



UNIVERSITY OF LIMERICK CODE OF GOVERNANCE

**Approved by Governing Authority
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University of Limerick Code of Governance

Table of Contents

	Page
Introduction	[•]
About the Code	3
Executive Summary	6
Part 1: University Legislation & Legislative Frameworks	
1.1 The Universities Act, 1997	12
1.2 The Governing Authority	12
1.3 Role of Chairperson and Chief Officer in relation to Governing Authority	16
1.4 Policies on Quality Assurance and Equality	18
1.5 Disposal of Assets and Access to Assets by Third Parties	20
1.6 Remuneration	20
1.7 Reporting Arrangements	20
1.8 Strategic Planning	21
1.9 Borrowing	21
Governance Framework	22
Part 2: University of Limerick Code of Governance	
1. Code of Governance – Introduction	25
2. Core Principles of Good Governance	25
3. The Role of Governing Authority	26
4. Role of the Chancellor	32
5. Role of the President	34
6. Role of Members of Governing Authority	34
7. Briefing for New Members of Governing Authority	37
8. Governing Authority Effectiveness	39
9. Codes of Conduct, Ethics in Public Office, Additional Disclosure of Interests by Governing Authority Members and Protected Disclosures	41
10. Business and Financial Reporting	45
11. Risk Management, Internal Control, Internal Audit and Audit & Risk Committee	51
12. Relations with the Oireachtas, Minister and Department and the HEA	60
13. Procedures for Procurement	64
14. Acquisition of New Property, Buildings, Land or Infrastructure	65
15. Tax Compliance	70
16. Legal Disputes Involving Other State Bodies	71
17. Remuneration and Superannuation	71
18. Quality Service Charter	74
Glossary	76
Part 3: Governing Authority Standing Orders	78
Appendix 1: Role of Chancellor	86
Appendix 2: Role of President	87
Appendix 3: Ethics in Public Office	89

Introduction

Good governance arrangements are essential for all organisations and comprise the systems and procedures under which organisations are directed and controlled. A robust system of governance is essential in order to enable organisations to operate effectively and discharge their responsibilities in a transparent and accountable manner to all stakeholders. Given their pivotal role in society and in national economic, social and cultural development, together with their use of public and private funding, good governance is particularly important in the case of universities.

The [Universities Act, 1997 as amended by the Higher Education Authority Act 2022 \(hereafter the “Universities Act”\)](#) was very proactive in setting out a framework of accountability for the effective governance of universities. The Act also underscores the autonomy of Irish universities particularly in Section 14(1) which provides that a university shall *“have the right and responsibility to preserve and promote the traditional principles of academic freedom in the conduct of internal and external affairs and be entitled to regulate its affairs in accordance with its independent ethos and traditions”* and *“...if, in the interpretation of this Act, there is a doubt regarding the meaning of any provision, a construction that would promote the ethos and those traditions and principles shall be preferred to a construction that would not so promote”*. The approach to governance set out in this document seeks to preserve the balance between accountability and autonomy which is set out in the Act.

The principles of good governance enshrined in the Universities Act were built upon by a range of Codes agreed between the HEA and the Irish Universities Association culminating in the [2019 HEA and the IUA Revised Code of Governance for Irish Universities](#) upon which this UL Code of Governance is based. It should be noted that the provisions of the University of Limerick Code are supplementary to and do not affect existing statutory requirements relating to the University (See Part 1 of this document) and any other legislation applicable to the University’s activities.

The UL Code of Governance should be seen as an aid to performance and effectiveness and not as an inhibitor to enterprise or innovation. Good governance arrangements necessarily involve having appropriate checks and balances in relation to decision-making in the University, so as to safeguard the collective responsibility of the Governing Authority.

A key principle of university governance that should be underlined is that Governing Authority bears ultimate responsibility for, and has ultimate authority over, all of the activities of the University of Limerick. The National Code of Governance and this UL Code are designed to assist the University of Limerick and its Governing Authority in the management of the University and in ensuring that appropriate procedures and controls are implemented to manage the risks facing a complex organisation such as the University.

About the Code

This Code provides a framework for the application of best practice in corporate governance by the University and highlights the University's commitment to achieving the highest possible standards of corporate governance.

It is noted that in accordance with the National Code, Universities and their subsidiaries are required to confirm to the Minister for Further & Higher Education, Research, Innovation and Science (hereinafter referred to as **the Minister**) and the HEA, as appropriate, that they comply with the *Code of Practice for the Governance of State Bodies*, as encapsulated by this Code, in their governance practices and procedures. In addition, the requirements of this Code of Governance should be applied in the development of specific Codes of Governance for subsidiary companies. Appropriate confirmation will be provided to the HEA in relation to the subsidiary companies.

It is not feasible to have a code that will specifically provide for all situations that may arise. Members of the Governing Authority and employees of the University and its subsidiaries must bear in mind therefore, that it is primarily their responsibility to ensure that all of their activities, whether covered specifically or otherwise in this document, are governed by the ethical and other considerations implicit in this Code.

Oversight Agreement

Clear accountability underpins effective relations between Government Departments and the State bodies under their aegis. Effective accountability depends upon respective roles and responsibilities being clearly defined and understood on both sides of the agreement. A starting point for such clarity is the Oversight Agreement between the Minister/Department of Further & Higher Education, Research, Innovation and Science (hereinafter referred to as **the Department**), the HEA and the University. The Oversight Agreement clearly defines the terms of the Department's relationship with the University. The Oversight Agreement reflects the University's legal framework, the environment in which the University operates, the purpose and responsibilities of the University and levels of compliance with the National Code of Governance. The Oversight Agreement also contains details of the Performance Delivery Agreement between the University and the HEA including arrangements for oversight and monitoring. Further information on the oversight arrangements is provided in Section 12.

Compliance

All Universities have a responsibility to implement good corporate governance standards. The University will reach agreement and formally document with the Minister/Department and the HEA, the extent to which the compliance requirements in the National Code might be suitably adapted in its case. The Universities will then note the agreement reached in its Annual Report, in the form of the financial statements, and explain whether the requirements are implemented or to be phased-in over a longer period of time, or otherwise varied in some way.

It should be noted that any exemptions from specific provisions of the National Code of Governance for Irish Universities may be justified in certain circumstances where the objectives of those provisions can be achieved by other governance measures. Where there are any derogations from the provisions of the National Code, the University will ensure that there are explanatory notes written into their Oversight Agreements, with reasons for the exemptions clearly explained.

Executive Summary

Part 1 of the University of Limerick Code of Governance constitutes an introduction to the Code of Governance and a summary of the statutory framework for the governance of the University of Limerick as set down by the Universities Act. In particular, Part 1 deals with the following areas:

- Provides a summary of the relationship between the Department, the HEA and the University through Oversight Agreements. It also highlights the need to comply with the provisions of the Code or justify non-compliance to the satisfaction of the HEA;
- The requirement to have a Governing Authority in place and the functions of that Governing Authority;
- The Third Schedule of the Universities Act which provides for the operation of the Governing Authority including its membership and the conduct of business at meetings;
- The role of the Chairperson of the Governing Authority, who is called the Chancellor of the University. This is not a full-time role and the person appointed exercises no function in respect of the control and management of the University other than the functions reserved to the Governing Authority;
- The role of the Chief Officer, who is called the President of the University. The President is charged with managing and directing the University and has such powers as are necessary and expedient for those purposes subject to policies as set down from time to time by the Governing Authority.
- The provisions of the Universities Act - the University must comply with requirements in the following areas:
 - Quality Assurance (requirements set out in the Universities Act have been updated by the enactment of the Qualifications & Quality Assurance (Education & Training) Act 2012);
 - Equality and Access;
 - Disposal of Assets and Access to Assets by Third Parties;
 - Remuneration (including adherence to the Agreed Framework between the Universities and the HEA for Departures from Approved Levels of Remuneration, Fees, Allowances and Expenses for University Employees;
 - Reporting Arrangements – budgets and keeping of accounts and records;
 - Strategic Planning;
 - Borrowing in accordance with the Framework for Borrowing and Loan Guarantees.
- A summary of the governance framework within which the University operates.

Part 2 of the University of Limerick Code of Governance is based on an amalgamation of the principles and guidelines set down by the 2019 HEA/IUA “*Governance of Irish Universities*”. In summary Part 2 deals with the following matters:

- The core principles of good governance that guides the Governing Authority in its operations and include fairness, collective accountability, responsibility, transparency, clarity of roles, ethical standards, equality and diversity.

- The role of Governing Authority setting out its key functions and the ethical standards with which members of Governing Authority must comply. The Governing Authority is collectively responsible for overseeing the University's activities and is responsible for holding the President and senior management to account for the effective performance of their responsibilities.
- The need to protect the collective nature of the responsibility and authority of Governing Authority in its oversight role. Central to the conduct of business of the Governing Authority is the requirement that members act impartially and not be influenced in their roles as members by business, professional or social relationships.
- The Secretary to Governing Authority is responsible for providing the necessary supports to Governing Authority to enable it to fulfil its functions.
- The Governing Authority will have a formal schedule of matters specifically reserved to it for decision.
- The role of the Governing Authority as it relates to:
 - The development and monitoring of implementation of the University's Strategic Plan;
 - Ensuring the University has a sound system of Internal Control in place and providing assurances to the HEA in this regard annually;
 - Expenditure to be aligned to strategy;
 - Approval of the Annual Report in the form of the Financial Statements and ensuring they are fair, balanced and understandable. There is explicit provision in section 10 of the Code for a comprehensive range of matters to be included in the Annual Report;
 - Additional reporting requirements includes the University's Annual Governance Statement, commercially sensitive reporting as and when required and subsidiary reporting to the Governing Authority on an annual basis;
 - Review of the terms of reference and composition of its Committees;
 - Ensuring procedures are in place for the making of Protected Disclosures;
 - Ensuring compliance with the statutory obligations applicable to the University;
 - Maintaining an appropriate relationship with the University's external auditors.
- Obligations on members of Governing Authority post retirement regarding non-disclosure and confidentiality and the requirement for procedures for dealing with conflicts of interest.
- Payment of expenses to Governing Authority members and recording of attendance at meetings.
- Division of responsibilities and separation of roles between the Governing Authority and the Executive and the relationship between them is set out in this Code and must be clearly understood by all to ensure the effectiveness of governance throughout the University.

- Role of the Chancellor, role of the President and role of members of Governing Authority including their fiduciary duty. An expansion on the roles of the Chancellor and President is set out in Appendix 1 and 2 respectively.
- How Governing Authority members should address non-compliance and there is a requirement to notify the HEA of any serious weakness in controls, significant risk to the University that has arisen or serious concerns about illegality or fraud occurring in the University.
- Procedures for Governing Authority members to access professional advice are set out in the Code.
- Governing Authority members must be appointed by letter from the Corporate Secretary clearly setting out their role and function, requirements about disclosure of interests, duration of appointment and provision for renewal and rules of confidentiality. In addition, all new members of Governing Authority must be provided with a range of material and offered the opportunity of having a mentor who is an experienced member of Governing Authority.
- Governing Authority effectiveness must be addressed through ensuring its membership comprises the appropriate balance of skills and knowledge, taking account of requirements relating to diversity and inclusion.
- The terms of appointment for members of Governing Authority provide that no member should serve more than two consecutive terms (up to a maximum of eight years) subject to the provisions of the Universities Act. Nor should members hold appointments to more than two State bodies at any one time.
- Evaluation of performance of Governing Authority and its sub-committees externally and on a regular self-evaluation basis.
- The requirement for the University of Limerick to have written Codes of Conduct for members of Governing Authority and employees of the University. Such Codes will take account of the relevant provisions of the Universities Act, the Ethics in Public Office Act, 1995 and the Standards in Public Office Act, 2001 and provide for clarity around declaring conflicts of interest, including requirements additional to statutory ones. The requirements of these Codes will, in general, apply to operating subsidiaries of the University.
- The Governing Authority must have formal and transparent arrangements for governance, risk management and internal control and for maintaining an appropriate relationship with the C&AG and the University's External Auditors. These arrangements must include the development of a Risk Management Framework and monitor its implementation to ensure there is a robust system of risk management in place in the University.

- The Governing Authority is responsible for ensuring that effective systems of internal control are implemented and review their effectiveness annually. Such systems include clearly defined management responsibilities, processes used to identify business weaknesses and evaluate their financial implication, details of major information systems such as budgets and comparison between actual vs. budget on a regular basis. Reviewing the effectiveness of internal controls is a key part of the Governing Authority's responsibilities and these must be reviewed on an annual basis.
- Appropriate arrangements need to be put in place by Governing Authority for an independent, objective internal audit function within the University. The University is required to have a properly constituted internal audit function that is not only independent but also has the right to access all management and control systems in the performance of their duties. The Internal Audit function will be required to draw up an annual programme of audits for agreement by the Governing Authority through its Audit & Risk Committee.
- The Governing Authority is required to establish an Audit & Risk Committee of at least three independent non-executive members and also members drawn from outside the Governing Authority. The Committee has a particular role to ensure that the interests of Government and other stakeholders are protected in relation to the business and financial reporting and also internal control. The particular responsibilities of the Chairperson of the Audit & Risk Committee are set out in Section 11.28 of this Code.
- Members/attendees of Governing Authority must maintain confidentiality in relation to all discussions and deliberations of the Governing Authority and will treat in the strictest confidence all information received in their capacity as members or attendees at meetings of the Governing Authority.
- The Code makes provision for specific reporting requirements in the relationship between the Department, the HEA and the University in the form of Oversight Agreements. These Oversight Agreements are made up of Performance Compacts, the Annual Governance Statement and Financial Memorandum. The overall system performance framework provides a system of periodic review over a cycle of four years.
- It is the responsibility of Governing Authority to ensure the University is compliant in relation to procurement including the development of a Corporate Procurement Plan and that the University operates in a tax compliant manner. It is also a matter for Governing Authority to ensure best practice is followed by the University in its acquisition or disposal of assets or access to assets by third parties and the Governing Authority will have regard to investment appraisal and value for money guidelines in the planning, appraisal and management of significant expenditure projects. There are specific requirements set out in Section 14.2 of the Code relating to procedures to be followed in the acquisition of land, buildings or other material assets.

- The Code provides that any diversification of the University's activities, especially regarding diversification into areas outside its core functions of teaching and research or the establishment of subsidiaries require Governing Authority approval. The details of information to be supplied to Governing Authority by the Executive are set out in Section 14.7 of the Code.
- The Code provides for remuneration and superannuation in Section 17 and specifies that the Governing Authority is required to implement Government policy in relation to total remuneration packages, provisions of superannuation and termination benefits. This section also addresses travel and official hospitality.
- The University is required to have a Quality Charter setting out the quality of education learners may expect and the level of service the general public and other stakeholder can expect also. This involves a 4-step cycle as set out in Section 18.2 of the Code and requires that the Charters are displayed prominently on the University's website and points of service.
- Governing Authority Standing Orders are set out in Part 3.

Any queries in relation to this Code or to rules, regulations or processes applicable to the Governing Authority should be directed to the Corporate Secretary at corporatesecretary@ul.ie.

Part 1:

UNIVERSITY LEGISLATION & LEGISLATIVE FRAMEWORKS

Part 1: University Legislation and Related Legislative Framework

1.1 The Universities Act 1997 (as amended by the Higher Education Authority Act 2022)

- 1.1.1 The Universities Act is the primary piece of legislation governing universities and it imposes a number of considerable governance requirements on universities which are detailed in this section.

1.2 Governing Authority

- 1.2.1 In accordance with Section 15 of the 1997 Act all universities are required to have a governing authority established:-

"15 Governing Authority

- (1) Subject to section 21, each university shall have a governing authority established in accordance with this Act which shall be known by whatever name the governing authority decides.*
- (2) Subject to this Act, the functions of a university [see **Section 18**] shall be performed by or on the directions of its governing authority.*
- (3) All acts and things done by a governing authority, or in the name of or on behalf of the university with the express or implied authority of the governing authority, shall be deemed to have been done by the university.*
- (4) The Third Schedule shall apply to the governing authority."*

- 1.2.2 The governing authority determines the financial constraints within which the Academic Council operates and reviews decisions of that authority in accordance with Section 27 (1) of the 1997 Act:

"27 Academic Council

- (1) Each university shall have an academic council which shall, subject to the financial constraints determined by the governing authority and to review by that authority, control the academic affairs of the university, including the curriculum of, and instruction and education provided by, the university."*

- 1.2.3 The operation of the governing authority is governed by the Third Schedule of the Act as set out below:-

Third Schedule GOVERNING AUTHORITY

1. (1) *As soon as practicable after its establishment, the governing authority of a university shall provide and retain in its possession a seal of the university.*
- (2) The seal of a university shall be authenticated by the signature of the chairperson or a member of the governing authority, and by the signature of an employee of the university, authorised by the governing authority to act in that behalf.*
- (3) Judicial notice shall be taken of the seal of a university, and every document purporting to be an instrument made by a university and to be sealed with the seal of the university (purporting to be authenticated in accordance with this Schedule) shall be received in evidence and shall, unless the contrary is shown, be deemed to be such instrument, without further proof.*
2. (1) *Each governing authority shall have a chairperson, as provided for in section 17 [see **Paragraph 1.3**], who may be designated by such title as the governing authority determines.*

- (2) *The chairperson may, at any time, resign from office as chairperson by letter addressed to the governing authority and the resignation shall take effect on the date on which the letter is received.*
 - (3) *Whenever the chairperson of the governing authority resigns as chairperson, he or she shall at the same time cease to be a member of the governing authority.*
3. (1) *A member of a governing authority may, for good and valid reason, be removed from office by resolution of the governing authority.*
- (2) *A member of a governing authority may, at any time, resign from office as a member by letter addressed to the chairperson and the resignation shall take effect on the date on which the letter is received.*
 - (3) *A member of a governing authority who is absent from all meetings of the governing authority for a period of six consecutive months, unless the absence was due to illness or was approved by the governing authority, shall at the expiration of that period cease to be a member of the governing authority.*
 - (4) *Subject to subparagraph (5), a member of a governing authority (including the chairperson) whose term of office expires by effluxion of time shall be eligible for re-appointment as a member of the governing authority.*
 - (5) *A person, other than an ex officio member, who is re-appointed as a member of a governing authority in accordance with subparagraph (4) shall not hold office for a consecutive period of more than 8 years."*
4. (1) *Subject to this Schedule and section 23A, a member of a governing authority, other than an ex officio member—*
- (a) shall be appointed as such a member for such period not exceeding 4 years as the Minister or the governing authority, as the case may be, determines upon the nomination for appointment or appointment, as may be appropriate, and*
 - (b) may not serve more than 2 consecutive terms of office."*
- (2) *A member of a governing authority who is a student of the university shall hold office for such period, not exceeding one year, as the governing authority may determine but may be re-appointed for a further period or further periods, on each occasion not exceeding one year.*
5. (1) *If a member of a governing authority dies, resigns, is removed from office or for any other reason ceases to hold office, the governing authority shall arrange for the filling of the casual vacancy so occasioned as soon as practicable.*
- (2) *A person who becomes a member of a governing authority to fill a casual vacancy shall, subject to this Schedule, hold office for the remainder of the term of office of the member whose death, resignation, removal from office or ceasing for other reasons to hold office occasioned the casual vacancy and shall, subject to paragraph 3 (4), be eligible for re-appointment.*
6. (1) *Each governing authority shall, from time to time as the occasion requires, appoint from amongst its external members (within the meaning of section 16) to be its deputy-chairperson.*
- (2) *The deputy-chairperson shall, unless he or she sooner resigns as deputy-chairperson, hold office until he or she ceases to be a member of the governing authority.*
7. (1) *Where a member of a governing authority—*
Where a member of the governing authority—
- (a) is adjudicated bankrupt,*
 - (b) makes a composition or arrangement with creditors,*
 - (c) is sentenced by a court of competent jurisdiction to a term of imprisonment,*

- (d) is convicted of any indictable offence in relation to a company or any other body corporate,*
- (e) is convicted of an offence involving fraud or dishonesty,*
- (f) has a declaration under section 819 of the Companies Act 2014 made against him or her or is deemed to be subject to such a declaration by virtue of Chapter 5 of Part 14 of that Act, or*
- (g) is subject or is deemed to be 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,*

he or she shall thereupon cease to be a member of the governing authority.

