

Audit & Risk Committee of Governing Body

Minutes of 1st June 2022

- Present:** Cllr. Michael Clark, Sam Dunwoody, Maeve McConnon
- Apologies:** Ben Harper
- Absent:** 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; the meeting commenced at 13:12hrs and terminated at 14:30hrs.

The Committee members were informed of the death of Paddy McAllister, IADT's Project Accountant, who has been key in the preparation of many of the documents reviewed by the Committee. The Chairperson requested that a letter of condolence be sent to Paddy's family on behalf of the Audit & Risk Committee.

1. Adoption of Agenda

The Agenda was adopted, as circulated.

Proposer: MMcC
Secunder: MC

2. Conflicts of Interest

No conflicts of interest were declared.

3. Adoption of Minutes of the Meeting of 30th March 2022

The Minutes of the meeting of 30th March 2022 were adopted as circulated.

Proposer: MMcC
Secunder: MC

4. Matters Arising

- 4.1 Financial Statements for year ended 31st August 2021** – the Financial Statements for year ended 31st August 2021 were approved by Governing Body on 6th April 2022 and forwarded to the Office of the Comptroller & Auditor General (C&AG). An audit certificate was issued by the C&AG on 8th April and the Financial Statements were forwarded to the Department of Further & Higher Education, Research, Innovation & Science on 11th April 2022 for laying before the Houses of the Oireachtas. It was reported that DHKN, the auditors on behalf of the C&AG have advised that they will not be issuing a Management Letter as there are no material issues of concern that arose during the audit of IADT's Financial Statements. A representative from DHKN will meet with the Audit & Risk Committee members at their meeting in September 2022.

4.2 Programmes & Budgets 2022 – IADT's Budget Submission 2022 was forwarded to the HEA on 5th April 2022 and a meeting took place with the HEA on 13th April 2022 to discuss the Institute's budget. It was noted that IADT's Programmes & Budgets 2022 submission was approved by Governing Body at its meeting of 4th May 2022.

4.3 President's Expenses – on 21st April 2022, the Chairperson reviewed and signed off on the President's credit card statements for 3rd April 2021 to 3rd April 2022.

5. Internal Audit

David Prendergast (Cyber Security Senior Manager, Deloitte) and Clíodhna Maloney (Risk Advisory Manager, Deloitte) joined the meeting via MS Teams at 13:19hrs and 13:26hr respectively.

5.1 Internal Audit Review of Cyber Security – David Prendergast briefed the Audit & Risk Committee members on the findings of the following Internal Audit Review Report as circulated. There were a total of 7 findings: 4 Extreme findings, 1 Serious finding, 1 Moderate finding and 1 Minor finding. Details were as follows:

- (i) **Incident Response Process (Extreme)** – Deloitte noted that IADT's Incident Response Policy is out of date, and that it does not contain any specifics around roles and responsibilities regarding the handling of incidents. It was recommended that:
 - a. IADT should carry out a regular test of the Incident Response Plan to ensure it provides accurate, actionable guidance in the event of an incident.
 - b. The Incident Response Plan should be updated to include clear roles and responsibilities in the event of an incident.
 - c. A formal process should be created to manage the remediation of incidents effectively.

The Institute notes the finding and recommendations. IADT will review and update its Incident Response Policy, which will include details of roles and responsibilities, and will include a requirement for regular periodic testing. IADT will include formal sample remediation processes for the key possible incidents. The Responsible Party is the ICT Manager and the Timeframe is Q2 2022.

- (ii) **Vulnerability & Patch Management (Extreme)** – Deloitte noted that, while there is an automated patch management scanning process in place in IADT, there is no documented Vulnerability and Patch Management. It was recommended that:
 - a. IADT should establish a formal vulnerability and patch management process which tracks each identified vulnerability and required patch for their systems. This process should also include any recommended remediation actions for the identified vulnerabilities.

