Scheme have not been returned to the University to meet current pension commitments.
- Underfunding across the Higher Education Sector is a current issue.
- The importance of Board members being informed and of taking action in respect of the matter.

The Provost, in response to the comments noted the importance of pursuing the matter of funding of the Master Scheme with the Government and he commended the Financial Services Division team for clearly collating the relevant information for the Board.

Following queries from a Board member, the Treasurer/Chief Financial Officer clarified that when the State took over the assets of the Master Pension Scheme in 2009 that it had also taken on the obligation for the pension liability which will need to be met out of Exchequer funding in future years.

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The Provost closed the item noting the importance of the matter and advised that he and the Treasurer/Chief Financial Officer will continue to reflect on how it can be best dealt with by Board.

Action/Decision

193.01 The Board considered and discussed the memorandum from the Treasurer/Chief Financial Officer dated 16 March 2021.

Mr Hurcombe left the meeting at this point.

BD/2021/193 Consolidated Financial Statements for year ended 30 September 2020 and associated Letters of Representation to KPMG and the C&AG

Mr Peter Kinsley, C&AG; Ms Cliona Mullen, KPMG; Audit Committee Chair, Mr Dermot McCarthy; Internal Auditor, Ms Fiona McAuliffe; and Deputy Chief Financial Officer, Ms Louise Ryan joined the meeting for this item.

The Provost welcomed everyone to the meeting. On behalf of the Board, he extended his congratulations to Ms McAuliffe on her appointment as Internal Auditor.

The Treasurer/Chief Financial Officer introduced the item with reference to a presentation from himself and the Deputy Financial Officer dated 24 March 2021. He summarised the approval process for the Financial Statements noting that the audits of the Financial Statements had been completed on time and satisfactorily.

He provided the Board with an overview of the Financial Statements for year ended 30 September 2020 including the financial results for the year under review. He noted the negative impact of the Pandemic on income and in particular on commercial income. It was also noted that the reduction in income had been somewhat offset by an increase in philanthropy and the receipt of a Covid grant funding support from the State. In addition, both operational and capital expenditure had also reduced over the year. In considering the increase in academic fee income, the Board noted that student registrations were completed prior to the outbreak of Covid-19 in Ireland.

With respect to staff costs, the Treasurer/Chief Financial Officer advised that the increase in this cost was due to pay restoration measures which had been partially offset by a reduction in headcount. He also advised that it had been an exceptional year in respect of research income and summarised the key movements and matters to note on the University's balance sheet, including the increase in fixed assets with new additions along with reductions in Endowment Fund and Investment assets reflecting disposals and unrealised investment losses. The Board further noted the contingent liabilities and post Balance Sheet events as outlined, along with the additional disclosures in the financial statements on going concern, in the context of the impacts of Covid-19.

The Board noted the value of capital expenditure in the year, which was broadly in line with budget and included spend on Printing House Square, E3 Learning Foundry and Trinity East, along with strategic property acquisitions and ongoing investment in existing University facilities. Cash balances and borrowings were also outlined, with the Board noting the University's increased gearing at year-end due to additional borrowings for specific development projects, in line with the forecasted gearing position in the University's 5-year plan and within agreed covenant levels.

Ms Mullen advised the Board that the KPMG audit had been conducted online. All information had been received on a timely basis and some improvements in the reporting process had been observed. Ms Mullen noted that due to impact of the Pandemic on operations and finances and in keeping with the deliberations of the Emergency Financial Management Group, KPMG agree and concur that it is appropriate to apply the "going concern" basis of accounting in the financial statements of the University. She advised that as the principle of virtual certainty has not been

met the accounts are qualified in respect of the Model Scheme and Pension Supplementation pension assets recognised in the financial statements.

Mr Kinsley advised that the Office of the Auditor and Comptroller General (C & AG) is satisfied with management's assumptions in respect of the pension liability matter. However, he advised that the audit certificate will refer to non-compliant procurement expenditure incurred during the year.

Mr McCarthy confirmed that the Audit Committee had received the Financial Statements and the reports from external auditors and C & AG and were recommending the adoption of financial statements. He advised that the opinions of external auditors and the C & AG were noted and management assumptions regarding the treatment of the pension asset were accepted. Mr McCarthy noted that the overall financial out-turn reflects the impact of the Pandemic and also advised that some streams of income are complex and require a close strategic oversight.

Mr McCarthy also noted that this is the final year of engagement with KPMG for the present, and on behalf of the Audit Committee, thanked KPMG for their work.

