Trinity College Dublin
Coláiste na Tríonóide, Baile Átha Cliath
The University of Dublin

Minutes of Audit Committee, 1 May 2018

Present   Mr O Cussen (Chair), Professor J Barry, Professor R Byrne, Ms A Duffy, Professor R Gilligan, Mr D McCarthy

(ex officio)   Internal Auditor/Secretary (Mr F Sheeran), Secretary to the College (Mr J Coman)

In Attendance   Acting Deputy Internal Auditor (Ms F McAuliffe), Ms M Thompson

The Vice-Provost/Chief Academic Officer (Professor C Morash), the Chief Financial Officer (Mr I Mathews), the Chief Operating Officer (Ms G Ruane) attended for items AD/17-18/81 and AD/17-18/82

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

AD/17-18/75 Statement of Interest
The Chair invited members to declare any potential conflict of interest they may have in relation to items on the Agenda. There were no statements of interest.

AD/17-18/76 Minutes
The draft minutes of the meetings held on 20 March 2018 were approved and signed.

AD/17-18/77 Matters Arising
There were no matters arising

AD/17-18/78 Call-Over
The Committee noted the actions that had been implemented since the previous meeting and those that remained outstanding.

SECTION A and B – Policy & Implementation Issues

AD/17-18/79 Readiness for GDPR
XXX   The Chair invited the Secretary to the College to brief the Committee on progress since the last meeting on 20 March particularly in regard to the Committee's recommendation to give urgent consideration to the project management aspects of GDPR implementation. The Secretary to the College invited the Committee's attention to a memorandum from the Data Protection Officer dated 1 May 2018, which had been circulated. The Committee noted that GDPR had been considered by Board on 25 April and would shortly be considered by the Executive Officer Group.

The Secretary to the College briefed the Committee on developments

since the last meeting on 20 March. In particular, he advised that further discussions had taken place in relation to the need for external resources and he informed the Committee that a GDPR tender request was issued on 12 April 2018. He also advised that a request for a GDPR Project Manager had been prepared and submitted for approval. He advised that it is envisaged that the extra resources will be used to assist the Faculties and Schools in the implementation of GDPR.

The Committee noted that the College will also need to review potentially hundreds of third party contracts and that a business case for another Solicitor in the Secretary's Office has also been prepared and submitted for consideration. The Committee noted that it is proposed that both posts be for a two-year period but that these posts will not be in place until after the relevant deadline has expired.

The Secretary to the College advised that a number of GDPR actions will be assigned to the project team under the management of the Project Manager with oversight from the Data Protection Officer.

During a detailed discussion, the Committee welcomed the steps now being taken. However, the Committee reiterated its serious concern in relation to the university's current state of readiness for GDPR and its view that action should have been taken at a much earlier stage. The Committee acknowledged the huge scale of the project and that it is challenging for all organisations, not just Trinity, but that the project is far behind where it should be at this stage and has resulted in a level of risk which could been avoided.

Whilst acknowledging that resources are limited, the Committee stressed that GDPR is part of the regulatory compliance framework in which the university must operate and that there are potentially serious reputational and financial risks from non-compliance.

Noting the plans for extra resources and the steps outlined by the Secretary to the College, members emphasised the importance of central support for Schools to assist them in implementation and that it is vital that this be communicated properly.

In conclusion, the Committee welcomed the accelerated pace of the action now being taken. Members emphasised that GDPR still poses a significant risk to the university until implementation is complete. The Committee requested that they continue to receive regular updates on the matter from the Secretary to the College.

Action:
The Committee requested that the Secretary to the College continue to provide regular updates on GDPR.

AD/17-18/80 SITS/TEP
The Chair drew the Committee's attention to a memorandum from the Acting Deputy Internal Auditor summarising the Project Business Case for Implementation of new AYS (Academic Year Structure)/TEP (Phase 1) 2018-19, both of which had been circulated. The Chair advised members that the memorandum was self-explanatory and for the information of the Committee. In particular, he drew the Committee's attention to key milestones and timelines contained in

the report and members agreed that the question of risk would be raised in the discussion with the Vice-Provost/Chief Academic Officer and the Chief Operating Officer under the subsequent agenda item on risk management.

AD/17-18/81 Audit Committee Recommendations Log

XXX   Introducing the topic, the Chair reminded members it had been decided to defer consideration of the Audit Committee Recommendations Log from the meeting of 20 March as the Vice-Provost/Chief Academic Officer was unable to attend the meeting and it is important for all three divisional heads to be present for the discussion.

The Chair then welcomed the Vice-Provost/Chief Academic Officer, the Chief Operating Officer and the Chief Financial Officer to the meeting.

The Committee noted that the total number of outstanding recommendations is 47. It was previously 33 but since then 18 new ones had been added and 9 previously removed items re-instated as incomplete. Of the resultant 60, 19 were removed from the Log as they had been classed as completed and 6 re-instated from the risk accepted log giving a total of 47 for April 2018.

At the invitation of the Chair, the Chief Operating Officer briefed the Committee on the Log since it had last been considered by the Committee on 5 December 2017. In particular, she drew the Committee's attention to the status of recommendations in the CSD area, of which there are 31 recommendations outstanding. She assured the Committee that the CSD division is making good progress on resolving these items.

The Vice-Provost/Chief Academic drew the Committee's attention to the 3 outstanding recommendations in ASD and he outlined steps being taken to resolve the items.

