

8th June 2018.

Ms Margaret Falsey,
 Committee Secretariat,
 Committee of Public Accounts,
 Leinster House,
 Dublin 2.

Oifig an Uachtaráin
 President's Office

**An Sciathán Thoir, An Chearnóg Lár,
 Coláiste na hOllscoile Corcaigh,
 Bóthar an Iarthair, Corcaigh, Éire.**
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Reference : PAC32-I-936

Dear Ms Falsey,

I refer to your recent correspondence emanating from the Committee following the University's attendance at the Committee on the 22nd May last.

1 Cork University Foundation

The University supports the activities of Cork University Foundation DAC through its Development & Alumni Relations Office. The cost incurred by UCC in support of CUF for accommodation, administrative support and equipment for the most recent financial year was 629k. The University received €3.4m from the resultant donations arising from this investment and support.

2 Athena Swan

The University holds an Institutional Athena SWAN Bronze award since August 2016, which was awarded under the original Athena SWAN charter, which primarily had a STEMM focus. The University will be seeking renewal of this award in November 2019, under the new expanded charter, which covers all disciplines.

Separately, three Schools within the University have themselves already secured a Bronze Departmental Award from Athena SWAN. They are the School of Pharmacy, the School of Chemistry and the School of Biological, Earth & Environmental Sciences. The renewal for these Departmental awards is due in April 2021.

An tOllamh Pádraig G. Ó Sé PhD
 FIEEE, FAPS, FAAAAS
 An tUachtarán

Professor Patrick G. O'Shea PhD
 FIEEE, FAPS, FAAAAS
 President

Ollscoil na hÉireann, Corcaigh
 National University of Ireland, Cork

Going forward, all future applications will be submitted under the 'expanded,' post-May 2015 Athena SWAN Charter.

UCC's Strategic Plan commits to achieving at least three bronze departmental Athena SWAN awards annually through 2022, and to renewing our institutional accreditation.

3 Infini-LED

The decision to sell the company was taken by the shareholders to secure the long term financial sustainability of the company. All shareholders agreed that the significant investment into the entity from a major international technological company – Oculus – would ensure the company was set up for a successful future.

From a UCC perspective, the additional benefits of the sale included

- Facilitated further research back into UCC from Oculus
- It has enabled UCC build further relationships with Industry, as a well as
- Providing a significant investment in jobs for the region, with ongoing opportunities for UCC graduates

In addition to UCC receiving a return on its equity holding, UCC also received €974k for the IP assigned to the Infini-LED.

The final breakdown of the distribution table setting out the various shareholding is set out below.

US\$	Share & Members Register (1st June 16)		Cap Table Agreed with Shareholders ⁶		Rebalancing Distribution ⁵	CapTable Proceeds (€)			Rebalancing Payments ⁶ (€)			Total Proceeds
Total	Shares	% Holding	Shares	% Holding	%	Total	Upfront	Retention	Total	Payment 1	Payment 2	€
ScienceWorks Ventures Ltd	388,500	35.21%	428,500	35.94%	39.12%	4,410,158	3,274,231	1,135,927	2,034,492	1,510,467	524,025	6,444,650
William Henry	259,000	23.47%	259,000	21.72%		2,665,650	1,979,057	686,593	0	0	0	2,665,650
ESOP Pool	66,000	5.98%	100,530	8.43%	7.60%	1,034,663	768,164	266,499	395,170	293,386	101,784	1,429,834
University College Cork	150,000	13.59%	150,000	12.58%	22.58%	1,543,813	1,146,172	397,641	1,173,076	870,927	302,150	2,716,889
Padraig Hughes	50,000	4.53%	50,000	4.19%		514,604	382,057	132,547	0	0	0	514,604
3096858 Canada Inc	37,500	3.40%	40,348	3.38%	6.07%	415,265	308,305	106,960	315,542	234,268	81,274	730,807
John Grobstein	37,500	3.40%	40,348	3.38%	6.07%	415,265	308,305	106,960	315,542	234,268	81,274	730,807
Estate of the Late Hugh Hallward	37,500	3.40%	40,348	3.38%	6.07%	415,265	308,305	106,960	315,542	234,268	81,274	730,807
Najeeb Khalid	37,500	3.40%	40,348	3.38%	6.07%	415,265	308,305	106,960	315,542	234,268	81,274	730,807
Winvest Inc	37,500	3.40%	40,348	3.38%	6.07%	415,265	308,305	106,960	315,542	234,268	81,274	730,807
Nicholas Shepherd	2,500	0.23%	2,500	0.21%	0.38%	25,730	19,103	6,627	19,551	14,515	5,036	45,281
	1,103,500	100.00%	1,192,270	100.00%	100.00%	12,270,942	9,110,309	3,160,633	5,200,000	3,880,633	1,389,367	17,470,942

4 IMI Pay Scales

UCC staffing grades and associated salary scales are set by the Department of Education & Skills. IMI, as a former private company operates a different model of pay, which still remains in place post acquisition. This, together with differences in staff numbers, grade mix and pension arrangements make it very difficult to make any meaningful comparison between both.