8. (1) *A member of a governing authority who has an interest in—*
- (a) a company (other than a public company of which he or she is not a director or otherwise involved in its management) or concern with which the university proposes to make a contract, or*
 - (b) a contract which the university proposes to make, shall disclose to the governing authority the fact of the interest and its nature and shall take no part in any deliberation or decision of the governing authority relating to the contract, and the disclosure shall be recorded in the minutes of the governing authority.*
- (2) *A member of a governing authority of a university who is related to a person who is a candidate for appointment by the governing authority as an employee of the university, shall disclose to the governing authority the fact of the relationship and its nature and shall, if the governing authority so decides, take no part in any deliberation or decision of the governing authority relating to the appointment, and the disclosure and decision shall be recorded in the minutes of the governing authority.*
- (3) *A member of a governing authority of a university shall at all times act, as a member, in the best interests of the university and shall not act as a representative of any special interest provided that nothing in this paragraph shall restrict a member from representing at meetings of the governing authority the views of those by whom he or she has been elected or to restrict the freedom of expression of that member.*
9. *The chairperson and members of a governing authority, other than an ex officio member who is an employee of the university, shall be paid out of funds at the disposal of the governing authority such remuneration (if any) and such allowances for expenses as the Minister, with the approval of the Minister for Finance¹, may decide.*
10. (1) *A governing authority shall hold not less than 6 meetings in each year at such times, as the chairperson may determine.*
- (2) *The chairperson shall convene a meeting of the governing authority whenever requested to do so by not less than the number of members which constitute a quorum.*
- (3) *The quorum for a meeting of a governing authority shall be 7 members provided that not less than 4 of those members are external members within the meaning of section 16 (which may include the chairperson).*
11. *At a meeting of a governing authority—*
- (a) the chairperson shall, if present, be the chairperson of the meeting, or*
 - (b) if and so long as the chairperson is not present or the office of chairperson is vacant, the deputy-chairperson shall, if present, be the chairperson of the meeting,*
 - (c) if and so long as the chairperson is not present or the office of chairperson is vacant, and the deputy-chairperson is not present or the office of deputy-chairperson is vacant, the members of the governing authority who are present shall choose one of the external members (within the meaning of section 16) to preside at the meeting.*
12. *Every question at a meeting of a governing authority shall be determined by consensus, but where in the opinion of the chairperson or other person presiding consensus is not possible, the question shall be decided by a majority of the votes of members present and voting on the question and, in the case of an equal division of votes, the chairperson or other person presiding shall have a second or casting vote.*

13. *Subject to paragraph 10 (3), a governing authority may act notwithstanding one or more than one vacancy among its members or any deficiency in the election or appointment of a member which may subsequently be discovered.*
14. *Subject to this Act, a governing authority shall regulate, by standing orders or otherwise, its procedure and business.*
15. *Subject to this Act, the governing authority of a university may make, from time to time, such regulations as it thinks fit for the conduct of the affairs of the university.*
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¹ Functions transferred from the Minister for Finance to the Minister for Public Expenditure and Reform - SI 418 of 2011, Finance (Transfer of Departmental Administration and Ministerial Functions) Order 2011.

1.3 Role of Chairperson and Chief Officer in relation to Governing Authority

Role of Chairperson

- 1.3.1 The roles of the Chairperson and Chief Officer are governed by the Universities Act. The role of the Chairperson² is governed in particular by Section 17, which is reproduced below and by the Third Schedule of the Act (see **paragraph 1.2.3** above).

“17 – Chairperson of governing authority

- (1) The first meeting of a governing authority of a university shall be chaired by an external member of the governing authority who is appointed by majority vote of the members to be an interim chairperson of the governing authority until the appointment of a chairperson under subsection (2).*
- (2) A governing authority shall, at the first meeting of the governing authority, appoint an external member of the governing authority to be the chairperson of the governing authority by a majority vote of not less than two-thirds of its members.*
- (3) A person shall cease to be chairperson of a governing authority if he or she ceases to be an external member of the governing authority.*

² The Chairperson “may be designated by such title as the Governing Authority determines.” [1997 Act, Third Schedule, Section 2 (1).] The titles “Chairperson”, “Chancellor” and “Cathaoirleach” are in use.

Role of Chief Officer

- 1.3.2 The role of the Chief Officer³ is governed particularly by Section 24 and by the Fourth Schedule of the Act as amended by Section 53 of the Institutes of Technology Act, 2006, which are reproduced below.

"24 - Chief officer⁴.

- (1) A governing authority shall, in accordance with procedures specified in a statute, appoint in a whole-time capacity a person to be chief officer of its university, who shall be called the President or Provost or by such other title as the governing authority determines.*
- (2) The Fourth Schedule shall apply to the chief officer."*

Fourth Schedule CHIEF OFFICER

- 1. The chief officer of a university shall, subject to this Act, manage and direct the university in its academic, administrative, financial, personnel and other activities and for those purposes has such powers as are necessary or expedient.*
- 2. In performing his or her functions the chief officer shall be subject to such policies as may be determined from time to time by the governing authority and shall be answerable to the governing authority for the efficient and effective management of the university and for the due performance of his or her functions.*
 - 2A. The chief officer may make proposals to the governing authority on any matter relating to its functions.*
 - 2B. The chief officer shall provide the governing authority with such information (including financial information) in relation to the performance of his or her functions as the governing authority may request.*
 - 2C. The governing authority may designate an employee of the university to perform the functions of the chief officer in the absence of the chief officer or where the office of chief officer is vacant and, a member so designated, shall in such absence or upon such office being vacant, perform those functions.*
- 3. (1) A chief officer may delegate any of his or her functions to an employee of the university, including any functions delegated to the chief officer in accordance with section 25 (2), unless they are so delegated to the chief officer subject to the condition that they shall not be sub-delegated, and the employee shall be answerable to the chief officer for the performance of those functions.*
 - (2) Notwithstanding any such delegation, the chief officer shall at all times remain answerable to the governing authority in respect of the functions so delegated.*
- 4. A chief officer shall not hold any other office or position without the consent of the governing authority.*
- 5. [paragraph 5 has been deleted by the Section 84 of the Higher Education Authority Act 2022]*
- 6. [Not relevant to the University of Limerick]*
- 7. Unless he or she otherwise resigns, retires or is removed from office, a chief officer shall hold office for such period as the governing authority determines but the period shall not exceed 10 years from the date of appointment of the chief officer and, in the case of a chief officer to whom paragraph 6 applies, any period spent as President of a constituent college or as Master of the Recognised College of St. Patrick's College, Maynooth before the commencement of Part III shall be reckoned as part of that 10 year period.*

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

³ The Chief Officer “shall be called the President or Provost or by such other title as the Governing Authority determines” [1997 Act, Third Schedule, Section 2(1)]

⁴ As amended by the Institutes of Technology Act, 2006.

- (a) *The regularity and propriety of the transactions recorded or required to be recorded in any book or other record of account subject to audit by the Comptroller and Auditor General that the university is required by this Act to prepare,*
 - (b) *The economy and efficiency of the university in the use of its resources,*
 - (c) *The systems, procedures and practices employed by the university for the purpose of evaluating the effectiveness of its operations, and*
 - (d) *Any matter affecting the university referred to in a special report of the Comptroller and Auditor General under Section 11(2) of the Comptroller and Auditor General Act 1993 or in any other report of the Comptroller and Auditor General (in so far as it relates to a matter specified in subparagraph (a), (b) or (c)) that is laid before Dáil Éireann.*
9. *A Chief Officer, if required under paragraph 8 to give evidence, shall not question or express an opinion on the merits of any policy of the Government or a Minister of the Government or on the merits of the objectives of such a policy.*
10. *From time to time and whenever so requested, a chief officer shall account for the performance of the university's functions to a Committee of one or both Houses of the Oireachtas and shall have regard to any recommendations of such Committee relevant to these functions.”⁵*

1.4 Policies on Quality Assurance and Equality

- 1.4.1 Section 35 of the Universities Act dealt with Quality Assurance. However, Section 84 of the Qualifications & Quality Assurance (Education & Training) Act, 2012 repealed this Section with saving provisions. The 2012 Act and the 2022 Act has also amended Section 34 of the Universities Act (relating to Strategic Planning) as follows:

(1A) A governing authority shall, before approving a strategic development plan under this section, be satisfied that the chief officer has for the purposes of preparing the plan consulted with—

- (a) *the Minister,*
 - (b) *such other Ministers of the Government as the governing authority considers appropriate,*
 - (c) *An tÚdarás,*
 - (d) *the students or the Student Union of the university,*
 - (e) *the employees of the university,*
 - (f) *the academic council of the university,*
 - (g) *the education and training board in whose education and training board area the campus of the university is located or such other education and training board as the governing authority considers appropriate,*
 - (h) *a local authority (within the meaning of the Local Government Act 2001) in whose functional area the campus of the university is located, and*
 - (i) *such other body or person as the governing authority considers appropriate.*
- (4) Where the governing authority of a university established under section 9(2) approves a strategic development plan under this section it shall—*
- (a) *ensure that the plan provides the means by which that university shall comply with any requirements imposed on the university under the Qualifications and Quality Assurance (Education and Training) Act 2012, and*
 - (b) *provide a copy of that plan to the Qualifications and Quality Assurance Authority of Ireland.*
- (5) Where the chief officer of a university established under section 9(2) prepares a report on the operations and the performance of that university under section 41, he or she shall have regard to the part or parts of*

the strategic development plan under this section relevant to any requirements imposed on that university under the Qualifications and Quality Assurance (Education and Training) Act 2012.

- (6) *An tÚdarás shall consult with the Qualifications and Quality Assurance Authority of Ireland with regard to the means by which a university established under section 9(2) shall comply with any requirements imposed on the university under the Qualifications and Quality Assurance (Education and Training) Act 2012 when reviewing a strategic development plan prepared by the university in accordance with this section.*

1.4.2 Section 36 of the 1997 Act deals with Equality policy and requires:

“...the chief officer to prepare a statement of the policies of the university in respect of:

- (a) access to the university and to university education by economically or socially disadvantaged people, by people who have a disability and by people from sections of society significantly under-represented in the student body; and*
- (b) equality, including gender equality, in all activities of the university, and the chief officer, in preparing the statement, shall have regard to such policies on those matters as may from time to time be determined by the Minister.”*

There is now a further requirement that the Governing Authority consult with the bodies referred to in Section 36(1A) of the Universities Act. Section 36(3) of the Universities Act places an obligation on the Governing Authority to implement the referenced policies.

⁵ Paragraphs 8, 9 and 10 inserted by Institutes of Technology Act 2006, section 53 (b), commenced 1.2.2007 (SI 36 of 2007)

1.5 Disposal of Assets and Access to Assets by Third Parties

1.5.1 The disposal of university assets and access to university assets are governed by the Universities Act, and in particular by Sections 13 and 42. Section 13 (2) of the Act provides that universities *“may purchase or otherwise acquire, hold and dispose of land or other property”*.

1.5.2 Section 42 deals with the disposal of land or other property and is set out below:-

“42 – Disposal of Land, etc.

(1) Subject to subsection (2), a university may sell or otherwise dispose of any land the property of the university.

(2) Where the acquisition, development or refurbishment of land, the property of a university, was funded in whole or in part out of moneys provided by the Oireachtas after the date of the passing of this Act, a sale or other disposal of that land shall be subject to such terms and conditions relating to a payment to the Minister in recompense for such moneys, as may be agreed between the Minister and the governing authority.

(3) If a university ceases to be funded substantially from moneys provided by the Oireachtas, then all moneys provided to the university by the Oireachtas after the date of the passing of this Act for the acquisition, development or refurbishment of land, or for the acquisition of any other assets which are the property of the university, shall be repayable to the Minister subject to such terms and conditions, including as to the amount to be so repaid, as may be agreed between the Minister and the governing authority.

(4) Where the Minister and a governing authority cannot agree on terms and conditions referred to in this section, the issues in dispute shall be determined by an arbitrator appointed by the President of the High Court and any arbitration shall be conducted in accordance with the Arbitration Acts, 1954 and 1980.”

1.6 Remuneration

1.6.1 Section 25 of the Universities Act deals with remuneration of staff and provides for the payment to university employees of *“such remuneration, fees, allowances and expenses as may be approved from time to time by the Minister [for Education and Skills] with the consent of the Minister for Public Expenditure & Reform⁶”* and further provides that *“a university may depart from levels of remuneration, fees, allowances and expenses approved ...in accordance with a framework which shall be agreed between the universities and An tÚdarás [HEA]”*. This framework is available to read [here](#).

1.7 Reporting Arrangements

1.7.1 The reporting requirements of universities are set out in Sections 37, 39 & 41 of the Universities Act.

1.7.2 Section 37 deals with university budgets and requires a governing authority to *“...prepare and submit to An tÚdarás, in such form and manner as may from time to time be approved by An tÚdarás, a statement of the proposed expenditure and expected income of the university for the financial year.”*

1.7.3 Section 39 deals with keeping of accounts and records and requires that accounts *“...be submitted annually by a university to the Comptroller and Auditor General, for audit....and immediately after the audit, a copy of the accounts, together with a copy of the report of the Comptroller and Auditor General on the accounts, shall be presented by the university to An tÚdarás and to the Minister.”*

1.7.4 Section 41 requires the Chief Officer with the approval of the governing authority to *“...prepare a report on the operations and the performance of the university...”* and send this to the HEA and the Minister.

1.8 Strategic Planning

- 1.8.1 Section 34 of the Universities Act makes provisions in regard to strategic planning and evaluation in the universities.
- 1.8.2 The requirement to prepare *“a plan which shall set out the aims of the Governing Authority for the operation and development of the university and its strategy for achieving those aims, and for carrying out the functions of the university, during the period, being not less than three years, to which the plan relates”* is provided for in Section 34(1) of the Universities Act.
- 1.8.3 In accordance with Section 34(3) a copy of the strategic development plan is provided to the Minister and to the HEA.
- 1.8.4 Under Section 41(1) of the Universities Act, the Chief Officer shall, with the approval of the Governing Authority and having regard to the strategic development plan under Section 34, as soon as practicable after the statutory interval (not exceeding three years), prepare a report on the operations and performance of the university during that period.
- 1.8.5 In accordance with Section 41(2) the Governing Authority shall publish the report at 1.8.4 in such form as it sees fit and provide the Minister with a copy. On receipt of the report the Minister will lay it before each House of the Oireachtas as soon as practicable.

1.9 Borrowing

- 1.9.1 Under Section 38 of the 1997 Act, universities must observe the provisions of any Framework for Borrowings and Loan Guarantees (as amended, adapted or extended from time to time) agreed between the universities and the HEA under Section 38(2) of the 1997 Act. The current framework may be accessed [here](#).

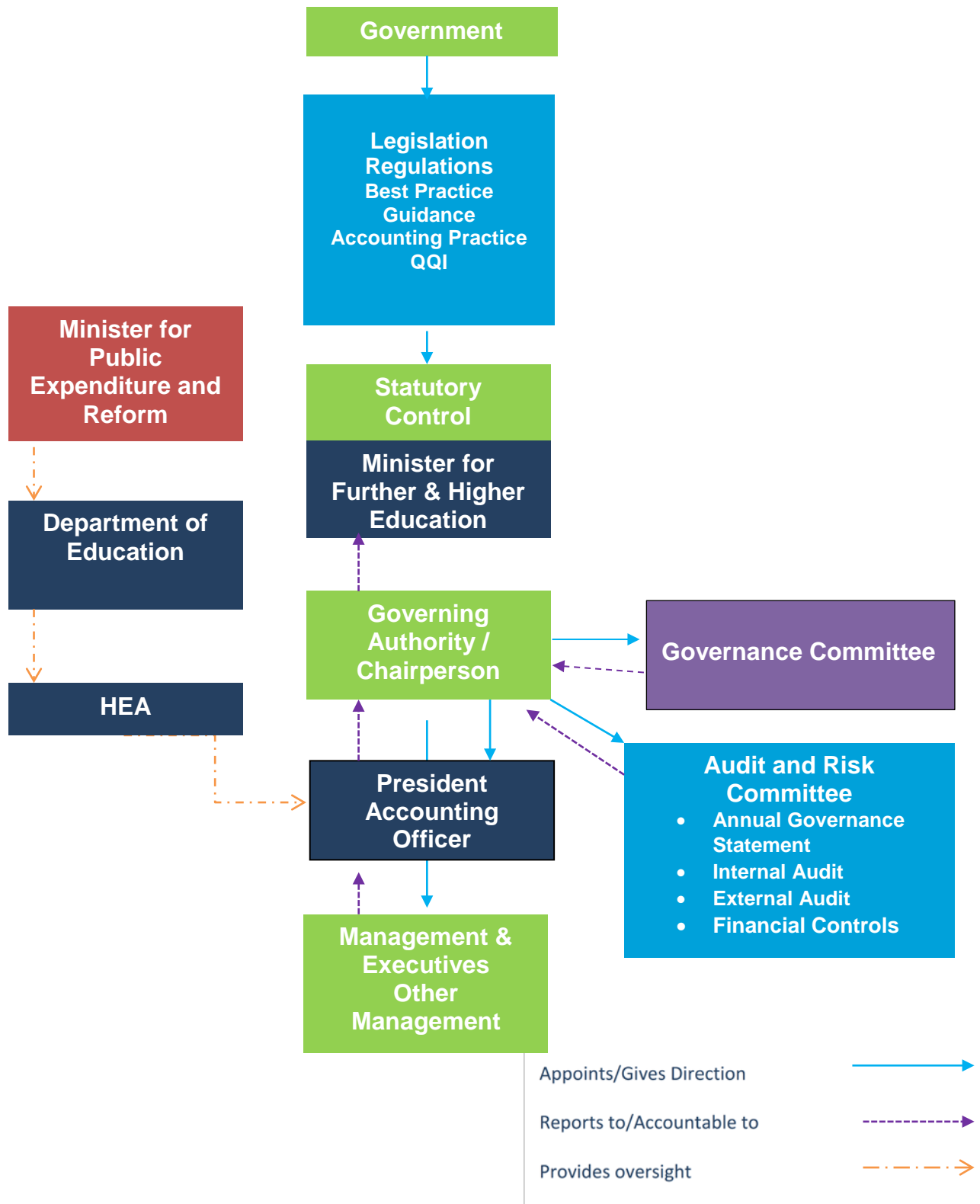
⁶ Functions transferred from the Minister for Finance to the Minister for Public Expenditure and Reform - SI 418 of 2011, Finance (Transfer of Departmental Administration and Ministerial Functions) Order 2011

Governance Framework

The Governance Framework schematic on the next page shows the main features of the governance relationship between Government and the Universities. It should be noted that the Chancellor as Chairperson and the Governing Authority is ultimately responsible to the Minister (who is responsible to Government) for the operation and proper functioning of the University. In this regard it is appropriate that the Governing Authority, using their high-level functions and duties as a guide, use customised standing orders for its functioning. These standing orders are set out in Section 3 of this UL Code of Governance.

The President will, whenever required to do so by the Public Accounts Committee (PAC) of the Oireachtas, give evidence on the regularity and propriety of the University's accounts, economy and efficiency of use of resources, effectiveness of operations and any other matters referred to the Committee by the C&AG.

GOVERNANCE FRAMEWORK



Part 2:

UNIVERSITY OF LIMERICK CODE OF GOVERNANCE

1. CODE OF GOVERNANCE - INTRODUCTION

- 1.1 The University of Limerick (UL) has adopted this Code of Governance which is based on the joint HEA/IUA “Governance of Irish Universities”, 2019.
- 1.2 The University of Limerick Code of Governance covers:
- Core Principles of Good Governance;
 - The Governing Authority;
 - Role of Chancellor and President in relation to Governing Authority;
 - Briefing for new Governing Authority members;
 - Codes of Conduct;
 - Disclosure of interests by members of the Governing Authority;
 - Risk Management;
 - Audit & Risk Committee;
 - [Internal Audit Charter](#)

2. CORE PRINCIPLES OF GOOD GOVERNANCE

- 2.1 The University has been guided by the following set of core principles of good governance in the development of this UL Code of Governance. These core principles guide the Governing Authority in its oversight role of the delivery of the University’s mission and strategy and in ensuring all stakeholders have confidence in the decision-making and management process of the University:
- **Fairness:** in the treatment of all stakeholders including employees, students, local communities and government departments and the provision of effect redress where required;
 - **Collective accountability:** through the provision of reasonable explanations for the University’s actions including maintaining an appropriate relationship with the HEA, government departments and the University’s auditors. Ensuring that management is accountable to the Governing Authority and Governing Authority is accountable to the University’s stakeholders;
 - **Responsibility:** the Governing Authority accepts responsibility for the powers bestowed upon it through all relevant legislation and will always act in the best interests of the University as a whole;
 - **Transparency:** The Governing Authority will operate in a manner that is open and provides clear unambiguous information to its stakeholders as required through e.g. documented policies and procedures, ensuring timely accurate disclosure on all material matters including finance, performance and governance;
 - **Clarity of roles:** In order to ensure best practice governance and management, there is clarity between the roles and responsibilities of the Governing Authority and the University Executive;

- **Ethical Standards:** through ensuring integrity, transparency, independence and accountability in dealings with stakeholders. This is supported by appropriate structures and procedures to avoid conflicts of interest. The Governing Authority leads by example and ensures that good standards of governance and ethical behaviours permeate all levels of the University;
- **Equality and Diversity:** In conducting its work, the Governing Authority and University Executive will strive to maximise equality and diversity at all times.

