

# Finance & Capital Investment Committee Terms of Reference

27 February 2024

Version 1.1

<b>Policy Details</b>	
Policy Title:	Finance & Capital Investment Committee Terms of Reference
Version:	1.1
Approved By:	Governing Body
Date Approved:	27 February 2024
Effective Date:	27 February 2024
Review Date:	27 February 2027
Policy Owner:	Vice President Governance/University Secretary

<b>Revision History</b>		
Previous version No.	Summary of amendments	Reviewed Version No.
	First approved version	1.0
1.0	Update to include inclusion of the Commercialisation Committee as a sub-committee, and some other minor modifications to account for new Vice-President roles	1.1

# Contents

- 1. Introduction ..... 4
- 2. Purpose ..... 4
- 3. Membership ..... 4
- 4. Duration of Appointments..... 5
- 5. Secretary ..... 5
- 6. Meetings ..... 6
- 7. Minutes of Meetings..... 6
- 8. Conflict of Interest ..... 6
- 9. Quorum ..... 7
- 10. Responsibilities ..... 7
- 10.1 Policy..... 7
- 10.2 Oversight and advisory ..... 7
- 10.3 Authority..... 8
- 11. Reporting ..... 9
- 12. Rights ..... 9
- 13. Review of terms of reference ..... 9
- Appendix 1.....10**
- Policies and other documents relating to financial management for review and approval by the Finance and Capital Investment Committee.....10
- Appendix 2.....11**
- Review of annual financial statements reporting pack..... 11
- Appendix 3.....12**
- Terms of Reference for the SETU Commercialisation Committee ..... 12
- Membership of the Commercialisation Committee ..... 12
- Role..... 12
- Operating Protocols..... 13
- Ethos.....14

## **1. Introduction**

South East Technological University (SETU) Governing Body has established a Finance & Capital Investment Committee of the Governing Body from which it derives its authority and to which it regularly reports.

## **2. Purpose**

The purpose of the committee is to assist and advise the Governing Body in the performance of its functions by oversight of the statutory financial statements, financial planning regarding capital projects, and financial management of the university.

This is achieved by reviewing reports and assurances received from the President and the SETU Executive Management in respect of financial and capital investment matters. The Governing Body will support the committee in discharging its responsibilities contained in these terms of reference, and undertakes to provide adequate resources to enable the committee to properly discharge its function.

Whilst the Governing Body has delegated the authority to the committee as set out in these terms of reference, the Governing Body remains accountable for all legislative functions.

The committee, acting on behalf of the Governing Body, will have explicit authority to investigate any matters within its terms of reference.

## **3. Membership**

3.1 The Governing Body will appoint the members of the Finance and Capital Investment Committee on the joint nomination of the Chairperson of the Governing Body and the President of the University.

3.2 The Chair of the Finance and Capital Investment Committee shall be the Chairperson of the Governing Body or their nominee (in the case of the Chair being the nominee of the Chairperson of the Governing Body that person shall be another external member of Governing Body).

3.3 The members of the Committee shall include:

- The President of the University;
- Four members of Governing Body one of whom shall be the Student Union President and one of whom shall be a staff member;
- Up to three independent external members with relevant financial or other appropriate expertise;
- Two Heads of School or Faculty;
- Vice President Governance/University Secretary;
- Vice President Finance/Financial Controller.

3.4 In making the appointments, the Governing Body shall have regard to relevant skills, qualifications and experience and gender balance provisions (being, the objective that at least 40 per cent of members of the committee shall be female and at least 40 per cent shall be male). At least one of the external independent members shall be a qualified accountant.

#### **4. Duration of Appointments**

4.1 Period of appointments will be the following:

- For external and staff members of the Governing Body, their membership will coincide with one term of membership of Governing Body;
- For independent external members, their membership will be for three years, with the possibility of an extension of a further two years.

4.2 The Governing Body will aim to change the appointments from time to time to ensure an appropriate balance between continuity and fresh perspectives.

4.3 Membership of the committee will be reviewed annually by the President and the Chairperson of the Governing Body.

4.4 A Governing Body member will cease to be a member of the committee if the member ceases to be a member of the Governing Body.

