



## **Audit Committee, Wednesday 7 December 2022**

*Present* Mr D McCarthy (Chair), Professor P Murphy, Professor R Reilly, Professor R A Kenny

*Apologies* Ms M Fulton, Ms B Collins

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

*In Attendance* Deputy Internal Auditor (Ms A Cooney), Ms M Thompson

Mr E Daly and Mr J Bolger of BDO attended for item TCD/22-23/21

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

### **AD/22-23/18 Statements 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 conflicts of interest declared by members.

### **AD/22-23/19 Minutes**

The draft minutes of 11 October 2022 were approved subject to a minor amendment.

### **AD/22-23/20 Call-over**

The Committee noted the actions which had been implemented since the previous meeting and those that remained outstanding.

### **AD/22-23/21 Matters Arising**

The Internal Auditor provided an update on resourcing noting that the function has returned to a full complement of staff, which was welcomed by the Committee. In relation to the Fraud Policy, the Internal Auditor confirmed that the Chief Risk Officer had advised that an updated Policy is expected to be available for the February Audit Committee meeting, following its approval by Executive Officers and Finance Committee.

## **Section A and Section B – Policy and Implementation Issues**

### **AD/22-23/22 Audit of SITS Functionality**

The Chair welcomed Mr John Bolger and Mr Eoghan Daly of BDO to the meeting for consideration of the Audit of SITS (Strategic Information Technology Services) Functionality Report, noting that the SITS system is a central piece of College IT architecture.

The Committee noted that the University uses the system to manage academic administration, and it is an important interface between the University and its students and staff. The Committee noted that over the last number of years there have been several changes and updates to the SITS system.

Mr Bolger advised that the scope of the audit included all processes, policies and procedures in place as of April 2022 in relation to SITS across the University.

Mr Bolger advised that SITS is a complex system with many different modules, users and user requirements and that at present there is no formal process in place to identify, manage and address SITS functionality requirements. The Committee noted that as a result of these functionality gaps, there is an over reliance on manual workarounds to perform tasks. Mr Bolger advised that as manual workarounds are not consistently documented, presenting a number of issues. There are potential risks to the consistency and completeness of processing, potential risk of loss of knowledge in the absence of fully documented processes. Currently there is reliance on key personnel knowledge, which creates issues with cross training and training of new employees. Mr Bolger noted that the University is currently considering a redesign of the system and that the documentation and understanding of current manual workarounds should be a key input into any such process.

During a subsequent discussion, Mr Daly and Mr Bolger responded to a number of queries from members in relation to the Report's findings. In particular, the Committee expressed concern at the level of manual time intensive activity, increased risk for GDPR with the downloading / uploading of information outside of the system and that an on-line streamlined system should be the University's goal.

Commenting on the overall findings of the Report, the Internal Auditor advised that Internal Audit can only provide limited assurance in relation to the design and effectiveness of the current control environment and opportunities for improvement have been identified. In conclusion, the Committee agreed the Audit of SITS Functionality.

The Chair thanked Mr Bolger and Mr Daly of BDO for their contribution to discussions and they withdrew from the meeting.

#### **AD/22-23/23 Review or Completed & Risk Accepted Recommendations**

Introducing the Review of Completed & Risk Accepted Recommendations, the Internal Auditor advised that the scope of the review includes Complete and Risk Accepted recommendations reported by Divisional Heads to the Audit Committee in October 2022 for the period from February 2022 to October 2022. The Committee noted that in this period there was a total of 39 recommendations removed from the Recommendations Log and classified as Complete. There was one recommendation classified as Risk Accepted.

The Internal Auditor informed the Committee that for this review, a sample of 25 recommendations classified as Complete, representing 64% of total recommendations classified as Complete in the period, were selected for detailed examination, in addition to the Recommendation classified as Risk Accepted. She advised that in 35 out of 39 cases, Internal Audit were satisfied that appropriate action had been taken to justify the recommendations as Complete. The Internal Auditor advised that in 4 cases,

Internal Audit found that the recommended actions or alternate actions had not been taken in full by management and therefore these recommendations will be re-instated as 'Open Recommendation' on the Log until complete or classified as Risk Accepted by management if appropriate.

In response to a query in relation to the recommendation on GDPR/data protection training and if it extends to clinical staff, the Internal Auditor advised that they have discussed the recommendation with the DPO who is very aware of requirement to capture such staff. Commenting on this recommendation, the Secretary to the College reported that significant progress had been made and he is confident that key staff have completed GDPR/data protection training. The Committee also noted that any staff applying for research ethics approval must have completed GDPR/data protection training.

In conclusion, the Committee welcomed progress on the Recommendations Log, noting the importance of the Review process and that it should remain on the Committee's Agenda.