In response to a query from a Board member in respect of the Master and Model Pension schemes, Ms Mullen advised that KPMG are aware of the current arrangements, and as the guarantee is not confirmed by legislation, KPMG continue to qualify its audit opinion on the accounts.

Action/Decision

193.01 The Board considered and approved the memorandum from the Chair of the Audit Committee dated 12 March 2021.

193.02 The Board considered and approved the memorandum from the Treasurer/Chief Financial Officer and the Deputy Financial Officer dated 16 March 2021.

193.03 The Board approved the Consolidated Financial Statements for year ended 30 September 2020 and the associated letters of representation to KPMG and the C&AG.

The Board noted the dissent of Professor Phelan.

Mr Kinsley left the meeting at this point.

BD/20-21/194 Trinity Endowment Fund Financial Statements for year ended 30 September 2020

Ms Cliona Mullen, KPMG; Audit Committee Chair, Mr Dermot McCarthy; Internal Auditor, Ms Fiona McAuliffe; and Deputy Chief Financial Officer, Ms Louise Ryan remained in the meeting for this item.

The Deputy Chief Financial Officer introduced this item with reference to her presentation dated 24 March 2021, which had been circulated. It was noted that the Treasurer/Chief Financial Officer and Deputy Chief Financial Officer presented the draft Trinity Endowment Fund Financial Statements for the year ended 30 September 2020 to Finance Committee on 4 March 2021 and they were also considered by Audit Committee on 9 March 2021 and that KPMG expects to issue an unqualified audit opinion once the financial statements are approved by the Board.

The Deputy Chief Financial Officer presented Board members with an overview of the performance of the Fund, noting the volatility in equity markets since March 2020 along with the significant recovery in markets post year-end. She outlined the investment performance of the Endowment Fund from FY15 to FY20 and advised the Board on the investment objectives and asset allocation of the Fund noting that the approved portfolio restructure is ongoing. The level of new endowments received in the year was noted, along with the growth in the value of the Endowment Fund over the last decade. Finally, she informed the Board that the Investment Committee had developed an Investment Policy Statement (IPS) to provide a framework for future investment decisions which was approved by Finance Committee on 4 February 2021 and would be subject to regular review.

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The Provost thanked the Deputy Chief Financial Officer noting that the Endowment Fund is a great asset to the University, funding scholarships and academic posts.

Ms Mullen confirmed that KPMG intend to issue an unqualified opinion on the Financial Statements of the Endowment Fund and that there were no specific issues to highlight to the Board.

The Chair of the Audit Committee recommended the Statements to the Board for approval.

In response to a query from a Board member, the Deputy Chief Financial Officer advised that the level of income from the Endowment Fund was consistent but asset valuations could be volatile subject to market conditions. The Provost advised that the Endowment Fund has performed strongly following the divestment from fossil fuels and tobacco.

Action/Decision

194.01 The Board considered and approved the memorandum from the Chair of the Audit Committee dated 12 March 2021.

194.02 The Board considered and approved the memorandum from the Treasurer/Chief Financial Officer and Deputy Chief Financial Officer dated 16 March 2021.

BD/20-21/195 US GAAP Financial Statements for year ended 30 September 2020

Ms Louise Ryan, Deputy Chief Financial Officer; Ms Fiona McAuliffe, Internal Auditor; Mr Dermot McCarthy, Chair of the Audit Committee; and Ms Cliona Mullen of KPMG remained in the meeting for this item.

The Treasurer/Chief Financial Officer introduced this item and advised that this set of financial statements was prepared solely for submission to the US Department of Education.

The Deputy Chief Financial Officer advised the Board that it is a requirement of the US Federal Aid programme for any foreign institution that receives Federal funding to submit audited financial statements prepared under US GAAP; based on Trinity's level of funding received, these financial statements are required every three years. She informed the Board that this is Trinity's fourth time to submit US GAAP Financial Statements, which are based on the Consolidated Financial Statements updated for a number of accounting adjustments to ensure compliance with US GAAP and that c.€5.5million in Federal Aid funding was allocated to 122 US students in Trinity in FY20.

It was noted that once approved by Board, the US GAAP financial statements will be filed in advance of the required deadline.

Ms Mullen advised the Board that KPMG will be issuing an unqualified audit opinion once the financial statements are approved by the Board.

Ms Mullen, noting that this is the last year that KPMG will act as an external auditor for Trinity, extended her thanks to the Audit Committee, the Board, the Financial Services Division and the Provost for their engagement over the years. She also commended the University for the way in which audit findings and recommendations had been accepted over the years noting that significant improvements had been observed.

The Chair of the Audit Committee recommended the US GAAP financial statements to the Board for approval.

