Finance Oversight, Planning and Resource Allocation Committee Terms of Reference

1. Purpose

1.1 The Finance Oversight, Planning and Resource Allocation Committee ("FOPRAC") ("the Committee") is established by the Governing Authority (GA) to assist the Governing Authority in discharging its responsibilities under Section 18 of the Universities Act 1997 (as amended by the Higher Education Authority Act 2022) and in providing stewardship, oversight and assurance in relation to the financial affairs of the University.

2. Authority

2.1 The Committee shall advise, challenge, and make recommendations to the Governing Authority on matters within its remit.

2.2 The Committee may seek any information required from Management, staff, subsidiary companies, or other University entities.

2.3 The Committee shall exercise only those delegated authorities expressly approved by the Governing Authority and documented within the University's Delegation Framework and Signing Authority Policy.

2.4 The Committee may recommend the establishment of sub-committees where necessary. The establishment of a Sub-Committee and its terms of reference must be approved by the GA.

2.5 The Committee may obtain independent professional advice with the approval of the Governing Authority.

2.6 The Committee does not have an executive role and shall not be involved in the day-to-day management or administration of the University. The Committee relies on management for implementation, operational decision-making, and day-to-day administration. In discharging its remit, the Committee provides oversight, scrutiny, challenge, and approval within delegated authority, and makes recommendations to the GA where required.

3. Membership

3.1 Composition: The Committee shall comprise eight members appointed by the Governing Authority on the recommendation of the Governing Authority Nominations Committee.

3.2 Appointments will be competency-based and will include persons external to the University where specialist expertise is required and as permitted under the Universities Act 1997 (as amended).

3.3 Required membership:

The Committee shall comprise:

- Two external members of the GA

- One internal member of the GA
- Up to three external to the University members with significant relevant financial expertise
- President (ex-officio)
- Students' Union President (ex-officio)

3.4 Chairperson/ Deputy Chairperson: The Chairperson and Deputy Chairperson shall be appointed by the Governing Authority from among the external members of the Governing Authority serving on the Committee.

3.5 Attendance expectation: Members are expected to attend all meetings of the Committee. A member may be replaced where they fail to attend three consecutive meetings without reasonable cause.

3.6 Non-members in attendance: The Chief Financial Officer shall attend all meetings but shall not be a member. Other members of management, staff or external advisers may attend by invitation of the Chairperson.

3.7 Diversity: The Governing Authority shall seek to ensure an appropriate balance of skills, experience, gender, age profile and perspectives in appointing members. Membership should not comprise of more than 60% of any one gender where possible. Gender balance ratios will not include the Students' Union Committee member.

4. Functions and Responsibilities

4.1 Unless expressly stated otherwise, the Committee's role is one of oversight, scrutiny and decision-making at committee level; it does not duplicate management functions or undertake operational delivery.

4.2 The Committee shall on behalf of, and under the authority of, the GA provide independent oversight, challenge and assurance regarding:

- Financial Strategy, sustainability, resilience and planning of the University
- Annual budgeting and financial performance
- Strategic resource allocation
- Capital investment and financing
- Treasury and investment management
- Financial governance arrangements
- Significant financial risks and opportunities

4.3.1 Financial Oversight

4.3.1(A): Financial Strategy and Sustainability

The Committee shall:

a) Review and advise on the University's long-term financial strategy.
b) Receive and review reports on financial sustainability and resilience.

c) Review the financial implications of the Strategic Plan and major institutional initiatives.
d) Consider significant financial risks and opportunities.
e) Advise the Governing Authority on matters affecting the University's long-term financial position.
f) Receive assurances on capitation allocation.
g) Approve matters as outlined in the Signing Authority and Approval Policy.

4.3.1(B): Budget and Financial Performance

The Committee shall:

a) Review and recommend the annual operating and capital budgets to the Governing Authority.
b) Review financial performance reports against approved budgets and forecasts, including significant variances and management responses.
c) Review financial forecasts and medium-term financial plans.
d) Review significant budget variances and management responses.
e) Review draft annual financial statements prior to consideration by the Audit and Risk Committee and Governing Authority.
f) Review financial submissions to the Higher Education Authority and other regulatory bodies.

