



## **Minutes of Audit Committee, Tuesday 13 February 2024**

*The meeting was held in the Trinity Board Room*

*Present* Ms M Fulton (Chair), Ms R Mathews-McKay, Professor R Reilly, Ms B Collins

*Apologies* Professor P Murphy

*(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

The Vice-Provost/Chief Academic Officer (Professor O Sheils), the Chief Operating Officer (Ms O Cunningham) and the Interim Deputy Chief Financial Officer (Ms A M Moran) attended for item AD/23-24/31

Ms C Conroy, Chair of the Trinity Foundation Audit & Risk Committee attended for item AD/23-24/32

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

### **AD/23-24/27 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/23-24/28 Minutes**

The draft minutes of the meeting held on 6 December 2023 were approved.

### **AD/22-23/29 Call-over**

The Committee noted the actions which had been implemented since the previous meeting and those that remained outstanding.

The Chair advised members that she had recently discussed a number of pertinent matters with the Chair of the Board.

The Internal Auditor advised that she had engaged with the Secretary to the College/Director of Governance to develop a documented approach to engagement between the Audit Committee and the Risk & Compliance Committee, and informed members that proposal would be provided at the next meeting for the agreement of members.

The Secretary to the College/Director of Governance briefed the Committee on actions taken by management in response to matters identified in reports completed by Internal Audit in July / August 2023. The Secretary to the College / Director of Governance advised that a written report on operational matters would be prepared and provided to the Audit Committee.

**Action:**

**29.1** The Secretary to the College / Director of Governance to provide report on measures implemented by management in relation to operational matters identified in Internal Audit reports.

**AD/23-24/30 Matters Arising**

Under matters arising, the Internal Auditor updated the Committee on a recent unsuccessful competition to appoint a Senior Internal Auditor. Noting that the post has been readvertised, the Internal Auditor advised that this delay may have an impact on the delivery of the Internal Audit Annual Plan for 2024.

The Internal Auditor also advised that she had flagged concerns in relation to the draft Terms of Reference for the People & Culture Committee with the Secretary to that Committee. The Internal Auditor noted that current wording could envisage a role for the People & Culture Committee in the approval of the Internal Audit Annual Plan which is the remit of the Audit Committee. The Committee agreed that the matter should be resolved and escalated if necessary.

**Section A and Section B – Policy and Implementation Issues**

**AD/23-24/31 Divisional Update and Audit Recommendations Log**

The Chair welcomed the Vice-Provost/Chief Academic Officer, the Chief Operating Officer and the Interim Deputy Chief Financial Officer to the meeting for the divisional update on the Audit Recommendations Log.

Noting the Management Update on the Audit Recommendations Log which had been circulated, the Committee noted that there were 61 outstanding items on the Log as of February 2024, the same as the total as at September 2023. The Chair invited the Divisional Heads, and the Secretary to the College/Director of Governance to brief the Committee on the status of open recommendations and any other pertinent matters in their respective areas.

The Interim Deputy Chief Financial Officer advised that of the 8 outstanding items in the FSD directorate, 1 is rated as high, 6 as medium and 1 as low, noting that the high rated item relates to an Audit of Procurement. The Interim Deputy Chief Financial Officer briefed members on work and timelines to complete the recommendations in the FSD directorate. In particular, the Interim Deputy Chief Financial Officer advised that the work to implement recommendations in relation to procurement is ongoing and she expects that these should be resolved prior to the next update.

The Chief Operating Officer briefed the Committee on progress to date in relation to the outstanding recommendations within the CSD directorate, of which they are currently 17 outstanding recommendations. The Chief Operating Officer informed members that resource issues continue to impact the University's ability to implement recommendation in relation to Business Continuity Management. The Chief Operating Officer also advised that, in her opinion, it was not possible to complete, or risk accept, a reinstated recommendation relating to the visitor process, as Human Resources do not have authority to implement the changes envisaged. During a discussion on the matter, the Committee explored possible next steps that would allow for the closure of the relevant recommendations. The Internal Auditor agreed to liaise with relevant management to progress and resolve the matter.

The Vice-Provost/CAO briefed the Committee on progress to date in relation to the outstanding recommendations within the ASD directorate, of which there are currently 6 outstanding recommendations, 3 relating to the Audit of Quality Compliance Oversight and 3 to the Audit of TAP – Financial Assistance. The Vice-Provost/CAO briefed the Committee on work and timelines to complete the recommendations, noting that the recommendations relating to the Audit of TAP are expected to be completed shortly.

The Secretary to the College provided an update to the Committee in relation to actions being taken to address the 30 outstanding recommendations within the Provosts Directorate. In particular, the Secretary to the College advised of next steps to complete the recommendations in relation to the Follow-up review of Externally Contracted Services, noting that she expects these 6 recommendations should be resolved prior to the next update.

During a subsequent discussion, the Divisional Heads responded to several queries from members. The Committee agreed that the Internal Auditor follow-up with management in relation to resolving specific outstanding recommendations.

