

**The University of Dublin**

**Trinity College**

**Minutes of Audit Committee, Monday 25 June 2007**

*Present* Mr T Forsyth (Chairman), Professor J McGilp, Professor B McGing, Dr D O'Donovan, Mr J Collins

*Apologies*

*(ex officio)* Internal Auditor, Assistant Secretary

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

**AD/06-07/57 Minutes** The Minutes of the meeting held on 18 April 2007 were approved and signed.

**AD/06-07/58 Call-over** The Committee noted the actions which had been implemented since the last meeting and those which remained out-standing and which would be addressed in due course.

**SECTION B – IMPLEMENTATION ISSUES**

**AD/06-07/59 XXX Report on the implementation of the Student Administration System** Introducing the topic, the Chairman advised the Committee that, following the Board meeting of 25 April 2007, at which the minutes of the IPC meeting had been discussed and the issue of the problems with the new Student Administration System (SAS) had been raised, the Provost had requested that the Audit Committee carry out of an independent review of the project. Following a discussion of this proposal at the Board meeting on 23 May 2007, the terms of reference for the study proposed by the Audit Committee were finalised and the Board requested that the review be available for consideration at its meeting on 4 July.

The Chairman invited Board's attention to the Terms of Reference for the study, viz.

- (i) To establish the project costs to date and the extent of the targeted output achieved.
- (ii) To identify, in so far as possible, the factors leading to the delays and difficulty in delivery of the new SAS including a review of the governance processes followed, comparing them with best practice, with a view to identifying what lessons relevant to future projects can be learned from the experience and to advise on the formation of a procedure to be followed for future projects.
- (iii) Taking account of the reasons why a new system was required, to assess the possible level of risk in reliance on the existing system pending delivery of a new one and what, if any, measures can be taken to better manage that risk.
- (iv) Assess the use and role of named consultants on the project.

Introducing the report, the Internal Auditor advised that the principal parties with whom he had consulted had been given an opportunity to comment on issues of fact before the document was finalised for consideration by the Committee. He stated that while there was not universal agreement with all the report's findings those consulted accepted it as a fair and objective overview of events.

Following a discussion on the scope of the report, the Committee agreed that it fulfilled its

terms of reference apart from the formation of a procedure to be followed for future projects, noting that it had not been possible to do this in the time available but that, following the Board's discussion of the report's findings it could be prepared for consideration by Board early in the next academic year.

The Committee also noted that its role was to focus on structural issues and that it has no competence to make recommendations on the future of SAS or to the best options for the development of a new student administration system, noting that this will be a matter for the appropriate College authorities.

The Committee, while noting that it is not uncommon for large IT projects to run into difficulties, expressed concern at the many structural and management issues raised in the report which it felt should be brought to the attention of the Board and for which solutions must be found if similar situations are not to arise in the future.

In the course of a long and detailed discussion, the Committee considered the report in detail and the following points were made by Committee members:

- (a) the analysis of the causes of the difficulties which had been identified with the SAS project are not uncommon in other organisations and sectors but it is a concern that it took so long for those responsible for the project to alert the College to the threats to the successful implementation of the project;
- (b) the management and monitoring of large-scale projects have to take account of the external environment in which the College is operating without compromising the College's financial and other controls;
- (c) the management arrangements for the project appear to have been confused and lacking clarity for those involved. The use of the College's committee and working group structures appear not to have been effective in managing this project;
- (d) the value of having an external project manager for all major projects was evident from the difficulties encountered in the management of the SAS project. The Committee noted that the College's External Auditors have made similar remarks in relation to the management of the Change Process;
- (e) the role of Annual Officers should be to focus on policy development and not be involved in the hands-on management of major College projects;
- (f) there is a need to present fully costed proposals, cost benefit analyses and risk assessments for all major projects;
- (g) the lack of multi-annual funding by the Government contributes to uncertainties in the management of major projects and this was a contributory factor to the difficulties associated with this project;
- (h) the current state of flux in relation to academic arrangements in College and the changes which are likely in the delivery of academic programmes and the associated changes required to administrative areas added to the difficulties associated with progressing the project;
- (i) based on the experiences of the SAS project and the on-going debate as to the value to the College of off-the-shelf and bespoke IT systems, Principal Committees and Board need to be made fully aware of the implications of such College-wide policy decisions;
- (j) it was noted that despite the difficulties of the SAS project there had been some deliverables which were now in operation in the College and that much of the preparatory work which had been carried out while the project was underway will be available for use no matter how the new SAS will be developed in the future;
- (k) the issue of non-standardised systems and practices across College needs to be addressed prior to attempting to implement major new IT systems that impact across the community.

