

**The University of Dublin**

**Trinity College**

**Minutes of Audit Committee, Tuesday 15 April 2003**

*Present* Mr David Kingston (Chairman), Dr M J Carroll, Dr S Allwright, Professor J McGilp  
(ex officio) Internal Auditor, Assistant Secretary

**2003/10 Minutes** The Minutes of the meeting of 13 January 2003 were approved and signed.

**2003/11 Report to the Board on College Governance (see Minute 2003/3 of 13 January 2003)**  
The Chairman advised the Committee that the Executive Officer Group is preparing a response to the Audit Committee's report on governance and that there would be consultation with the Audit Committee before a formal response is presented to Board.

**2003/12 HEA Targetted Initiatives (see Minute 2003/5 of 13 January 2003)** The Internal Auditor advised the Committee that a temporary assistant, Mr Edward Geraghty, had been recruited to assist in the review of best practice in the area of risk assessment for which funding had been received under the HEA's Targetted Initiatives Programme.

**2003/13 Tender for the Provision of Audit Services** The Chairman invited the Committee's attention to the following evaluation process which had been undertaken by the Chairman, the Internal Auditor, Professor McGilp, the Treasurer and the Deputy Treasurer, noting that the secretary to the Committee had acted as secretary to the process.

1. In response to an advertisement in the national media, nine companies submitted expressions of interest to supply financial audit services to the College. Four met the criteria approved by the Committee and were then invited to submit full tender documentation.
2. Three of the four companies accepted the invitation to tender
3. Following an evaluation of the proposals received, the three companies were invited to make presentations to the evaluation group on 10 April 2003.
4. On the basis of the presentations and clarifications received two companies were deemed to be appointable and one was not.

The Chairman invited the Committee's attention to the evaluators' proposal that the Board offer a three year contract to KPMG to undertake the audit of the College's financial services, subject to written confirmation of the terms of their tender with the further proposal that should a satisfactory arrangement not be reached with KPMG that PWC be appointed. The Committee noted the evaluators' recommendation that the appointment of KPMG offers the College the best value for money and the opportunity to work with a company which has actually audited the transition from funds based accounting to a consolidation basis in a university environment. Following a discussion, in which a number of issues were clarified, the Committee approved the evaluators' proposals.

In discussing the proposed recommendation to Board, the Committee noted that the coming year will be a particularly difficult one for the Treasurer's Office in view of the potential transition to a new firm of auditors and the sectoral decision to adopt generally accepted accounting practices (GAAP). The Committee agreed therefore, that a further proposal would be presented to Board recommending that additional resources should be allocated to the Treasurer's Office to address issues arising from the transition to the new firm of auditors should the need arise, noting that such additional resources could be funded from the very substantial difference in price between the first and second choice companies.

The Committee recorded its thanks to PWC for their very valuable contribution to the College over many years.

**2003/14 Verification letter to the HEA** The Internal Auditor invited the Committee's attention to a memorandum and outline of audit-related issues, dated 10 April 2003, which had been circulated advising of the requirement under the terms of the report 'Financial Governance of Irish Universities – Balancing Autonomy and Accountability' for the Provost to provide verification to the HEA annually on the College's internal audit arrangements and notification of any material weaknesses in internal financial controls. The Internal Auditor advised the Committee that following a meeting with the Secretary to the College and the Treasurer it had been agreed that the Treasurer would liaise with the Provost on the preparation of the verification letter.

**2003/15 On-going work** The Internal Auditor invited the Committee's attention to the following areas of work which are currently in progress:

- (i) Risk assessments in the Treasurer's Office, Research and Innovation Services and the Secretary's Office
- (ii) Review of best practice in risk assessment in the university sector
- (iii) Review of recruitment procedures in the Staff Office, noting that this work was almost completed and that a report would be available in due course.

The Committee agreed that a review of peripheral activities such as campus companies and companies in which the College has a share-holding would be undertaken in the future.

Following a discussion of the work programme, it was agreed that a register of recommendations made by the Audit Committee should be compiled and their implementation monitored.

**2003/16 Committee Membership** Under Other Business the Chairman advised the Committee that he would bring forward proposals for an additional external member on the Audit Committee in due course, noting that this would be in keeping with best practice in this regard.

Signed: .....

Date: .....