

**THE UNIVERSITY OF DUBLIN  
TRINITY COLLEGE**

The Minutes of the Finance Committee Meeting of 29 November 2006

PRESENT The Provost\* (in the Chair), the Bursar, Professor J. Parnell, Mr H. Kearns, Professor T. Brown, the Senior Lecturer\*\*, Mr D. Quinn, the Secretary\*\*\*, the Treasurer (Secretary of the Finance Committee).

IN ATTENDANCE The Deputy Treasurer

APOLOGIES The Registrar

(PRESENT FOR) \* Joined meeting during FN/06-07/17  
\*\* Left meeting at end of FN/06-07/21  
\*\*\* Joined meeting during FN/06-07/17 and left during FN/06-07/18

Having considered a circulated email proposal to amend Minute FN/06-07/03 the Committee approved the minutes as circulated and were signed accordingly.

**FN/06 - 07/17 Action List 2006/07 and prior**

The Committee noted the circulated Action List in respect of 2006/07, the current status in relation to the actions agreed and reviewed outstanding matters in relation to prior periods.

In the context of Action 88.3 of 21 June 2006 the Committee noted the circulated memorandum dated 10 November 2006 in relation to the "Explanatory Guidelines for the Financial Management of Research Grants and Contracts" and email responses received following notification of the posting of the guidelines on the web as requested by the Finance Committee. The Treasurer expressed concern in relation to emails received and indicated with regret that this was reflective of an increasing culture being experienced by staff in the Treasurer's Office. She also indicated that the Committee had a duty of care to all staff carrying out their job in a professional way to support the achievement of the College's mission. The Committee expressed its serious concern in relation to the specific case at hand and while it noted this approach was not common to all areas, sufficient experience exists to warrant follow up action. The Committee noted that the environment in which the College operates requires increasing amounts of compliance which has an impact for all and in addition the College itself was going through a significant change process. The Committee expressed its strong support for the staff member who had carried out the work requested by the Finance Committee and requested that the following actions be taken:

Action:

- 17.1 A copy of the memorandum and attachments considered by the Finance Committee be forwarded to the Heads Committee in order to facilitate a broader discussion and consideration of how matters might best be dealt with in the future.
- 17.2 Noting that the disciplinary procedure is not currently adequate to deal with matters in a less formal way that the College Secretary be invited to consider an informal mechanism for dealing with such matters other than the current disciplinary process.
- 17.3 Consideration be given to writing to the line manager of the sender of the email.

**Section A**

**None**

**Section B**

**FN/06 - 07/18 SFI issues**

The Dean of Research, The Director of Research and Innovation Services and the Research Development Officer attended for this item.

The Committee had been circulated with the TCD Overhead Investment Plan submission to SFI for 2007 and an IUA document dated 10 November 2006 analysing the SFI approach to overheads since its inception in 2001.

The Committee was briefed by the Treasurer in relation to the AOIP process, structures required by the College to be put in place to support the process and an outline of the types of costs previously approved by SFI based on previous overhead plans. The Committee noted with concern the potential impact of the inclusion and approval by SFI of costs not conventionally considered to be overheads as part of the plans in the absence of full and complete consideration of true overhead costs associated with research. The Committee noted that with the significant increase in research activity it was imperative that the College strive for payment of full overheads and that all overheads associated with research be recognised.

The Committee was briefed on salary augmentation claims issues and the process of clarification, negotiation and settlement which ensued. The Committee noted that all but one element of the claim had now been agreed with SFI.

The Committee heard a report from the Treasurer and Dean of Research outlining SFI claims for repayment of 2006 OIP funds and possible reduced levels of 2007 OIP funds. The Committee heard details of how these issues are being dealt with both by SFI and by the College and noted that the matter was the subject of discussion between the sector (through the IUA) with SFI. Furthermore it was noted that the College due to significant success in earlier rounds was now in receipt of claims many times greater than that being experienced elsewhere in the sector. The Committee noted that there were a number of significant principles which guided the College's treatment of overheads since the inception of SFI funding, and in particular its treatment of the new AOIP grant. It welcomed the fact that it had been decided to obtain an external opinion in relation to all SFI documentation before and since the introduction of AOIP. The Committee heard about various meetings which had been held and expressed concern that there was still a lack of clarity in relation to a way forward and noted what actions were being taken by the Treasurer, the Dean of Research and the Director of Research and Innovation. The Committee agreed initial proposals as to how the matter might be progressed in the near future and agreed to keep this matter under review.