4.5 An independent external member will cease to be a member of the committee if the member:

- is discharged bankrupt;
- has been convicted of any indictable offence in relation to a company or any other body corporate;
- has been convicted of an offence involving fraud or dishonesty;
- has had a declaration under section 819 of the Companies Act 2014 made against them or is deemed to be subject to such a declaration by virtue of Chapter 5 of Part 14 of that Act;
- is subject or is deemed to be a subject to a disqualification order, within the meaning of Chapter 4 of Part 14 of the Companies Act 2014, whether by virtue of that Chapter or any other provision of that Act.

#### **5. Secretary**

5.1 There will be the secretary to the committee, appointed by the President in consultation with the Vice President Governance/University Secretary. The secretary will be responsible for the preparation and distribution of the agenda, papers, minutes and reports following consultation with the Chairperson of the committee and the President.

## **6. Meetings**

6.1 The committee will meet as many times as is required, but at least four times a year.

6.2 All members are expected to attend each meeting. A member who is absent from all meetings of the committee for a period of six consecutive months, unless such absence was due to illness or was approved by the Governing Body, shall be disqualified at the expiry of such period from continuing to be a member of the committee for the remainder of that person's term of office.

6.3 The committee may hold or continue a meeting by the use of any means of communication by which all members can hear and be heard at the same time (referred to as an electronic meeting). A member of the committee who participates in an electronic meeting is taken for all purposes to have been present at the meeting.

6.4 The committee may require other persons e.g. finance department staff to attend specific meetings.

6.5 The committee may ask other employees of the University to attend to assist it with its discussions on any particular matter.

6.6 The committee may ask any or all of those who normally attend but who are not members to withdraw from specific meeting or agenda items to facilitate open and frank discussion of particular matters.

6.7 The Governing Body may ask the committee to convene further meetings to discuss particular issues on which they seek the committee's advice.

## **7. Minutes of Meetings**

7.1 The secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance. Draft minutes shall be circulated to all members of the Committee, and subsequently approved by all members.

7.2 An agenda and papers will normally be circulated one week in advance of each meeting.

## **8. Conflict of Interest**

At each meeting, members must disclose if they have an actual, perceived or potential conflict of interest and, where necessary, agree any interventions that may be required to manage that conflict.

## **9. Quorum**

A meeting shall be quorate when 50% plus one of the members are present, to consist of at least one external member.

## **10. Responsibilities**

The committee responsibilities are:

- Policy
- Oversight and advisory
- Authority

### **10.1 Policy**

10.1.1 Review policies relating to the financial management of the University and recommend them to Governing Body for approval. See [Appendix 1](#) for list of relevant policies.

### **10.2 Oversight and advisory**

In carrying out this function the committee relies on the Executive for the provision of accurate and timely information which the committee reviews and analyses according to its terms of reference.

10.2.1 Review documentation in relation to the financial controls and authorisation procedures that are in place to safeguard the assets of the University;

10.2.2 Review reports of the financial affairs of the University and advise the Governing Body on any matter relating to the financial management of the University;

10.2.3 Review the financial reports of the University. This includes oversight of all such reports brought forward, and any such reports the committee may request, and consideration of periodic statutory financial reports of the university's subsidiaries;

10.2.4 Review reports on University actual expenditure and income against approved budget;

10.2.5 Oversee the establishment of and review the financial performance of any subsidiaries under the control of the University;

10.2.6 Monitor the financial goals as set out in the University's strategic plan;

10.2.7 Receive detailed financial reports of Research Institutes, Research Centers and Innovation Centers and advise the Governing Body in respect of each;

10.2.8 Provide insight to the Audit and Risk Committee on key financial risks on the risk register;

- 10.2.9 Receive reports in relation to the procurement procedures & processes of the University and report on same, as appropriate, to Audit and Risk Committee in relation to procurement compliance;
- 10.2.10 Oversee capital investment, in particular expenditure related to the Devolved Grant and the business case process for major capital developments (i.e. any capital project or acquisition over €1m). This will include a review of the financial aspects of capital projects and funding to include provisions and allocations to the Capital Development reserve. It will also include sight of any of the processes outlined in the Public Spending Code related to capital expenditure.
- 10.2.11 Review any requests for access to university assets by related or third parties where the access would be quantified as exceeding a value of €150,000.
- 10.2.12 Review any, and all, borrowing, guaranteeing and underwriting proposals to be developed in accordance with rules as provided by the Minister and ensure compliance with such rules;
- 10.2.13 Approval of relevant financial decisions, including those which may deviate from the Intellectual Property Policy or standard operating procedures.
- 10.2.14 The Commercialisation Committee shall be a sub-committee of the Finance and Capital Investment Committee, with a Terms of Reference approved by the Governing Body and published on the SETU website.
- The Finance and Capital Investment Committee shall receive the minutes of the Commercialisation committee in draft form.
  - The Finance and Capital Investment Committee shall receive quarterly reports on commercialisation activities from the Commercialisation Committee.

