

# ***Audit & Risk Committee of Governing Body***

## ***Minutes of 24<sup>th</sup> November, 2021***

**Present:** Cllr. Michael Clark, Sam Dunwoody, Ben Harper, Maeve McConnon, Punitha Sinnapan

**In Attendance:** David Smith, Bernard Mullarkey, Conor Logan, Elaine Dominguez (Minute-taker)

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The Meeting was held as a Video Conference Meeting via MS Teams, due to the ongoing safe operations during the COVID-19 pandemic. The meeting commenced at 13:02hrs and terminated at 14:42hrs.

### **1. Adoption of Agenda**

The Agenda was adopted, as circulated.

Proposer: MMcC

Seconder: SD

### **2. Conflicts of Interest**

No conflicts of interest were declared.

### **3. Adoption of Minutes of the Meeting of 22<sup>nd</sup> September 2021**

The Minutes of the meeting of 22<sup>nd</sup> September 2021 were adopted as circulated.

Proposer: SD

Seconder: MMcC

### **4. Matters Arising**

**4.1 Audit & Risk Committee Annual Report 2020/2021** – the Governing Body approved the Audit & Risk Committee’s Annual Report 2020/2021 at its meeting of 6<sup>th</sup> October 2021.

**4.2 IADT’s Annual Review of Controls** - the Governing Body approved the Institute’s Statement of Internal Controls at its meeting of 6<sup>th</sup> October 2021.

**4.3 IADT’s Annual Governance Statement 2020/2021** – the Governing Body approved the Institute’s Annual Governance Statement 2020/2021 at its meeting of 6<sup>th</sup> October 2021. The Annual Governance Statement was subsequently forwarded to the HEA on 7<sup>th</sup> October 2021.

### **5. Appointment of Audit & Risk Committee Chairperson**

The Committee members approved Cllr. Michael Clark as Chairperson of the Audit & Risk Committee until September 2022. The Committee recommended that the appointment of the Committee Chairperson should be made on an annual, rotational basis commencing each September. The details of the appointment and recommendation will

be forwarded to the Governing Body for resolution at its meeting of 8<sup>th</sup> December 2021. The Chairperson welcomed the new members to the Committee: Ben Harper and Punitha Sinnapan, and introductions were made.

Proposer: MMcC  
Seconder: PS

## 6. Internal Audit

**6.1** Cliodhna Maloney (Manager, Deloitte) joined the meeting via MS Teams at 13:17 hrs and briefed the Audit & Risk Committee members on the Internal Audit Follow-up Review Report as circulated. It was noted that the Follow-up Review Report lists 28 recommendations as follows: 9 Issues Complete (37%); 10 In Progress (42%), 4 issues Not Started (17%), and 1 issue (4%) to be Risk Accepted. It is envisaged that the majority of the outstanding issues will be closed by the next follow-up audit review. It was reported that in relation to the meeting of revised target dates, each responsible Manager confirmed these dates to the Internal Auditor and is made aware of their obligation to meet the relevant target dates. The President and Secretary/Financial Controller will impress on Managers the need to complete outstanding legacy issues.

In relation to the 4 issues Not Started, the following was noted:

- (i) **Formal Policies re Other Income (Grade 2)** – these matters will be addressed between the Head of RDI and the Secretary/Financial Controller. Revised Target Date: December 2021
- (ii) **Timely Approval of Agreements & Update of Media Cube Rental Policy (Grade 3)** - these matters will be addressed between the Head of Research, Development & Innovation and the Secretary/Financial Controller. The Revised Target Date: December 2021.
- (iii) **Governing Body Annual Self-Assessment (Moderate)** – Management advised Deloitte that, while informal self-assessments have been completed by the Governing Body and Audit & Risk Committee, no formally documented self-assessments have commenced as of yet. The Responsible Party is: Governing Body Chairperson & Secretary/Financial Controller. Target Date: June 2022
- (iv) **Timely submission of Institute's Financial Statements (Moderate)** – Management advised Deloitte that this recommendation will be implemented in November 2021.

In relation to the issue to be Risk Accepted, the following was noted:

- (i) **Formal User Access Management & Change Management Policies (Grade 3)** – Management advised Deloitte that a formal User Access Management Policy would not be currently feasible due to the wide variety of independent systems used in IADT. Institute Management confirmed that operational practices are significantly robust and sufficient to engender confidence in access rights and change management procedures currently in place. It was noted that this is a Grade 3, Moderate, finding. It was proposed by the Committee that this item be Risk Accepted until the completion of the IT Security Systems audit by Deloitte in 2022.

