



Minutes of Audit Committee, Wednesday 6 December 2023

The meeting was held in the Trinity Board Room

Present Ms M Fulton (Chair), Professor P Murphy, Ms R Mathews-McKay, Professor R Reilly (joined by Zoom), Ms B Collins (joined by Zoom)

(ex officio) Internal Auditor/Secretary (Ms F McAuliffe), Secretary to the College/Director of Governance (Ms V Butler)

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

Ms C McDermott of Deloitte attended for item AD/23-24/20

The Chief Operating Officer (Ms O Cunningham) attended for item AD/23-24/24

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

AD/23-24/15 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/23-24/16 Minutes

The minutes of the meeting held on 10 October 2023 were discussed and approved.

The Committee discussed the extent of the information contained within the Audit Committee minutes, noting that this is necessary to ensure Board is fully informed, and the current practice of publishing the minutes in full on University website. The Secretary to the College confirmed that the current practice of the University is to publish all minutes to ensure full transparency.

Action:

16.1 The Chair of the Audit Committee to discuss approach to publication of minutes with the Chair of Board.

AD/23-24/17 Matters Arising

There were no matters arising.

Section A and Section B – Policy and Implementation Issues

AD/23-24/18 Review of 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 for the period from February 2023 to September 2023. The Committee noted that in this period, a total of 15 recommendations were removed from the Recommendations Log and classified as Complete with 1 additional recommendation classified as Risk Accepted.

The Internal Auditor informed the Committee that for this review, a sample of 9 recommendations, 8 classified as Complete and 1 classified as Risk Accepted, were selected for detailed examination. She advised that in 8 out of 9 cases, Internal Audit were satisfied that appropriate action had been taken to justify the classification of recommendations as Complete. The Internal Auditor advised that in 1 case, Internal Audit found that the recommended actions or alternate actions had not been taken in full by management and therefore this recommendation will be re-instated as 'Open Recommendation' on the Log until complete or classified as Risk Accepted by management if appropriate.

In conclusion, the Committee agreed the Review of Completed and Risk Accepted Recommendations report.

AD/23-24/19 Audit of Adjunct Academic Processes

The Chair invited the Deputy Internal Auditor to brief the Committee on the main findings of the Audit of Adjunct Academic Processes, which had been circulated for consideration. The Committee noted that Adjunct Academics are individuals with expertise and experience who are appointed to the University to enhance the teaching or research profile of the School / Research Centre and contribute to the intellectual life of the University.

Introducing the Report, the Deputy Internal Auditor advised that the purpose of this audit was to assess the adequacy and effectiveness of the University's internal controls in place for Adjunct Academic Processes and assess whether reasonable assurance could be provided to the Audit Committee over the process. The Committee noted that the scope of this audit includes all processes, policies and procedures in place as at August 2023 in relation to Academic Adjunct Processes across the University.

The Committee noted that there are currently four approved categories, Adjunct Professors, Associate Professors, Assistant Professors and Teaching Fellows with over 1,000 Adjunct Academics currently in place across the University.

The Deputy Internal Auditor summarised the key findings identified during the audit for the Committee, noting the following:

- The criteria for the appointment of Adjunct Academics is outlined in the College Statutes within the Academic Titles document. As the relevant extract from this document, and other documentation related to adjunct appointments is hosted on the HR webpage, there is a perception within the University that HR have responsibility and oversight of the process which is inaccurate.

- The use of Adjunct Academics varies throughout the University with some areas using it as an avenue to hire additional resources. Appointments of Adjunct Assistant Professors and Teaching Fellows are approved at local level with minimal faculty oversight and no process to identify conflicts of interest.
- All Adjunct Academics are provided with an active email account. While salaried appointments are required to agree to comply with University policies, there are no terms and conditions agreed to for unsalaried appointments apart from agreement with IT policies.
- The principles outlined within the Academic Titles document in relation to responsibilities pro rata with staff and permanency of appointment have not been consistently adhered to across the University. In addition, there are no requirements to align salaries / payments with established scales and no controls in place on renewal to ensure the University is benefitting from the appointment.
- There is currently no process or area with responsibility for oversight and monitoring of Adjunct Academic processes. In addition, there are no guidelines for areas / individuals on how Adjunct Academics should be represented on websites or in communications / research.

In summary, the Deputy Internal Auditor noted that the lack of clarity / perceived ownership of the process, and devolution of appointments to a local level by the University without an appropriate control framework has resulted in a process that is potentially open to inappropriate use. The results of this audit echo the findings from the recent Audit of Occasional Staff and Casual Payroll which is vulnerable due to the reliance on devolved control with little oversight and monitoring. The two processes are intertwined as many of the Adjunct Academics are paid via Casual Payroll.