The importance of the US GAAP Financial Statements for the funding received by American students was noted.

The Provost, on behalf of the Board, extended his thanks to Ms Mullen and to KPMG for their work with the University.

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Action/Decision

195.01 The Board considered and approved the memorandum from the Chair of the Audit Committee dated 12 March 2021.

195.02 The Board considered and approved the memorandum from the Treasurer/Chief Financial Officer and Deputy Chief Financial Officer dated 16 March 2021.

Ms Mullen and Ms Ryan left the meeting at this point.

BD/20-21/196 Audit Committee Annual Report to Board 2020/21

Chair of the Audit Committee, Mr Dermot McCarthy and Internal Auditor, Ms Fiona McAuliffe joined the meeting for this item.

The Chair of the Audit Committee introduced the item with reference to the Audit Committee Annual Report to Board 2020/21 dated March 2021. He advised the Board that the role of the Audit Committee is not only to review financial matters but all relevant activities across the university and that this is done in the spirit of identifying areas for improvement.

Mr McCarthy advised the Board that the work of the Audit Committee for 2020/21 had a particular focus on the impact of Covid-19 on teaching, research and administrative functions and he noted that the agility of the way in which activities continued was impressive. He also noted the way in which management structures had been adapted and the extent to which the Risk Register was re-cast to take account of the Pandemic.

He also highlighted some areas that are on the Audit Committee's agenda for the coming year including an audit of IT Security and the commencement of an audit of risk management.

Mr McCarthy advised Board members that the report highlights those areas where there is scope for enhanced assurance in terms of the oversight and management of key areas based on specific internal audit reports, as well as on reflections and engagement with college management. He advised that for effective assurance there is a need for a structural alignment of clarity, responsibility and timely communication which in Trinity's case could be developed further. The areas identified where there is scope for improvement in this regard, as reflected in the log of outstanding recommendations, for which there is a framework for resolution in place, necessarily tempers the assurance which the Committee can offer to Board.

He concluded by commending the co-operation received from all areas in the University. He also extended his appreciation for the contribution of the former Internal Auditor and Secretary to the Audit Committee, Mr Francis Sheeran. He noted that Trinity was well served by Mr Sheeran and he also congratulated Ms McAuliffe on her recent appointment as Internal Auditor.

Ms McAuliffe also commended the efforts of the University in light of the Covid-19 Pandemic.

In response to comments from a Board member in respect of outstanding Audit recommendations, Mr McCarthy clarified that while there may always be some outstanding recommendations, it is those recommendations that have been outstanding for a long time that need to be addressed. He also advised that it has been agreed that management would provide a timescale on the expected resolution of outstanding recommendations would be conducted.

Responding to a query from a Board member, Ms McAuliffe clarified that the rating of an item is relevant to the process under review and she also advised that Internal Audit will engage with management in relation to older outstanding recommendations as part of the bi-annual update to the Audit Committee.

In response to a query from a Board member in respect of the potential benefit of investing in more ICT tools across the university, the acting Chief Operating Officer advised that there had been several committed investments agreed for 2018-2022 that had facilitated the pivot to online operations during the Pandemic and that IT Services are continuously evolving and investing as appropriate.

In response to a query from a Board member in respect of the role of Internal Audit, Mr McCarthy clarified that it is the function of Internal Audit and External Audit to challenge and test what is reported by management and to seek evidence to sustain that. He advised that the Audit Committee has an opportunity to explore management responses to audit recommendations and to look at proposed actions. He also noted that the Audit Committee endeavours to support the Board as it leads the University forward.

The Provost concluded the item noting that the Executive Officers' Group will prepare a response and bring it back to a future meeting of the Board. He also noted that a review of the Audit Recommendations Log is to be conducted, possibly including that some of the risks identified must be accepted and borne.

Action/Decision

196.01 The Board considered and approved the Audit Committee Annual Report to Board 2020/21.

Mr McCarthy and Ms McAuliffe left the meeting at this point.

BD/20-21/197 Trinity East – Development Options for E3 Research Institute (E3RI)

Mr Andrew Grainger, Independent Monitor; Dr Diarmuid O'Brien, Chief Innovation & Enterprise Officer; Ms Mary Birmingham, Trinity East Project Director and Ms Jennifer Crossman, Project Finance Director (FSD) joined the meeting for this item.

The Chief Innovation and Enterprise Officer introduced the item with reference to a memorandum from himself, the Project Director and the Finance Director dated 16 March 2021 and a presentation from the project team dated 24 March 2021 which had been circulated.