In relation to all matters the Finance and Capital Investment Committee is expected to advise the Governing Body as appropriate.

### **10.3 Authority**

- 10.3.1 Consider and review the annual budget for the University and recommend its approval to the Governing Body;
- 10.3.2 Review the annual financial statements reporting pack, as presented, and submit to the Audit and Risk Committee for review and recommendation to Board for approval, within the timescales set out in the Statutes. See [Appendix 2](#) for review requirements;
- 10.3.3 Review and approve the charges and fees payable by students;
- 10.3.4 Review the charges for services provided by or on behalf of the university;
- 10.3.5 Establish expert and working groups as necessary to consider proposals in detail and receive their reports.



## **11. Reporting**

11.1 The draft minutes of the Finance and Capital Investment Committee shall be circulated with the papers for the Governing Body meeting immediately following.

11.2 The committee will report to the Governing Body any circumstances where the committee is not satisfied with the assurances provided by University management, or management of subsidiary companies. It will be for the Governing Body to decide the most appropriate course of action which may include identification of such matters in the consolidated statement of internal control.

## **12. Rights**

The committee may:

- Co-opt additional members to provide specialist skills, knowledge and experience, subject to Governing Body approval;
- Procure specialist ad-hoc advice at the reasonable expense of the University, subject to budgets agreed by the Governing Body;
- Investigate any matter within its terms of reference, be provided with the resources it needs to do so and have full access to all information.

## **13. Review of terms of reference**

These terms of reference will be reviewed at least every three years.

## **Appendix 1**

### **Policies and other documents relating to financial management for review and approval by the Finance and Capital Investment Committee**

- Travel & Subsistence Policy
- Gift & Hospitality Policy
- Procurement Policy
- Pay & Remuneration Policy
- Treasury Management Policy
- Credit Card Policy
- Asset Management Policy
- Finance Regulations
- Capital Expenditure Governance Controls and Procedures

## Appendix 2

### Review of annual financial statements reporting pack

- Review consolidated financial statements prior to submission for audit and post completion of audit;
- Ensure format and content of pre / post consolidated financial statements, corporate governance statement and statement on system of internal control are in line with the format approved by the Higher Education Authority (HEA)
- Ensure suitable accounting policies and standards are used and applied consistently to meet financial reporting standards (FRS) and legal requirements. Any changes to either should be applied or deviations should be justified by management;
- Ensure Revenue Commissioner updates / amendments have been implemented where appropriate;
- Review judgements and estimates ensuring they are reasonable and prudent;
- Ensure proper accounting records are maintained;
- Review significant and unusual transactions, especially where the accounting treatment is open to interpretation;
- Make enquiries of management, especially as regards the appropriateness of the University's accounting policies;
- Understand managements responsibilities and representations;
- Assess whether the financial statements are complete and fairly represented;
- Recommend to the Audit and Risk Committee the approval of the financial statements reporting pack when satisfied.

## Appendix 3

### Terms of Reference for the SETU Commercialisation Committee

The Commercialisation Committee is a sub-committee of the Finance Capital and Investment Committee (FCIC) which in turn is a Committee of the Governing Body. Relevant financial approvals and quarterly reports will be directed to the FCIC. An annual report on commercialisation activities will be provided to the Governing Body via the FCIC reporting mechanisms.

