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

Minutes of Audit Committee, 12 June 2018

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

Apologies   Mr O Cussen (Chair), Professor R Gilligan

(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

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

AD/17-18/88 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/17-18/89 Minutes
The draft minutes of the meetings held on 1 May 2018 were approved.

AD/17-18/90 Matters Arising
There were no matters arising

AD/17-18/91 Call-Over
The Committee noted the actions that had been implemented since the previous meeting and those that remained outstanding.

In response to a query on the acquisition of resources for GDPR, the College Secretary advised that a preferred supplier had been identified following a recent tender and that both the legal and project manager roles had been advertised.

SECTION A and B – Policy & Implementation Issues

AD/17-18/92 Annual Report to Board 2017/18
XXX
The Committee noted that the Annual Report to Board, which had been agreed by the members, was presented to Board on 23 May by Mr McCarthy on behalf of the Chair. During a brief discussion, members noted that the Provost had advised Board that he would engage directly with the Committee in response to the Report. This was welcomed by the Committee, who noted that it had suggested in the Report more engagement as a way to assist management to deal with the issues rather than through receiving written responses as in the past.

AD/17-18/93   **Review of Items Removed from the Log**

XXX   Introducing the topic, the Acting Deputy Internal Auditor drew the Committee's attention to the review of Completed and Risk Accepted Recommendations which had been circulated. She advised that the scope of the review includes recommendations reported as Completed and as Risk Accepted by the Chief Officers to the Committee in the period from December 2017 to May 2018. The Committee noted that in this period, there was a total of 28 recommendations removed from the Log, with 19 classified as Completed and 9 classified as Risk Accepted.

The Acting Deputy Internal Auditor advised that for the purposes of this review, a sample of those recommendations removed was selected for verification. She advised that of nine recommendations sampled that were reported as completed, two were not yet completed and that these should be re-instated. For the sample of four Risk Accepted recommendations, the Acting Deputy Internal Auditor advised that their classification was not in accordance with the agreed definition as there was on-going action being taken or intended to be taken by management to address the risks and that these recommendations should be also re-instated on the Log.

During a discussion, the Committee welcomed progress made in reducing the number of recommendations on the Log but expressed concern that there is continuing confusion in regard to the criteria for classifying items as Completed or Risk Accepted. The Committee recommended that the clarification memorandum issued to the Chief Officers on 24 January 2018 should re-issued with a request that the memorandum be circulated to all relevant managers in their areas to ensure there is better understanding of the process. The Committee also recommended that the other recommendations removed from this version of the Log, which were not sampled for verification by Internal Audit, should be re-assessed by the managers and Chief Officers before the next iteration of the Log to ensure their removal was appropriate.

In conclusion, the Committee noted that the next update of the Recommendations Log from management will be considered by the Committee at its meeting in November 2018.

Action:

93.1   The Internal Auditor to re-issue the clarification memorandum sent to the three Divisional Heads in January 2018 with a request that it be circulated to all relevant managers in their respective areas.

93.2   The other recommendations removed from this version of the Log, which were not sampled for verification by Internal Audit, should be re-assessed by the managers and Chief Officers before the next iteration of the Log to ensure their removal was appropriate.

AD/17-18/94   Academic Registry

Introducing the item, the Internal Auditor reminded members that during a preliminary investigation by Internal Audit of a potential fraud in the Academic Registry (AR) in September 2017, it was noted that the cash process designed by the consultants in the Academic Enhancement Project (AREP) recommendations had not been implemented. Considering the critical importance of the AR to the core functioning of the university and the substantial cost of the consultancy project that was undertaken to strengthen its processes, the Committee noted that in the preliminary investigation report it was recommended that AR report to the Provost on the status of implementation of the consultants' recommendations. The Committee noted that in December 2017 AR reported to the Provost the numbers of recommendations actioned and outstanding.

As requested by the Committee, subsequent enquiries were made as to the nature of the outstanding recommendations by Internal Audit. The Acting Deputy Internal Auditor advised that on a high-level follow-up it was noted that, apart from recommendations still to be implemented as part of TEP, there are a number of recommendations treated as 'actioned' for which implementation was deemed by AR to be unfeasible, inappropriate or outside its remit. She advised that to assess the reasonableness of the treatment of such recommendations and to assess the potential significance of non-implementation would require further work. The Internal Auditor advised that an in-depth review to understand the reasons for the consultants' recommendations and decisions taken by AR in regard to them would be a significant undertaking and very disruptive at a time when AR are engaged on the SITS/TEP project as well as GDPR. He advised that, rather than going over the same ground as the consultants, it would be more efficient and less disruptive if the consultants familiar with the issues could perform a post implementation review.

The Committee noted, judging by the number of actioned recommendations, that significant progress appears to have been made on implementing the recommendations arising from AREP but that a conclusion could not be drawn without understanding the nature and basis of 'actioned' items.

The Committee agreed that there may be value to be had and benefits realised from a post-implementation review, the cost of which should be modest in comparison to the cost of AREP and that this would be good practice anyway for major projects. In conclusion, the Committee noted the memorandum and agreed that no further action by Internal Audit is required at this stage but proposed that their comments in regard to a possible post-implementation review be forwarded to management for consideration.

Action:
The Internal Auditor to communicate the Audit Committee's comments and suggestion that a post-implementation review of the AREP be considered by management.

AD/17-18/95   Audit Committee Schedule 2018/19

The Internal Auditor drew the Committee's attention to the proposed Committee meeting schedule for 2018/19, which had been circulated.

He invited members to approve the proposed dates. Following a brief discussion, the Committee noted and approved the dates except for a change to the date of the October meeting to facilitate members' diaries.

Action:
The Internal Auditor to circulate the final meeting schedule for 2018/19 to members following the meeting.

AD/17-18/96   **Audit Function Risk Register**
The Committee noted memorandum from the Acting Deputy Internal Auditor dated 12 June 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/17-18/97   **Current Developments and Practice in Audit**
The Committee noted the Audit and Risk Magazine (issue 41 May/June 2018) article entitled "Data rules – OK?" which had been circulated.

AD/17-18/98   **AD/17-18/87 Board Papers**
The Committee noted the Board papers which had been circulated.

AD/15-16/99   **Any Other Business – Membership**
The Acting Chair informed members that Professor Barry was attending his last Committee meeting, having served six years as a Committee member. The Committee extended their appreciation to Professor Barry for his unstinting service on the Committee and thanked him for his valuable and significant work in support of the Committee over this period and wished him well in the future. The Committee also noted that Professor Gilligan's term as the Committee's Board representative will finish at the end of this academic year. The Committee extended thanks to Professor Gilligan for his valuable and signification contribution to the work of the Committee during his time as a member.