IADT recognises the importance of implementing patches as soon as possible and uses an automated Patch implementation system for this purpose. IADT will develop and implement a Patch Management Reporting Process to monitor the implementation of Patches. The Responsible Party is the ICT Manager, and the Timeframe is Q2 2022.

- (iii) **Disaster Recover/Business Continuity (Extreme)** – Deloitte noted that EduCampus has postponed their Disaster Recovery (DR)/Business Continuity (BC) testing due to the pandemic restraints; IADT has not scheduled a test of its DR

Plan due to staffing and financial resources limitations, and a BC Plan does not exist. It was recommended that:

- a. IADT should establish a Business Continuity (BC) Plan and should schedule testing for both their DR and BC Plans on a regular basis.

IADT recognises the importance of having a BC Plan. It is noted that THEA is developing an enterprise-wide BC Planning System through its internal audit system and IADT will implement this once it is available. IADT will review the possibility of an ICT BC Plan in the interim. The Responsible Party is the ICT Manager, and the Timeframe is Q3 2022.

- (iv) **Systems Penetration Test (Extreme)** – Deloitte noted that IADT does not have a formal Penetration Testing Policy or Process documented. It was recommended that:

- a. IADT should carry out a regular annual Penetration Test to assist in identifying current vulnerabilities and weaknesses.
- b. An approved Policy should be created which includes the context, frequency and process to conduct a penetration test.

IADT accepts this finding and recommendations and will implement during Q3 2022. The Responsible Party is the ICT Manager, and the Timeframe is Q3 2022.

- (v) **SIEM Solution (Serious)** – Deloitte noted that while IADT receives threat intelligence and is currently in the process of setting up a Security Information & Event Management (SIEM) system, there is currently no SIEM solution to facilitate the proactive monitoring of and response to security events. It was recommended that:

- a. IADT should implement a functioning SIEM solution that is a best fit for the size and complexity of the business.

IADT recognises the importance of having a SIEM and currently uses a locally managed SIEM. IADT understands that HEAnet is currently exploring a sector-wide SIEM solution and IADT will engage actively with this once it is in place. The Responsible Party is the ICT Manager, and the Timeframe is Q4 2022.

- (vi) **Cyber Insurance (Moderate)** – Deloitte noted that IADT's Insurance Policy does not cover cyber insurance. It was recommended that:

- a. Management should assess the requirement for specific insurance covering Cyber and review the current Insurance Policy, as the current insurance would not provide cover in the event of a cyber incident.

IADT notes the finding and recommendation and will review with our insurers the requirements and capacity for this. The Responsible Party is the Secretary/ Financial Controller, and the Timeframe is Q4 2022.

- (vii) **Social Media Policy (Minor)** – Deloitte noted that the process involving the approval of communications posted on IADT's social media account is not formalised through an approved Social Media Policy. It was recommended that:

- a. IADT should create a Social Media Policy which outlines clearly what is acceptable and what the approval process is to post on their social media.

IADT notes this finding and recommendation and will develop a Social Media Policy. The Responsible Party is the Registrar, and the Timeframe is Q4 2022.

The Committee expressed their concerns regarding the severity of the risks identified in the report and determined that these would remain an agenda item until suitable resolutions have been implemented and tested. It was requested that Colm Hennessy, IT Manager, provide an update report to the Committee at its meeting in September 2022, and that the Committee will review the issues raised on a regular basis.

The importance of a robust Disaster Recovery/Business Continuity Plan was emphasised. It was reported that the Institute has appointed an Information Systems Manager who, once updates have been completed to the Student Records System (end of August 2022), will be in a position to focus on cyber/general information technology security issues.

In relation to the Institute's Social Media platforms, it was reported that the President has met with Ruth Barry, Marketing Manager, to discuss how best to manage and utilize this medium.

It was noted that the Cyber Security findings and actions taken will be reviewed as part of the Deloitte Follow-up Review planned for August 2022, and will feature as part of the Follow-up Review Report, which will be issued to Committee members in advance of their meeting in September 2022.

The Internal Audit Report on the Review of Cyber Security was approved by the Audit and Risk Committee members.