### Membership of the Commercialisation Committee

The Commercialisation Committee will consist of the following:

- A Governing Body member of the FCIC, nominated by the Chairperson of the FCIC (as Chair)
- Vice President Governance/University Secretary
- Vice President Finance/Financial Controller, or nominee
- Vice President Research Innovation and Impact
- Head of Innovation & Commercialisation
- Up to four members of SETU staff (but not less than two) with experience of commercialisation in SETU or elsewhere, nominated by the President
- Up to two co-opted members, at least one of which should be external, with expertise in start-ups and commercialisation, nominated by the committee chair
- The President may attend any meeting of the committee

On a case by case basis, the President may invite other University staff or outside experts, with the requisite intellectual property expertise, to act in an advisory capacity to the Commercialisation Committee. In seeking such additional input, the President shall consider the need to have expertise appropriate to the specific matters facing the Committee, the desire to have representation from across the University's community and the necessity for the Committee to operate as a decision-making body.

The Technology Transfer Manager will support the Commercialisation Committee. The role of the Technology Transfer Office (TTO) is to present key commercial activities of the office to the Commercialisation Committee. The Commercialisation Committee will then agree appropriate operational controls.

As this committee is a Sub-Committee of a Governing Body Committee the University Secretary shall either act as or nominate a Secretary to the Committee in line with appropriate governance oversight.

### Role

- The Commercialisation Committee will monitor the appropriateness and advice on the development of procedures governing the commercialisation of Intellectual Property.

- The Commercialisation Committee will review TTO activities in compliance with the University's Intellectual Property Policy.
- Review all KTI reporting metrics and any other associated metrics and measures on a periodic basis.
- Receive updates on communications from/to KTI.
- The University Secretary or other such party as may be nominated by the President will sign licenses, contracts and other such documents, or as may be required to bring into full effect such licenses, contracts or other documents.
- The Commercialisation Committee will be responsible for approving guidelines and/or decisions related to the funding/co-funding, prosecution or defence of patents and other forms of Intellectual Property.
- The Commercialisation Committee will maintain a high-level strategic overview of the University's portfolio of spin-out and associated companies, undertaking an annual review of ongoing progress and status of all spin-outs and/or licenses.

#### **Operating Protocols**

- The term of the Commercialisation Committee will be 5 years with alternative representatives to be selected at the end of the 5-year term.
  - Members of the committee shall attend a minimum of 3 out of 4 meetings in any 12-month rolling period unless appropriate justification is provided.
- Approximately four meetings will be held each year. The tentative dates of these meetings will be scheduled at the beginning of each academic year. Meeting date changes, and additional meetings will be authorised by the Chair if deemed by the Chair to be necessary to furthering the Committee's responsibilities. Meeting dates will be confirmed no less than 5 days in advance, and meeting documentation will be circulated no less than 5 days in advance of each meeting.
- Recognising the fact that personal and/or commercially sensitive matters may be before the Committee, all members of the Committee shall be required to sign a Confidentiality Agreement with respect to all matters before the Committee. Members of the Commercialisation Committee will, prior to each meeting, be asked to declare whether or not they have, or could reasonably be perceived to have, a conflict of interest situation with respect to any matter before the Committee at that meeting. Any member shall excuse themselves from any participation with the Committee on matters they have a conflict in accordance with the University's Intellectual Property Policy.

- In cases where the sponsor(s) do(es) not include all the Creator(s), those Creators not sponsoring the submission will be notified and have the opportunity to meet with the Commercialisation Committee prior to any decision being made.
- The processes and procedures adopted by the Commercialisation Committee shall take into account the University's obligations, and general guidance, as may from time to time be addressed in guidance from funding agencies and other relevant State bodies.
- At any meeting of the Commercialisation Committee a quorum of 3 (three) is required.
- All motions shall require a proposer and seconder.
- The recording secretary for the Commercialisation Committee will be provided by the TTO or the Office of the University Secretary.
- The Commercialisation Committee reports into the Finance and Capital Investments Committee no less frequently than annually.

### **Ethos**

In line with national and European policy, the University is committed to supporting the commercialisation of intellectual property emanating from its sponsored research programmes for the betterment of regional and national social and economic development. The ethos of the Commercialisation Committee will aim to be support and encourage the TTO while ensuring good practice in relation to governance of the commercialisation process is adhered to. The Commercialisation Committee will ensure that through governance the TTO adheres to the following principles:

- Enhancing the reputation of the University;
- Fair, reasonable and consistent engagement by the TTO;
- Keeping in line with activities of the University's Intellectual Property Policy;
- Keeping in line with activities of the University's strategic goals.