3. THE ROLE OF GOVERNING AUTHORITY

- 3.1 The procedural operation and functions of the Governing Authority of the University are governed by the Universities Act. [Section 18](#) sets out the functions of the Governing Authority. The [Third Schedule](#) of the Act in particular governs the operation of the Governing Authority.
- 3.2 **Leadership:** The Governing Authority is collectively responsible for leading and directing the University's activities in accordance with the University's clear mandate set out in the Universities Act and in its Strategic Plan as approved by Governing Authority. While the Governing Authority may delegate particular functions to management, the exercise of the power of delegation does not absolve the Governing Authority from the duty to supervise the discharge of the delegated functions.
- 3.3 The Governing Authority will fulfil key functions, including: reviewing and guiding strategic direction and major plans of action, risk management policies and procedures, annual budgets and business plans, setting performance objectives, monitoring implementation and University performance, and overseeing major capital expenditure and investment decisions.
- 3.4 **Ethical Standards:** The Governing Authority will act on a fully informed and ethical basis, in good faith, with due diligence and care, and in the best interest of the University, having due regard to its legal responsibilities and the objectives set by Government.
- 3.4.1 It should be noted that the Universities Act, 1997 provides as follows, *"A member of a governing authority of a university shall at all times act, as a member, in the best interests of the university and shall not act as a representative of any special interest provided that nothing in this paragraph shall restrict a member from representing at meetings of the governing authority the views of those by whom he or she has been elected or to restrict the freedom of expression of that member."* (Third Schedule of the Act, Section 8 (3)).
- 3.5 **Compliance:** The Governing Authority is responsible for ensuring compliance with all statutory obligations applicable to the University. Section 18(1A) (b) provides that:

"the governing authority of a university shall ... satisfy itself that appropriate systems, procedures and practices are in place —

(i) to achieve the objects of the university,

(ii) for the internal performance management and accountability of the university in respect of—

(I) the performance of its functions, and

(II) the achievement of the aims in the strategic development plan under section 34, and

(III) in order to implement, and report on compliance with, the policies (whether set out in codes, guidelines or other documents, or any combination thereof) of the Government or a Minister of

the Government to the extent that those policies may affect or relate to the functions of the university.

Where individual members of the Governing Authority become aware of non-compliance with any such obligations, they must immediately bring this to the attention of the Governing Authority with a view to having the matter rectified subject to the provisions of the Universities Act. However, if the matter cannot be rectified and/or constitutes a flagrant breach of the members' obligations, the Chancellor, on behalf of the Governing Authority, will advise the HEA accordingly.

- 3.6 The Governing Authority is required to promote the success of (including academic success) and reputation of the University. It also has an obligation to support the development of the capacity of the University including the capability of its leadership and staff. Additionally, the Governing Authority is required to place the highest priority on promoting and preserving the health and safety of University of Limerick employees and students.
- 3.7 The Governing Authority is responsible for holding the President and senior management to account for the effective performance of their responsibilities. In addition, the Governing Authority is required to establish and implement arrangements for the management of the performance of the President.
- 3.8 The following additional functions have been conferred on the Governing Authority by Section 76(1B) of the Universities Act:
- (a) approve expenditure for major capital and investment projects;*
 - (b) approve annual financial statements;*
 - (c) provide for and maintain a system of audit;*
 - (d) provide for and maintain a system of risk management;*
 - (e) provide for and maintain a system of quality assurance in accordance with the Qualifications and Quality Assurance (Education and Training) Act 2012;*
 - (f) review and oversee the implementation of major plans of action and provide strategic direction;*
 - (g) delegate such functions as may be appropriate to the chief officer;*
 - (h) manage the financial affairs of the university to ensure value for money and its financial viability;*
 - (i) account to An tÚdarás for funding provided to the University by An tÚdarás.*
- 3.9 **Collective Responsibility:** The collective responsibility and authority of the Governing Authority will be safeguarded. Excessive influence on Governing Authority decision-making by individual members must be avoided, while allowing Governing Authority members the opportunity to contribute fully to Governing Authority deliberations.
- 3.10 Non-executive members of the Governing Authority must take care not to become involved in the day-to-day executive management of the University. This also applies to the staff and student members of the Governing Authority, except that in the course of their employment or in their activities as students, they may have executive responsibilities within the University.
- 3.11 All members of the Governing Authority will have independent access to the advice and services of the Corporate Secretary of the University who must ensure that Governing Authority members are fully aware of the appropriate rules, regulations and procedures.

- 3.12 **Governing Authority Oversight Role:** The Governing Authority will be supplied, in a timely fashion, with information which is of a suitable quality to enable Governing Authority members to discharge their duties satisfactorily. The management of the University has a duty to provide the Governing Authority with all necessary information to enable the Governing Authority and its Committees in the performance of their governance role to a high standard. The Governing Authority of the University must take all necessary steps to make themselves aware of any relevant information and access all information as necessary.
- 3.13 While the Governing Authority has established an Audit & Risk Committee to assist with its consideration of issues relating to audit, governance and risk management, the Governing Authority maintains responsibility for and makes the final decisions on all of these areas other than as provided for in the terms of reference of the Audit & Risk Committee as approved by Governing Authority from time to time.
- 3.14 **Advice to Minister:** The Governing Authority will ensure that the President keeps the HEA advised of matters arising in respect of the University.
- 3.15 **Secretary of the Governing Authority:** The University, in appointing a Secretary of the Governing Authority, has a duty to ensure that the person appointed has the skills necessary to discharge their statutory and legal duties, and such other duties as may be delegated by the Governing Authority. The role of Secretary to Governing Authority is fulfilled by the University's Corporate Secretary.
- 3.15.1 The role of the Corporate Secretary as Secretary of the Governing Authority should be seen as a support to the Governing Authority. The scale and scope of the role will depend on the size, nature and responsibilities of the University. The Secretary of the Governing Authority may be assigned such functions and duties as may be delegated by the Governing Authority. The duties can be classified as follows:
- statutory duties;
 - duty of disclosure;
 - duty to exercise due care, skill and diligence; and
 - administrative duties.
- 3.15.2 The Corporate Secretary reports to the Chancellor on all Governing Authority related matters and assists the Chancellor in ensuring relevant information is made available to the Governing Authority and its committees.
- 3.15.3 The Corporate Secretary is responsible for advising the Governing Authority, through the Chancellor, on all governance matters, including statutory obligations and regulations as appropriate.

Matters Reserved to Governing Authority for Decision

- 3.16 The Governing Authority will meet regularly, exercise effectively its strategic governance role and monitor the executive management and performance.

- 3.16.1 The Governing Authority will have a formal schedule of matters specifically reserved to it for decision to ensure the proper management and control of the University. This schedule will include the various statutory functions reserved to the Governing Authority as set out in the Universities Act and such other matters set down by this Code of Governance as appropriate. In addition, the schedule should include the following:
- Significant acquisitions, disposals and retirement of assets of the university or its subsidiaries. The schedule should specify clear quantitative thresholds for contracts above which the approval of the Governing Authority is required;
 - Major investments and capital projects, delegated authority levels, treasury policy and risk management policies;
 - Approval of terms of major contracts.

Statement of Strategy

- 3.17 **Strategic Plan:** As per section 34 of the Universities Act, the Governing Authority of the University will require the President to prepare a strategic development plan. The University's strategic development plan, approved by the Governing Authority, should set appropriate objectives, goals, and relevant indicators and targets against which performance can be clearly measured. As agreed from time to time, through a process of strategic dialogue between the HEA and the University, the University is held accountable for its performance against the set of clearly defined national priorities and key system objectives in the framework and the strategic plan referred to above, with public funding aligned to facilitate delivery of agreed outcomes.
- 3.18 **Strategy statement:** In addition to the requirements of [Section 41\(1\)](#) of the Universities Act, the report of the President will refer to the specific aims and targets proposed by in the strategic development plan, the expected outputs and outcomes, and the key performance indicators by which the achievement of the aims and targets is assessed. Implementation of the University's strategy will be supported through an annual planning and budgeting cycle and should take appropriate account of the National Strategy for Higher Education.
- 3.19 Decisions on major items of expenditure should be aligned with medium to long-term strategies. A performance measurement system should be put in place to assess the effectiveness/outcome of such expenditure.
- 3.20 **Implementation:** In addition to the requirements of the Universities Act, implementation of the strategy by the management of the University will be supported through an annual (or other timeframe) planning and budgeting cycle. The Governing Authority will approve annual programmes and budgets and formally undertake an evaluation of actual performance by reference to the programme and/or budget on at least an annual basis.

Annual Confirmation

- 3.21 The Governing Authority, through its Audit & Risk Committee, will ensure that the University has in place a sound system of internal management and control, including:

- Managerial control systems, which may include defining policies, setting objectives and plans, setting Key Performance Indicators and monitoring financial and other performance;
- Financial and operational control systems and procedures which may include the physical safeguards of assets, segregation of duties, authority and approval procedures and information systems.

3.21.1 The Governing Authority, through its Audit & Risk Committee, will review on a periodic basis the effectiveness of the University's system of internal controls, including financial, operational and compliance controls and risk management.

The Governing Authority is required to confirm annually to the HEA that the University has an appropriate system of internal and financial control in place.

Expenditure & Performance

3.22 Decisions on major items of expenditure should be aligned with medium to long-term strategies. A performance measurement system should be put in place to assess the effectiveness/outcome of such expenditure and this should be reported to the Governing Authority.

Annual Report (in the form of the Financial Statements)

3.23 It is the Governing Authority's duty to ensure that a balanced and understandable assessment of the University's position is made in presenting its annual accounts to the Minister and to the HEA.

The Governing Authority will state in the Annual Report that they are responsible for the approval of the Annual Report, in the form of the financial statements, and whether they consider the financial statements to be a true and fair view of the University's financial performance and its financial position at the end of the year. There will also be a statement by the external auditors engaged by the Governing Authority about their reporting responsibilities.

Post Resignation/Retirement

3.24 The obligations of Governing Authority members regarding the non-disclosure of private and confidential information do not cease when membership of the Governing Authority ends. Such obligations include the return of papers at the end of a Governing Authority member's term or written confirmation that the papers have been disposed of appropriately i.e. through shredding. This must be brought to the attention of Governing Authority members on their appointment to the Governing Authority.

Conflict of interest

3.25 The Governing Authority will have procedures in place to monitor and manage potential conflicts of interest of Governing Authority members and management. These are provided for in the [Code of Conduct for Members of Governing Authority](#).

External Auditors

- 3.26 The Governing Authority, through its Audit & Risk Committee, has a responsibility to establish procedures for maintaining an appropriate relationship with the external auditors engaged by the Governing Authority.

Terms of Reference

- 3.27 The Governing Authority will ensure that its committees will have written constitutions and terms of reference of its committees that are reviewed regularly and up-dated by the Governing Authority as appropriate.

Protected Disclosures

- 3.28 In accordance with the provisions of Section 6 of the Protected Disclosures Act 2014 (as amended by the Protected Disclosures Act 2022) the University must establish, maintain and operate internal reporting channels and procedures for the making of such disclosures and for follow up (i.e. “internal reporting channels”). . Written information in relation to those procedures must be provided to workers employed by the University.
The Minister (DPER) has also made publicly available comprehensive and independent information and advice in easily accessible format on—

- (a) the making of a protected disclosure and related procedures,
- (b) protection against penalisation,
- (c) remedies available in respect of penalisation, and
- (d) the rights of the persons concerned under the Protected Disclosures Act.

Remuneration /Expenses

- 3.29 Remuneration (if any) and/or expenses paid to the Chairperson or to members of Governing Authority will be in accordance with guidelines from the Department of Finance and a statement certifying this to be the case will be included in the Annual Governance Statement. The schedule of fees and aggregate expenses paid to members will be presented in the University’s Annual Report. Remuneration (if any) payable to members of the Governing Authority who are employed by the public service is subject to the “One Person One Salary” rule.

Attendance at Meetings

- 3.30 The attendance of each member at Governing Authority meetings will be included in the University’s annual report and members informed accordingly.

Community

- 3.31 The Governing Authority will ensure that community concerns are considered in the University's activities and operations and will endeavour to minimise the impact of its operations on the environment.

Division of Responsibilities

- 3.32 There should be a clear division of responsibilities between leading and managing the Governing Authority and the executive responsibility for running the University. No one individual should have unfettered powers of decision.
- 3.33 **Separation of Roles:** Through leadership of the Governing Authority, the Chancellor, as Chairperson of Governing Authority, plays a key role in the strategic direction of the University, but is not to be drawn into day-to-day executive management. For the Governing Authority to be effective, there must be a constructive and challenging working relationship between the Chancellor and the President. This relationship will depend on the personalities involved, but it is desirable to emphasise the need for both sides to recognise that the roles are formally distinct. The relationship should be mutually supportive, but must also incorporate the checks and balances imposed by the different roles each has within the University.

4. ROLE OF THE CHANCELLOR

- 4.1 The Chairperson of the University of Limerick Governing Authority is called the Chancellor of the University and in the context of the Chancellor's statutory role in chairing the Governing Authority, is responsible for leadership of the Governing Authority and ensuring its effectiveness. This statutory role is governed in particular by Section 17 and by the Third Schedule of the Universities Act.

The Chancellor should display high standards of integrity and probity and set expectations regarding culture, values and behaviours for the University, and for the tone of discussions at Governing Authority level. The role of the Chancellor is attached as Appendix 1 to this Code.

- 4.2 **Governing Authority Agenda:** The Chancellor and the President are responsible for the effective management of the Governing Authority's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. The Chancellor and President will agree the agenda in advance of Governing Authority meetings.
- 4.3 **Openness and Debate:** The Chancellor should promote a culture of openness and debate by facilitating the effective contribution of key management and all Governing Authority members.
- 4.4 **Timely Information:** The Chancellor and/or Corporate Secretary, as appropriate, is responsible for ensuring that the Governing Authority receive accurate, timely and clear information. The Chancellor and/or Corporate Secretary, as appropriate, should ensure effective communication with all

relevant stakeholders.

- 4.5 **Governing Authority Skills:** Where the President is of the view that specific skills are required on an incoming Governing Authority, the Minister should be advised of this view for their consideration sufficiently in advance of a time when vacancies are due to arise. It is a matter for the Minister as to whether he or she takes the President's views into consideration when making appointments under section 16. [16 3\(a\)](#) of the 1997 Act. Where an external member appointed by the Minister ceases to be a member of an existing Governing Authority, then the Chancellor (or such person as the Chancellor may designate) will engage with the Minister appropriately.
- 4.6 **Information Flows:** Under the direction of the Chancellor, the responsibilities of the Corporate Secretary include ensuring appropriate information flows within the Governing Authority and its committees and between management and Governing Authority members, as well as facilitating induction, mentoring and assisting with ongoing professional development as required.
- 4.7 **Annual Reporting Requirements:** The Chancellor is responsible for ensuring that the Governing Authority meets its Annual Reporting Requirements, as further identified in Section 6 and as follows:
- **Annual Report:** In accordance with Section 37 of the Universities Act, an Annual Report of the proceedings of the University are to be published in such form as may be determined by the HEA.
 - **Statutory Financial Statements:** In accordance with Section 39 of the Universities Act, the statutory financial statements are to be submitted to the Comptroller and Auditor General (C&AG) and, together with a copy of a report of the C&AG, will be presented to the HEA and to the Minister.
 - **Annual Statement of Governance:** In addition to the reporting requirements set out in the relevant legislation, the University of Limerick will provide the HEA with an Annual Governance Statement that is signed by the President and the Chancellor confirming that the Statement has been approved by the Governing Authority. The Annual Governance Statement will be in the format as prescribed by the HEA in agreement with the Irish Universities Association.
 - **Statement on Internal Control:** The Statement on Internal Control will be reviewed by the external auditors engaged by the Governing Authority. The external auditors will consider if the statement is consistent with the information of which they are aware from their audit work. The external auditors will report their findings accordingly in the accounts to be submitted annually by the University to the C&AG for audit, in accordance with Section 39 of the Universities Act. The statement may be reviewed also by the C&AG.

5. ROLE OF THE PRESIDENT

- 5.1 **Role of the President:** The role of the President is set out in Appendix 2 to this Code.

6. ROLE OF MEMBERS OF THE GOVERNING AUTHORITY

The University should be headed by an effective Governing Authority which is collectively responsible for the long-term sustainability of the University. All Governing Authority members are required to bring an independent judgement to bear on issues such as strategy, performance, resources, key appointments, and standards of conduct. The powers of governance and management of a University are set out in the Universities Act and the University's statutes and policies. The members of the Governing Authority owe their duties, first and foremost, to the University.

- 6.1 **Fiduciary Duty:** All Governing Authority members have a fiduciary duty to the University in the first instance (i.e. the duty to act in good faith and in the best interests of the University at all times).

The principle fiduciary duties include:

- to act in good faith in what the Governing Authority member considers to be in the interest of the University;
- to act honestly and responsibly in relation to the conduct of the affairs of the University;
- to act in accordance with the Universities Act and exercise their powers only for the purposes allowed by law;
- not to benefit from or use the University's property, information or opportunities for their own or anyone else's benefit, unless the University's constitution permits it, or a resolution is passed in a general meeting;
- not to agree to restrict a Governing Authority member's power to exercise an independent judgement;
- to avoid any conflict between the Governing Authority member's duties to the University and the Governing Authority member's other interests unless the Governing Authority member is explicitly released from his or her duty to the University in relation to the matter concerned;
- to exercise the care, skill and diligence which would be reasonably expected of a person in the same position with similar knowledge and experience as a Governing Authority member. A Governing Authority member may be held liable for any loss resulting from their negligent behaviour and,
- to have regard to interests of the University's members.

- 6.2 **Subsidiary Boards & the Companies Act 2014:** There is specific statutory recognition for the fiduciary duties of directors of companies incorporated under the Companies Act, 2014 or the Companies Acts, 1963-2013. While the

University of Limerick is not a subsidiary under the Companies Act 2014, members of boards of University subsidiary companies formed under the Companies' Acts must adhere with the specific duties and obligations they have under the 2014 Act. It is the responsibility of each Board member to act in conformity with applicable provisions.

6.2.1 The duties of members of the Boards of UL subsidiary companies in accordance with the 2014 Act, will be addressed in a separate Code of Governance for each of the subsidiary companies.

6.3 **Non-compliance:** The Governing Authority is responsible for ensuring compliance with all statutory obligations applicable to the University. Where individual Governing Authority members become aware of non-compliance with any such obligation, they should immediately bring this to the attention of their fellow Governing Authority members with a view to having the matter rectified subject to the provisions of the Universities Act. However, if the matter cannot be rectified and/or constitutes a flagrant breach of the members' obligations, the President, on behalf of the Governing Authority, should advise the HEA accordingly indicating:

- i) the consequences of such non-compliance; and
- ii) the steps that have been or will be taken to rectify the position.

The HEA should be notified without delay where:

- iii) there are serious weaknesses in controls that have not been addressed despite having been drawn to the attention of the Governing Authority or the Chancellor;
- iv) there is a significant strategic or reputational risk to the University that is not being addressed despite having been drawn to the attention of the Governing Authority or the Chancellor; and/or
- v) there are serious concerns about possible illegality or fraud occurring in a University that have not been addressed despite having been drawn to the attention of the Governing Authority or the Chancellor.

6.4 **Review of Matter and Report by Governing Authority:** Section 18A of the Universities Act provides that, if the Governing Authority has concerns regarding a matter relating to the governance, or the performance of the functions of the University, the Governing Authority shall arrange for a review of the matter to be undertaken. It may appoint such person as it considers appropriate (a "reviewer") to carry out a review of the matter concerned. The reviewer may request such information and assistance as he or she requires for the purposes of the review from the Governing Authority, the President and the employees of the University, and any such requests must be complied with. The reviewer shall prepare a report of the outcome of their review, including any recommendations, and provide a copy of the report to the Governing Authority and to the President. The Governing Authority shall, if recommended to do so by the reviewer, take such measures as it considers appropriate with regard to the matter concerned.

The Governing Authority shall provide a report on the outcome of any review undertaken by the Governing Authority under Section 18A including any measures taken by the Governing Authority on foot of the review.