Proposer: SD
Secunder: MMcC

5.1.1 Deloitte Internal Audit Progress Update – Clíodhna Maloney provided an update to Committee members on internal audit progress to date. It was noted that the proposed audits scheduled for the remainder of 2022 are as follows:

- Internal Audit Follow-up Review (week commencing 22nd August 2022)
- Internal Audit Review of Procurement (week commencing 26th October 2022)
- Internal Audit Review of Business Continuity Planning (commencement date TBC)

Committee members were reminded that if they, or the representatives from Deloitte had any issues they wished to discuss in the absence of IADT staff members this would be facilitated. It was proposed that at the Committee's September meeting, once the members have reviewed the Follow-up Review Report, a private meeting with the representatives from Deloitte will be facilitated, if required.

The Chairperson thanked David Prendergast and Clíodhna Maloney for the work completed to date. The internal auditors left the meeting at 13:55hrs and 13:58hrs respectively.

5.2 IADT Internal Audit Report Master Tracker – the Institute's Master Internal Audit Report Tracker was reviewed by Committee members as circulated. There were 5 items reported to be 'Actioned', 7 items deemed to be 'In Progress', 2 items were 'Not Due' and 2 items were reported as 'Not Started'. The following updates were provided within the Master Tracker:

- (i) **Enhancement of Risk Management Monitoring, Reporting & Culture (Grade 1)** - IADT is awaiting the outcome of a procurement process for a Risk Management System carried out by South East Technological University

(Waterford I.T.) Risk Management is a standing item on Agendas for Governing Body, Audit & Risk Committee and Executive Team meetings. The Responsible Parties are the President and the Secretary/Financial Controller (S/FC) & Chief Risk Officer; the Revised Target Date is Q2 2022.

- (ii) **Formal Risk Management Training (Grade 3)** – Risk Management Training is to be scheduled for September 2022. The Responsible Party is the S/FC and the Revised Target Date is Q2 2022.
- (iii) **Governing Body meeting without Institute members (Moderate)** – this will be actioned at the June 2022 Governing Body meeting. The Responsible Parties are the Chairperson and the S/FC, and the Target Date is June 2022.
- (iv) **Procurement Policy & Procedures & Training (Moderate)** – revisions to the Procurement Policy are currently underway and will be presented to the Executive, Audit & Risk Committee, and Governing Body as soon as possible. The Responsible Party is the Secretary/Financial Controller and the Target Date is Q2 2022.
- (v) **Contracts Register Monitoring & Maintenance (Moderate)** – a revised Contracts Control Management System has been issued to all Manager and is being implemented. The Responsible Party is the Secretary/Financial Controller, and the Target Date is Q2 2022.

With regard to the two items outstanding from the Review of Income and Key Income Streams (November 2017), it was reported that a number of issues, which have delayed the implementation of Deloitte's recommendations have been resolved, and that the Secretary/Financial Controller is liaising with the Directorate of Research, Development & Innovation to develop formal Policies which reflect the procedures currently in place.

The structure of the reports was discussed and a discussion regarding the intent of the "Actioned" classification. It was identified that actions can only be deemed to be 'Closed' by the internal auditors in their annual review report, and that those classified as "Actioned" are those where the relevant Manager has declared that they have completed all of the planned and required actions from the findings and recommendations. The Executive considered that many of the "In Progress" items will be fully completed for the Review planned for August 22 and thus will be closed by the Auditors.

6. Corporate Procurement

6.1 Contracts Control Sheet Update – the updated Contracts Control sheet was discussed as circulated. It was reported that the Institute is awaiting updates from the OGP/HEAnet on a number of outstanding contracts. The following updates were highlighted within the Contracts Control Sheet:

- (i) **Statistical Software** – the contract is due to expire on 30th June 2022; contract renewed with Presidion until 30th June 2025.
- (ii) **Telephones (Landlines)** – an updated is awaited from the OGP regarding this contract which is due to expire on 10th July 2022.
- (iii) **Design & Print** – the tender process was completed on 5th May 2022; Piquant was appointed for a 3-year term, and the contract will be issued in the last week in May 2022.
- (iv) **Fire Alarms & Emergency Lighting** – the OGP conducted a tender process and IADT is awaiting a final decision from the OGP as to the preferred supplier.
- (v) **Fire Extinguisher Equipment** – following discussions with the OGP, IADT entered into an existing drawdown contract with a commencement date of 1st April 2022 (maximum end date is 9th July 2024).
- (vi) **Lift Maintenance** – IADT has commenced dialogue with the OGP regarding this.

