

Audit & Risk Committee of Governing Body ***Minutes of 27th September, 2018***

Present: Marie Carroll, Maeve McConnon, Kieron Connolly
In Attendance: Dr Annie Doona, Bernard Mullarkey, Conor Logan,
Elaine Dominguez (Minute-taker)
Apologies: Dr Fionnuala Anderson

1. Adoption of Agenda

The Agenda was adopted as circulated.

Proposer: MMcC

Seconder: MC

2. Adoption of Minutes of the Meeting of 23rd May, 2018

The Minutes of the meeting of 23rd May 2018 were adopted as circulated.

Proposer: MC

Seconder: MMcC

3. Matters Arising

3.1 Capital Developments Call – it was reported that work is ongoing regarding this. A meeting was held with the Design Team, and a further meeting is to be scheduled in due course. In addition, it is planned to schedule a meeting with the Dún Laoghaire Rathdown County Council to discuss various aspects of the proposed new building.

3.2 Update on Financial Statements for year ending 31st August 2017 – it was confirmed that the Chairperson of the Audit & Risk Committee had been forwarded a copy of the correspondence sent to the Comptroller & Auditor General and the HEA in relation to a potential weakness in the Institute's Statement of Internal Control 2017.

4. Annual Governance

4.1 Annual Governance Statement 2017/18 – the draft Annual Governance Statement 2017/18 was discussed as circulated. It was noted that, to date, the Institute has not received clearance of the financial statements for year ending 31st August 2018 from the C&AG. There was one amendment noted on page 6 of the Governance Statement as follows: the amount of €570.00 to be moved from the 'Governing Body Members Expenses' column to 'Governing Body Interview Fees' column. In relation to Governing Body member's attendance at meetings, it was noted that the Governing Body Chairperson is aware of the attendance records. The draft

Annual Governance Statement 2017/18 was approved by the A&R Committee members (pending certification by the C&AG) for consideration by the Governing Body at their meeting of 12th December 2018.

Proposer: KC

Seconder: MMcC

4.2 Statement of Internal Control 2018 – the draft Statement of Internal Control was reviewed as circulated.

Proposer: MC

Seconder: MMcC

5. Annual Review of Controls

5.2 Audit & Risk Committee Annual Report 2017/18 – the draft Audit & Risk Committee Annual Report 2017/18 was discussed as circulated. The issue of a lack of an external member on the Audit & Risk Committee was raised and it was noted that this issue will form part of a meeting scheduled for later today between the President and the Chairperson of the Governing Body.

Proposer: MC

Seconder: KC

6. Procurement

6.1 Corporate Procurement Plan & Multi-Annual Procurement Plan (MAPP) – the draft Corporate Procurement Plan & MAPP (Appendix 2) were discussed as circulated. It was reported that the MAPP is still in draft format and it was suggested that a 'Duration' column be added to the spreadsheet for clarification purposes. It was noted that the completed draft Corporate Procurement Plan (including the MAPP) will be reviewed by the Executive Team and will subsequently be tabled at the next Audit & Risk Committee meeting on 12th December 2018.

6.2 Contracts Control Sheet – it was noted that the Contracts Control Sheet is currently in the process of being updated.

7. Internal Audit

7.1 Meeting with Internal Auditor (PwC) – Keegan Henkeman, Risk Assurance Solutions Manager PwC, joined the meeting.

7.2 Follow-up Internal Audit Report – Keegan Henkeman briefed the Audit & Risk Committee members on the Internal Audit Findings Follow-up Review report. It was noted that out of 11 findings in progress, six are rated Grade 2 and five are rated Grade 3, with significant progress being reported in the implementation of PwC's recommendations in all cases. The two open findings are rated Grade 3 and are follows:

- (i) **IT Operational Processes** – it was noted that IADT does not receive reports from EduCampus in relation to back-ups carried out by them and that the Institute does not test its Disaster Recovery Plan (DRP). It was suggested that

Mr. Colm Hennessy, IT Manager, be requested to provide an update in relation to the reasons why neither the back-ups carried out by EduCampus, nor the DRP have been tested.

Agreed: BM to present a report from the IT Manager at the next Audit & Risk Committee meeting on 12th December, 2018.

- (ii) Access Rights to Agresso in relation to preparation and review of invoices – it was noted that duties were not formally segregated between the preparer and reviewer of invoices raised in relation to general rentals (including NFS), pitch rentals, EU funded projects and other funded projects. It was reported that access rights in Agresso will be updated in accordance with PwC's recommendations.

Following the briefing by Mr. Keegan Henkeman, at this point in the meeting (10.35 hours) AD, BM, CL and ED left the Boardroom.

Following a discussion between the Audit & Risk Committee members and the internal auditor, AD, BM, CL and ED returned to the Boardroom (10.42 hours) It was reported that the Committee members were satisfied that there were no further issues raised by the PwC that would warrant review or consideration by the Audit & Risk Committee.

7.3 Terms of Reference for the Review of Internal Financial Controls

(Procurement) – the Terms of Reference for the Review of Internal Financial Controls with respect to Procurement was discussed as circulated. It was noted that the scope of the review will include a review of the Acceptable Credit Card Usage Policy and Credit Card expenditure. It was suggested the internal auditors be informed that this aspect of the review relates solely to procurement via an Institute credit card. It was reported that the audit commenced on site this week.

8. Financial Statements

8.1 Meeting with the Office of Comptroller & Auditor General (C&AG) – it was noted that no representatives from the Office of the C&AG were able to attend the Audit & Risk Committee on this occasion.

8.2 Management Letter for Financial Statements for year ended 31st August 2017 – it was noted that no Management Letter for the Financial Statements for year ended 31st August 2017 has been received from the C&AG to date.

9. Risk Management Policy

The draft IADT Risk Management Policy was discussed as circulated to Committee members. It was noted, that as per the Committee's approval at the meeting of 23rd May 2018, the THEA Draft Risk Management Policy was reviewed and adapted for localisation. In relation to Risk Appetite, it was reported this has been reviewed by Executive Team and has formed part of the Strategic Development discussions. It was proposed that the risk appetite in relation to the Institute's reputation be reassigned to reflect a more averse approach to risk taking in this regard. It was noted that the role of Chief Risk Officer for the Institute would require Governing Body approval and this will be brought to the next Governing Body meeting by the President.

Proposer: KC

Secunder: MMcC

10. A.O.B.

There were no items raised under A.O.B.

Next Meeting: Wednesday, 12th December 2018 at 9am.

Signed: Fionnuala Anderson
Dr Fionnuala Anderson
Chairperson

Date: 12/12/18