6.5 **Professional Advice:** In the normal course, outside legal or other advice will be obtained by the Corporate Secretary on behalf of the Governing Authority in accordance with the collective nature of its responsibilities. Notwithstanding the foregoing, the Governing Authority has agreed the following formal procedures whereby an individual member or group of members, in the furtherance of their duties, may seek, in exceptional circumstances, independent legal or other professional advice at the reasonable expense of the University:

- The member/group of members of Governing Authority may seek external independent legal and/or other professional advice by advising the Corporate Secretary of their request;
- The Corporate Secretary will liaise with the Chancellor on the matter and where approved by the Chancellor, the Corporate Secretary will ensure adherence to procurement regulations in seeking a quotation(s) from the external independent advisor(s) for the work to be carried out based on the information provided by the member/group of members of Governing Authority.
- Following agreement with the Chancellor on the reasonable costs to be incurred in relation to this external independent advice and on the appointment of the independent advisor, the Corporate Secretary will inform the member/group of members accordingly and, taking into account any requirements for the maintenance of legal privilege, will arrange for liaison between the member/group of members and the external independent advisor. The Corporate Secretary will inform Governing Authority of the details of advice requested and the appointed external independent advisor at its next meeting.
- Upon completion of their deliberations and delivery of advice to the member/ group of members of Governing Authority, the member/group of members will share the advice with the Chancellor and Corporate Secretary. In the event the member/group of members wish to share the legal advice with the Governing Authority, accepting that this may constitute a waiver of legal advice privilege on the advice received, the Corporate Secretary will circulate the advice to the Governing Authority and the Chancellor will engage as required with the Governing Authority on the matter.

Alternatively where the member/group of members are of the view it is in the best interests of the University to ensure that legal advice privilege is maintained, then the member/group of members will advise the Governing Authority verbally on the advice received, which will be noted appropriately in the minutes of the meeting.

- Any outstanding concerns by a member will be recorded in the minutes of the meeting to which the minutes relate.

6.6 **Letter of Appointment:** A formal standard letter of appointment will be issued to Governing Authority members upon appointment. The letter of appointment will include the following:

- role of the Governing Authority and that of a Governing Authority

member;

- disclosure of interest requirements including obligations under the Ethics in Public Office Acts – further details provided in Appendix 3 to this Code;
- the Governing Authority's terms of reference;
- duration of appointment and renewal provisions;
- Confidentiality Agreement for signing;
- support and training, including the offer of a mentor, to be provided;
- the estimated time commitment involved;
- confirmation of the basis on which remuneration (if any) and expenses are paid;
- conflict of interest rules;
- termination arrangements; and
- rules on confidentiality.

The letter will be issued by the Corporate Secretary.

7. BRIEFING FOR NEW MEMBERS OF GOVERNING AUTHORITY

- 7.1 Governing Authority members have duties under the Universities Act and it is the responsibility of each member to act in conformity with the applicable provisions.
- 7.2 On appointment of new members to the Governing Authority, the Corporate Secretary will provide them with the following:
- A copy of the University of Limerick Code of Governance;
 - A formal schedule of matters reserved to the Governing Authority for decision;
 - Procedures for obtaining information on relevant new laws and regulations;
 - A schedule detailing the composition of all Governing Authority committees and their terms of reference;
 - A statement explaining the Governing Authority members' responsibilities in relation to the preparation/approval of the accounts, the University's system of internal control and audit;
 - A statement informing the Governing Authority members that they have access to the advice and services of the Corporate Secretary who is responsible to the Governing Authority for ensuring that the Governing Authority's procedures are followed and for compliance with applicable rules and regulations;

- Code of Conduct for Members of Governing Authority that includes provision for disclosure of the members' interests and procedures for dealing with conflicts of interest;
 - New members will be provided with specific University information and a copy of the most up-to-date version of the "Governance of Irish Universities" together with any relevant circulars and/or guidance notes;
 - Any arrangements laid down by Governing Authority for seeking legal or other professional advice.
- 7.3 The Corporate Secretary will put in place a mentoring process, which may be availed of by new members of Governing Authority if they so wish. The process will involve pairing experienced members with new members in order to enhance the induction process. The programme will remain in place for a period of six months after the new member(s) join the Governing Authority.
- 7.4 While it is the responsibility of the Corporate Secretary to ensure appropriate levels of information are available to new members of Governing Authority, it is the responsibility of the members to familiarise themselves with the material.
- 7.5 **Independent judgement:** All members of the Governing Authority are required to bring an independent judgement to bear on issues such as strategy, performance, resources, key appointments, and standards of conduct as set out in the Code of Conduct for Members of Governing Authority. The Code of Conduct sets out the approach to dealing with any business or other interests of a Governing Authority member that could affect his/her independence.
- 7.6 **Attendance Requirement:** The Universities Act provides that members of the Governing Authority are elected, appointed or nominated in different circumstances. Those members who are appointed bring specific knowledge, skills, experiences and expertise to the deliberations of the Governing Authority and its committees. However, this is only possible if members attend all Governing Authority meetings and contribute as appropriate. The Governing Authority expects that its members will attend all meetings of Governing Authority and as part of the assignment of a new Governing Authority member, will evaluate attendance when the member is due to be re-appointed.
- 7.7 **Access to Secretary of the Governing Authority:** All members of the Governing Authority have independent access to the advice and services of the Corporate Secretary of the University who, as Secretary to Governing Authority, is responsible to the Governing Authority for ensuring compliance with Governing Authority procedures. The Corporate Secretary of is also responsible for the formal induction of new Governing Authority members and for organising mentoring arrangements for new members where required. The Corporate Secretary must ensure that Governing Authority members are fully aware of the appropriate rules, regulations and procedures.

8. GOVERNING AUTHORITY EFFECTIVENESS

- 8.1 **Guiding Principles:** The Governing Authority and its committees should, subject to the provisions of the Universities Act, have the appropriate balance of skills and knowledge to enable them to discharge their respective roles and responsibilities effectively.

Governing Authority members will receive formal induction on joining the Governing Authority and they should regularly update and refresh their skills and knowledge.

The Governing Authority will be supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties.

Governing Authority members need to be able to allocate sufficient time to discharge their responsibilities effectively.

- 8.2 **Governing Authority Appointments:** Governing Authority appointments must be made in compliance with [Section 16](#) of the Universities Act and the Regulations and Process made under that section by the Governing Authority and approved by the Minister for FHERIS.

- 8.3 **Skills and Knowledge:** Subject to the provisions of the Universities Act Governing Authority members should have the appropriate skills and knowledge, updated as required, appropriate to the activities of the University, to enable them to discharge their respective duties and responsibilities effectively. This should include the identification by the Governing Authority of any gaps in competencies and ways these gaps could be addressed through future appointments. Skill gaps present on the Governing Authority should be brought to the attention of the Minister sufficiently in advance of a time when vacancies are due to arise under section 16(3)(a) of the Universities Act and the Third Schedule of the Universities Act, as outlined below.

- 8.4 **Specific Skills:** Before a person is nominated for appointment or appointed, as may be appropriate, as an external member of a governing authority of a university, the Minister or the governing authority of the university, as the case may be, must be satisfied that the person is suitable for appointment as such an external member by reason of his or her possessing knowledge of, and experience in, matters connected with the objects and functions of the university to enable him or her to make a substantial contribution to the effective and efficient performance of those functions. In relation to internal members, the University encourages persons with suitable experience to put their names forward for election.

- 8.5 **Diversity and Inclusion / Composition of Irish Society:** Subject to the provisions of the Universities Act, appointments to the Governing Authority “shall broadly reflect the composition of Irish society” and thus due regard will be had to the benefits of diversity and inclusion on the Governing Authority. There are also specific provisions addressing gender equality. Good corporate governance recognises the value of difference and being aware of the reputational, economic and societal benefits that arise from effective and diverse Governing Authority and sub-committees. Appointments to Governing

Authority and the addition of external individuals to its sub-committees will be made against objective criteria with due regard to the requirements of Section 16.

Section 16 (7) of the Universities Act provides that:

“Not less than 40% if the members of the governing authority shall be women and not less than 40% of them shall be men.

While recognising that in practice, despite the recognised governance benefits of diversity and inclusion, achieving such diversity at Board level remains an ongoing challenge for many organisations but its achievement also presents a major benefit for the University.

8.6 **Proficiency in the Irish Language:** The Universities Act provides that the membership of the Governing Authority should also have member(s) who are competent in the Irish language.

8.7 **Terms of Appointment:** The terms of appointment of Governing Authority members are made in line with Third Schedule of the 1997 Act. In addition the [Code of Practice for the Governance of State Bodies: Annex on Gender Balance, Diversity and Inclusion](#) provides the following:

- No member of Governing Authority should serve more than two full terms of appointment on Governing Authority, or should they hold appointments to more than two State Boards, at the same time, unless the specific statutory provisions relating to the particular State body enable such service.
- Consideration will be given to varying the terms of appointment of Governing Members. Where a period of appointment is renewed, the renewal will ensure the individual serves a total maximum of eight years on the Governing Authority. The foregoing is subject to the provisions of the Universities Act.
- The University will include in its Annual Governance Statement, a report on the gender balance of any appointments made to the Governing Authority or its sub-committees in the previous year. This report should reference the Governing Authority's approach to the promotion of gender balance, diversity and inclusion within the University.

8.8 **Performance Review:** Monitoring of effective corporate governance by the Governing Authority includes continuous review of the internal structure of the University to ensure that there are clear lines of accountability for management throughout the University.

In addition, the Governing Authority will undertake a self-assessment annually to evaluate its own performance. The Governing Authority committees will carry out a similar annual evaluation and report to Governing Authority on their findings. The evaluation of the Governing Authority and its committees will take account of the balance of skills, experience, independence and knowledge of the University on the Governing Authority/committee, its diversity, including gender, how the Governing Authority/committee works together as a unit, and other factors relevant to their effectiveness.

The Governing Authority, led by the Chancellor (the Committees led by their chairpersons who are Governing Authority members) should act on the results of the performance evaluation by addressing any weaknesses identified through annual self-assessment evaluation.

An external evaluation proportionate to the size and requirements of the University will be carried out at least once in the term of every Governing Authority.

- 8.9 **Statement of How the Governing Authority Operates:** The Annual Report, in the form of the financial statements, will include a statement of how the Governing Authority operates, including a high-level statement of the types of decisions to be taken by the Governing Authority and those that are to be delegated to management.
- 8.10 **Appointment of President and Chancellor:** The procedures for the appointment of the President are set out in [Section 24](#) of the Universities Act, 1997 and accompanying [Statute No.1](#) of the University of Limerick. The procedures for the appointment of the Chairperson of the Governing Authority, known in the University as the Chancellor, are set out in Section 17 of the Universities Act, 1997 and more specifically in the Governing Authority Standing Orders/Procedures set out in Part 3 of this Code.
- 8.11 **Frequency of Governing Authority Meetings:** The frequency of meetings of the Governing Authority and its committees and the attendance of each governing authority member at governing authority meetings will be reported in the annual report, in the form of the financial statements.

In accordance with the Universities Act, the Governing Authority shall hold not less than 6 meetings in each year at such times, as the Chancellor may determine. The Chancellor will convene a meeting of the Governing Authority whenever requested to do so by not less than the number of members which constitute a quorum, being 7 members provided that not less than 4 of those members are external members (which may include the Chairperson). Governing Authority members, including executive members, make a declaration of interest in relation to each agenda and recuse themselves prior to the relevant item if there is perceived to be a conflict of interest.

9. CODES OF CONDUCT, ETHICS IN PUBLIC OFFICE, ADDITIONAL DISCLOSURE OF INTERESTS BY GOVERNING AUTHORITY MEMBERS AND PROTECTED DISCLOSURES

To ensure continued integrity and transparency, and to avoid public concern or loss of confidence, the Governing Authority should ensure that appropriate policies are in place so that members and staff take decisions objectively and steps are taken to avoid or deal with any potential conflicts of interest, whether actual or perceived. These policies should ensure that any potential, actual or

perceived conflicts of interest arising in the case of decision-making by Governing Authority members and the University's employees are addressed.

The Ethics in Public Office Acts 1995 to 2001 set out statutory obligations which apply to Governing Authority members and employees separately from and in addition to the provisions of this Code.

- 9.1 **Codes of Conduct:** The University will have published written codes of conduct for members of the Governing Authority and employees. The codes will be developed via a participative approach and approved by the Governing Authority taking into account the implications of all the relevant provisions of the Universities Act as well as the Ethics in Public Office Act 1995 and Standards in Public Office Act 2001.

The up-to-date codes of conduct will be available upon request with a copy of each such code being accessible through the University's website and brought to the attention of all Governing Authority members, management and employees.

- 9.2 **Scope of Application:** The Codes of Conduct will contain a description of nature, intent and scope of application of the Codes and a statement of the guiding principles and obligations in line with guidelines provided in the National Code of Governance 2019. The Codes of Conduct, a copy of which will be made available to all members of the Governing Authority and employees, will embrace such matters as duty to the University, procedures for addressing conflict of interest, limits on outside activities, acceptance of gifts and honesty in dealings.

- 9.3 **Compliance Requirements:** The Codes will refer to the need for Governing Authority members and employees to comply with any relevant legislative and regulatory requirements.

- 9.4 **Ethics in Public Office:** The Codes of Conduct will note that in addition to complying with the requirements of the University's own governing legislation, each member of the Governing Authority and each person holding a designated position of employment within the University must ensure their compliance with relevant provisions of the Ethics in Public Office Act, 1995 and Standards in Public Office Act, 2001. Each Governing Authority member, as the holder of a designated directorship under the Ethics in Public Office Acts 1995 and 2001, is required to follow the obligations set out in Appendix 3 regarding disclosure of interests.

- 9.5 **Conflicts of Interest:** In addition to the statutory requirements, the Code of Conduct will set down a broader code for the disclosure of all relevant interests (pecuniary, family, financial or other) by members of the Governing Authority, which pose a real or potential risk for conflict of interest or could materially or be perceived to materially influence the member in the performance of their functions as a member of the Governing Authority or damage public confidence in the University.

The Code of Conduct will make clear that the obligations of Governing Authority members regarding the non-disclosure of private and confidential information

do not cease when membership of the Governing Authority ends. The Code will have regard, as appropriate, to best practice in reputable universities internationally and in the Irish public sector with respect to the relevant detailed disclosure provisions. This will be brought to the attention of Governing Authority members on their appointment to the Governing Authority.

- 9.6 **Non-disclosure of Information:** The Codes of Conduct will make clear that certain obligations to the University, in particular the non-disclosure of privileged or confidential information, do not cease when membership of the Governing Authority or employment in the University has ended. The Codes will also address the provision of consultancy services by former members of the Governing Authority or employees to the University.
- 9.7 **Document Retention:** Former members of the Governing Authority must not retain documentation obtained during their terms of office as members and must return such documentation to the Corporate Secretary of the University or otherwise indicate to the Corporate Secretary that all such documentation in their possession has been disposed of in an appropriate manner. In the event that former Governing Authority members require access to papers from the time of their term on the Governing Authority, this can be facilitated by the Corporate Secretary.
- 9.8 **Additional Disclosure of Interests by Governing Authority Members:** This Code of Governance and the 2019 National Code provides for the following additional Code provisions in relation to disclosure of interests:

- i) **Periodic Disclosure of Interests:** On appointment and annually thereafter, each member of the Governing Authority must furnish to the Corporate Secretary as Secretary of the Governing Authority or other nominated person a statement in writing of:
- a) the interests of the Governing Authority member;
 - b) the interests, of which the Governing Authority member has actual knowledge, of his or her spouse or civil partner, child, or child of his/her spouse or civil partner;
- which could materially influence the Governing Authority member in, or in relation to, the performance of his/her official functions by reason of the fact that such performance could so affect those interests as to confer on, or withhold from, the Governing Authority member, or the spouse or civil partner or child, a substantial benefit.

For the purposes of this disclosure, interests have the same meaning as that contained in the Ethics in Public Office Act 1995. The statement of interests form used for annual statements under the 1995 Act will be utilised for this purpose on an administrative basis. Where the Governing Authority member is also a designated director for the purposes of the Ethics Acts, the annual statement of interests furnished in January each year under section 17 of the Ethics in Public Office Act 1995 will suffice for the purposes of the annual disclosure of interests under this Code.

- ii) **Disclosure of interest relevant to a matter which arises:** In addition to the periodic statements of interest required under (i) above, members of the Governing Authority are required to furnish a statement of interest

at the time where an official function falls to be performed by the member and they have actual knowledge that they, or a connected person as defined in the Ethics Acts, have a material interest in a matter to which the function relates. For the purposes of this disclosure, material interests has the same meaning as that contained in the Ethics in Public Office Act 1995.

- iii) **Doubt:** If a Governing Authority member has a doubt as to whether an interest should be disclosed pursuant to this Code, they should consult with the Chancellor and/or Corporate Secretary as appropriate.
- iv) **Confidential Register:** Details of interests disclosed under this Code will be kept by the Corporate Secretary in a confidential register of interests for members of Governing Authority. Access to the register is restricted to the Chancellor and Corporate Secretary, and to other members of the University on a strictly need to know basis.
- v) **Chancellor's Interests:** Where a matter relating to the interests of the Chancellor arises, in the absence of the Deputy Chairperson, the other members attending the meeting will choose one of the members to chair the meeting. The Chancellor will absent themselves when the Governing Authority is deliberating or deciding on a matter in which the Chancellor or their connected person has an interest.
- vi) **Documents withheld:** Governing Authority or University documents on any deliberations regarding any matter in which a member of the Governing Authority has disclosed a material interest will not be made available to the Governing Authority member concerned.
- vii) **Early return of documents:** As it is recognised that the interests of a Governing Authority member and persons connected with them can change at short notice, a Governing Authority member must, in cases where they receive documents relating to their interests or of those connected with them, return the documents to the Corporate Secretary at the earliest opportunity. This return of documentation will be noted in the minutes of the next meeting of the Governing Authority.
- viii) **Absent:** A member must absent themselves when the Governing Authority is deliberating or deciding on matters in which that member (other than in their capacity as a member of the Governing Authority) has declared a material interest and must not take part in any deliberation or decision of the Governing Authority in relation to those matters. In such cases consideration will be given as to whether a separate record (to which the member would not have access) should be maintained.
- ix) **Uncertainty:** Where a question arises as to whether or not an interest declared by a Governing Authority member is a material interest, the Chancellor and/or Corporate Secretary as appropriate, will determine the question as to whether the provisions of this Code apply. Where a Governing Authority member is in doubt as to whether they have an obligation under the Ethics in Public Office Acts 1995 and 2001, they may

also seek advice from the Standards in Public Office Commission under section 25 of the Ethics in Public Office Act 1995.

Protected Disclosures Legislation

- 9.9 **Protected Disclosures Acts:** The Protected Disclosures Act 2014 (as amended by the Protected Disclosures Act 2022, the 'Protected Disclosures Act') requires the University to establish and maintain procedures for the making of disclosures by workers who are or were employed by the University and for dealing with such disclosures. The terms "worker" includes current and former employees, independent contractors, trainees, agency staff, volunteers, board members, shareholders and job candidates. Written information in relation to those procedures must be provided to workers by the University. The University has published a Protected Disclosure Policy which has been updated to adhere to the Requirements of the amendments made to the legislation in 2022.
- 9.10 **Guidance:** The Minister for Public Expenditure & Reform has published Guidance for the purpose of assisting public bodies in the performance of their functions under section 21(1) of Protected Disclosures Act. The University will have regard to this Guidance when establishing and maintaining its own protected disclosures procedures under the Act.
- 9.11 **Annual Report:** The University will publish a report on protected disclosures in accordance with section 22 of the Protected Disclosures Act not later than 31 March in each year.

10. BUSINESS AND FINANCIAL REPORTING

Taking account of public accountability and the special considerations which attach to Universities in relation to their management and operation, the Annual Report, in the form of the financial statements, taken as a whole, must be fair, balanced and understandable and provide the information necessary for an assessment of the University's financial performance, financial position, business model and strategy.

A fundamental duty of the Governing Authority is to ensure that a balanced, true and fair view of the University's financial performance and financial position is made when preparing the Annual Report of the University and when submitting these to the HEA and the Minister.

The Governing Authority will ensure that timely and accurate disclosure is made to the Minister on all material matters regarding the University, including the business context, financial performance and position, and governance of the University.

Code Provisions

- 10.1 The publication of an annual report, in the form of the audited financial statements, is a primary expression of public accountability for the University. The objective of financial statements is to provide information about the financial

performance, position and cash flows of the University that is useful for economic decision-making for a broad range of stakeholders.

- 10.2 The Governing Authority is required to arrange for the preparation of the financial statements in respect of each financial year. The annual financial statements are prepared from the information contained in the University's accounting records and other relevant information and in accordance with the accounting standards applicable to the University in a form as may be approved by the HEA.
- 10.3 The Governing Authority must present University financial statements that give a true and fair view of the income, expenditure (financial performance), assets, liabilities and capital (financial position) of the University as at the financial year end.
- 10.4 Reference to financial statements giving a "true and fair view" means in the case of an entity and group financial statements, that the financial statements present fairly the income and expenses (financial performance), assets, liabilities and capital (financial position), and cash flows of the University or group concerned.
- 10.5 In order for a set of financial statements to give a true and fair view they will:
 - comply with the accounting standards applicable to the University;
 - incorporate judgement as to valuation, disclosure, and materiality that aims to give a true and fair view;
 - be prudent in the consideration of matters of judgement in the financial statements, especially where there is uncertainty; and
 - ensure that the financial statements reflect the commercial substance of transactions, and not just their legal form.
- 10.6 In accordance with the Universities Act, the Governing Authority is required to arrange for the financial statements to be audited by the Comptroller & Auditor General as the University's independent auditor.