In relation to the 10 issues In Progress, the following was noted:

- (i) **Access Control Procedures for Examination Materials (Grade 2)** – access control procedures are currently being drafted.

- (ii) **SOPs re Continuous Assessment Procedures (Grade 3)** – continuous assessment procedures are in the process of being approved.
- (iii) **User Access Reviews (Grade 2)** – formal documented protocols will be introduced going forward when conducting user access reviews.
- (iv) **Purging of Student Data (Grade 2)** – formal documented protocols will be introduced going forward when purging student data.
- (v) **Risk Management Review by Audit & Risk Committee (Grade 1)** - a review of the Institute’s Risk Register is underway and issues outlined in Deloitte’s recommendation will be addressed following the review.
- (vi) **Review of IADT’s Risk Register (Grade 2)** – a review of the Institute’s Risk Register is underway and issues outlined in Deloitte’s recommendation will be addressed following the review.
- (vii) **Risk Management Training (Grade 3)** – training has not yet commence but will be rolled out to Managers in the academic year 2021/2022.
- (viii) **Governing Body meeting without Institute members (Moderate)** – the process has been hindered by both the Covid-19 pandemic, when all meetings of the Governing Body moved to an online forum, and the completion of the Term of Office of one Governing Body in conjunction with the commencement of the Term of Office of another. It is expected to restore the twice-yearly meetings, in the absence of Executive members, from November 2021 and continuing in June 2022.
- (ix) **Action Plan for Quality Framework Document & Learning Charter (Moderate)** – the Quality Framework was intended to be reviewed in April 2021; this process was delayed, however, the action plan will be in place before the end of 2021.
- (x) **ECF Compliance & Fixed-Term Contract Renewals (Moderate)** – the ECF procedures are in the process of being updated as per Deloitte’s recommendations. A formal procedures document, providing guidance on the procedures for processing the renewal of fixed-term contracts has yet to be implemented.

In relation to the 9 issues Complete, the following was noted:

- (i) **Interpreting & Translation Support Service Contract (Grade 2)** – the Institute has executed signed contracts with third parties for the provision of: a) Irish sign language interpreting services; b) Notetaking services; c) Speed Text Operator Services; and d) Personal Assistant Services.
- (ii) **Appointment of Exam Invigilators (Grade 2)** – the SOP has been developed and approved for the on-boarding and training of invigilators. Conflict of interest declaration forms for invigilators and a training manual for exam invigilation are also in place.
- (iii) **Update of Contract Management Procedures (Grade 2)** – the Institute’s Procurement Policy was updated to reflect contract management procedures, and was approved by Governing Body. In addition, the contract control sheet is reviewed and updated on a periodic basis.
- (iv) **Sole Suppliers/Approval Levels Checklists (Grade 3)** - purchases from sole suppliers is approved by the Secretary/Financial Controller and written specifications outlining specific measurement criteria are documented and evaluated for applicable purchases.
- (v) **Update of Procurement Policy (Grade 3)** – the Institute’s Procurement Policy was updated and appropriately approved to provide guidance on conflicts of interest, access to the tender mailbox, purchase limits/thresholds, provisions related to large expenditure and templates. The Policy is accessible via IADT’s website.

- (vi) **Procedures for Termination of Governing Body Membership (N/A)** – procedures were circulated to the Governing Body outlining the procedures for members at the end of their term of office.
- (vii) **Protected Disclosures Policy (N/A)** – IADT’s Protected Disclosures Policy has been updated and appropriately approved and is accessible via IADT’s website.
- (viii) **Risk Management as a Standing Item on Governing Body Agendas (Moderate)** – risk management is now a standing item on Governing Body meeting Agendas.
- (ix) **Staff Contracts (Serious)** – the commencement form process is now completed online using Adobe Sign. Each contract stipulates the duration of employment, the reason for employment and other relevant information.

The Committee members were reminded of the requirement under the Code of Governance that the members be given the opportunity to meet periodically with the internal auditors in the absence of any IADT Executive and Management Team members. The Chairperson enquired as to whether the Committee members, or the representative from Deloitte had any issues they wished to discuss in the absence of IADT staff members. It was confirmed that there were no issues that required further discussion/revision. The Chairperson thanked Cliodhna Maloney for the work completed to date. The internal auditor left the meeting at 13.40hrs.