The Deputy Internal Auditor drew the Committee's attention to the four recommendations contained in the Report, noting that all the recommendations have been accepted by management. In particular, she advised that it is recommended that a review of the Academic Titles document in relation to Adjunct Academics be performed, together with a strategic review of the purpose and role of Adjunct Academics within University. The Deputy Internal Auditor noted that the management response provided by the Registrar within the report noted that many of the matters raised within the report are currently under review by a working group looking into patterns of employment in Trinity, and it is hoped that a report from this group will be presented to Board in the first quarter of 2024.

The Deputy Internal Auditor advised that based on the results of the audit, Internal Audit cannot provide assurance to the Committee in relation to the design and effectiveness of the current controls, and significant opportunities for improvement had been identified.

During a subsequent discussion, the Committee endorsed the Report's recommendations and, noting the importance of Adjunct members of staff to the College, welcomed steps being taken to strengthen processes and controls. In particular, the Committee noted the reputational risk that may arise due to a lack of oversight and controls in this area.

In conclusion the Committee agreed the Report as presented and welcomed management's acceptance of all its recommendations.

AD/23-24/20 Audit of Central Events Management

The Chair welcomed Ms McDermott of Deloitte to the meeting and invited her to brief the Committee on the findings of the Audit of Central Events Management, which had been circulated.

The Internal Auditor reminded members that Deloitte were appointed as co-sourced Internal Audit providers in February 2023, and that this was the first audit to be completed under this arrangement.

Introducing the Report, Ms McDermott advised that the Central Events Team within the Commercial Revenue Unit (CRU) is responsible for dealing with bookings and management of commercial meetings and events organized in the University. The Committee noted that the two main types of events dealt with by the Central Events Team are Commercial events and internal non-timetabled academic events.

Ms McDermott advised that the purpose of the audit was to assess the adequacy and effectiveness of Central Events Management and that the scope of the audit included all Central Events Management processes, policies and procedures in place as at June 2023 across the University. Ms McDermott reported that a sample of 25 events held between July 2022 and June 2023 (15 commercial events and 10 internal events) were selected for detailed examination.

Ms McDermott summarised the key findings identified during the audit for the Committee, noting the following:

- There is limited oversight of event quotations and contracts, and reliance is placed on individual event managers. In addition, there were instances of unsigned or unavailable documentation during the audit which can result in miscommunication or event disruptions and in certain circumstances could expose the University to legal vulnerabilities and potential financial and reputational damage.
- Event management safety plans are not always prepared and approved for relevant events resulting in potential for non-compliance with health and safety legislation as well as with internal health and safety processes and procedures.
- There is a lack of clear process and training for the risk assessment of central events and required assessments were not completed in all cases. The absence of such risk assessments, could impede the University's ability to forecast and plan for event-related risks, including suitability and accessibility concerns, which may arise.
- While there are established processes for event invoicing, payments and lessons learned exercises, these processes are not always complied with fully and consistently.

Ms McDermott drew the Committee's attention to the main recommendations contained in the Report, noting that all the recommendations have been accepted by management.

Ms McDermott advised that based on the results of the internal audit work undertaken in relation to the Central Events Management, Internal Audit can provide moderate assurance to the Committee in relation to the design and effectiveness of the current control environment, noting that some opportunities for improvement were identified.

During a brief discussion, Ms McDermott clarified a number of queries from members in relation to the Report's findings. In particular, the Committee discussed matters around suitability and accessibility for events and Ms McDermott confirmed that proper event management planning is important to address concerns in both areas.

In conclusion, the Committee agreed the Report as presented and welcomed management's acceptance of the recommendations.

The Internal Auditor advised that Deloitte are currently undertaking an Audit of Data Protection Framework for Compliance with Health Research Regulations which had been delayed due to issues re management engagement. The Committee noted that this audit was now underway and that a report is expected to be presented in early 2024.

The Chair thanked Ms McDermott for attending the meeting and Ms McDermott withdrew from the meeting.

AD/23-24/21 Internal Audit Strategy

The Chair drew the Committee's attention to the draft Internal Audit Strategy for the three-year period 2024 to 2026, which had been circulated for consideration. The Committee noted that the previous Internal Audit Strategy for the period 2021 to 2023 was approved by the Committee in December 2020.

The Internal Auditor provided a brief overview of the Internal Audit Strategy highlighting the approach to the work of the function and the key areas of focus and development envisaged over the period. She advised that the Internal Audit Strategy documents the high-level focus for internal audit activity and creates a link between the Internal Audit Charter, the Internal Audit Annual Plan and the University's Strategic Plan. Members noted that it outlines the strategic objectives of the function and specifies the goals that the function will work to in achieving these objectives. The Committee also noted that the recent and continuing developments in governance will impact on the strategy over the period.