Dr O'Brien invited the Board's attention to the various development options before the Board for consideration. He provided the Board with a visual image of the proposed location of the E3RI noting the opportunity for new research funding and industry collaboration with a clear focus on sustainability and climate matters.

Dr O'Brien outlined the development options for the project noting that a Trinity-led pathway was recommended as it was Trinity controlled and also allowed flexibility for the future. He also gave an overview of the underpinning financial model.

In relation to E3RI, Dr O'Brien presented an estimate of the research space that could be achieved in different sized buildings and demonstrated how this would support current research activities. The associated approximate capital costs for each size of building was also presented. Dr O'Brien also advised that operating costs had been assessed and demonstrate that the building is viable.

The implications of a pause on the project were also outlined and The Treasurer/Chief Financial Officer advised that a pause at this point could result in the loss of philanthropic funds, Government support and funding and the failure to complete the property transactions necessary to secure the site for future development.

Dr O'Brien also invited the Board's attention to a risk assessment which had been prepared by the Interim Chief Risk Officer, Mr Henry Wallace.

Dr O'Brien concluded by advising the Board that approval was sought for the Trinity-led pathway for development. He noted that a preliminary business case and a new workplan to allow continued discussion with Government over the coming months will be prepared and brought to the next meeting of the Board for consideration. He also summarised the next steps for the project which included the development of a revised governance structure.

Mr Grainger provided the Board with an overview of his Independent Monitor Report dated 15 March 2021, which had been circulated in advance. He advised the Board that in his view, this

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development represented a significant opportunity for Trinity and was well aligned with the Strategic Plan 2020-2025.

He noted that several specific questions and concerns have been raised by members of Board. These included the impact of the Pandemic and Brexit, concerns over the potential level of debt financing, the timing of key decisions and the wider risks and opportunities of the project on the University's future operations and investment decisions. Mr Grainger advised that he has conveyed these matters to the project team for consideration.

With respect to project governance, Mr Grainger advised that organisation and processes are well structured, working effectively and are appropriate for this stage of the project. He also noted that the wide range of contributors to the project appear to be working in a reasonably cohesive and effective manner.

He advised the Board that the proposal for approval, was in his view, a very positive route forward for the development of the Trinity East site, aligned with College strategy, and that the prospects for external funding from Government and philanthropy appear promising.

The Provost thanked Mr Grainger and opened the item for questions and discussion.

In response to queries from a Board member, the Provost advised that a competitive financing option was available to the University for this project. In addition, philanthropic discussions were progressing well and there are also on-going discussions with the Government in respect of funding for this project.

Dr O'Brien clarified that, with Board approval, Trinity would be able to advise the Government of the next stages of the project and that this would help to inform the discussions on funding.

The Provost also clarified that high-level estimates of building size and of the spaces were provided at this point and that a detailed design would be provided at a later stage, should the project be progressed. The Treasurer/Chief Financial Officer clarified the costs associated with the project noting that financing costs had been factored in the University's Strategic Plan.

In response to comments from a Board member, the Provost advised that discussions with the IDA are at an advanced stage. Ms Birmingham advised the Board that significant negotiations had been had with the IDA in respect of a lease on the site and that she and the Treasurer/Chief Financial Officer will bring a full proposal to the Board in the near future seeking approval of the terms and conditions and a funding strategy for that acquisition.

In response to queries from a Board member, the Provost clarified that this development is focused on building research space which is something several Heads of School and researchers have asked for. He noted that to date, discussions with the Government in respect of funding for such a development have been positive as have discussions with a philanthropic donor. The Provost also noted that a cascade decision was being asked of the Board to proceed with the early activation project while continuing planning to secure financing for E3RI.

Professor Kenny left the meeting at this point

Dr O'Brien clarified that at the end of the development of E3RI there would also be a significant landbank for use at the University's discretion and give options to Trinity for future growth.

The Treasurer/Chief Financial Officer advised that the financial model is still under development and will be finalised and brought back to the Board for review.

In response to comments from a Board member, it was agreed that the Provost elect will be briefed on the project and facilitated to engage as much as they wish.

Professor Nolan left the meeting at this point.

Responding to a query from a Board member, Dr O'Brien compared the proposed model to that of a comparable Research Institute noting that it is feasible for such institutes to operate in a financially sustainable manner.

Professor Sheerin left the meeting at this point.

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In response to reservations expressed by a Board member in respect of the timing and potential risks associated with the project in current uncertain times, the Provost clarified that funding is being sought specifically to fund a research development and if secured would need to be used for that purpose. He also noted, that while funding discussions can continue, the Board could decide to not advance E3RI at a later date.