**FN/06- 07/19 Research and Related Accounts of Principal Investigator**

The Dean of Research attended for this item.

The Committee noted a memorandum from Professor J. Lunney, Head of the School of Physics dated 14 November 2006 outlining the actions which had been taken by the School and now apply to all accounts of a Principal Investigator within the School.

The Committee had been circulated with a copy of a Board minute of 25 October 2006 (Minute BD/06-07/038 refers) in relation to research and related accounts and noted that the matter had now been referred to the Senior Dean.

**FN/06 - 07/20 Sports Facilities – Recurrent Costs**

(Finance Committee Minute 2004/59 of 6 February 2004 refers)

The Director of Sport attended for this item.

A memorandum from the Director of Sport, Mr Terry McAuley dated 20 November 2006 had been circulated to the Committee and a copy of Minute 2004/59 of 6 February 2004 was tabled. The Director of Sport outlined proposals in relation to the generation of income to meet the additional recurrent costs associated with the new Sports Centre. The Committee noted that these matters had been considered in great detail by the Sports and Recreation Committee which had already reported to the Student Services Committee. The Committee welcomed the presentation and endorsed proposals and estimates as presented. The Committee requested that it be notified of any exceptional departures from the budget and agreed that a review would be carried out following the first six months of operation and that a detailed report should be brought to the Finance Committee in November/December 2008.

Action:

20.1 Report at the end of 2007 and a detailed report at the end of 2008.

**FN/06 - 07/21 Science Gallery**

(FN/05-06/93 of 21.06.2006 refers)

The Committee considered the circulated memorandum dated 31 October 2006 from Dr D. O'Brien, Executive Director of CRANN and acting Science Gallery Director for 2006 giving an update on the Science Gallery and its status. The Committee noted the background, current staffing status, governance (including a Development Board and a Science Gallery Board yet to be put in place), building matters, business plan, fundraising and timeframes. The Committee noted that the Science Gallery was a unique opportunity for TCD to play a leading role in placing science and technology on the national map. The Committee noted that fundraising initiatives were being undertaken and were briefed on progress on these by the Provost. In relation to governance and the proposed new Science Gallery Board the Committee requested clarification regarding where this Board reports within the College structure and requested that the College Secretary clarify this as soon as possible. On the basis that it is hoped that fundraising will progress in the very near term and that the new Science Gallery Director will take up his position in February 2007 the Committee requested that a detailed report on all matters associated with the Science Gallery be brought to the Board before the end of the academic year. It was suggested that this report might also consider the extent of the "science" involvement within the Gallery in the context of sciences generally within the College.

Action:

- 21.1 The College Secretary to consider the governance arrangements for the new Science Gallery Board as soon as possible.
- 21.2 The new Science Gallery Director to bring forward a detailed report to the Board before the end of the current academic year.

**FN/06 - 07/22 Control Exception Report**

The Committee had been circulated with a Control Exception Report for the six months to November 2006 and noted the range and level of items listed therein. It was agreed that this report was useful in highlighting the matters for consideration and addressing for future periods. It had become normal practice that the Committee requested that a copy of the report be forwarded to the Senior Lecturer for consideration at the Heads Committee and Deans in order that they might be placed in a position to fully understand and address the matters arising in the report on an ongoing basis with the support of School Administrators and the new Financial Advisors.

Action:

22.1 The Treasurer to forward the Control Exception Report to the Senior Lecturer for both Deans and Heads Committees.

**FN/06 - 07/23 Taxation: Revenue Audit**

A memorandum from the Treasurer dated 22 November 2006 and Revenue Commissioners correspondence dated 17 November 2006 in relation to the outcome of a recent PAYE/PRSI/PSWT audit along with an extract from the draft code of governance for Irish Universities had been circulated to the Committee. The Committee was briefed on the intensive audit process conducted and the level of PAYE/PRSI/PSWT remitted by the College in 2004 and 2005. The Revenue have as part of their review considered the level of devolution of responsibilities within the College and the extent to which the College is reliant on the Heads of School to ensure proper categorisation of payments for tax purposes.