However, I have set out below a table similar to that disclosed in the University Financial Statements, for IMI, which provides some basis for some assessment.

Salary level	Employees
<€60,000	54
€60,001-70,000	6
€70,001-80,000	4
€80,001-90,000	4
€90,001-100,000	1
€100,001-110,000	0
€110,001-120,000	2
€120,001-130,000	0
€130,001-140,000	0
€140,001-150,000	1
Total	72

When compared to the University, the following should be noted

- Average pay is lower in IMI than UCC
- The maximum salary in IMI is 65% of the maximum in UCC
- 75% of staff in IMI earn less than €60k compared to 70% in UCC
- Following closure of IMI's defined benefit pension scheme in 2012, all staff are now in a Defined Contribution scheme. UCC staff are in a Defined Benefit scheme.

5 IMI Aspiring Leaders Programme

A key goal of the UCC strategic plan 2017-2022 is to attract, develop, support and retain staff of the highest quality and thereby ensure a diverse staff all of whom are enabled to reach their full potential.

A target for achievement of this goal is to ensure 90% of staff in leadership roles complete a leadership development programme

To deliver on this objective, the University is availing of its in-house IMI certificated Leadership Development Programme and delivering this across UCC – one stream for aspiring leaders and one for current leaders. It replaces the Leadership Development programmes previously delivered by the Leadership Foundation for Higher Education in the UK (LFHE).

The proposed programme is framed by a set of leadership competencies – personal, team and unit leadership, analysis and decision making, management and delivery of results, interpersonal and communication skills and self-development.

The goal of the programme is to develop the competencies of leaders and potential leaders at an individual level which will in turn contribute to the strengthening of the overall leadership capability within UCC

The programme distinguishes between those staff who are;

- a) new to, considering or interested in a leadership role (aspiring leaders) and
- b) experienced staff, typically at Head level or about to take on that role (current leaders).

The total capacity of the annual programme will be 50 (25 for each stream). The previous participation rate of the LFHE programmes in 2016/17 was 30.

This programme will strengthen leadership and management capacity throughout the organization by enabling and encouraging participants to appreciate their own leadership approach in UCC in the context of best practice in addition to developing those key leadership competencies referred to previously. Programme participants will be challenged and developed in a collaborative environment.

Cost of Programme - IMI

IMI Leadership Development programmes cost details for 2017/18 for 1st cohort are as follows

Aspiring Leaders programme – 30 attendees – 4 day programme

Current Leaders programme – 25 attendees – 4 day programme

Total €38,500 excluding expenses, equivalent to €700 per participant

Cost of Programme - LFHE

The cost of the LFHE Leadership Development programmes which took place in 16/17 were as follows:

Introduction to University Leadership – 15 attendees – 2 day programme £5,671 excluding expenses

Developing University Leaders – 11 attendees – 4 day programme £14,000 excluding expenses

There was also a £2,000 membership fee associated with these costs

Total £21,671 excluding expenses, equivalent to £833 GBP or €960 Euro per participant

For all offerings, a contribution of €500 per participant will be requested from the employing College/Office, with the Department of Human Resources covering the remaining costs.

The use of IMI by the University means such costs and income are retained within the UCC Group and the wider Public Sector whilst also ensuring Professional Fees, incurred by the University, when formerly using an external provider, continue to be actively managed downwards, aligned to the procurement guidelines in relation for two public bodies.

6 Key Management Personnel

The key management personnel are those staff with responsibility for planning, management and control of the University. The team consist of the President, Deputy President & Registrar, Bursar/Chief Financial Officer, Director of Human Resources, Corporate Secretary, Vice President, Teaching & Learning, Vice President External Relations, Vice President Research & Innovation, and 4 Heads of Colleges (s). All remuneration is line with the national approved pay scales for these roles.

Yours Sincerely,

A handwritten signature in dark ink, reading "Patrick O'Shea". The signature is written in a cursive style with a horizontal line underneath the name.

Professor Patrick G. O'Shea,
President.

Cc. Mr. Diarmuid Collins, Bursar/Chief Financial Officer