An audit is an independent examination of the financial statements. The purpose of an audit is to enhance intended users' degree of confidence in the financial statements. Having conducted an examination of the financial statements, the Comptroller & Auditor General (C&AG) is required to report to the Governing Authority through its Audit & Risk Committee. In that report, the C&AG is required to form an opinion on a number of matters including, for example, whether the financial statements give a true and fair view and whether the financial statements are in agreement with the underlying accounting records.

- 10.7 The Annual Report, comprising the financial statements and commentary thereon, is a comprehensive report of the University's activities throughout the preceding year. It is to be submitted to the HEA within one month from the receipt by the University of the Audit Certificate from the C&AG.
- 10.8 The University is required to submit an Annual Governance Statement, approved by the Governing Authority, to the Minister / HEA in accordance with the specific reporting requirements set out by the HEA from time to time following consultation with the Universities. It includes items such as affirmation

that Government policy is being complied with, significant post-balance sheet events, a statement on the system of internal control and an outline of all commercially significant developments affecting the University in the preceding year.

Annual Report

10.9 **Audited Financial Statements:** All Universities are required to publish audited financial statements, in a format to be agreed with the HEA. As set out above the financial statements are a formal record of the financial performance and financial position of the University i.e. the University's Financial Statements.

10.10 **Preparation of Annual Report:** Each University is required to produce an Annual Report as described above. The Governing Authority is required to arrange for the preparation of this Annual Report in respect of each financial year. The Annual Report is prepared from the information contained in the University's accounting records and other relevant information and in accordance with the accounting standards applicable to the University in a form as may be approved by the HEA. The Governing Authority must present University Annual Reports that give a true and fair view of the income, expenditure (financial performance), assets, liabilities and capital (financial position) of the University as at the financial year end. Reference to financial statements giving a "true and fair view" means in the case of an entity and group financial statements, that the financial statements present fairly the income and expenses (financial performance), assets, liabilities and capital (financial position), and cash flows of the University or group concerned. In order for a set of financial statements to give a true and fair view they will:

- comply with the accounting standards applicable to the University;
- incorporate judgement as to valuation, disclosure, and materiality that aim to give a true and fair view;
- be prudent in the consideration of matters of judgement in the financial statements, especially where there is uncertainty; and
- ensure that the financial statements reflect the commercial substance of transactions, and not just their legal form.

The financial statements will be subject to external audit by the C&AG before inclusion in the University's Annual Report, in the form of the financial statements. The financial statements will be submitted to the Department within one month of the audit certificate on the accounts being issued by the C&AG.

10.11 **Annual Report:** In addition to disclosure requirements of the University's governing legislation, applicable accounting standards and other regulations applying to the University, specific elements to be disclosed in the Annual Report, in the form of the financial statements, include:

- A Statement of how the Governing Authority operates, including a statement of types of decisions to be taken by the Governing Authority and which are to be delegated to management.
- The names of the Chancellor, the deputy Chairperson (if any) of the Governing Authority, the President and members of the Governing Authority and Governing Authority committees.

- **Termination/Severance Payments and Agreements** – The financial statements will disclose details of payments and agreements with an aggregate value in excess of €10,000 made in the reporting period, in a format to be agreed with the HEA and the Department. This includes severance/termination payments, granting of added years for pension purposes or early retirement without normal actuarial reductions. The value of the latter can be determined in accordance with guidance to be issued by the Department of Public Expenditure & Reform from time to time. Given the policy underlying the Freedom of Information Act, in concluding settlements the University should not enter into confidentiality agreements which preclude it from disclosing details of the settlement reached in the financial statements, save in exceptional circumstances and on foot of legal advice that they are necessary in the circumstances of the case. When, in those circumstances, confidentiality agreements are entered into, parties to the agreements will be given prior notice that they may be subject to disclosure in any case when required by law.
- **Travel and Subsistence** - The financial statements will disclose the total costs incurred in relation to travel and subsistence in the period for the University.
- **Hospitality Expenditure** - The financial statements will disclose the expenditure incurred in relation to hospitality in the period.
- **Legal Costs/Settlements** – in cases where cumulative legal costs incurred in the year of account exceed €50,000, a note will be included in the financial statements, where appropriate, and in a format agreed with the HEA/Department.

10.12 Reporting Requirements: Reporting requirements will be adhered to as follows: *(It is important to note that Department/HEA may choose to seek additional financial information at more frequent intervals than those outlined below.)*

- Draft Unaudited Financial Statements:** The University's draft unaudited financial statements should be furnished to the C&AG by such date as the C&AG General may from time to time determine.
- Publication of Annual Report,** in the form of Statutory Financial Statements: The University should publish (or where publication is not required, submit to the Government) its Annual Report, in the form of the financial statements, not later than one month following completion of the audit of its financial statements by the C&AG.
- Board Fees:** In the interests of transparency and good governance, the Universities are required to publish in its Annual Report, in the form of the financial statements, details of non-salary-related fees paid in respect of Governing Authority members analysed by category of fees, and the salary of the Chief Officer.
- Board Meetings and Attendance:** The number of meetings of the Governing Authority and its committees and the attendance of each

Governing Authority member at Governing Authority meetings will be reported in the Annual Report, in the form of the financial statements.

- v. **Disclosure of Key Management Personnel Compensation:** The University will disclose in the Annual Report, in the form of the financial statements, aggregate details of the salary scales of their executive members, analysed by the following categories:
- a. Salaries and short-term employee benefits by reference to salary grades
 - b. Post-employment benefits; and
 - c. Termination benefits, other than pension entitlements.

The University will also disclose key management personnel compensation in total. Compensation includes all employee benefits. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any Governing Authority members (whether executive or otherwise) of that entity who report directly to the President.

The following arrangements will also apply:

- a) The Universities will disclose in their financial statements the aggregate amount of total compensation paid to employees including employee numbers in whole time equivalent format.
 - b) The aggregate total compensation paid to employees will be split between salary, overtime and allowances.
 - c) A separate note on the President's salary and benefits (and termination payment if relevant) will also be included.
 - d) A separate note on termination benefits, other than standard pension entitlements, to all staff will be included. Chief Officer's termination benefits will be kept separate, as set out above.
- vi. **Employee Benefits:** In addition to disclosing the aggregate pay bill and total number of employees, the University will publish details of the number of employees whose total employee benefits (excluding employer pension costs) for the reporting period fell within each pay band of €10,000 from €60,000 upwards and an overall figure for total employer pension contributions in the Annual Report, in the form of the financial statements.
- vii. **Pension Liabilities:** The standard conventions setting out how public service superannuation liabilities are reflected must be followed in all cases.

- 10.13 **Consultancy Costs:** The University will disclose details of expenditure on external consultancy/adviser fees in the Annual Report, in the form of the financial statements, for each accounting year for each entity.

For this purpose, consultancy fees mean fees paid to external parties providing advisory services of any nature. Such fees will be itemised by category as stated below or as the University considers appropriate having regard inter alia to its

size and competitive position and to the extent to which information is already disclosed:

- Legal (legal fees across all areas to be included here e.g. for pension, HR etc.);
- Tax and financial advisory (e.g. due diligence, accounting, corporate finance);
- Public relations/marketing; and
- Pensions and human resources; and
- Other.

Note that financial advisory excludes what is currently required to be disclosed in respect of fees paid to the auditors.

In procuring the services of external consultants, the University will comply with all applicable laws and have regard to Code guidelines regarding competitive tendering.

10.14 **Statement on Internal Control:** The Statement of Internal Control will be included in the Annual Report, in the form of the financial statements, of the University and reviewed by the C&AG to confirm that it is consistent with the information of which they are aware from their audit work on the financial statements. The C&AG should include their report on this matter in their audit report on the financial statements.

10.15 **Deadlines:** Where the audit has been unavoidably delayed the relevant deadline it can be extended in consultation with the C&AG.

10.16 **Web Publication:** The University's Annual Report in the form of the financial statements will be published on the University's website.

Additional Reporting Requirements

10.17 **Annual Governance Statement:** The University must furnish to the HEA/the Minister an Annual Governance Statement, which is comprehensive report covering the University. The Annual Governance Statement template is reviewed annually and agreed by the HEA and IUA.

10.18 **Commercially Sensitive Developments:** In line with the HEA Financial Memorandum requirements, the President must inform the HEA without delay of any circumstance that is having or is likely to have material adverse effect on the financial position of the University or its ability to maintain its capacity to deliver relevant education programmes, research and related activities.

Significant commercially sensitive developments in the preceding 12 months must be included as part of the Annual Governance Statement.

10.19 **Subsidiary Reporting:** A representative of the Board of each active subsidiary will furnish the Governing Authority with a report on an annual basis. This report must be received prior to the Governing Authority reporting in the University's Annual Governance Statement.

11. RISK MANAGEMENT, INTERNAL CONTROL, INTERNAL AUDIT AND AUDIT & RISK COMMITTEE

The Universities Act provides that the Governing Authority must provide for and maintain a system of risk management. There will be formal and transparent arrangements for governance, risk management and internal control and for maintaining an appropriate relationship with the C&AG and the University's External Auditors.

Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. They consist of an ongoing process designed to identify and address significant risks involved in achieving the University's stated outcomes.

Advising on key risk is a matter for the Governing Authority. The Audit & Risk Committee supports the Governing Authority in this role.

Code Provisions

- 11.1 **Risk Management Policy:** The University will develop a Risk Management Policy that forms part of the University's risk management framework. The Governing Authority approves the risk management framework and monitors its effectiveness. The Governing Authority will review material risk incidents and note or approve management's actions, as appropriate.
- 11.2 **Risk Management:** It is the responsibility of the Governing Authority, supported by its Audit & Risk Committee, to ensure that a robust system of risk management is in place in the University. Such a system involves:
- Consider reports from its Audit & Risk Committee that will give an independent view on the University's risks and risk management systems;
 - Making risk management a standing item on the Governing Authority and/or relevant subcommittee meeting agenda;
 - Advising the relevant Minister of the need to include risk management experience/expertise in the competencies of at least one Governing Authority member. Where composition of the Governing Authority does not allow for this, expert advice should be sought externally;
 - The identification of risks that threaten the achievement of the University's objectives;
 - The evaluation of the likelihood of occurrence and potential impact of the risks identified;
 - The segregation of risks according to their gravity;
 - An appraisal of the techniques employed to manage the major risks and to identify any further steps that will be taken;
 - An appraisal of the levels of residual risk - after the application of mitigation techniques - and whether the residual risk is acceptable;
 - Continuous monitoring of the effectiveness of controls and management techniques;
 - Decision-making informed by the risk management process.

The Governing Authority will make a provision for:

- approving the Risk Management Policy, setting the University's risk appetite and monitoring its effectiveness, and approving the risk management plan and Fundamental (Corporate) Risk Register at least annually;
- reviewing material risk incidents and noting actions taken to deal with them.
- making risk management a standing meeting agenda item regularly and at least once annually.
- include review of risk management in the terms of reference of the Audit Committee & Risk Committee
- requiring an external review of the effectiveness of the risk management framework on a periodic basis; and confirming in the annual governance statement that the Governing Authority has carried out an assessment of the University's principal risks, including a description of these risks, where appropriate, and associated mitigation measures or strategies.

Internal Control

- 11.3 **Internal Control:** The Governing Authority is responsible for ensuring that effective systems of internal control are implemented in the University including financial, operational and compliance controls and risk management and the Governing Authority should review the effectiveness of these systems annually.

The following are the key internal control procedures designed to provide effective internal control:

- i) the steps taken to ensure an appropriate control environment (such as clearly defined management responsibilities and evidence of reaction to control failures);
- ii) processes used to identify business risks and to evaluate their financial implications;
- iii) details of the major information systems in place such as budgets, and means of comparing actual results with budgets during the year;
- iv) the procedures for addressing the financial implications of major business risks (such as financial instructions and notes of procedures, delegation practices such as authorisation limits, segregation of duties and methods of preventing and detecting fraud);
- v) the procedures for monitoring the effectiveness of the internal control system which may include: Audit & Risk Committee, management reviews, consultancy, inspection and review studies, the work of internal audit, and quality audit reviews;
- vi) Confirmation in the Annual Report, in the form of the financial statements, that there has been a review of the effectiveness of the system of internal control.

Review of Effectiveness of Internal Control

11.4 **Effectiveness of Internal Control:** The existence of risk management policies and internal control systems do not on their own constitute effective risk management. Effective and on-going monitoring and review are essential elements of sound systems of risk management and internal control. Reviewing the effectiveness of internal control is an essential part of the Governing Authority's responsibilities. The Governing Authority is required to form its own view on effectiveness of internal control systems based on the information and assurances provided.

11.5 **Annual Review of Effectiveness of Internal Control:** The Governing Authority will review on an annual basis the effectiveness of the University's system of internal controls, including financial, operational and compliance controls and risk management.

The annual review of effectiveness will consider the following:

- changes since the last review in the nature and extent of significant risks and the ability of the university to respond effectively to changes in its business and external environment;
- the scope and quality of management's ongoing monitoring of risks and the system of internal control and, where applicable, the work of its Internal Audit Function and other providers of assurance;
- the extent and frequency of the communication of the results of the monitoring to the Governing Authority or its committees, which enables it to build up a cumulative assessment of the state of control in the University and the effectiveness with which risk is being managed;
- the incidence of significant control failings or weaknesses that have been identified at any time during the period and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the University's financial performance or condition; and the effectiveness of the University's public reporting process. The annual review of effectiveness will conclude on the extent to which controls are adequate, and were operating, and outline actions required to address any deficiencies arising.

11.6 **Timely Completion of Review:** Timely completion of the annual review is critical if it is to fulfil its objectives of providing assurance in relation to the operation of controls in the reporting period. The annual review will be conducted close to the end of the period under review or as soon as possible after the end of the financial period under review.

Internal Audit

Internal Audit is an independent, objective assurance and consulting activity designed to add value and improve the University's operations. It helps the University to accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Code Provisions

- 11.7 **Internal Audit Function:** The University of Limerick will have a properly constituted independent internal audit service or engage appropriate external expertise which will operate in accordance with the provisions set out below.
- 11.8 **Independence:** The Internal Audit Function will be independent of the activities it audits. This is to provide it with an environment in which it can make unbiased judgements and provide impartial advice to management. Internal Audit has no operating responsibilities, and will remain independent of, the activities being examined. However, if deemed appropriate by the President, its remit may extend to systems being developed and it may provide advice on control and related matters arising without prejudicing its right to subsequently audit such systems.
- 11.9 **Internal Audit Universe:** The Internal Audit Function will have the right to review all the management and control systems, both financial and operational and will have unrestricted access to all functional areas, records (both manual and electronic), property, and personnel which it considers necessary to fulfil its responsibilities. Specifically, the Internal Audit Function shall be responsible for the effective review of both internal control and risk management. Rights of access to other bodies controlled or funded by the University are included in the University's Internal Audit Universe.
- 11.10 **Annual Programme of Audits:** The Internal Audit function will be responsible for drawing up an annual programme of audits having regard to the University's Strategic Plan for consideration by the Audit & Risk Committee. The Internal Audit Function is required to demonstrate objectivity, comprehensiveness and relevance to the Audit & Risk Committee and the Governing Authority in respect of the areas to be audited and the respective priorities for these audits within the programme. It is important to note however, the existence of the Internal Audit Function does not relieve line management of its responsibility for effective control of the activities for which it is responsible.
- 11.11 The Internal Audit Function will operate professionally, adhering to the Code of Ethics and International Standards of the Institute of Internal Auditors or equivalent professional standards, save for outsourced functions.

The operation of the Internal Audit Function will follow the principles below:

- i) **Charter:** The Internal Audit Function will have a formal charter, including terms of reference, as approved by the Governing Authority on the recommendation of the Audit & Risk Committee. The Internal Audit function reports directly to the Audit Committee & Risk Committee and administratively to the Corporate Secretary. The functional reporting structure within the University must be clear and formally recorded.

- ii) **Internal Audit:** The Internal Auditor will have considerable seniority within the University and the content of all internal audit reports should be at their discretion in accordance with the provisions of the Internal Audit Charter. The Internal Auditor has direct access to the Chairperson of the Governing Authority, to the President and to the Chairperson of the Audit & Risk Committee in the performance of their duties.
- iii) **Compliance Tests:** In carrying out its on-going work, the Internal Auditor will assess, using a risk based approach, the areas within its terms of reference (as set out in the audit charter), and report its findings to the Audit & Risk Committee.
- iv) **Resources:** The Internal Audit Function will be adequately resourced with the necessary skills, consistent with its responsibilities under this Code, including the ability to deal with non-financial aspects of the University's operations.
- v) **External Auditors and Internal Audit:** The Internal Audit Function will liaise closely with the external auditors appointed by the Governing Authority and the C&AG so that the potential for co-operation between all parties is maximised. The work carried out by these entities can frequently be complementary and effectiveness can be increased through regular consultation.
- vi) **Value for Money Auditing:** In planning, executing and reporting its work, the Internal Audit Function must ensure that value-for-money auditing receives adequate attention based on the principles and provisions of the Public Spending Code, where relevant.
- vii) **Procurement and Disposal:** As part of its work, the Internal Audit Function will review compliance with procurement and disposal procedures from time to time and report to the Audit & Risk Committee and, through that Committee, to the Governing Authority.

Audit & Risk Committee

11.12 The Governing Authority will establish an Audit & Risk Committee of at least three independent non-executive members (excluding the Chairperson of Governing Authority). It is recommended that an Audit & Risk Committee has members drawn from outside the Governing Authority. An Audit & Risk Committee is more likely to have the broad range of skills and experience necessary where its membership is not restricted to the Governing Authority. The Committee should be empowered to co-opt members to provide specialist skills at a particular time and to procure specialist advice at reasonable and approved expense to the University to assist the Committee with specific areas of its business. The Governing Authority will have due regard for the benefits of diversity on the Audit & Risk Committee including gender.

Code Provisions

11.13 While the Governing Authority has a duty to act in the University's interest, the Audit & Risk Committee has a particular role, acting independently of the University's Management, to ensure that the interests of Government and other stakeholders are fully protected in relation to business and financial reporting and internal control.

11.14 **Terms of Reference of Audit & Risk Committee:** The Committee will have written terms of reference that deal clearly with authority and duties. These terms of reference will be communicated to all members of the Committee. They will be approved by Governing Authority and include provisions for the following:

- membership;
- reporting requirements;
- authority to investigate;
- meetings – timing, conduct and frequency;
- information requirements;
- value for money;
- governance; and
- responsibilities regarding:
 - risk management
 - Internal control
 - Internal audit
 - External audit, and
 - Reviewing its own effectiveness

The Audit & Risk Committee will review their terms of reference on an annual basis and recommend any necessary changes to the Governing Authority. It is important that a balance is struck during Audit & Risk Committee meetings between governance, risk management, internal control, and financial reporting items.

11.15 **Attendance at Meetings:** The Audit & Risk Committee may invite appropriate individuals, including the Chancellor, to attend a meeting of the Committee for a specific purpose.

11.16 **Appointments:** Members of the Governing Authority who hold executive responsibility within the University will not be members of the Audit & Risk Committee. Appointments to the Committee are made by the Governing Authority in consultation with the Chairperson of the Audit & Risk Committee. The Governing Authority must satisfy itself that at least one member of the Committee has recent and relevant financial experience.

11.17 **Duration of Appointment:** The duration of appointment of Audit & Risk Committee members will be clearly set out at time of appointment. It is recommended that the first appointment be for the term of the Governing Authority, which can be renewed for one further term.

- 11.18 **Relevant Skills and Experience:** The Audit & Risk Committee should collectively possess an appropriate range of skills to perform its functions to the required standard. At least one member of the Committee will have recent, relevant financial experience and other members have recognised competency in the core areas of risk management, internal audit and governance.
- 11.19 **Appointment Criteria:** The Governing Authority will assess the terms of reference and the work programme of the Audit & Risk Committee when considering the appointment of members. Members should have, or acquire as soon as possible after their appointment, an understanding of:
- organisational culture, objectives and challenges;
 - organisational structure including key relationships e.g. the University's relationship with the Minister, Department and the HEA; and
 - relevant legislation or other rules governing the University. Audit and/or Risk Management Committee Guidance
- 11.20 **Letter of Appointment:** There will be a standard letter of appointment for each new Audit & Risk Committee member that includes:
- role of the Audit & Risk Committee;
 - duration of appointment and renewal provisions;
 - Confidentiality Agreement for signing;
 - support and training to be provided;
 - the time commitment involved;
 - rules regarding conflict of interests;
 - evaluation of the Committee; and
 - termination arrangements.
- 11.21 **Conflict of Interest:** The process for recording declarations of conflicts of interest in the Audit & Risk Committee will be the same as that used at Governing Authority level. Each member of the Committee must take personal responsibility to declare any potential conflict of interest arising in relation to any items on the agenda for Committee meetings. The Committee will specify its procedures where a conflict of interest arises including the requirement that the relevant member brings this to the attention of the Chairperson and, where necessary, leaves the room for the duration of the discussion and not take part in any decisions relating to the discussion. Similar arrangements will apply in relation to meeting documentation, where such documentation is not made available to the member. This will be noted in the minutes of the meeting.
- 11.22 **Register of Members Interests:** Details of interests disclosed under this Code will be kept by the Secretary of the Governing Authority or other nominated person in a special confidential register. Access to the register will be restricted to the Chancellor and Corporate Secretary and other members of the University on a strictly need to know basis.