During a discussion, the Internal Auditor responded to a number of questions from members in relation to the focus, approach and resourcing of the function.

In conclusion, the Committee approved the Internal Audit Strategy 2024 – 2026 as presented.

AD/23-24/22 Internal Audit Annual Plan 2024

Introducing the topic, the Internal Auditor advised members that, in line with the discussed strategy for the function, Internal Audit undertook a comprehensive planning process to develop a risk-based Internal Audit Plan for 2024.

The Internal Auditor advised that the planning process incorporated information from various sources, including comprehensive Stakeholder engagement, a detailed review of the University Risk Register, and other University Committee papers, a review of the Audit Universe and consideration of the knowledge & experience of Internal Audit derived from its work.

The Internal Auditor advised that the information gathered / provided from each of the sources outlined was collated to develop a comprehensive and broad range of assignments which were subject to a detailed Internal Audit Assessment of the relative priority, risk and complexity for each of the proposed areas / processes. Following detailed consideration and prioritisation of the areas / processes to be reviewed, and coverage across the University, individual audits were selected for inclusion on the Internal Audit Annual Plan for 2024.

The Internal Auditor reminded members that as with all plans the Internal Audit Annual Plan for 2024 is fluid and dynamic and may be updated to take account of any emerging risks, developments in the university environment, or amendments to the University Risk Register.

The Internal Auditor confirmed that the Committee will receive periodic updates of progress against the Annual Plan and will be informed if additional work or any changes to Plan are required.

During a brief discussion, the Internal Auditor responded to a number of queries from members in relation to the Annual Plan and confirmed that management have been consulted in relation to appropriate timing of audits during the year.

In conclusion, the Committee approved the Internal Audit Annual Plan for 2024 as presented, noting that periodic updates on progress will be provided during the year.

AD/23-24/23 Risk and Compliance Committee

Introducing the topic, the Chair drew the Committee's attention to the draft Risk & Compliance Committee Terms of Reference, which had been circulated. The Chair invited the Secretary to the College/Director of Governance to update the Committee on recent developments.

The Secretary to the College/Director of Governance advised that final Terms of Reference for newly established Principal Committees, including the Risk & Compliance Committee, are expected to be approved by Board at the end of January. The Chair advised the Committee that she had forwarded her comments on an earlier draft of the Risk & Compliance Committee Terms of Reference to the Secretary to the College on the proposals. The Chair noted that some, but not all, of these comments were reflected within the revised draft Terms of Reference included in the papers. The Chair noted in particular that the composition and size of the Committee would be a matter for Board to consider and this would be influenced by whether the Committee is intended to have primarily an oversight role in relation to risk and compliance matters.

The Internal Auditor advised that she had an opportunity to provide comment and feedback on the draft Terms of Reference and noted that while some comments had been addressed there was still some concern that current wording would imply an unintended and inappropriate role for the Risk & Compliance Committee in the oversight of Internal Audit.

During a discussion, the Committee considered the relationship between the Audit Committee and the Risk & Compliance Committee, noting that the precise nature of the relationship and how best both Committees can work together in future, whilst remaining independent, is yet to be finalised.

The Committee noted that a documented approach to the engagement of both the Audit Committee and Internal Audit with the Risk & Compliance Committee, would be beneficial to ensure clarity of roles and clear communication. The Chair advised that she is due to meet with the Chair of the Board and will also raise interactions between committees as part of this discussion.

The Committee noted the draft Risk & Compliance Committee Terms of Reference.

Action:

23.1 The Internal Auditor to liaise with Secretary to the College to develop documented approach to engagement between Audit Committee, Internal Audit and Risk & Compliance Committee.

AD/23-24/24 Update from Chief Operating Officer

The Chair welcomed the Chief Operating Officer to the meeting.

The Chief Operating Officer provided an update to the Committee on the history of matters previously brought to the attention of the Committee, and on current status of actions being taken by management to address these matters.

During a brief discussion, the Chief Operating Officer responded to a number of queries from members.

The Chair thanked the Chief Operating Officer for the update and she withdrew from the meeting.

The Secretary to the College/Director of Governance withdrew from the meeting by invitation.

AD/23-24/25 Audit Committee Annual Report 2023/2024

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 2023/2024, 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 Chair also invited members to consider if they wished to make any changes to the overall style of the Annual Report. The Committee noted the Committee's Annual report for 2022/2023, 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 on 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.

Action:

25.1 The Chair and Internal Auditor to prepare an initial draft of the Audit Committee Annual Report 2023/2024 for consideration at its next meeting on 13 February 2023.

Section C – Items for Noting

AD/23-24/26 Board Papers

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