4.3.1(C): Strategic Resource Allocation

The Committee shall:

a) Review alignment between resource allocation decisions and strategic priorities.
b) Consider proposals with material financial implications.
c) Monitor the effectiveness of resource allocation decisions.

4.3.1(D): Approvals Under Delegated Authority

In accordance with the Signing Authority and Approval Policy and other relevant UCC Statutes, policies and Regulations, the Committee shall:

a) Approve financial and contractual matters, including:
    - procurement and contracts
    - capital expenditure
    - treasury and banking arrangements
    - gifts, donations, and endowments
    - insurance and legal settlements
    - restriction on promotions
b) Recommend to the GA any matters above delegated thresholds.

4.3.2 Capital Investment and Financing

The Committee shall:

a) Review and recommend the Capital Financial Development Plan to the GA and receive bi-annual updates on plan status.

b) Review and recommend the Oversight Management and Delivery of Property Transactions Policy to the GA.
c) Review, , approve or recommend, as appropriate, capital projects within delegated thresholds. In performing this function, the Committee's assessment must take place after the assessment by the Physical Assets Committee.

In discharging this function, the Committee will consider management's assessment of:

- Strategic alignment including alignment with the Capital Financial Development Plan
- Affordability and funding.
- Impact on borrowing and financial sustainability.
- Sensitivity analysis of key financial assumptions and risks.
- Compliance with relevant policies.

4.3.3 Treasury Management

The Committee shall:

a) Review and recommend the UCC Treasury Management Policy.
b) Receive and review reports on treasury activities and compliance with approved treasury policies.
c) Receive and review reports on liquidity, cashflow, borrowing, covenant compliance and investment performance.
d) Review significant financing proposals.
e) Review the University's balance sheet and financial resilience.
f) Approve matters as set out in the Signing Authority Policy.

4.3.4 Financial Governance and Assurance

The Committee shall:

a) Review the effectiveness of financial governance arrangements.
b) Review and recommend financial policies in accordance with the University Policy Framework including the Signing Authority and Approval Policy and the Treasury Management Policy.
c) Receive assurance from management regarding compliance with financial regulations, procurement requirements and delegated authorities.
d) Review reports on material financial control matters.
e) Receive reports on significant financial commitments and transactions undertaken under delegated authority.
f) Receive and review reports from the Students Union, including budget and annual financial statements.

4.3.5 Procurement and Purchasing

The Committee shall:

a) Receive updates at each meeting from the Chairperson of the Procurement and Purchasing Sub-Committee.

b) Approve, within delegated thresholds set out in the Signing Authority and Approval Policy, the awarding of contracts/procurement of goods, services and works.

4.3.6 Innovation & Commercial activities

The Committee shall:

a) Receive a report as to the propriety of any benefits to staff arising from IP commercialisation, join ventures, spin -out companies or similar, on an annual basis.
b) Be notified of the establishment of UCC Spin-Outs.

4.3.7 Subsidiary Matters

The Committee shall:

a) Receive reports on the financial performance, financial sustainability and material financial risks of subsidiary companies.
b) Consider the financial implications of subsidiary activities for the University.
c) Approve matters as set out in the Signing Authority Policy.
d) Approval of intercompany loan agreements.

4.3.8 Pension

The Committee shall:

a) Delegate day-to-day administration of the UCC Pension Schemes (including Closed Scheme) to the UCC Pension Office, including the Pension Declaration Form Rules, except for:

    - Where there is a threatened, pending and/or actual complaint, dispute, mediation, arbitration, litigation or otherwise giving rise to a potential liability for UCC over and above the benefits payable under the relevant pension scheme rules (in which the Chief People and Culture Officer, Chief Financial Officer and the Corporate Secretary will bring the matter to the attention of the Committee for information purposes (and/or discussion if required); and/or
    - Where, in the view of, the Chief People and Culture Officer, Chief Financial Officer and/or the Corporate Secretary a complaint, dispute, mediation, arbitration, litigation or otherwise could result in reputational damage to UCC for information purposes (and/or discussion if required).

b) Delegate approval for cost neutral early retirements to the Chief People and Culture Officer ("CPCO") or the CPCO's delegated senior person.
c) Receive assurance regarding pension governance arrangements.
d) Receive updates regarding any pension-related financial risks.