The Chief Financial Officer briefed the Committee on the outstanding recommendations in FSD, a number of which relate to FIS. He advised that these items would be addressed by the FIS Transition Plan. The Committee noted that 2 recommendations are jointly owned by CSD/FSD and given the breath of the issues, will require further work to resolve and on which they will consult with Executive Officers Group.

During a subsequent discussion, the Committee welcomed the efforts being made to reduce the number of recommendations but expressed concern that some are now on the Log for a long time and should be dealt with by resolving the issues or risk accepting the items.

Members also emphasised the importance of having robust and consistent criteria for risk accepting items and accurate reporting. The Committee expressed concern that a number of items had been previously classified incorrectly as complete, or as risk accepted, and removed from the Log and unless misclassifications are detected by Internal Audit the issues will be no longer visible to management or the Committee while the risks will remain. The Chief Operating Officer assured the Committee that she had discussed the process and

criteria with Internal Audit and that in her view there is now clarity on the process.

In response to a query the Chief Operating Officer undertook to look into the matter that was risk accepted regarding compliance with legislation on accessibility and to re-consider its classification for the next Log.

In conclusion, the Committee welcomed the update from the three divisional heads and their efforts to resolve outstanding recommendations. The Committee reiterated the importance of dealing with the long-standing items either by resolving or risk accepting them.

Mr D McCarthy then withdrew from the meeting.

Action:
The Chief Operating Officer to look into the matter that was risk accepted regarding compliance with legislation on accessibility and to re-consider its classification for the next Log.

AD/17-18/82 Risk Management in College
XXX The Chair invited the Chief Operating Officer to brief the Committee on her memorandum dated 20 March 2017 together with the Risk Register dated November 2017, which had been circulated.

Introducing the item, the Chief Operating Officer advised the Committee that she expects the new Chief Risk Officer to be appointed shortly.

The Chief Operating Officer informed the Committee that there are now risk registers for all functional areas in the university. She advised that out of 24 Schools, only 3 have Risk Registers and that significant work is needed to address this gap. Noting that the Risk Register is dated November 2017, the Chief Operating Officer advised that it will be reviewed in May 2018.

The Chief Financial Officer commented that the Risk Register before the Committee illustrates how actively issues are being managed and drew the Committee's attention to a specific risk which has been resolved since November. He emphasised that the Risk Register is a tool to help management focus on the issues and not just a paper exercise and that it gives a high level picture of the university at a particular time.

The Vice-Provost/Chief Academic Officer supported the comments of the Chief Operating Officer and Chief Financial Officer, commenting that the Risk Register is a valuable tool to ensure management is focused on the issues. He advised that there are some items that have now moved on since November and with particular reference to TEP he advised members that this is now moving beyond the project stage. In response to a query on TEP, the Vice-Provost/Chief Academic Officer assured the Committee that TEP is on-track and there are no concerns at this time.

The Committee welcomed the new presentation commenting that it is much clearer and easier to follow. Members expressed concern at

the lack of progress in developing Risk Registers in Schools and that this gap must be bridged as otherwise the core activities of the university are not being captured in the risk assessment process. The Committee stressed that Schools must take responsibility for developing their own Risk Registers but with support from the centre and noted that the new CRO will have a role in this regard. The Committee also noted that the process may need to be tailored in order to be helpful and meaningful to Schools and integrate with existing School practices.

In conclusion, the Committee stressed that an effective risk management system will assist the university in identifying risk early, noting that if a more robust risk management had been in place action may have been taken at an early stage to prepare for GDPR as an example. The Committee agreed that it should also contribute to earlier identification of new opportunities as well but that there is still a long way to go to embed effective risk management in Trinity.

The Chair thanked the Vice-Provost/Chief Academic Officer, the Chief Operating Officer and the Chief Financial Officer for their valuable contributions to discussions and they withdrew from the meeting.

AD/17-18/83 **Draft Annual Report to Board 2017/18**
XXX The Chair drew the Committee's attention to the updated draft of the Annual Report to Board, which had been circulated to members by email for discussion.

The Chair invited members to reflect further on the content of the Report and to ensure that it incorporates the key messages they wish to impart to Board. During a detailed discussion, a number of issues were raised by members and it was agreed that the Report be finalised to reflect the issues discussed.

In conclusion, the Internal Auditor and Chair agreed to finalise the Annual Report and circulate it to Committee members for final comment prior to forwarding it to Board for its meeting on 23 May 2018.

The Committee also noted that the Chair may unavoidably not be available to attend the Board meeting of 23 May at which the Annual Report is due for consideration and would also be absent for the next Committee meeting on 12 June. Following a brief discussion it was agreed that the June meeting should proceed as scheduled under an Acting Chair and that arrangements for the Annual Report would be discussed after the meeting.

Action:
The Internal Auditor and Chair to finalise the Annual Report to Board as discussed and email it to members for final approval.

AD/17-18/84 **Audit Function Risk Register**
The Committee noted memorandum from the Acting Deputy Internal Auditor dated 1 May 2018, together with the updated Audit Function Risk Register, which had been circulated. The Committee noted a number of minor amendments to the Risk Register since the last

meeting.

Section C – Items for Noting

AD/17-18/85   **Consolidated Financial Statements for the year ended 30 September 2017**
The Committee noted the memorandum from the Chair of the Audit Committee to Board dated 20 March 2018, which had been circulated.

AD/17-18/86   **Trinity Endowment Funds for the year ended 30 September 2017**
The Committee noted the memorandum from the Chair of the Audit Committee to Board dated 20 March 2018, which had been circulated.

AD/17-18/87   **Board Papers**
The Committee noted the Board papers, which had been circulated.