- 11.23 **Training and Development:** There will be a formal induction process in place (including individually tailored training) for new Audit & Risk Committee members. The Chairperson and other members of the Committee will be asked to identify their training needs at the start of each calendar year. The Governing Authority will be advised of any training undertaken or planned by members as a Committee or on an individual basis. The Audit & Risk Committee should keep up to date with best practice and developments in corporate governance.
- 11.24 **Frequency of Meetings:** The Audit & Risk Committee will meet at least four times a year and invite outsiders with relevant experience to attend meetings if necessary. In the event that four meetings is not considered necessary, a statement to this effect will be included in the Annual Report, in the form of the financial statements, of the University that members of the Committee are satisfied that the Audit & Risk Committee discharged its role with fewer than four meetings in a year.
- 11.25 **Authority to Investigate:** The Audit & Risk Committee has explicit authority to investigate any matters within its terms of reference and should be given the resources needed for this purpose including outside professional advice as necessary, and full access to information. Any internal audit /audit items that relate to the Governing Authority's areas of responsibility should be communicated to the Governing Authority as soon as possible.
- 11.26 **Relationships:** As the business of the Audit & Risk Committee requires, the President, Chief Corporate Officer, Secretary, Chief Finance Officer, Internal Auditor and other senior executives within the University will attend for specific meetings or agenda items at the Committee's request. Executive members of the University will be invited to attend Audit & Risk Committee meetings to participate in discussions and provide information as required. Executive members of the University should maintain an appropriate relationship with the Audit & Risk Committee.
- 11.27 **Communications:** The Audit & Risk Committee will ensure that it communicates effectively with the Governing Authority, the Internal Auditor, the C&AG and other stakeholders.
- 11.28 **Chairperson of the Audit & Risk Committee:** The Chairperson of the Audit & Risk Committee has particular responsibility for ensuring:
- that the Committee is appropriately resourced;
 - the Committee reviews Internal Audit Reports and management responses and ensures that actions are followed up;
 - reports to the Committee contain relevant information that is provided at the right time and in an appropriate format;
 - absent Committee members are briefed on meetings and attendance records are maintained and reviewed annually;
 - The Committee submits regular written reports to the Governing Authority containing relevant information;
 - matters arising are reported on at each subsequent meeting; and
 - they are involved in the appointment of new Committee members.

- 11.29 **Appraisal:** Appraisal of the Chairperson of the Audit & Risk Committee will be overseen by the Chancellor.
- 11.30 **Audit and/or Risk Committee Secretariat:** The secretariat to the Audit & Risk Committee will:
- commission papers as necessary and support the Chairperson in preparing reports;
 - circulate documents and keep and circulate minutes of meetings to Committee members and to internal and external audit as necessary in good time for meetings;
 - for any agreed actions, document the owner, deadline and any advice given by stakeholders and monitor same between meetings;
 - keep the Committee abreast of development in the University; and
 - maintain a record of members' appointments and termination/renewal dates and ensure that appropriate appointment procedures are initiated when necessary.
- 11.31 **Programme of Work:** The Audit & Risk Committee will establish an annual Programme of Work that should include:
- Internal Audit Function including its scope of work and required resources;
 - Approval of the University's Internal Audit Plan that provides for:
 - i) Engagement with External Auditors & the C&AG and encourage cooperation between the External Auditor & the C&AG and Internal Auditor and receive assurances about the effectiveness of their working relationship, including the sharing of internal audit plans to avoid duplication of effort. The Internal Audit will provide the external auditor with copies of all completed Internal Audit Function reports.
 - ii) Review of draft financial statements
 - iii) The University Policies that require review/development in the period under review;
 - iv) Review of financial controls, including the delegation of authority, that enables the University to achieve its objectives on a value for money basis;
 - v) Consideration of local risk registers and the University's Fundamental Risk Register in accordance with the Risk Management Policy;
- 11.32 **Authority to Investigate:** The Audit & Risk Committee has explicit authority to investigate any matters within its terms of reference and will be given the resources needed for this purpose including outside professional advice as necessary, and full access to information. Any internal audit/audit items that relate to the Governing Authority's areas of responsibility will be communicated to the Governing Authority as soon as possible.
- 11.33 **Relationships:** As required by the Audit & Risk Committee, the President and other University Executives should attend meetings for specific agenda items at the request of the Committee.
- 11.34 **Communications:** The Audit & Risk Committee should ensure that it communicates effectively with the Governing Authority, the Head of Internal Audit, the C&AG and other stakeholders.

12. RELATIONS WITH THE OIREACHTAS, THE MINISTER, THE DEPARTMENT AND HEA

- 12.1 **Guiding Principles:** Good governance is to ensure that the University achieves its intended outcomes as defined in its governing legislation and stated Strategies, while acting in the public interest. This requires effective arrangements for defining outcomes in terms of sustainable economic, social, and environmental benefits are included in the University's Oversight Agreement with the Minister/Department /HEA.

Good governance also requires effective procedures for the definition of responsibility and accountability, allocation of budgets, defining expected outputs and outcomes and clear procedures for monitoring performance.

Any derogations from the provisions of the National Code of Governance will be set out in the Oversight Agreements accompanied by explanatory notes clearly setting out reasons for the derogation.

The University is cognisant of the need to have ongoing dialogue between the Department /HEA and the University based on a common understanding of the objectives of the University and the actions through which it seeks to achieve those objectives.

- 12.2 **Code Provisions:** The statutory basis for Irish Universities set out in the legislation defines the parameters for the level of operational autonomy and independence under which each University operates in pursuit of its objectives. Irrespective of the degree of autonomy and independence applying to the University, it must be subject to sufficient oversight and accountability to ensure that it is performing effectively and delivering its objectives to ensure that public resources are used efficiently and effectively.

Universities have certain functional independence under the Universities Act. Functional independence can be achieved and is fully compatible with statutory and financial oversight by the Minister/Department/HEA and with proper and effective accountability. Effective accountability is strongly dependent on establishing clearly defined roles and responsibilities, in accordance with the Universities Act, which are clearly understood and observed in practice by all parties.

- 12.3 **Parent Department Oversight Role:** The University is required to confirm to the HEA its compliance the Sectoral Code and this UL Code of Governance in their governance practices and procedures and, where appropriate, explain any non-compliance. A separate code for subsidiaries will apply.

This Code is based on the National Code that was developed in partnership by the IUA and HEA and is based on the Code of Practice for the Governance of State Bodies, having regard to the provisions of the Universities Act, and other Acts of the Oireachtas.

Oversight Agreements

12.4 **Oversight Agreements:** The Department and the HEA should ensure that they have written oversight agreements with the University which clearly define the terms of the University's relationship with the Minister/Department and the HEA.

12.5 The Oversight Agreements in place with the University include, or make provision for:

- 1) **Performance Compacts:** The National Strategy for Higher Education performance-based framework for the system governance of higher education in Ireland sets out the areas of responsibility for setting national priorities of Government and related short to medium term objectives for the higher education system. The HEA and the universities have agreed a mandate which encompasses the responsibility to create a well-coordinated system of higher education institutions which, in its totality, is capable of delivering on national objectives set for the system by the Minister.

This aspect of the role requires the following:

- To focus on outcomes and the performance of each University and the higher education system as a whole.
- To negotiate a performance compact with each University reflecting its distinct mission.
- To monitor performance against agreed deliverables, and
- To provide funding based on performance

This framework is utilised as the context for conducting a process of strategic dialogue with individual institutions where institutions will agree performance compacts with the HEA, with institutional key performance indicators reflecting their contribution to overall system objectives.

Performance against the compacts is monitored via a system of annual reporting and the strategic dialogue process, whereby the HEA meets with each individual University to review performance and confirm good ongoing governance and accountability of the public funding distributed in each case.

- 2) **Annual Governance Statement:** Universities are required to submit an Annual Governance Statement to the HEA in accordance with the specific reporting requirements set out in section 6 of this Code. The Annual Governance Statement includes items such as affirmation that Government policy is being complied with, significant post balance sheet events, a statement on the system of internal control and an outline of all commercially significant developments affecting the University in the preceding year. The statement must be submitted to the HEA within 6 months of completion of the financial year. In addition, Universities are expected to flag all major governance issues to the HEA on an ongoing basis.

- 3) **Financial Memorandum:** The ongoing responsibilities and arrangements between the HEA and the Universities are set out in a financial memorandum which is signed by each institution on an annual basis. The financial memorandum requires:
- Agreement on budgets and financial plans
 - Provision of required Recurrent Grant Allocation Model (RGAM) returns
 - Compliance with public pay policy
 - Adherence to the borrowing and departures frameworks (if applicable)
 - Compliance with public sector capital expenditure requirements
 - Compliance with public sector procurement requirements.

Roles and Responsibilities

- 12.6 **Roles:** The respective roles and responsibilities of the President of the University, as well as the Chancellor will be set out in writing. These roles and responsibilities are set out in the Universities Act and are also attached as Appendix 1 and Appendix 2 to this Code respectively.

- 12.7 **The System Performance Framework:** The University will agree Performance Delivery Agreements with the HEA on behalf of the Minister, and report on progress against targets to the HEA and Minister. It is envisaged that once in place, these agreements will act as a performance contract between the Department of Education & Skills and the University, in which an agreed level of performance/service will be formalised and which will ultimately result in improved efficiency and effectiveness in the delivery of educational services.

The agreements, once in place, allow for the adoption of both annual and multi-annual targets, and the development of output and outcome indicators, including milestones to measure performance against targets.

The system performance framework defined by the Minister for Education & Skills, is the anchor document to the content and objectives of the Performance Delivery Agreement taking account of the University's legal framework. The performance compact agreed between the HEA and the University aligned to specific objectives in the Department's System Performance Framework, and consistent with the University's legal mandate, and with any Government policies for the reform and modernisation of the Education Sector.

The Governing Authority will ensure that, once agreed, this Performance Delivery Agreement and the University's Statement of Strategy are communicated to all employees and that they have a clear understanding of their role in achieving these objectives.

- 12.8 **Performance Delivery Agreements:** The Strategic Dialogue process, Performance Compact, Annual Governance Statement and Financial Memorandum outlined above, together with the system of multi-annual budgeting and management reporting, constitute, once agreed, the performance delivery agreement between the HEA and the University, and:

- Include high level goals and objectives;
- identify the key programmes of activity for the University including for each individual expenditure programme;
- set out the key outputs specified in quantitative, measurable terms;
- identify the targets for that output in annual and multi annual targets with clear milestones;
- identify the cost of delivery of that programmes of activity; and
- set out the process for the formal review of the performance agreement.

12.9 **High Level Goals and Objectives:** In stating High Level Goals and Objectives, the Performance Delivery Agreements, once agreed, in aggregate:

- set out relevant, quantitative metrics of impacts and/or results that will support examination of the effectiveness of the programme; and
- include annual and multi-annual targets that set out clear milestones to measure progress toward a goal.

12.10 **Key Outputs:** In stating Key Outputs, the Performance Delivery Agreement, once agreed, will:

- set out relevant, quantitative metrics of outputs that will support examination of the efficiency of the programme; and
- include annual and multi-annual targets that set out clear milestones to measure delivery.

12.11 **Review of Performance Delivery Agreement:** There will be at least one formal meeting per annum between the HEA and the Chairperson or non-executive nominees of the Governing Authority and top management of the University, to review the Performance Delivery Agreement, once agreed, and to strengthen the relationship between the two organisations.

12.12 **Existing Service Level Agreements:** Where the University already has existing service level agreements and/or performance frameworks (which include specific performance targets and indicators) in place with the Department/ Minister, these will be adapted to conform to the requirements of a Performance Delivery Agreement as set out in this Guidance.

Periodic Critical Review

12.13 **Periodic Critical Review:** The System Performance Framework and the associated strategic compact and dialogue process agreed with the HEA outlined this Code, provides a system of periodic critical review over a cycle of four years. This includes annual system performance reporting to the Minister and review of overall achievement of objectives and targets at the end of each four-year period.

The periodic critical reviews themselves should be:

- **Proportionate.** Reviews must not be overly bureaucratic, administratively burdensome and be appropriate for the size of the University.
- **Timely.** Reviews will be completed quickly in order to minimise disruption and reduce uncertainty about the University's future
- **Challenging.** Reviews will be robust and rigorous, and examine and evaluate as wide a range of delivery options as possible.
- **Open and Inclusive.** Key stakeholders will have the opportunity to contribute to reviews.

- **Transparent.** Reviews will be routinely published.

13. PROCEDURES FOR PROCUREMENT

Code Provisions

- 13.1 **Public Procurement:** It is the responsibility of the Governing Authority and management to ensure the implementation of appropriate systems and procedures to ensure that the requirements for public procurement are adhered to, and that the current value thresholds for the application of EU and national procurement rules are respected.

The Governing Authority will satisfy itself that procurement policies and procedures have been developed and published to all staff. It will also ensure that procedures are in place to detect non-compliance with procurement procedures. Universities should have a contracts database/listing for all contracts/payments in excess of €25,000, with monitoring systems in place to flag non-compliant procurement. Non-compliant procurement will be reported to the HEA in the Annual Statement of Governance.

- 13.2 **Procedures:** Competitive tendering is the standard procedure in the procurement process of universities. Management, and ultimately the Governing Authority, will ensure that there is an appropriate focus on good practice in purchasing, and that procedures are in place to ensure compliance with current procurement legislation and rules.
- 13.3 **Legal Obligations:** EU Directives and national regulations impose legal obligations in regard to advertising and the use of objective tendering procedures for awarding contracts above certain value thresholds. Even in the case of procurement that might not be subject to the full scope of EU Directives, such as certain 'non-priority' services or service concessions, the EU Commission and European Court of Justice have ruled that EU Treaty principles must be observed.
- 13.4 **EU Treaty Principles:** The essential Treaty principles include non-discrimination, equal treatment, transparency, mutual recognition, proportionality, freedom to provide service and freedom of establishment. Any requirement to publicise contracts of significant value to a degree which allows parties in other Member States the opportunity to express an interest or to submit tenders will be adhered to.
- 13.5 **Corporate Procurement Plan:** The University must develop a Corporate Procurement Plan. This plan is underpinned by analysis of expenditure on procurement, and the procurement and purchasing structures in the University. The plan will set practical and strategic aims, objectives for improved procurement outcomes. Appropriate measures to achieve these aims will be implemented.

The Governing Authority will affirm adherence to the relevant procurement policy and procedures and the development and implementation of the Corporate Procurement Plan in the Annual Statement of Governance.

- 13.6 **Procurement Information:** Information on procurement policy and general guidance on procurement matters is published by the Office of Government Procurement. This can be viewed or downloaded from the Office of Government Procurement website.

14. PROPERTY ACQUISITION AND DISPOSAL OF SURPLUS PROPERTY

Code Provisions

- 14.1 **Acquisition or Disposal of Assets:** As per section 42 of the 1997 Act, a university may sell or otherwise dispose of any land which is the property of the university.

In addition to any specific guidelines which apply to the University, all acquisitions, disposals or proposals to share property should be conducted in accordance with best practice taking into account the Universities Act, and relevant circulars and guidelines, University policies as appropriate.

Acquisition of New Property, Buildings, Land or Infrastructure

- 14.1 **Policy:** The University has a policy in place for the acquisition of property, buildings, land and infrastructure.

All acquisitions of new property, buildings, land or infrastructure must be conducted in line with the principles of good governance to which the University is subject. The policy outlines the University's obligation to comply with the policies (whether set out in codes, circulars, or any combination thereof) that may affect or relate to its legal capacity to purchase, or otherwise hold or acquire property, buildings, land and infrastructure.

In applying this policy regard must also be had to the legal, regulatory and governance framework applicable to the acquisition of property, buildings, land, or infrastructure including:

- Universities Act 1997 (as amended)
- Code of Practice for the Governance of State Bodies (2016)
- Department of Public Expenditure and Reform Circular 17/2016
- Public Spending Code: A Guide to Evaluating, Planning and Managing Public Investment (2019)
- Code of Governance for Irish Universities (2019)
- University of Limerick Code of Governance (2023)

All employees of the University and/or any persons contracted by the University in connection with the acquisitions of buildings, land and infrastructure are required to act in accordance with the provisions of University policy.

- 14.2 In accordance with the provisions of the Universities Act, 1997, and University policy, the following will apply to all acquisitions:

- (i) **Independent Valuation:** Where land or property is being considered for acquisition an independent valuation must be obtained. These valuations will be obtained before any decision is taken by the Governing Authority to purchase/acquire or sell/dispose lands. The valuations will be obtained from professional property valuation surveyors.
- (ii) **Listing of Parties to Transaction:** All parties to land and property transactions will be clearly reported to the Governing Authority when transactions are being considered. Any Governing Authority resolution related to the purchase of land or property should state the party or parties the asset is being purchased from, unless there are valid reasons not to do so.
- (iii) **Options by Others to Purchase:** Where a third party developer has obtained an option to purchase land and is selling this option to the University, any profit margin being charged by the developer, where it can be determined, will be reported to the Governing Authority.
- (iv) **Board Resolutions:** Any Governing Authority resolutions regarding the purchase or sale of an asset will state the price the asset has been purchased or sold for.
- (v) **Transparency:** Purchase of land or property will be conducted in as transparent a manner as possible without compromising the negotiating position of the University.
- (vi) **Due diligence:** A full due diligence report will be prepared for land or property that are being considered for acquisition.

14.3 The provisions of the policy are supplemented by a detailed procedure document entitled *Acquisition of Property, Buildings, Land, and Infrastructure* which sets out the process to be followed.

Capital Investment Appraisal

The Public Spending Code: The Public Spending Code is the comprehensive set of expenditure appraisal and value for money requirements and related guidance covering all public expenditure.

- 14.4 The Governing Authority will ensure that robust and effective systems and procedures are in place in the University to ensure compliance as appropriate, with the relevant principles, and requirements of the Public Spending Code and the Universities Act. The Chairperson of the University will confirm in the Annual Governance Statement that the University is adhering to the relevant aspects of the Public Spending Code.
- 14.5 **Investment Appraisal:** In addition, the Governing Authority will ensure that the University has regard to appropriate models for investment appraisal in their sectors and seek to apply the best practice financial and economic appraisal principles contained in the Public Spending Code for the appraisal and management of all investment proposals.

Diversification, Establishment of Subsidiaries and Acquisitions by the Universities

- 14.6 **Subsidiaries:** As one of the functions of a university, section 13 (2) (c) of the 1997 Act provides that a university, "... may establish by incorporation in the State or elsewhere, or participate in the establishment of, such trading, research or other corporations as it thinks fit for the purpose of promoting or assisting, or in connection with the functions of, the university."

Any proposals for the diversification of a university's activities, particularly in relation to diversification into areas outside the core functions of teaching and research, or for the establishment of new subsidiaries will require the approval of the Governing Authority, which will consider the full implications, including any financial or other risks, for the University.

- 14.7 **Approval:** When seeking such approval, the University will supply the Governing Authority with complete details of such proposed subsidiaries, joint ventures or acquisitions, and will do so at the earliest opportunity in order to avoid delays.
- 14.8 **Details:** Such details will include the following (which is not an exhaustive list) together with such other information as may be requested:
- the full business case for the proposal;
 - cash flows and projections;
 - risk analysis of proposal;
 - the amount of share capital proposed for acquisition, compared with the entire issued share capital of the company concerned;
 - details of any shares held in such company by any other State body, its subsidiaries or State body joint ventures;
 - data on the financial commitment and exposure of the parent body, whether by way of equity, loans, guarantee or otherwise;
 - other potential liabilities that may have a negative impact on the company;

- outstanding borrowings of such company from all sources, whether guaranteed or not, and any commitments by them which could involve financial exposure for the University; and
- the proposed approach to the remuneration and conditions of employment of the CEO/Managing Director and, where appropriate, other employees of the subsidiaries will be outlined, when seeking approval for the establishment or acquisition of subsidiaries.

14.9 **Borrowing Limits:** Under Section 38 of the 1997 Act, universities must observe the provisions of any Framework for Borrowings and Loan Guarantees (as amended, adapted or extended from time to time) agreed between the universities and the HEA under Section 38(2) of the 1997 Act.