Professor Leahy left the meeting at this point.

The Bursar/ Director of Strategic Innovation noted that direction on how to proceed was being sought and that Board input will be required over the next number of years. In addition, she also noted that it is intended to bring a detailed business case forward to the Board.

In response to comments from Board members, the potential to apply for funding from Europe under the smart specialisation strategy noted and it was noted that it would be prudent to progress the project at this stage.

The Vice-Provost/Chief Academic Officer advised that the development of E3RI is timely and relevant, particularly as the current campus is almost at full capacity. The importance of continuing the momentum in securing financing for the project was acknowledged.

The Provost concluded the item noting that it was agreed that there is a rationale for E3RI and that the Board will consider the proposal should government funding, philanthropy and other financing be secured. Further information is to be brought to the next meeting of the Board.

Action/Decision

197.01 The Board considered and approved the memorandum from the Chief Innovation and Enterprise Officer, the Project Director and the Finance Director dated 16 March 2021.

197.02 The Board noted and discussed the memorandum from the Independent Monitor dated 15 March 2021.

197.03 The Board approved that the early activation project, which could include E3RI, should continue. A preliminary business case and a new workplan will be prepared and brought to the next meeting of the Board for decision.

197.04 The Board approved the recommended approach of a Trinity-led development option for Trinity East.

197.05 It was agreed that the Provost elect will be briefed on the project and facilitated to engage as much as they wish.

Mr Grainger, Dr O'Brien, Ms Birmingham and Ms Crossman left the meeting at this point.

BD/20-21/198 University Council

This item was deferred to the next meeting of the Board.

BD/20-21/199 Any Other Urgent Business

The Vice-Provost/Chief Academic Officer, responding to comments from a Board member, advised that there have been discussions for a long time to create a centre of creative arts which might have a named sponsor. The Samuel Beckett Theatre is to be a part of the new centre and will retain its name. He also advised that plans for the new centre are currently on hold due to the financial crisis.

The Provost also provided his reassurance to the student representatives that there are no plans to change the name of the Samuel Beckett Theatre particularly as it is the only place named after Samuel Beckett to which Beckett personally agreed in his lifetime.

SECTION B

All items in Section B were deferred to the next meeting of the Board.

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SECTION C

- BD/20-21/200 Annual Quality Report (AQR) 2019/20 to Quality & Qualifications Ireland (QQI)**
The Board noted and approved the Memorandum from the Vice-Provost/Chief Academic Officer dated 17 February 2021.
- BD/20-21/201 Annual Governance Statement 2019/20**
The Board noted and approved the Memorandum from the Secretary to the College dated 16 March 2021.
- BD/20-21/202 Financial Services Division (FSD) Annual Report 2019/20**
The Board noted and approved the Financial Services Division Annual Report 2019/20.
- BD/20-21/203 Old Library Redevelopment Project – Impact on Campus Sculptures**
The Board noted and approved the Memorandum from the Curator and Head of the University Art Collections dated 11 March 2021.
- BD/20-21/204 Senate Business - Recommendations for the award of the degree MA (*jure officii*)**
The Board noted and approved the Memorandum from the Registrar dated 4 March 2021.
- BD/20-21/205 Higher Degrees**
The Board noted Higher Degrees, approved by the sub-committee of Board and Council on 10 March 2021.
- BD/20-21/206 Interim Head of School**
The Board noted and approved the nomination of Professor Carl Vogel to be Interim Head of the School of Computer Science and Statistics for the period from 1 April 2021 to 30 August 2021 (inclusive).
- BD/20-21/207 Sealings**
The Board noted the Sealings attached as appendix 1 to this minute.
This information is restricted due to commercial sensitivity.
- BD/20-21/208 Prizes and Other Awards**
- (i) Gold Medal Nominations 2020
The Board noted and approved the Memorandum from the Senior Lecturer/Dean of Undergraduate Studies dated 12 March 2021.
 - (ii) Establishment of Michael Marsh Prize in Political Science
The Board noted and approved the Memorandum from the Head of the School of Social Sciences and Philosophy dated 16 February 2021.
- BD/20-21/209 Related Entity Financial Reporting**
The Board noted the memorandum from the Treasurer/Chief Financial Officer dated 15 March 2021
- BD/20-21/210 Intermissions of Non-Foundation Scholarship**
The Board noted and approved the Memorandum from the Senior Lecturer/Dean of Undergraduate Studies dated 12 March 2021.

SECTION D

In compliance with the Data Protection Acts this information is restricted.

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Signed:

Date: