

## Memorandum of Understanding

### Department of Education and Skills – Higher Education Research & Financial Section and Dublin Institute for Advanced Studies

#### 1. Introduction

##### 1.1 Purpose

The purpose of this Memorandum of Understanding (MOU) is to set out the recurrent funding and administrative arrangements between the Department of Education and Skills (DES) and Dublin Institute for Advanced Studies (DIAS). It is required to ensure accountability for the significant recurrent Exchequer funding provided by the State to DIAS.

1.2 This memorandum is not a legally binding agreement, or a contract, and is not exhaustive in its identification of responsibilities. It does not in any way limit any additional actions or policies being implemented between the two organisations. It also does not supersede any specific agreements between the two organisations in relation to particular work areas.

##### 1.3 Flexibility

Both parties recognise that it may be necessary to change, modify, add to or otherwise alter, this MOU as necessary.

##### 1.4 Liaison

In addition to any meetings and ongoing dialogue which may be required between the two organisations, at least one formal meeting will be agreed annually between the two organisations.

#### 2. Background Information

DIAS is a body corporate established under the Institute for Advanced Studies Act, 1940. The Institute, through its three constituent schools, pursues fundamental research in specialised branches of knowledge and trains advanced students in methods of original research. The Institute is an academic publisher of monographs, books and journals in Celtic Studies and on advanced scientific subjects.

- **School of Celtic Studies**

The primary function of the School is to carry out research on the languages and literatures of the Celtic-speaking peoples (with particular emphasis on Irish) and to publish this material. The School is the primary publisher for works of scholarship in Celtic Studies in Ireland.

- **School of Theoretical Physics**

The School of Theoretical Physics is concerned with the investigation of mathematical principles of physics. It has two main research groups: one on Statistical Mechanics and Disordered Systems and one on Field Theory and Particle Physics.

- **School of Cosmic Physics**

The School of Cosmic Physics has three research units: Astrophysics, Astronomy and Geophysics. Its main function is to advance knowledge and understanding of the world around us by using the methods of physics. Its work is concerned with the application of physics to the study of the external environment and natural phenomena as distinct from laboratory studies of carefully controlled experiments.

- Astrophysics: Studies of star formation forms an important aspect of the work of the section. Understanding how stars actually form is one of the most fundamental questions in astronomy.
- Geophysics: This section studies the physical structure of the earth, its present form and how it may have developed through geological time. This work can be both of basic scientific interest and of relevance for the natural resources of the country.
- Astronomy: the Astronomy Section of the DIAS School of Cosmic Physics is currently located in Fitzwilliam Place. The research activities emphasise an observational approach to the study of the Universe. The research activities emphasise an observational approach to the study of the universe, especially its high-energy and non-thermal phenomenology, with strong connections to the emerging field of Astroparticlephysics.

The Institute has a Statement of Strategy in place which covers the period 2012-2016. The Institute also produces an Annual Report which is submitted to the Department and, as required under DIAS legislation, is laid by the Department before the Houses of the Oireachtas (see also paragraph 6 below).

Recurrent funding provided to the Institute provides for research to be undertaken in the areas of celtic studies, cosmic physics and theoretical physics, which is in line with the Department's Statement of Strategy high level goal "to provide high quality learning, research and innovation opportunities in the higher education sector".

### **3. Financial Arrangements**

Higher Education – Research & Financial Section allocate recurrent funding, as sanctioned by the Department of Public Expenditure and Reform, to DIAS by way of a grant. The Department will advance monies for pay and non-pay towards general running costs.

Notwithstanding paragraph 1.2 above, the allocation of such funding and its subsequent use must be carried out in accordance with public financial procedures which provide an important overarching framework in relation to the management of public funding provided to bodies delivering services not administered directly by Government Departments. DIAS must ensure compliance with the terms of Department of Public Expenditure and Reform Circular 13/2014.

#### **3.1 Annual Budget**

DIAS shall prepare and submit its expected budget for the following year when requested to do so by the Department. The Department will notify the Institute of its allocation for the year upon publication of the Revised Book of Estimates (REV). A

formal grant allocation letter will issue as soon as possible to the Institute setting out the financial requirements for the drawdown of such funding.

DIAS will submit year-end financial information as required under Department of Public Expenditure and Reform Circular 13/2014.

### **3.2 Payment of Grant**

The Institute will agree with the Department a profile of expenditure setting out proposed drawdown of funding for the year. Requisitions, signed by the authorised signatories, should be made in line with agreed profiles. In the event of the Institute not requiring full drawdown, or requiring an increase, for any particular month details of such a variation must be put to the Department in advance for agreement.

In accordance with current Public Financial Procedures, payments should only issue as required. The Department has set a limit on the month-end cash balance of 5% of income. Requests for monthly instalments should be made only within this limit. Funding will only issue based on the receipt by the Department of:

- Requisition for payment signed by agreed signatories which should confirm the requirements for which the funding is being sought.
- Cash flow statements demonstrating that the funds are required to meet projected expenditure.
- Statements showing the up to date balances in the Institute's bank accounts and a bank reconciliation statement if required. The closing balance for the most recent month end on the cash flow statement and the reconciled bank balance figure should correspond.
- Copy of the Institutes tax clearance certificate (or the Institute may authorise the Department to use Revenue's on-line verification facility).

The Department will process requests for funding, where possible, within five working days.

### **3.3 Annual Accounts**

Section 8 of the Comptroller and Auditor General (Amendment) Act, 1993, provides for the audit by the C&AG of the accounts/financial statements of Dublin Institute for Advanced Studies.

Section 11 requires that a copy of the Annual Accounts should be submitted to the Department once signed off on by the C&AG. DIAS should submit the accounts to the Department immediately upon receipt after C&AG sign off. Under Circular 4/2011 the Department must lay the Audited Accounts before the Houses of the Oireachtas within two months of receipt in the Department.

### **3.4 Pension Related Deductions (PRDs)**

The Institute must pay over appropriate PRDs, in respect of public service employees as defined in the Financial Emergency Measures in the Public Interest Act (FEMPI) 2009, to the Department by the fifteenth day of each month in respect of the preceding month's payroll, and by a date specified annually in respect of the December payroll. The Institute must also send the required email notification at the time of the PRD payover to the Higher Education – Research & Financial and Finance Unit sections of the Department.

#### **4. Compliance with Public Sector Legislation and Policy**

DIAS should ensure reporting and monitoring arrangements are in compliance with Department of Public Expenditure and Reform Circular 13/2014. DIAS will comply with all relevant public financial procedures and legislation. These include public procurement, taxation legislation including income tax and withholding tax, employment and pension legislation, prompt payment of accounts and all other relevant legislation applicable to bodies in receipt of Exchequer funding.

DES must be satisfied that the arrangements for the general control, management and administration of public funds are satisfactory and DIAS will ensure that proper accounts are kept and audited and are available for audit by the C&AG in a timely manner. The Department has the right to inspect the records of DIAS if required.

#### **5. Corporate Governance**

Whilst the Code of Practice for the Governance of State Bodies is not strictly applicable to the Institute as it is not a body under the aegis of the Department, the Institute should still comply with the requirements of Code in keeping with best practices.

The Department will from time to time write to the Institute reminding them of their obligations and shall seek confirmation of compliance and details of certain policies and frameworks which are required to be in place.

#### **6. Annual Report**

Section 29 of the Institute for Advanced Studies Act 1940 provides that the Council shall, in every financial year, present to the Minister for submission to the Government a report of the work of the Institute and the Constituent Schools. The Department, upon receipt, shall lay of a copy of the Annual Report before each House of the Oireachtas.

Department of Expenditure and Reform Circular 13/2014 requires that a financial and performance report is submitted to the Grantor.

#### **7. Staffing**

The appointment of staff by the Institute is subject to specific approval as follows:

##### Externally Funded Posts

Delegated sanction is in place from the Department of Public Expenditure and Reform for externally funded posts. The Institute must seek approval from DES for any such posts.

##### Senior Professor

Section 8 of the Institute for Advanced Studies Act, 1940 requires that the Board of a Constituent School may submit a proposal to the Minister for the appointment of a named person to be a Senior Professor and the Minister will bring such a proposal to Government for consideration.

#### Academic Staff (other than Senior Professors)

Section 20 of the Institute for Advanced Studies Act, 1940 requires the approval of the Minister of Education and Skills for such posts. The Act provides that the numbers, remuneration, tenure and conditions of employment of such staff are approved by the Ministers of Education and Skills and Public Expenditure and Reform.

#### Non-Academic Staff

Section 18 of the Institute for Advanced Studies Act, 1940 provides that the Council may appoint clerical and other non-academic officers for each of the Constituent Schools as they think proper, but subject, to the numbers of such staff as approved by the Ministers for Education and Skills and Public Expenditure and Reform.

#### Employment Control Framework

The Institute must operate within, and comply with the terms of, the Employment Control Framework as notified by the Department.

#### Public Sector Employee Returns

The Institute will formally submit details of staffing numbers employed in the last quarter and make a prompt and accurate return to the Department's Higher Education – Policy and Skills section following the end of each quarter.

### **8. Governing Board (Policy & Skills)**

The Council of the Institute:

Section 9 of the Institute for Advanced Studies Act, 1940 provides that the body corporate of the Institute shall consist of the Council of the Institute and that the general government of the Institute and the administration of its affairs shall be vested in the Council. The Council consists of:

- a Chair, who is appointed by the President on the advice of the Government;
- two members from each Constituent School, who are appointed by the Governing Board of each School from among their own members. At least one of the members from each Constituent School must be a member of the Governing Board of the School other than by virtue of being a Senior Professor; and
- the ex-officio members of the Council (i.e. the President of University College Dublin, the Provost of Trinity College Dublin and the President of the Royal Irish Academy).

Section 9(8) provides that every quinquennial appointment of members of the Council will be made and completed before the 30th day of June on which the terms of office of their predecessors expire.

Constituent Schools:

The relevant Establishment Orders for each Constituent School provide that the Governing Board of each School will consist of a Chairman, the Senior Professors and such number of Appointed Members as the President, on the advice of the Government, shall from time to time think proper.

The Chairman and Appointed Members of the Governing Board of each Constituent School are appointed by the President on the advice of the Government. Appointments are made at quinquennial intervals, but without prejudice to the power of the President, on the advice of the Government, to make an appointment of an appointed member at any other time.

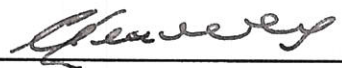
The total membership of each Board cannot be less than 5 nor more than 15, and the number of Appointed Members cannot be less than the number of Senior Professors.

There is a statutory requirement that the new Board appointments are made before 31st March of the relevant year.

**9. Duration and signatories to the agreement.**

This agreement outlines current standards and expectations of both the College and the Department and reflects current policy. It will be reviewed annually to ensure it remains up to date and is in line with public policy requirements. Should any issues of interpretation or compliance arise these should be discussed between the Registrar of the Institute and the relevant Principal Officer of the Department.

Signed:   
Christy Mannion  
Principal Officer  
Higher Education – Research & Financial

  
Cecil Keaveney  
Registrar  
Dublin Institute for Advanced Studies

Date: 13/4/15

14<sup>th</sup> Mar 2015