Disposal of State Assets

14.10 **Disposal:** In addition to the relevant statutory provisions of the Universities Act, universities will ensure that arrangements are in place and adhere to best practice for the disposal of assets with an anticipated value at or above a threshold level of €150,000, which will be by auction or competitive tendering process, other than in exceptional circumstances (such as a sale to a charitable body). The method used will be both transparent and likely to achieve a fair market-related price. The anticipated value may be determined either by a reserve price recorded in advance in the University's records or by a formal sign-off by the Governing Authority on the advice of the CF&PO or, if delegated by the Governing Authority, sign-off by the CF&PO, that, in its view, the anticipated value is likely to be less or greater than €150,000. Valuations will be carried out by a qualified and unconnected valuer.

Regard will be given to national guidelines and protocol on Intellectual Property (IP) management and reporting requirements on IP management in the Annual Governance Statement.

Compliance with use of Auction or Tendering Requirements

14.11 **Governing Authority Approval - Use of Competitive Process:** If an auction or competitive tendering process takes place and the highest bid is not the bid accepted, then specific Governing Authority approval is required before the disposal of the asset or granting of access to property or infrastructure for commercial arrangements with third parties can be completed. The Governing Authority must ensure that the provisions of the EU Commission Communication on State Aid in sales of land and buildings by public authorities are complied with fully. Any such approvals, together with the reason why a lower bid was permitted to be accepted, will be noted in the minutes of the Governing Authority.

14.12 **State Aid:** A measure constituting State aid shall not be implemented before it has been approved by the EU Commission. The EU Commission Guidance Paper on State aid-compliant financing, restructuring and privatisation of State-owned enterprises sets out EU State aid rules, which must be complied with when carrying out or financing, restructuring and/or privatisation of State-owned enterprises and provides clarifications on the way the Commission applies the main State aid principles.

- 14.13 **Governing Authority Approval – Non-Use of Competitive Process:** Where an auction or competitive tendering process is not used and the agreed price is €150,000 or more, then specific Governing Authority approval is required before negotiations start and also before the disposal of the asset can be completed. Where an auction or competitive tendering process is not used and the agreed price is €150,000 per annum or more, then specific Governing Authority approval is required before negotiations start and also before the granting of access to property or infrastructure for commercial joint venture arrangements with third parties can be completed.
- 14.14 **Formal Certification:** No disposal of an asset can be completed until the officer authorising the disposal or grant of access has certified formally that (i) Governing Authority approval is not necessary, with the reasons, or (ii) Governing Authority approval, where necessary, has been obtained. No grant of access to property or infrastructure for commercial arrangements with third parties can be completed until the officer authorising the disposal or grant of access has certified formally that (i) Governing Authority approval is not necessary, with the reasons, or (ii) Governing Authority approval, where necessary, has been obtained.
- 14.15 **Disposal of Assets to Governing Authority Members, Employees or their Families:** Disposal of assets, above a value of €10,000, to Governing Authority members, employees or their families or connected persons will, as with all disposals, be at a fair market-related price. Where the Governing Authority is considering a proposal for any such disposal, the Governing Authority member connected to the potential purchase will absent him or herself from the Governing Authority deliberations on the issue. A record of all such disposals to such persons (to include details of the asset disposed of, price paid and name of the buyer) will be noted in a register kept for this purpose (minor disposals below €5,000, may be omitted from the register). This register will be available for inspection, if requested, by the Governing Authority. The Governing Authority may specify that any disposal above an approved threshold should be formally endorsed by the Governing Authority, who may impose specific restrictions with regard to any such disposal.
- 14.16 **Reporting Disposals to the Governing Authority:** Details of all disposals of assets below the threshold value of €150,000 without auction or competitive tendering process will be formally reported to the Governing Authority, including the paid price and the name of the buyer, on an annual basis. Details of all grants of access to property or infrastructure for commercial arrangements with third parties (save for connected third parties which is dealt with in paragraph 8.38) below the threshold value of €150,000 per annum without auction or competitive tendering process will be formally reported to the Governing Authority, including the paid price and the name of the buyer, on an annual basis.
- 14.17 **Reporting Disposals to the Minister:** Details of and explanations for the disposals of assets above the threshold of €150,000 which have not been subject to auction or competitive tendering process will be included in the Annual Governance Statement (see paragraph 6.10 of this Code). Details of and explanations for the grants of access to property or infrastructure for

commercial arrangements with third parties above the threshold of €150,000 per annum which have not been subject to auction or competitive tendering process will be included in the Annual Governance Statement.

- 14.18 **Compliance:** The Governing Authority will affirm in the Annual Governance Statement that the disposal procedures, as outlined, have been complied with.

15. TAX COMPLIANCE

- 15.1 **Tax Clearance:** It is the responsibility of the Governing Authority to satisfy itself that any Tax Clearance requirements regarding the payment of grants, subsidies and similar type payments, and regarding Public Sector Contracts, are fully adhered to. The Universities must have a valid tax clearance certificate and will maintain a valid tax clearance certificate or, where the contract is a relevant contract, demonstrate satisfactory subcontractor tax compliance at the time of each payment.
- 15.2 **Taxation:** The Universities should be exemplary in their compliance with taxation laws and should ensure that all tax liabilities are paid on or before the relevant due dates. The Governing Authority must take cognisance of any proposed corporate restructuring plans submitted for their approval and ensure that they are being undertaken for bona fide commercial reasons and not as part of any tax avoidance scheme.
- 15.3 **Tax Avoidance:** The Universities while availing of all legitimate taxation arrangements, should not engage in unacceptable tax avoidance transactions. In broad terms, tax avoidance is offensive if it involves the use of the tax code for a purpose other than that intended by the Oireachtas (including an unintended use of a tax incentive) with a view to reducing the amount of tax to be paid by the University or some other party to a transaction in which the University participates. Where a doubt arises in a particular instance, the University will consult the Revenue Commissioners.

Where the approval of the Minister with the consent of the Minister for Public Expenditure and Reform is required under legislation for any financial transaction, the Chairperson will provide confirmation from the Revenue Commissioners that the tax treatment of the financial transaction is compliant with Irish tax law.

- 15.4 **Report to Department:** A report on the University's compliance with tax laws will be provided through the Annual Governance Statement and Statement of Internal Control and furnished each year to the Department /HEA. The report should confirm that the University has complied with its obligations under tax law.

16. LEGAL DISPUTES INVOLVING OTHER STATE BODIES

- 16.1 **Legal Disputes:** Where a legal dispute involves another State body, unless otherwise required by statute, every effort must be made to mediate, arbitrate or otherwise resolve before expensive legal costs are incurred. The University should pursue the most cost-effective course of action in relation to legal disputes.

In addition to the annual reporting requirement concerning details of legal disputes with other State bodies, the University is required to provide details of such legal disputes involving expenditure of €25,000 or over, once a year by the 30th of June of each year, to the HEA and to the relevant Vote section of the Department of Public Expenditure and Reform. These details will include an estimate of the legal costs incurred up to the date of such information.

17. REMUNERATION AND SUPERANNUATION

This section addresses the following areas:

- Remuneration and Superannuation
- Fees to Governing Authority Members
- Travel and Official Hospitality

Guiding Principles

Governing Authorities of the Universities are required to implement Government policy in relation to the total remuneration package (including basic salary, allowances, and all other benefits in cash or in kind), and in relation to other provisions for superannuation and termination benefits, of the Chief Officer of the University.

Further pay policy as expressed from time to time in accordance with Frameworks agreed between the universities and the HEA under Section 25 (5) of the 1997 Act must also be implemented and adhered to. There is an Agreed Framework between the universities and the HEA for Departures from Approved Levels of Remuneration, Fees, Allowances and Expenses for University Employees which is available from the Human Resources Division. . The Governing Authorities of the Universities are required to affirm that Government policy on pay has been complied with. This is essential to maintaining public trust in as well as the credibility and reputation of the University concerned.

As part of the Annual Governance Statements, Chairpersons and Governing Authorities are also required to confirm compliance with Government policy on pay. The University is required to publish in its Annual Report, in the form of the financial statements, details of fees and expenses, where applicable, paid in respect of the Governing Authority, and the salary of the President.

Code Provisions

The Governing Authorities of the Universities are required to affirm that Government policy on pay has been complied with in respect of all staff.

- 17.1 **Departmental Consultation:** The Department will be consulted in good time prior to the implementation of any pay proposals, which fall outside general government pay policy.
- 17.2 **Appointment of the Chief Officer:** As per Section 24 (1) of the Universities Act, 1997, a governing authority shall, in accordance with procedures specified in a statute, appoint in a whole-time capacity a person to be Chief Officer of its university.
- 17.3 **Single Pension Scheme:** Pension provision for all persons in pensionable posts, including senior management and the Chief Officer, who are recruited on or after 1 January 2013 shall consist solely of membership of the Single Public Service Pension Scheme. This provision applies in all cases except where exempted under law (Public Service Pensions (Single Scheme and Other Provisions) Act 2012), and notwithstanding the existence in place of any private voluntary pension scheme for staff recruited on or prior to 31 December 2012.

Fees to Governing Authority Members

- 17.4 As outlined in the Code, Governing Authority members play a number of critical roles in setting the strategic direction and overseeing the performance of the Universities discharging key responsibilities laid down in legislation.

Inherent in the role of Governing Authority is seeking to ensure that the University carries out its responsibilities as effectively and efficiently as possible, maximising its contribution to outcomes for citizens, and assuring public value

Public Servants and Public Sector employees cannot, under the current “One Person One Salary Rule,” receive fees for their duties as a member of the Governing Authority. Therefore this section in respect of fees is relevant to external members of the Governing Authority and the Board of subsidiaries only.

Code Provisions

- 17.5 **Authorised Fee Levels:** Current fee rates for Category 1 - 4 State Boards are available from the Remuneration, Industrial Relations and Pensions Division of the Department of Public Expenditure and Reform.

The Third Schedule, paragraph 9 of the 1997 Act, provides that:

“The chairperson and members of a governing authority, other than an ex officio member who is an employee of the university, shall be paid out of funds at the disposal of the governing authority such remuneration (if any) and such allowances for expenses (if any) as the Minister, with the approval of the Minister for Finance, may decide.”

Currently the Chairperson and members of a Governing Authority are not paid fees. Should this position change the current fee rates for Category 1 - 4 State Boards, available from the Remuneration, Industrial Relations and Pensions Division of the Department of Public Expenditure and Reform, shall apply.

- 17.6 **External Boards:** An executive other than the President of the University will, subject to Governing Authority approval, be allowed to hold membership of the Boards of State funded bodies which are not subsidiary to or associated with the main University, but may not receive a Board fee under the One Person One Salary rules.
- 17.7 **Annual Governance Statement:** As part of the Annual Governance Statement, the Chairperson will affirm that Government policy on pay has been complied with.

Travel and Official Hospitality

Guiding Principles

The University will certify that Government travel policy requirements are being implemented in all respects. The University must also be cognisant of the need to achieve economy and efficiency in their expenditure on official travel and have a policy in place that covers both foreign and domestic travel.

Code Provisions

- 17.8 The University will certify that Government travel and subsistence policy requirements are being implemented in all respects. In matters of official travel and subsistence, it will adhere to civil service procedures as set out from time to time in guidance issued by the Department of Finance or communicated via the Department or the Higher Education Authority, as appropriate. Similarly, the University will also be cognisant of the need to achieve economy and efficiency in their expenditure on official travel and will have a policy in place that covers both foreign and domestic travel.
- 17.9 The Governing Authority of the University must satisfy itself that the principles of the travel policy are adhered to and that the internal audit process is effective in ensuring that the university is fully complying with the policy. The purpose of the travel policy will be to ensure that the best value for money is obtained in respect of each official trip undertaken, consistent with the requirements of official business. Governing Authority members and staff should be advised of the details of the policy applying.
- 17.10 The Governing Authority members and employees must claim travel and subsistence only in respect of official business and not personal travel or accommodation and must not make a claim from more than one State body for the same journey. All Travel and Subsistence claims must include a clearly stated business purpose.

The Department of Public Expenditure and Reform Circulars as updated from time to time set out rates of subsistence allowance, which apply where applicable.

- 17.11 **International Travel:** Universities that incur significant expenditure on international travel by employees or members of the Governing Authority will put in place appropriate monitoring and control procedures to ensure compliance with relevant Department of Public Expenditure and Reform circulars and requirements.
- 17.12 **Official Hospitality:** Official hospitality at the University must be in line with relevant University policies. The University should be cognisant of the need to achieve economy and efficiency in their expenditure and will have a policy in place that covers both foreign and domestic official hospitality.

18. QUALITY SERVICE CHARTER

Principle

In its dealings with the public, the University will publish a quality service charter which outlines the nature and quality of service which customers and stakeholders, including learners, can expect.

Under QQI legislation there are requirements for learner and student charters and these must be in place in the University.

Code Provisions

- 18.1 **Quality Charter:** The University will have a quality charter setting out the quality of education learners can expect and the level of service the general public and other stakeholders can expect of the organisation. Universities will promote the standards of service and the initiatives outlined in the “Principles of Quality Customer Service for Customers and Clients of the Public Service” which was originally launched in 1997 and was revised in 2000, having regard to the universities’ own quality and appeal systems.
- 18.2 **Charter Cycle:** The 4-step cycle of the quality service charter involves:
- Consultation with learners and stakeholders;
 - Commitment to quality standards;
 - Evaluation of performance; and
 - Reporting on results
- 18.3 **Display and Content:** Quality charters will be displayed prominently (on websites and at the points of service). The charter will state the University’s commitment to providing:
- education and services in accordance with the legislative requirements established in the relevant Acts, (Universities Act, Qualifications and Quality Assurance Act 2012 and associated legislation); and
 - the principles of quality assurance and enhancement of academic activities set down by the relevant State quality assurance agencies (specifically, Quality and Qualifications Ireland [QQI]).

In addition, with regard to service provision, the charter should take account of the twelve Principles of Quality Customer Service for Customers and Clients of the Public Service published by the Department of Public Expenditure, NDP

Delivery and Reform. The charter will define service standards in clear terms and simple language and will inform students and other stakeholders of contact and feedback mechanisms.

- 18.4 **Action Plan:** The charter will be supported by an action plan, which describes in detail how the commitments and standards set out in the charter, and other enhancements, will be delivered and evaluated by the University.
- 18.5 **Charters and Action Plans:** Charters and action plans will be produced as part of the same process and have separate but complementary roles. While the charter is a short, easy to read, accessible document which acts as a public commitment to students and others on what they can expect to receive when dealing with the University, the action plan is a more detailed document which describes how the charter commitments will be delivered and evaluated by the University. Both documents will share the same timeframe (ideally 3 years).
- 18.6 **Complaints Procedures:** Each University will have published procedures for the management of complaints both in respect of students and of other stakeholders. Such processes will, where relevant, make reference to the role of Ombudsman and the Ombudsman for Children.

Glossary

For the purpose of this Code, the terms below shall have the following meaning:

- **Accounting Officer** – the Comptroller and Auditor General (Amendment) Act, 1993 defines an Accounting Officer as “an officer referred to in section 22 of the [Exchequer and Audit Department’s Act of 1866] to whom the duty of preparing the appropriation accounts of a Department is assigned under that section”.
- **Annual Report, in the form of the financial statements** – A report detailing the University’s activities and financial performance during the preceding year. It includes the financial statements and may generally also include reports from those charged with governance (for example, the Chairperson of the Governing Authority), a review of the University’s strategy and performance, information on risk management and governance, alongside other information for stakeholders
- **Annual Governance Statement** –The Chairperson must furnish to the HEA/Minister, in conjunction with the University’s annual report, in the form of the financial statements, a comprehensive report covering the University, in a format as agreed annually with the HEA.
- **CIPFA** – Chartered Institute of Public Finance and Accountancy.
- **Connected Person¹** – Companies Act 2014, Section 220 specifies that a person is connected with a director of a company if, but only if, the person (not being himself or herself a director of the company) is:
 - a. that director’s spouse, civil partner, parent, brother, sister or child;
 - b. a person acting in his or her capacity as the trustee of any trust, the principal beneficiaries of which are that director, the spouse (or civil partner) or any children of that director or anybody corporate which that director controls; or
 - c. in partnership with that director.

The term “child” referred to above is deemed to include the child of the director’s civil partner who is ordinarily resident with the director and the civil partner.

- **Department** - of Further & Higher Education, Research, Innovation and Science.
- **Fiduciary Duty** – A legal obligation of one party to act in the best interest of another. The principal fiduciary duties of a company director are set out in section 228 of the Companies Act 2014.
- **Financial Statements** – A formal record of the financial activities and position of the University for the previous financial year, including disclosures, intended to communicate the University’s economic resources or obligations at a point in time or the changes therein for a period of time in accordance with a financial reporting framework.

¹ See Section 220 of the Companies Act, 2014.

- **FRC** – Financial Reporting Council (United Kingdom).
- **IFAC** – International Federation of Accountants.
- **Joint Venture** – A joint venture is a business entity created by two or more parties, generally characterised by shared ownership, shared returns and risks, and shared governance
- **Letter of Representation** – Letters of representation are letters from Governing Authority members addressed to the Comptroller and Auditor General. The letter makes representations concerning amounts in the financial statements and aspects of the audit. The letter is drafted by the Comptroller and Auditor General at the end of the audit and is submitted to the Governing Authority for signature, often by the Chairperson and the Chief Officer.
- **Management Letter** – Management letters are letters from the Comptroller and Auditor General to management setting out the failings / weaknesses found during the audit. Unless these weaknesses or failings are material, the Comptroller and Auditor General will issue a clean/unqualified/unmodified report. Management are required to prepare responses to the management letter points made. The Audit and/or Risk Committee needs to oversee implementation of the Comptroller and Auditor General's management letter recommendations which the Comptroller and Auditor General will follow up on the following year.
- **ODCE** - Office of the Director of Corporate Enforcement
- **OECD** - Organisation for Economic Co-operation and Development
- **Oversight Agreement** – A written statement between the Minister/Department /HEA and the University which clearly defines the terms of the relationship between the Minister/Department /HEA and the University.
- **Parent Department** – Department of Further and Higher Education, Research, Innovation and Science.
- **Performance Delivery Agreement** – An agreement between the Minister/Department and the University in which an agreed level of service is formalised. A performance delivery agreement comprises part of an oversight agreement.
- **Regulatory Body** – See definition on page 8 of this document.
- **Subsidiary** – A subsidiary is a company that is controlled by the holding or parent company – often indicated by holdings of more than 50% of the voting share capital of the company. A wholly owned subsidiary is 100% owned by a holding or parent company

Part 3: Governing Authority Standing Orders

These Standing Orders shall take effect from the date of the appointment of the University's Sixth Governing Authority.

1. INTRODUCTION

- 1.1 Subject to the Universities Act, the Governing Authority will regulate, by standing orders or otherwise, its procedures and business [Act, 3rd Schedule, 14]. The Governing Authority will review these procedures for the conduct of business not less than once every five years.

2. APPOINTMENT OF CHAIRPERSON AND APPOINTMENT OF MEMBERS TO BOARDS/COMMITTEES

- 2.1 Section 17 provides that the first meeting of a Governing Authority of a university shall be chaired by an external member of the Governing Authority who is appointed by a majority vote of the members to be an interim chairperson of the Governing Authority until the appointment of a chairperson. At this first meeting the Governing Authority shall appoint an external member of the Governing Authority to be the Chancellor (chairperson of the Authority) by a majority vote of not less than two-thirds of its members. The Chancellor will assume his/her responsibilities immediately following appointment by the Governing Authority.

- 2.1.1 In the event the Chancellor is unavailable, the Deputy Chairperson will chair meetings of the Governing Authority.

2.2 Governing Authority Select Committee

- 2.1 The Governing Authority has established a committee, to be known as the "Governing Authority Select Committee" and the functions of this Committee are as follows:

- to recommend persons external to the University to the Governing Authority for appointment or reappointment or to fill casual vacancies as external members;
- to be responsible for the process of selection on behalf of the Governing Authority; and
- to recommend an external chair suitable to be considered by the Governing Authority as Chancellor of the University, to be appointed in the manner provided for in Section 17 of the Act.

The Governing Authority Select Committee shall consist of seven persons, four of whom shall be external members, two of whom shall be internal members including the President, and one of whom shall be a Student Union member. The Governing Authority may appoint an external person, or alternatively an independent person external to the University (in which case the number of external members will instead be limited to three), to act as Chairperson of the Committee.