4.3.9 Annual Program of Work and Miscellaneous

The Committee shall:

a) Perform any other related duties as requested by the Chairperson of the GA.
b) Approve an annual program of work and communicate to GA.
c) Review and communicate work plan effectiveness annually.

5. Rights

The Committee may:

a) Obtain any information necessary to discharge its responsibilities.
b) Request attendance by management, staff or external advisers.
c) Obtain independent professional advice with the approval of the Governing Authority.

6. Conduct of Business

6.1 Meeting frequency: The Committee shall meet at least six times annually and at such other times as requested by the GA or convened by the Chairperson.

6.2 Quorum: Minimum of five members (including the Chairperson or Deputy Chairperson).

6.3 Chairing: Chairperson presides; if absent/vacant the Deputy-Chairperson presides.

6.4 Private Sessions: Scheduled as a standing agenda item at the start or end of each meeting and utilised if requested by any Committee member.

6.5 Regulations: The Regulation on the Conduct of GA Business will apply to the conduct of business of the Committee.

6.6 Secretariat: Provided by the Office of Corporate and Legal Affairs.

6.7 Confidentiality: All Committee members and attendees are expected to treat information (commercial or otherwise) as confidential. This obligation endures after a Committee member's term of appointment concludes.

7. Information Requirements

7.1 Management shall provide timely and appropriate information to support the Committee in carrying out its responsibilities.

7.2 Regular reporting shall include, as appropriate:

- Financial Performance reports
- Budget/Forecast monitoring reports
- Treasury reports
- Cashflow reports
- Capital Program Reports
- Procurement oversight reports
- Subsidiary performance reports
- Financial risk reports

7.3 The University Leadership Team shall also ensure that matters of material concern that are relevant to the Committee's responsibilities are brought promptly to the attention of the Committee.

8. Conflicts of Interest

8.1 Members must declare any potential conflicts of interest arising relating to agenda items or matters tabled.

8.2 Where a conflict of interest arises, the member must inform the Chairperson and absent themselves from the relevant discussion/ decisions. Relevant meeting documentation should not be made available to the Committee member once a potential conflict of interest has been declared.

8.3 Conflicts of interest and actions taken are to be recorded in the minutes of the Committee.

9. Terms of Office

9.1 The period of office for members of the Committee will be determined at the time of appointment and shall not exceed four years. Members may serve a maximum of two terms, subject to an overall limit of eight years of service.

9.2 The terms of ex officio members will last for the duration of their appointment to their respective office.

10. Reporting and Review

10.1 Reporting Line: The Chairperson will report to each meeting of the GA. The Chairperson will meet with the Chairperson of the GA and the Chairperson of the Audit & Risk Committee as required but at least once a year. The Committee will meet with other relevant Committees of GA as required on an annual basis.

10.2 Reports: The Chairperson of the Committee will report to each GA meeting on matters considered by the Committee, including matters approved under delegated authority and any matters requiring GA approval or attention. The Committee will also provide an annual report to the GA.

10.3 Circulation of Minutes: The Committee should receive and consider minutes of any sub-committees established under its remit.

10.4 Collaboration: The Committee will hold a joint meeting with the Audit & Risk Committee at least once a year. The minutes of both the FOPRAC and the Audit & Risk Committee will be circulated to members of both committees.

10.5 Review: The Committee will review these terms of reference annually with recommended updates/ amendments submitted to the GA for approval. The Committee will review its own effectiveness on an annual basis and report on its findings to the GA.

11. Version History

Version	Summary of Substantive Changes	Date	Approved by
1.0		18/04/2024	GA
2.0	• Updated wording and layout	12/10/2026 20/10/2026	FOPRAC GA