

The University of Dublin

Trinity College

Minutes of Audit Committee, Wednesday 18 May 2011

*Present* Mr J Collins (Chair), Mr P O'Reilly, Ms J O'Neill, Professor J McGilp, Professor J O'Hagan

*Apologies* Professor J Horne

*(ex officio)* Internal Auditor (secretary), Secretary to the College

*In Attendance* Ms M Thompson

The Chief Operating Officer and the Vice-Provost/Chief Academic Officer attended for item AD/10-11/61

(Items of specific interest to the Board are denoted XXX)

- AD/10-11/58 Minutes**  
The Minutes of the meeting held on 9 March 2011 were approved subject to a minor amendment.
- AD/10-11/59 Call-over**  
The Committee noted the actions that had been implemented since the previous meeting and those that remained outstanding.
- AD/10-11/60 Matters Arising**  
The Committee noted there were no matters arising.

**SECTION B - IMPLEMENTATION ISSUES**

**AD/10-11/61 College High Level Risk Register**  
XXX  
The Chairman welcomed the Chief Operating Officer and Vice-Provost/Chief Academic Officer to the meeting. Introducing the item, the Chief Operating Officer drew the Committee's attention to the following documents, which had been circulated for consideration:

- a) Memorandum from the Chief Operating Officer, dated 12 May 2011
- b) College High Level Risk Register

The Chief Operating Officer summarised the Risk Register, advising that the document had been shortened significantly and was now more focused and streamlined. In particular, the Chief Operating Officer briefed the Committee on the main changes to the Risk Register since it had last been submitted to the Committee for consideration in January 2011. The Chief Operating Officer advised that the Funding Risk has been reclassified from critical to high based on Planning Group actions/plans to be presented to Board in June 2011. She advised that Board has approved a break-even recurrent budget for 2011.

In regard to Human Resource risks, the Chief Operating Officer advised that three previous risks under this heading have been replaced by two, one of which has been classified as critical. In response to a query concerning the critical risk status, the Committee noted that discussions were taking place at Ministerial level in regard to the Employment Control Framework and that the position will be reviewed at the conclusion of this process. The Chief Operating Officer confirmed that College is still awaiting approval for

the introduction of an Early Retirement Initiative. The Committee also noted and discussed the second HR risk that has been classified as high.

The Committee noted the introduction of a new risk relating to "Student Experience" and the possible impact an introduction of undergraduate fees could have. Members also expressed support for continued monitoring of certain reputational risks.

In answer to a query as to whether the Risk Register can be considered a "living document", the Chief Operating Officer confirmed that the Risk Register will continue to be reviewed on an ongoing basis by Executive Officers and continue to be updated on a quarterly basis.

In conclusion, the Committee welcomed the Risk Register as a key management tool and whilst acknowledging that it is now firmly established at College level, recommended that greater progress is needed to embed a similar process to yield benefits at all levels of College management procedures.

The Chairman thanked the Chief Operating Officer and Vice Provost for their valuable contribution to discussions and they withdrew from the meeting.

**AD/10-11/62 Arrangements for Approval of Provost's Expenses**  
**XXX**

The Chairman drew the Committee's attention to a memorandum from the Secretary to the College dated 9 May 2011, which had been circulated. The Secretary advised the Committee, that as a result of a query at a recent Board meeting as to the appropriateness of current arrangements for approval of the Provost's expenses, she undertook to bring the matter to the attention of the Committee. The Secretary outlined current procedures and advised that the query has been raised as a governance issue and not due to any concern as to the level or nature of such expenses. The Secretary advised that the issue arises due to the dual role played by the Provost as Chair of the Board and Chief Officer of the College with a consequent possible impairment of the independence of those designated to approve the expenses. In response, the members agreed that the existing process needed strengthening and emphasised the importance of independent scrutiny of such procedures. After discussing a range of possible options, the Committee suggested that there be two approvers, at least one of whom should not be in a direct reporting line to the Provost, supported by a clear mandate from Board, who would both jointly approve expenses on behalf of Board. The Committee, commenting on the timely nature of the discussion, welcomed the opportunity to give their views on this matter.

**AD/10-11/63 Briefing and Orientation for Members**

The Internal Auditor drew the Committee's attention to his memorandum dated 11 May 2011, which had been circulated. Arising from the recent Committee self-evaluation in which the Committee had agreed on the need for more structured briefings/orientation, he sought the Committee's views on the content of such an education programme and what topics members would like included. The Internal Auditor suggested that briefings given to new Board members might serve as a template for the Audit Committee and drew members attention to a number of externally run seminars that could be adapted and presented to members. During a brief discussion, members welcomed the development of more structured briefings, including the compilation of a "handbook" that would be high level and of a general nature. In particular, they specifically requested briefings on College Committee Structures and College Estates. Committee members also requested that they continue to be informed in advance of relevant

seminars and workshops that may be of interest to them.

Action: The Internal Auditor to compile a "handbook" for members of the Committee and develop appropriate briefings.

**AD/10-11/64 Review of Terms of Reference and Internal Audit Charter**

The Chairman invited the Internal Auditor to brief the Committee on the review of the Terms of Reference and Internal Audit Charter, which had been circulated. The Internal Auditor drew the Committee's attention to the tracked changes in the Terms of Reference, commenting that the majority of changes were minor and that he was seeking the Committee's views on what further changes, if any, they wished to make to them. The Committee also noted the circulation of the Finance Committee Terms of Reference. During a brief discussion, the Committee agreed on certain changes and also noted they were satisfied there was a clear distinction between Audit Committee and Finance Committee duties and responsibilities.

In regard to the Audit Charter, the Internal Auditor advised that proposed changes to this document were primarily to update the Charter in line with current best practice. The Committee approved the changes as proposed by the Internal Auditor.

In conclusion, the Internal Auditor advised that he would incorporate the agreed changes and bring the final documents to a future meeting for approval, after which they would be circulated to Board for approval.

Action: The Internal Auditor to finalise changes to the Terms of Reference and Internal Audit Charter and present for final approval by the Committee and Board.

**SECTION C - ITEMS FOR NOTING**

**AD/10-11/65 ISO 31000: Review of Effectiveness of Risk Management**

The Committee noted the memorandum from the Internal Auditor, which had been circulated, concerning the use of standard ISO 31000 *Risk Management* to assess the College risk management systems.

**AD/10-11/66 Finance Committee Minute - Review of Controls**

The Committee noted the memorandum from the Treasurer of 31 March 2011 regarding Review of Controls, which had been circulated.

**AD/10-11/67 Current Developments and Practices in Audit**

The Committee noted the webcast details, which had been circulated.

**AD/10-11/68 Board Papers**

The Committee noted the Board Agendas and Minutes, which had been circulated.