2.2 Nominating Committee

- 2.2.1 During the first meeting of a Governing Authority, a committee, to be known as “The Nominating Committee”, will be appointed by the Governing Authority.
- 2.2.2 The Nominating Committee will be the vehicle for recommending a committee structure to the Governing Authority. Following the decision of Governing Authority on this structure, the Nominating Committee will draft terms of reference and compositions for consideration by Governing Authority. Thereafter, the Nominating Committee will seek expressions of interest from members of Governing Authority to serve on the various sub-committees.
- 2.2.3 The Nominating Committee is also charged with making recommendations to Governing Authority on appointments to the boards of UL subsidiaries, associated companies and other bodies.
- 2.2.4 The Nominating Committee will comprise the following:
- The President (who will be Chairperson of the Committee unless he/she delegates otherwise);
 - The Chief Academic Officer or other senior officer of the University appointed to Governing Authority;
 - Three members of Governing Authority who are not employees/ students of the University;
 - One member of Governing Authority who is a member of academic staff or the teaching staff or staff employed on research-specific contracts of the University;
 - One member of Governing Authority who is a member of support staff of the University;
 - One Student Union Representative.
- 2.2.7 In considering expressions of interest from members of Governing Authority to serve on committees/boards/other bodies, the Nominating Committee will, where practicable, ensure that a member of Governing Authority does not serve on the same committee/board/body for greater than one term of office of the Governing Authority.

2.3 Deputy Chairperson of Governing Authority

- 2.3.1 The Governing Authority will appoint from amongst its members a member (other than the President) to be its Deputy Chairperson [*Act, 3rd Schedule, 6(1)*] and such Deputy Chairperson will, unless he or she sooner resigns as Deputy Chairperson, hold office until the end of the term of office of the Governing Authority, or until he or she ceases to be a member of the Governing Authority (whichever comes first) [*Act, 3rd Schedule, 6(2)*]. Good governance practice sets down that the member appointed as Deputy Chairperson will not be an employee/student of the University.
- 2.3.2 The Chancellor or any other member of the Governing Authority may, having regard to the competencies of the external members, propose one such member to act as the Deputy Chairperson, and failing consensus, any such proposal shall be carried by a majority vote of the members.

3. ORDINARY MEETINGS OF GOVERNING AUTHORITY

- 3.1 The Governing Authority will hold such and so many meetings, and at such times, as the Chancellor may determine [Act, 3rd Schedule, 10(1)], in consultation with the President and taking cognisance of the preferences of the members. A schedule of meetings will be adopted by the Governing Authority for the subsequent twelve months. The dates of meetings so adopted may be postponed or brought forward by the Chancellor should the need arise.
- 3.2 Additional ordinary meetings may be convened by the Chancellor. The Chancellor will convene a meeting of the Governing Authority when requested to do so in writing by not less than the number of members which constitutes a quorum [Act, 3rd Schedule, 10(2)] or by the President. Normally the Chancellor will be required to give members at least seven days' notice in advance of such a meeting.
- 3.3 Items for inclusion on the agenda of an ordinary meeting of Governing Authority will be sent to the Corporate Secretary, accompanied by appropriate documentation, at least ten working days prior to the meeting.
- 3.4 The agenda, minutes and available supporting documentation will be dispatched electronically **only** to members of Governing Authority at least five full working days prior to the meeting. On the recommendation of the Chancellor, at the commencement of a meeting, the Governing Authority may agree to accept late items for inclusion on the agenda.
- 3.5 Any proposed changes or amendments to the minutes of a Governing Authority meeting will be submitted in writing to the Corporate Secretary at corporatesecretary@ul.ie by mid-day prior to the day of the meeting at which the amendment is to be considered.
- 3.6 Normally the order of business at ordinary meetings of Governing Authority will be:
- (i) apologies
 - (ii) presentations to Governing Authority
 - (iii) minutes of previous meeting
 - (iv) matters arising from the minutes
 - (v) business that may be introduced by Chancellor and/or President
 - (vi) President's Report
 - (vii) Student Related Matters e.g. Student Reports/Academic Council Reports etc.
 - (viii) reports of Governing Authority Committees
 - (ix) matters requiring decisions by Governing Authority
 - (x) matters presented for information
 - (xi) any other business.
- Or in an order as amended by Governing Authority from time to time.
- 3.7 A quorum for a meeting of Governing Authority is 7 members, provided that not less than 4 of those members are external members within the meaning of Section 16 (which may include the Chairperson) A meeting will not commence unless a quorum is present. If a quorum is not present or ceases to be present during a meeting, the Chancellor will adjourn the meeting.

- 3.8 The Chancellor may decide to invite non-members to attend a meeting or meetings of the Governing Authority. Non-members so attending will not be entitled to vote.
- 3.9 The Corporate Secretary will record or cause to be recorded, minutes of all meetings of Governing Authority and these will be circulated to Governing Authority in accordance with Section 3.4.
- 3.10 Each issue for decision at a meeting of the Governing Authority will be determined by consensus, but where in the opinion of the Chancellor, consensus is not possible, the issue for decision will, unless otherwise specified in the Universities Act or University Regulations or Statutes, be decided by a majority of the members present and voting on the issue and, in the case of an equal division of votes, the Chancellor will have a second or casting vote [*Act, 3rd Schedule, 12*].
- 3.11 Voting will normally be by a show of hands and the decision will be recorded. The Corporate Secretary will have responsibility for organising the counting of votes. When determined by Governing Authority or the Chancellor, voting on some issues may be by secret ballot. Any member of Governing Authority taking part in a vote will bear in mind the requirements of the Ethics in Public Office Acts.
- 3.12 The number of votes for and against a motion and the number of abstentions will be announced by the Corporate Secretary at the meeting and recorded in the minutes.
- 3.13 Where a dispute arises as to the interpretation of these orders, the Chancellor will adjudicate on the matter. The ruling of the Chancellor is final.
- 3.14 Should questions that are not dealt with in these Procedures or in the Act arise at any meeting, they will be considered by the Chancellor whose decision will be final. Queries between meetings will be addressed to the Corporate Secretary as Secretary to Governing Authority.

4. SPECIAL MEETINGS OF GOVERNING AUTHORITY

- 4.1 A special meeting of Governing Authority may be called by the Chancellor based on their own decision or at the request of the President or of a quorum of members [*Act, 3rd Schedule, 10(3)*].
- 4.2 The convening of a special meeting of Governing Authority will require at least seven days' notice except in the case of an emergency when a meeting may be summoned at 24 hours' notice.
- 4.3 The notice convening any special meeting will contain a statement of the business to be addressed at the meeting of Governing Authority. No business other than that for which the meeting has been called will be transacted at such a special meeting.

5. STATUTORY AND OTHER REGULATIONS

5.1 General

- 5.1.1 Subject to the Universities Act, the Governing Authority may make, from time to time, such regulations as it thinks fit for the conduct of the affairs of the University [*Act, 3rd Schedule, 15*].

5.2 Governance

- 5.2.1 The University shall have a governing authority which shall be known by whatever name the governing authority decides [*Act, Section 15(1)*]. The governing authority of the University of Limerick shall be known as the Governing Authority.

5.3 Composition of Governing Authority

- 5.3.1 The Governing Authority shall consist of 19 members who shall be -
- (a) the Chairperson, who shall be an external member, appointed by the Governing Authority,
 - (b) nine external members (other than the Chairperson), appointed by the Governing Authority,
 - (c) the President (Chief Officer),
 - (d) five internal members (other than the Chief Officer) appointed by the Governing Authority, and
 - (e) three student union representatives appointed by the Governing Authority.

[*Act, Section 16 (1-8)*].

5.4 Expenses

- 5.4.1 The Chancellor and members of Governing Authority, other than an *ex officio* member who is an employee of the university, shall be paid out of funds at the disposal of the Governing Authority such remuneration (if any) and such allowances for expenses as the Minister with the approval of the Minister for Finance, may decide [*Act, 3rd Schedule, 9*].

5.5 Membership

5.5.1 Term of Office of Members

- 5.5.1.1 The term of office of a member of the Governing Authority (including the Chancellor), other than an *ex officio* member, shall be for such period not exceeding 4 years as the Minister or the Governing Authority, as the case may be, determines upon the nomination for appointment or appointment, as may be appropriate, by the Governing Authority holding office immediately before the appointment of that member. [*Act, 3rd Schedule 4(1)*] except as set out in Section 7.2. Further clarification on the terms of office for a member of Governing Authority are set out in the Code.

5.5.1.2 The Governing Authority may act notwithstanding one or more vacancies among its members or any deficiency in the election or appointment of a member, which may subsequently be discovered [Act, 3rd Schedule, 13].

5.5.2 Reappointment of Members

5.5.2.1 A member of the Governing Authority (including the Chancellor) whose term of office expires by effluxion of time shall be eligible for reappointment as a member of the Governing Authority. A person other than an *ex officio* member, who is reappointed as a member of the Governing Authority shall not hold office for a consecutive period of more than 8 years. [Act, 3rd Schedule, 3(4-5)]. Recommendations in line with best practice that propose to limit the number of terms of office an individual may serve on Governing Authority is set out in the body of the Code.

5.5.2.2 A member of a Governing Authority who is a Student Union Representative of the University shall hold office for such period, not exceeding one year, as the Governing Authority may determine but may be re-appointed for a further period or further periods, on each occasion not exceeding one year [Act, 3rd Schedule, 4(2)].

5.6 Ineligibility and Removal of Members

5.6.1 Where a member of the Governing Authority -

- (a) is adjudicated bankrupt,
- (b) makes a composition or arrangement with creditors,
- (c) is sentenced by a court of competent jurisdiction to a term of imprisonment,
- (d) is convicted of any indictable offence in relation to a company or any other body corporate,
- (e) is convicted of an offence involving fraud or dishonesty,
- (f) has a declaration under section 819 of the Companies Act 2014 made against him or her or is deemed to be subject to such a declaration by virtue of Chapter 5 of Part 14 of that Act, or
- (g) is subject or is deemed to be 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

he or she shall thereupon cease to be a member of the Governing Authority. [Act, 3rd Schedule, 7].

5.6.3 A member of the Governing Authority may, for good and valid reason, be removed from office by resolution of the Governing Authority [Act, 3rd Schedule, 3(1)].

5.6.4 A member of the Governing Authority who is absent from all meetings of the Governing Authority for a period of six consecutive months, unless the absence was due to illness or was approved by the Governing Authority, shall at the expiration of that period cease to be a member of the Governing Authority [Act, 3rd Schedule, 3(3)]. This provision also applies to those members of Governing Authority who avail of sabbatical/professional leave.

5.7 Filling of Vacancies

- 5.7.1 If a member of the Governing Authority dies, resigns, is removed from office or for any other reason ceases to hold office, the Governing Authority shall arrange for the filling of the casual vacancy so occasioned as soon as practicable [*Act, 3rd Schedule, 5(1)*].
- 5.7.2 A person who becomes a member of the Governing Authority to fill a casual vacancy shall hold office for the remainder of the term of office of the member whose death, resignation, removal from office or ceasing for other reasons to hold office occasioned the casual vacancy and shall be eligible for re-appointment [*Act, 3rd Schedule, 5(2)*].
- 5.7.3 Where the office of Chancellor is to be filled as a casual vacancy, the person so appointed shall hold office for the remainder of that Governing Authority's term of office and shall be eligible for re-appointment.
- 5.7.4 Casual vacancies may remain unfilled at the discretion of Governing Authority if the vacancy arises within eighteen months of the end of its term of office.

5.8 Resignation of Members and Chancellor

- 5.8.1 A member of the Governing Authority may, at any time, resign from office as a member by letter addressed to the Chancellor and the resignation shall take effect on the date on which the letter is received [*Act, 3rd Schedule, 3(2)*].
- 5.8.2 The Chancellor may, at any time, resign from office as Chairperson by letter addressed to the Governing Authority and lodged with the Corporate Secretary, and the resignation shall take effect on the date on which the letter is received [*Act, 3rd Schedule, 2(2)*].

5.9 Committees and Working Parties

- 5.9.1 The Governing Authority may, from time to time, appoint such and as many committees (including in relation to audit and risk management functions), consisting either wholly or partly of members of the Governing Authority, as it thinks necessary to assist it in the performance of its functions and may assign to those committees such of its functions as it thinks fit [*Act, Section 18(4)*].

The President shall be entitled to be a member of any and every committee appointed by the Governing Authority [*Act, 4th Schedule, 5*].

- 5.9.2 A committee of the Governing Authority shall operate in such manner as the Governing Authority may direct and its acts shall be subject to confirmation by the Governing Authority unless the Governing Authority otherwise directs [*Act, Section 18(5)*]. These committees will report on a regular basis to the Governing Authority.

5.10 Participation in Decisions

- 5.10.1 Any member of Governing Authority involved in making a recommendation to the Governing Authority in relation to appointments, promotions or review requests will exclude themselves from the relevant Governing Authority decision on the recommendation. The intent of this regulation is to those involved in making the recommendation may partake fully in related discussions but not in the decision itself.

APPENDIX 1

ROLE OF THE CHANCELLOR

- The Chancellor is responsible for ensuring that the Governing Authority exercises control over the strategic direction of the University, through an effective planning process, and that the performance of the University is adequately assessed against the objectives which the Governing Authority has approved.
- The Chancellor undertakes the statutory role of Chairperson of Governing Authority in a non-Executive capacity in accordance with the provisions of the Universities Act, 1997 and with this Code. [Section 17](#) of the Universities Act relates to the Chairperson of Governing Authority.
- The role of Chancellor has a number of functions additional to those of the Chairperson of Governing Authority namely:
 - To advocate and perform an ambassadorial role for and on behalf of the University;
 - To influence and to shape the Governing Authority's practices in relation to corporate governance, as well as its culture and its work;
 - To preside at convocations, the conferring of degrees of the University and other ceremonial occasions. In the absence of the Chancellor, the President of the University presides at such occasions;
 - To support the University in fund-raising campaigns as appropriate.

APPENDIX 2

ROLE OF THE PRESIDENT

The [Fourth Schedule](#) of the Universities Act, 1997 sets down the role of the President. The President, subject to the Act, is charged with managing and directing the University in its academic, administrative, financial, personnel and other activities. For the foregoing purposes the President has the powers necessary or expedient subject to policies as may be determined from time to time by the Governing Authority and is also answerable to the Governing Authority for the efficient and effective management of the University.

In order to fulfil the statutory requirements as summarised above, the key competencies for role of President include:

Budgetary

- The President shall, on or before the 1st day of April in each year (or such other date as the HEA may approve), prepare and submit following approval by the Governing Authority, to the HEA a statement of the proposed expenditure and, other than allocated funding, the expected income of the university for that year.
- Where the President is of the opinion that:
 - (a) the actual expenditure in a year, or
 - (b) a proposed course of action,will or is likely to result in expenditure in excess of the budget for that year after taking account of an increase (if any) in the allocated funding (i.e., a 'material departure from the budget'), the President shall so inform the Governing Authority and give reasons for his or her opinion.
- Where the Governing Authority, despite being so informed by the President's opinion (on matters (a) and/or (b) above decides not to decrease its actual expenditure, or to proceed with its proposed course of action, the President, shall, (unless he or she considers that contrary to his or her foregoing opinion a material departure from the budget will not occur), as soon as practicable, inform the HEA of the decision of the Governing Authority.

Leadership

- Lead, influence and manage organisational change through articulating and communicating a distinctive shared vision, mission and values for the future of the University to internal and external partners, whilst preserving the University's unique character and ethos.
- Lead the development and implementation of the University's strategic plan, ensuring its aims, objectives and related policies are achieved to the fullest extent possible.
- Foster and embed equality, diversity and inclusion throughout the campus community.

Relationship Management

- Act as the primary ambassador of the University in order to foster existing partnerships, forge new relationships, and ultimately raise the University's profile locally, nationally and internationally.
- Maintain critical relationships with national and local government, business, commercial, cultural and voluntary/NGO sectors.
- Work with the University's Governing Authority, staff and students to reinforce the positive role played by the campus community and alumni in delivering the University's distinctive mission and strategic goals in a values-based culture.

Results and delivery-focused

- Direct and guide the University's Executive and management teams to ensure the effective and efficient management of the University; its financial, human and physical resources.
- Strengthen the culture of excellence across all sectors of the University and ensure that they remain focused on the University's mission, vision and values.
- Enhance UL's reputation for excellence and innovation in its research programmes by nurturing UL's existing research strengths and identifying and encouraging new and emerging research opportunities.
- Build on UL's excellence and innovation in teaching and learning in order to continue strengthening the quality and competitiveness of undergraduate and postgraduate courses.
- Maximise the ability of the University to respond to its ever-changing external environment through initiating appropriate academic delivery, technological and other required measures.
- Work with the UL Foundation to further advance the University's development through philanthropic and other fundraising activities.

APPENDIX 3:

ETHICS IN PUBLIC OFFICE

Obligations under the Ethics Legislation

All those who hold designated directorships (Governing Authority memberships) or occupy designated positions of employment in public bodies, prescribed by regulation for the purposes of the Ethics legislation (i.e. the Ethics in Public Office Acts 1995 and 2001), must comply with the relevant provisions of the legislation. Compliance with the Ethics Acts is deemed to be a condition of appointment or employment. While the summary below is provided for information, detailed guidelines on compliance with the Ethics Acts has been published by the Standards in Public Office Commission (the Standards Commission) on their website.

All persons who have obligations under the Acts are obliged to act in accordance with the guidelines and any advice given by the Standards Commission, unless by so doing they would be contravening another provision of the legislation.

This Code further requires all Individuals who occupy designated positions to make an Annual Return including a nil return where applicable.

Disclosure of Registrable Interests

The Ethics in Public Office Act 1995 provides for the disclosure of registrable interests by holders of designated Board memberships and occupiers of designated positions of employment in public bodies prescribed for the purposes of the Ethics legislation. Briefly, the requirements are:

Designated Governing Authority Members: Are required in each year, during any part of which they hold or held a designated Governing Authority membership of a public body prescribed by regulations made by the Minister for Public Expenditure and Reform, to prepare and furnish, in a form determined by that Minister, a statement in writing of their registrable interests, and the interests, of which a person has actual knowledge, of his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, which could materially influence the person in, or in relation to, the performance of the person's official functions by reason of the fact that such performance could so affect those interests as to confer on, or withhold from, the person, his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, a substantial benefit. The statement must be furnished to the Standards Commission and to such an officer of the body as determined by the Minister for Public Expenditure and Reform.

Designated Positions of Employment: Are required in each year, during any part of which they occupy or occupied a designated position of employment in a public body, prescribed by regulations made by the Minister for Public Expenditure and Reform, to prepare and furnish, in a form determined by that Minister, a statement in writing of their registrable interests, and the interests, of which a person has actual knowledge, of his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, which could materially influence the person in, or in relation to, the performance of the person's official functions by reason of the fact that such

performance could so affect those interests as to confer on, or withhold from, the person, his or her spouse or civil partner, a child of the person or a child of the person's spouse or civil partner, a substantial benefit. The statement must be furnished to the relevant authority for the position as determined by the Minister for Public Expenditure and Reform.

Material Interests: The holder of a designated Governing Authority membership or the occupier of a designated position of employment is required to furnish a statement of a material interest where a function falls to be performed, and where the Governing Authority member or the employee or a "connected person" (e.g. a relative or a business associate of the Governing Authority member or employee) has a material interest in a matter to which the function relates. Such a statement must be furnished to the other Governing Authority members of the public body by a designated Governing Authority member or to the relevant authority by the occupier of a designated position of employment. The function must not be performed unless there are compelling reasons to do so. If a designated Governing Authority member or the occupier of a designated position of employment intends to perform the function, he or she must, either before doing so, or if that is not reasonably practical, as soon as possible afterwards, prepare and furnish a statement in writing of the compelling reasons to the other Governing Authority members and to the Standards in Public Office Commission if a designated Governing Authority member, or to the relevant authority if an employee. This obligation applies whether or not the interest has already been disclosed in a statement of registrable interests.

Tax Clearance Obligations of Appointees to "Senior Office"

The tax clearance provisions of the Standards in Public Office Act 2001 apply to persons appointed to "senior office", i.e. to a designated position of employment or to a designated Governing Authority membership in a public body under the 1995 Ethics Act, in relation to which the remuneration is not less than the lowest remuneration of a Deputy Secretary General in the civil service. All persons appointed to a designated Governing Authority membership "senior office" must provide to the Standards in Public Office Commission not more than nine months after the date on which he or she is appointed:

- a tax clearance certificate that is in force and was issued to the person not more than nine months before, and not more than nine months after, the appointment date; or
- an application statement that was issued to the person and was made not more than nine months before, and not more than nine months after, the appointment date; and
- a statutory declaration, made by the person not more than one month before, and not more than one month after, the date of appointment, that he or she, to the best of his or her knowledge and belief, is in compliance with the obligations imposed on him or her by the Tax Acts and is not aware of any impediment to the issue of a Tax Clearance Certificate.

Investigations

The Governing Authority and employees of public bodies can be subject to investigation by the Standards Commission, either where it considers it appropriate to do so, or following a complaint, or where there is contravention of the tax clearance requirements, and there is nothing that precludes the Standards Commission from taking into account this Code in such an investigation.

Additional Information and Advice

This appendix is provided for information purposes only and does not constitute a legal interpretation of the Ethics Acts. Regard should be had in the first instance to the Standards Commission's guidelines. Requests for advice on compliance with the legislation should be referred to the Standards Commission.