The Committee noted that there is potential reputational damage to the College arising from its interaction with the external consultants employed to review the project and that this will need to be addressed.

The Committee agreed that the report, subject to the agreed editorial amendments, would be presented to Board together with a covering memorandum addressing the terms of reference

of the review and presenting recommendations for Board's consideration.

The Committee noting that, in the absence of the Chairman, Mr Collins would attend the Board meeting in his stead, agreed that the Chairman, Mr Collins and the Internal Auditor would seek a meeting with the Provost to discuss the report's findings prior to its consideration by Board.

The Committee congratulated the Internal Auditor on preparing such a comprehensive and considered report within such a short time period.

Actions

- 59.1 The Internal Auditor to finalise his report incorporating the agreed amendments
- 59.2 The Chairman to draft a memorandum to accompany the report being sent to Board

**AD/06-07/60 Procurement** The Chairman invited the Committee's attention to a memorandum dated 29 March 2007 from the Deputy Treasurer responding to issues previously considered by the Audit Committee in relation to the potential for cost savings, and maximising value for money, through the implementation of a centralised procurement programme (minute AD/06-06/30 of 20 December 2006 refers). The Committee noted the historical review of the spending pattern for all suppliers for the financial year 2005/2006 and its analysis according to the management and tender status of the procurements. The Committee further noted that a Corporate Procurement Plan would be produced later in the year and that the intention to reduce the number of suppliers below the €50,000 threshold should improve the College's value for money across a wide spectrum of supplies.

The Committee welcomed the initiatives and agreed that the secretary would write to the Deputy Treasurer acknowledging the progress which has been made and welcoming the opportunity to consider the Procurement Plan in due course.

Action

The secretary to write to the Deputy Treasurer acknowledging the progress made and requesting the opportunity to consider the Procurement Plan in due course.

**AD/06-07/61 Governance of Irish Universities** The Committee noted an email from the Secretary to the College, dated 16 April 2007 requesting Principal Committees to assess the implications of the Code of Governance for areas under their remit and agreed that the paper prepared by the Internal Auditor entitled 'Code of Governance Requirements in relation to Audit Committees' which had been considered previously by the Audit Committee on 18 April (minute AD/06-07/52 refers), adequately addressed this issue. It was agreed that the secretary to the Committee would write to the Secretary to the College advising him of the Committee's response.

Action

The secretary to write to the Secretary to the College forwarding a copy of the Internal Auditor's paper.

**SECTION C – ITEMS FOR NOTING**

**AD/06-07/62 Letter from the Secretary to the Committee to the Director of Audit, Office of the C&AG** The Committee noted the letter and proposed arrangements for interaction with the Director of Audit in the Office of the C&AG, dated 18 June 2007. A response to this letter is awaited.

**AD/06-07/63 Draft schedule of Audit Committee meetings for 2007/2008** The Committee noted the draft schedule of Committee meetings for 2007/2008 and agreed that comments would be forwarded to the secretary to the Committee as soon as possible.

Action

Committee members to forward comments on the draft schedule to the secretary.

**AD/06-07/64 Memorandum, from the Secretary to the Audit Committee to the Secretary to the Information Policy Committee** The Committee noted the memorandum to the secretary of the Information Policy the Committee advising that, in future, the consideration of IT risks would be carried out as part of the IS Services risk assessment exercise and that the Audit Committee would consider these risks as part of its review of the College's High-Level Risk Register. The Committee noted that the Information Policy Committee had approved these arrangements at a recent meeting.

Signed: .....

Date: .....