- (vii) **Plant Maintenance** – due to works on the Atrium Energy Efficiency Upgrades and COVID-19 upgrades, which are both in progress, it was decided to defer the tender process for Plant Maintenance until these projects have been completed.
- (viii) **Utilities Supplies (Electricity)** – a procurement process was carried out via the OGP; a 3-year contract was awarded to Electric Ireland; the Institute is awaiting an update from the OGP.

7. Risk Management Update

The Committee members were updated as follows in relation to Risk Management on campus:

- (i) **Return to Campus** - the Institute returned to full activity levels during the past 6-8 weeks and it has not been necessary to convene a meeting of the COVID-19 Steering Committee.
- (ii) **Critical Incident Response** - a critical incident response was implemented following the sudden death of Paddy McAllister and the response management will continue for some time.
- (iii) **Ukrainian Students** - to date, very few requests have been received from Ukrainian students to transfer their studies to IADT, due to them being misplaced as a result of the ongoing conflict in Ukraine. Measures have been put in place to support any such student requests.
- (iv) **Graduate Exhibition** – the Graduate Exhibition 'On Show 2022' will be launched on Thursday, 9th June and will be open to the public until Tuesday, 15th June 2022.

7.1 Risk Management Policy – it was reported that the Risk Management Policy was reviewed by the Secretary/Financial Controller and that no updates were required to be made to same.

8. 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)** – a staff member fell off a table on 9th May 2022; no accident report was received; however, a report was made to the HSA on 20th May 2022.
- (ii) **Data Breaches under GDPR** - there were no data breaches reported to the Data Protection Commissioner since March 2022.
- (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 30th March 2022.
- (iv) **General Complaints** – a complaint was received in April 2022 that a staff member had misrepresented themselves on their profile on IADT's website; an investigation was carried out and the finding was that no misrepresentation had taken place; the complaint was not upheld.
- (v) **Staff Complaints/Grievances** – no new Staff Complaints/Grievances were received since the 30th March 2022.

- (vi) **Student Complaints** – there were two new student complaints made:
- a) In April 2022, a complaint was made by a student regarding course contents; the matter is currently under investigation.
 - b) In May 2022, a complaint was made by a student against a number of staff members (relating to a suggestion of plagiarism); the outcome of a Faculty plagiarism investigation is awaited.

9. Audit & Risk Committee Operational Management

9.1 Appointment of Audit & Risk Committee Chairperson - As agreed at the Audit & Risk Committee meeting of 28th November 2021, the Chairperson of the Committee will be appointed on an annual rotational basis. The Committee members proposed that this item be deferred until the first Committee meeting of the next academic year, which will take place on 21st September 2022.

9.2 Audit & Risk Committee Meeting Schedule 2022/2023 – the draft Schedule of Committee meetings for 2022/2023 was discussed as circulated; it was proposed that the meetings be held on Wednesdays with a start time of 13:00hrs. An updated Meeting Schedule for 2022/2023 will be circulated to Committee members.

9.3 Review of Audit & Risk Committee Training – the Committee members who attended the training session delivered by a representative from Deloitte, deemed it to have been very informative, helpful and worthwhile.

10. Equality, Diversity & Inclusion Implications

There were no EDI Implications for discussion.

11. A.O.B.

There were no items for discussion under A.O.B.

Next Meeting: Wednesday, 21st September 2022 @ 1pm.

Signed: _____
Cllr. Michael Clark
Chairperson

Date: _____