#### **AD/22-23/24 Internal Audit Annual Plan**

Introducing the item, the Chair drew the Committee's attention to the following documents which had been circulated as follows:

- Presentation on Internal Audit Annual Plan 2023
- Memorandum from Internal Auditor 30 November 2022
- Internal Audit Annual Plan – 2023
- Internal Audit Strategy – 2021-2023

The Internal Auditor advised members that in line with the Internal Audit Strategy for 2021-2023, which was approved by the Committee at its meeting on 8 December 2020, Internal Audit had undertaken a comprehensive planning process to develop a risk-based plan for 2023. The Internal Auditor advised that the process for developing the Plan is in line with IIA standards and incorporates information and feedback from several sources including engagement with key stakeholders, a review of the College Risk Register and a review of Board, Council and Committee papers.

The Internal Auditor stressed that the Internal Audit Plan is flexible and dynamic and kept under constant review and regular updates on progress will be provided to the Committee during the year. The Internal Auditor invited the Committee to consider and approve the Annual Plan as presented and advise if they wished to make any amendments.

During a detailed discussion, the Internal Auditor answered several queries from members in relation to the planning process and the methodology used for the selection of individual audits for inclusion in the Plan. The Internal Auditor advised that there was significant engagement with internal and external stakeholders in formulating the Plan, noting that identification and management of risk is a separate process under the remit of the Chief Risk Officer and the process for developing this Plan does not replace or replicate this process.

In conclusion, the Committee approved the Internal Audit Annual Plan for 2023 as presented, noting that they would receive periodic updates on progress during the year.

**AD/22-23/25 Update on Board and Governance Changes**

The Chair invited the Secretary to the College to brief the Committee on Board and Governance changes.

The Secretary to the College advised the Committee that the HEA Act 2022 was signed into law by the President on 12 October 2022. He also advised that a new Supplemental Charter has formally become part of Trinity's Charters, having been recognised by the Government on 15 November 2022. The Committee noted that one of the provisions of the HEA Act is that each university has 12 months from the commencement of the Act to make arrangements to be compliant with the Act.

Referring to the Board Review Working Group report approved by Board in June 2021, the Secretary reported that some of the Report's recommendations are reflected in the new Act, particularly in relation to an increase in the number of external Board members and the appointment of an independent external Chair of the Board.

The Secretary briefed members on the composition of the new Trinity Board, noting that it will be made of up of 25 members as follows:

1 External Chair (appointed by the Board), 1 Provost, 6 Fellows, 5 Internal Members, 3 Students' Union members, 6 External Members (appointed by Board), 3 External members (nominated by the Minister for Further and Higher Education, Research, Innovation and Science).

The Secretary advised members that Board must now decide on a process for appointing members, and that a final mechanism must be approved by the Minister for Education. The Committee noted that a consultation process with the College community was conducted including the holding of a Town Hall meeting. The Secretary also advised that a number of changes will have to be made to the College Statutes together with the creation of a competency framework for Board.

During a discussion, the Committee considered the forthcoming changes as outlined by the Secretary, and in particular discussed potential changes to the shape and structure of the Audit Committee.

In conclusion, the Committee thanked the Secretary to the College for his comprehensive update on Board and governance changes and agreed to keep the matter under review.

*The Secretary to the College withdrew from the meeting by invitation*

**AD/22-23/26 Audit Committee Annual Report for 2022/2023**

Introducing the topic, the Chair advised members that provision has been made at today's meeting for a preliminary discussion on the Annual Report for 2022/2023, commenting that it is an important document that evolves over time. The Chair invited the Committee to reflect on the overall message it wishes to convey to Board in its Annual Report and consider potential topics for inclusion. The Committee noted the Committee's Annual report for 2021/2022, which had been circulated for reference.

During a discussion, the Committee considered the overall style and tone it wishes to adopt for the Annual Report. Members discussed a number of topics for possible inclusion. The Committee stressed the importance of maintaining the independence of the Committee and this should be reflected in the Annual Report.

The Committee noted that the Annual Report contains a summary of work carried out during the year, which is a valuable review of how the Committee meets its objectives.

Noting that it has been the practice for the Annual Report to be considered by Board in March in conjunction with the College's annual financial statements, the Committee considered timelines for completion of the Annual Report.

In conclusion, the Committee agreed to reflect all the points raised by members and consider the matter in depth at its meeting in February. In order to advance discussions, the Committee agreed that an initial draft of the Annual Report be circulated for consideration at its next scheduled meeting.

**Actions:**

25.1 The Chair and Internal Auditor to prepare an initial draft of the Annual Report 2022/2023 for consideration at its next meeting on 14 February 2023.

**Section C – For Noting**

**AD/22-23/27 Institutional Quality Review Report**

The Committee noted the Institutional Quality Review Report, which had been circulated.

During a brief discussion, the Committee discussed the reaction to the Report across the University and discussed certain aspects of the Report's recommendations.

**AD/22-23/28 Board Papers**

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