The Committee welcomed the outcome whereby the Revenue had concluded that "The University of Dublin Trinity College has a positive approach to tax compliance" and noted that this was a good starting point for the imminent code of governance which will require that Universities are "exemplary in their compliance with the taxation laws and should ensure that all tax liabilities are paid on or before the relevant due dates". The Committee recognised that it is imperative and essential that Heads of School and Support Units and College staff recognise their role and responsibility in relation to this obligation. In this regard the Committee requested that a copy of the memorandum and related Revenue Commissioners correspondence and the extract from the draft code of governance for Irish Universities be circulated to the Heads Committee and the Heads of Support Units. Finally the Committee expressed its appreciation to the Deputy Treasurer Mr Mathews and Mr Michael Kiely, Taxation Administrator who dealt with all issues associated with the Revenue Audit and the positive outcome achieved.

Action:

23.1 The Treasurer to forward a copy of her memorandum and the related documentation to the Heads and Deans Committees and the Heads of Support Units.

**Section C****FN/06 - 07/24 Quarterly Accounts to 30 September 2006**

The Committee received a memorandum dated 22.11.2006 with accompanying Quarterly Accounts schedules for the period to 30.09.2006 from the Financial Resources Manager and Research Accounting Manager. The Committee noted the movements, levels and trends in reserves/balances in the period to 30.09.2006 and actions being undertaken in the areas of Capital Projects, School/Vice Deanery/Faculties Reserves, Administration, Service Activities, Subsidiary Activities and Research.

The Committee was requested to note with concern the level of escalating debit balances in relation to a specified number of named research accounts and approved the actions as outlined.

**FN/06 - 07/25 Strategic Innovation Fund – Cycle 1**

The Committee noted correspondence from the Higher Education Authority (HEA) to the Provost dated 27.10.2006 setting out the overall funding allocated from the Strategic Innovation Fund – Cycle 1 and the level of funding allocated to the individual project components with a request for final plans (including deliverables to be submitted by 17 November). Furthermore, it was noted that any departure from the notified distribution of the funding must be agreed with the HEA.

**FN/06 - 07/26 Annual Reports of Sub-Committees of Finance Committee for 2005/06**

- a) The Committee noted and approved the annual report of the Investment Committee for the year-ended 30.09.2006 as set out in a memorandum from the Secretary of the Investment Committee dated 21.11.2006. The report which had been circulated outlined the matters considered and recommendations made with regard to the Pension Fund Portfolio and the Trust Fund Managed Portfolios.
- b) The Committee received the 2005/06 Annual Report of the Catering Management Committee dated 18.10.2006 from the Chairman of the Committee. The Finance Committee accepted the report as circulated noting the information in relation to the financial performance, staffing issues, buttery bar, price increases and new speciality coffee shops.
- c) The Committee noted and approved the Annual Report of the Residences Management Committee for 2005/06 as circulated noting the level of capital development, occupancy, services organised activities and future issues.

**FN/06 - 07/27 Minutes of Sub-Committees**

The Committee noted and approved the minutes of the following Sub-Committees as circulated –

- a) The Investment Committee meeting held on 21.09.2006
- b) Catering Management Committee meeting held on 8.11.2006
- c) Residences Management Committee meeting held on 6.11.2006 noting in particular the request for the Board to note and approve the recommendations and policies in relation to Mixed Gender Apartments.

**FN/06 - 07/28 Report of Working Group on Restructuring**

Following a brief discussion, it was agreed that there was no requirement at this stage for the Committee to consider the Report of the Working Group on Restructuring to Board dated 15.11.2006 previously considered by Board on 22.11.2006 because of the significant overlap of membership with Board, the Working Group and RMC.

The next meeting of the Finance Committee has been arranged for **Monday** 18 December 2006 at 2.00 pm, in the Board Room.

PROVOST.....

DATE.....

fcm29 11 06