## 7. Financial Statements

Mr. Peter Kinsley, Deputy Director of Audit, C&AG, joined the meeting at 13:59hrs to brief the Committee on external audit findings/updates.

### 7.1 C&AG Audit Completion Certificate in relation to the Financial Statements for year ended 31<sup>st</sup> August 2020

– it was reported that no significant errors were identified during the audit in relation to: a) Compliance with Codes of Governance; b) Management Override of Controls; c) Revenue Recognition; d) Cut-Off; e) Revenue Returns; f) Procurement; and g) Policy Reviews.

### 7.2 Management Letter for Financial Statements for year ended 31<sup>st</sup> August 2020

- the following points were noted in respect of the review carried out by DHKN Ltd. on behalf of the C&AG:

- (i) **Risk Management Framework (High Risk Rating)** – the update of the Institute’s Risk Register and inclusion of risk management as part of the Governing Body and Management Team’s Agendas. It was noted that the President, in conjunction with the Secretary/Financial Controller, is currently reviewing the entirety of the Institute’s risk management structure and culture.
- (ii) **Payroll Submissions (Medium)** – the July 2020 Payroll Tax Liability to the Revenue Commissioners was not paid by the due date of 23<sup>rd</sup> August 2020. IADT acknowledged the finding and recommendation and is fully cognisant of its tax obligations and remains fully compliant in all respects. It was noted that this isolated incident was due to an issue with Revenue’s ROS system and that the Institute was in regular communication with Revenue, with the payment being made as soon as it was possible to do so.

The Committee members were reminded of the requirement under the Code of Governance that members meet periodically with the representative from the C&AG in the absence of IADT Executive or Management Team members. The Chairperson of the

Audit & Risk Committee enquired if the Committee members, or Mr. Kinsley had any issues they wished to discuss in the absence of IADT staff members. It was confirmed that there were no issues that necessitated further discussion/revision. The Chairperson thanked Peter Kinsley for the briefing; Mr. Kinsley left the meeting at 14.07hrs. The Committee members expressed their appreciation for the work done by Management which has resulted in such a favourable audit outcome.

**7.3 Draft Financial Statements for year ended 31<sup>st</sup> August 2021** – it was reported that the Institute’s Financial Statements for year ended 31<sup>st</sup> August 2021 are currently being finalised for submission to the C&AG by 30<sup>th</sup> November 2021. A draft Statement of Projected Income for the year ended 31<sup>st</sup> August 2021 was discussed as circulated. It was reported that there has been a delay in obtaining information regarding pension provisions, due to this service being operated by an external company which is engaged sectorally. It was confirmed that the figures will not affect the Institute’s overall income totals. It was noted that the Institute will be declaring an overall surplus of 7.45%, which is due in part to the receipt of funding from the HEA in November 2020, which relates to the reimbursement of additional expenditure incurred by the Institute during 2020 in the response to the COVID-19 pandemic. It was noted that the HEA conducted an extensive audit of all funding applications relating to COVID-19 expenditure.

Once the Financial Statements for the year ended 31<sup>st</sup> August 2021 have been finalised, they will be circulated to the Audit & Risk Committee and subsequently to the Office of the C&AG. In addition, the Financial Statements will be brought to the next Audit & Risk Committee meeting in March 2022.

## **8. Corporate Procurement**

**8.1 Multi-Annual Procurement Plan (MAPP) 2021/2022** - IADT’s Multi-Annual Procurement Plan (MAPP) 2021/2022 was discussed as circulated. It was noted that the MAPP provides a breakdown of the Institute’s National Framework Contracts, own contracts, etc. It was reported that the Institute is projecting an expenditure of over €12.7M for the period 2021 to 2023. It was reported that the MAPP was submitted to the Education Procurement Service by the Secretary/Financial Controller on the prescribed deadline of 1<sup>st</sup> November 2021.

**8.2 Corporate Procurement Plan 2022** – the Institute’s Corporate Procurement Plan 2022 was discussed as circulated. It was noted that 54% of the Institute’s expenditure relates to National Framework Agreement (NFA)/Contracts. The 2% ‘Not Applicable’ relates to contracts which are centrally procured by HEAnet or THEA. The 37% ‘Own Contracts’ are due to a number of instances whereby the OGP/EPS has instructed the Institute to carry out their own contract process. The 8% ‘Pre-National Framework Agreement/Contract’ relate to those contracts in place prior to the introduction of the NFA. The 1% ‘Not Applicable/Specified’ are contracts where the Institute has no capacity to change the provider (e.g. Office of Comptroller & Auditor General). It was noted that the data contained in the Corporate Procurement Plan forms part of the IADT’s MAPP.

**8.3 Contracts Control Sheet Update** – the updated Contracts Control sheet was discussed as circulated. It was noted that the updated contained in the Contract Control Sheet are provided by the relevant Manager. The following items were noted:

- (i) **Computer Supplies (Apple & PC Products)** – a tender process run by HEAnet has been delayed; the OGP to consult with HEAnet in approximately nine months' time; in the interim, IADT will go to tender separately if required.
- (ii) **Design & Print** – the tender process for this service is currently in progress.
- (iii) **Fire Extinguisher Equipment** – the first of 2 x one-year extensions allowed under the contract was applied on 22/11/2022.
- (iv) **Network Maintenance** – there has been no update regarding this contract to date from the OGP.
- (v) **Network Security (Firewall)** – there is no update regarding this contract; the existing firewall is sufficient for the workloads during the continued period of restrictions. The estimated date of implementation following a review of the Firewall is Summer 2022.
- (vi) **Paper Supplies** – following a tender process, the OGB advised that Antalis were successful and a twelve-month contract was awarded, with an option for a 1 x six-month extension.
- (vii) **Pest Control** – the service is currently in planning stage for tender.
- (viii) **Plant Maintenance** – the service provider has extended the service period by 12 months (to 30/04/2022) under the same terms and conditions; it is planned to issue the tender documents in Q1 2022.
- (ix) **Telephones (Landlines & Mobiles)** – no update regarding a tender process has been received from HEAnet.
- (x) **Waste Management** – a new framework was put in place via the OGP, a two-year contract was issued (commencing 06/09/2021), with 2 x one-year extensions allowed (maximum end date 05/09/2027).

A discussion arose regarding 'open-ended' contracts, such as the provision of maintenance for the all-weather pitch. It was reported that this is a proprietary service introduced as part of the Department of Education's Monkstown Educate Together National School. It was suggested that a Derogation Form be completed confirming that a tender process is not required for such a service. It was noted that in the case of 'sole/single suppliers', the relevant Manager must demonstrate that there is no suitable supplier either in Ireland or internationally, who is able to fulfil the required criteria; the Secretary/Financial Controller signs off on all single supplier contracts.

The Committee members approved the Institute's MAPP 2021/2022, Corporate Procurement Plan 2022 and the Contracts Control Sheet.

Proposer: SD

Seconder: BH

## 9. IADT Treasury Management Policy

The Institute's Treasury Management Policy was discussed as circulated. The changes made to the policy were the addition of the National Treasury Management Agency (NTMA) as permitted deposit holders of Institute surplus funds and investments. It was reported that since 2020, Bank of Ireland has charged negative interest rates on

deposit accounts with a total value exceeding €1M. The NTMA has agreed to hold monies on deposit at a zero-interest rate. The additional change made to the Policy was that, where funds are being invested through the NTMA, there is no requirement to obtain competing quotes. It was agreed that the Policy be brought to Governing Body meeting for approval.

Proposer: MC

Seconder: MMcC

## **10. Risk Management – COVID-19 Return to Campus Protocol**

**10.1** The President briefed Audit & Risk Committee members on the latest updates in relation to on-site activities for both students and staff during the current COVID-19 situation. Due to the rise in the numbers of COVID-19 patients both in hospital and in intensive care units, the Government announced on 18<sup>th</sup> November 2021, that everyone should return to working from home, unless it is necessary to attend a workplace in person. Prior to this, on 17<sup>th</sup> November 2021, the Labour Employer Economic Forum (LEEF) issued a guidance note to assist employers and workers in ensuring that all safety protocols continue to be implemented. On 22<sup>nd</sup> November, Simon Harris TD, Minister for Further & Higher Education, Research, Innovation & Science (FHERIS) confirmed that the Public Health position for Higher Education has not changed from that published on 16<sup>th</sup> November 2021. All sectors of education (primary, secondary and higher) are deemed to be essential services and as such are required to continue to maintain on-site activities, working cautiously and safely within the Discretionary Framework (and the LEEF Guidance) until further notice. It was reported that on 19<sup>th</sup> November, the National Steering Group convened, with Minister Harris in attendance, and it was acknowledged that the protocols put in place in higher education institutions (HEIs) have proved to be effective in curbing the spread of the virus on campuses, as have the infection controls and mitigations which HEIs operate under.

- (i) Remote Study and Working** – it is the Institute's intention and wish to bring the current term's activities and commitments to a safe and satisfactory conclusion on 10<sup>th</sup> December 2021. During this period and until further notice, there will be no significant increase in IADT's on-campus activity. Staff members have been reminded that they must remain vigilant, by continuing to wear masks, maintaining hygiene standards and keeping spaces ventilated. Managers will meet with their team members to determine the necessary requirements for on-campus attendance/delivery.
- (ii) Open Day** – on Saturday, 20<sup>th</sup> November 2021, IADT hosted an Open Day, which included a talk for parents of students who are due to apply to the CAO. Over 2,400 people registered for the Open Day, with over 1,000 candidates and their parents attending a varied programme of 50 talks and presentations, with all safety protocols in operation.
- (iii) Term 2** – it is planned that students will return to campus (as per current restrictions) on 6<sup>th</sup> January 2022. Planning has been put in place for the move to online assessments/exams; it was reported that continuous assessments are the major contributors to students' grades, with only a minor element requiring examinations.

The Chairperson acknowledged the work done by all staff members to ensure that the Institute has continued to operate and provide service during the COVID-19 pandemic.

## 11. Statutory Reporting

The Audit & Risk Committee members were updated as follows in relation to Statutory Reporting:

- (i) **Accidents Reported to the Health & Safety Authority (HSA)** – no reportable accidents occurred on campus since September 2021.
- (ii) **Data Breaches under GDPR** - there was one data breach reported to the Data Protection Commissioner:
  - a) On 14<sup>th</sup> October 2021, a Change of Password was sent to an incorrect student email address; two students had emailed support@iadt.ie within 15 minutes of each other seeking a password reset. Student A was sent an unlocking code and their student number. The message was then copied and sent to Student B in error (including Student A's ID number). Both students were contacted by the staff member once the error was discovered. The Data Protection Commissioner (DPC) was informed of the incident on 14<sup>th</sup> October, and queries posed by the DPC were answered.
- (iii) **Reporting under the Children & Vulnerable Adults Policy** – there were no reports made to TUSLA or the Gardaí since the last Audit & Risk Committee meeting on 22<sup>nd</sup> September 2021.
- (iv) **Staff Complaints/Grievances/General Complaints** – there was no complaints/Grievances/General Complaints received under the Institute's Mutual Respect Procedures since September 2021
- (v) **Student Complaints** – no new complaints were lodged in the period since the last Audit & Risk Committee meeting of 22<sup>nd</sup> September 2021.

The President informed Committee members that the Minister for DFHERIS has sought a sectoral survey of bullying and harassment in higher education. Both the Audit & Risk Committee and Governing Body will be informed of the outcome of the survey once it has been completed.

## 12. President's Expenses (April – November 2021)

Due to the current remote nature of the Audit & Risk Committee meetings, it was proposed that the Chairperson review the President's expenses once a meeting can be held in person on campus. It was reported that the Secretary/Financial Controller, who signs off on the President's expenses, has had no questions or concerns in relation to same.

## 13. Equality, Diversity & Inclusion Implications

It was noted that through the COVID-19 funding granted by the HEA, the Institute has provided additional supports for students suffering from mental health issues and additional anxiety caused by the pandemic and resultant restrictions. It was reported that the Institute plans to submit its Athena SWAN Bronze Award application during Quarter 1 2022. While the application relates in the main to gender equality within the Institute, it also considers broader equality, diversity and inclusion issues. As part of the preparation for the application, the Institute undertook a 'culture survey' among staff members. A summary report on the findings was issued to the Executive Team



and the Institute Equality, Diversity & Inclusion Committee, who in turn briefed the Governing Body at its meeting of 3<sup>rd</sup> November 2021.

**14. A.O.B.**

**14.1** Committee members requested that training be provided by Deloitte in relation to their specific role as the Audit & Risk Committee of the Institute.

**Next Meeting:** TBC, the week beginning 21<sup>st</sup> March 2022.

Signed: \_\_\_\_\_  
Cllr. Michael Clark  
Chairperson

Date: \_\_\_\_\_