In conclusion, the Committee noted concerns in relation to the time taken to implement recommendations in some cases and stressed the importance of clearing outstanding recommendations in a timely manner. The Committee encouraged management to proactively engage with Internal Audit with a view to addressing, closing or risk accepting long standing recommendations where appropriate.

In conclusion, the Committee noted that in line with the agreed process, Internal Audit will conduct a Review of Completed and Risk Accepted Recommendations. The Committee welcomed the management update on the Audit Recommendations Log.

The Chair thanked the Vice-Provost/CAO, the Chief Operating Officer and the Interim Deputy Chief Financial Officer for their work on the Log and they withdrew from the meeting.

**Action:**

- 31.1.** The Internal Auditor to liaise with relevant management to address the implementation of a number of long-outstanding recommendations.

**AD/23-24/32 Report from the Trinity Foundation Audit and Risk Committee**

The Chair welcomed Ms C Conroy, Chair of the Trinity Foundation Audit and Risk Committee to the meeting for consideration of the Report from the Trinity Foundation Audit and Risk Committee (TFARC), which had been circulated.

The Committee noted that there is a memorandum of understanding in place with the Foundation, whereby it has its own Audit & Risk Committee and commissions its own internal audit work but that the Trinity Audit Committee (TCDAC) retains a right to carry out further work if it deems it necessary. As part of the agreed process, the Chair of the TFARC provides annual updates to the Trinity Audit Committee.

Introducing the Report, Ms Conroy briefed members on changes to the membership of the TFARC since the last Report to the TCDAC in February 2023 and reported that the TFARC met on four occasions during 2022/2023.

Noting that the objective of the Report is to advise the TCDAC on activities during the past year and in particular to highlight issues which may of specific interest to the TCDAC, Ms Conroy briefed the Committee on the work of TFARC during the year.

Ms Conroy advised that in accordance with its Terms of Reference the TFARC focuses on four broad areas as follows:

- External Audit
- Risk Management and Internal Audit
- Governance
- Policy Development

Ms Conroy advised that the TFARC reviewed the audited Financial Statements for 2022/23 at its meeting on 12 December 2023. The Committee noted that the annual audit of Trinity Foundation's Financial Statements is included within the scope of services provided by PricewaterhouseCoopers (PwC) as external auditors for the University.

Ms Conroy advised that Ms A Fitzgerald and Ms N Shetty from PwC attended the TFARC meeting on 12 December 2023 and reported that the 2022/23 audit had been conducted very smoothly. Ms A Fitzgerald of PwC advised the TFARC that no issues of concern had been identified in the course of the audit and, subject to final audit completion procedures and the approval of the financial statements and letter of representation by the Trustees, it would issue an unqualified audit report. The Committee noted that the Trinity Foundation Trustees approved the financial statements at their meeting on 8 February 2024.

Ms Conroy advised that one focus of the TFARC's work during 2022/2023 continued to be monitoring TDA's risk management, internal controls and compliance, including an annual review of TDA's Risk Policy and Risk Appetite Statement. The Committee also noted that Cybersecurity risks continue to be an area of focus.

Ms Conroy advised that the previous Internal Audit Services Agreement with BDO concluded in December 2022 and that following the appropriate procurement process, Mazars were selected as internal auditors for the three years with an option for a one-year extension. Ms Collins advised that Mazars had completed one audit to-date.

During a subsequent discussion, Ms Conroy responded to a number of questions from members in relation to the Report.

In conclusion, the Committee welcomed the report and the update received.

The Chair thanked Ms Conroy for her valuable contribution to discussions and she withdrew from the meeting.

**AD/23-24/33 Audit of Research Ethics Application Management**

The Chair welcomed Ms Donnelly to the meeting and invited Ms Donnelly to brief the Committee on the Audit Of Research Ethics Application Management Report, which had been circulated in advance.

Introducing the Report, Ms Donnelly advised that the purpose of the audit was to assess the adequacy and effectiveness of internal controls in place for Research Ethics Application Management. The Committee noted that the audit included an assessment of the level of assurance that can be provided to the Audit Committee in relation to the University's control environment for Research Ethics Application Management.

Ms Donnelly informed the Committee that the scope of the audit included all processes, policies and procedures in place as of June 2023 in relation to Management of Research Ethics Applications across the University. The Committee noted that the audit focused on research ethics application processes utilising the newly introduced Research Ethics Application Management System (REAMS), which has been operational since early 2023. Ms Donnelly advised that the system has been mandated for all research ethics applications from staff and PhD applicants since January 2023 and other applicants since November 2023. The Committee noted each School and Faculty has a Research Ethics Committee (REC) responsible for reviewing and approving research ethics applications.

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

- There is a lack of processes, system controls and appropriate monitoring in relation to the use of login by proxy functionality. The current version of REAMS includes login by proxy functionality which allows one user to sign in as another, where specific permission has been granted. While it is intended that this functionality is used in limited instances, the functionality is not currently restricted with the REAMS system.
- Lack of appropriate monitoring in relation to the assignment of ethical reviewers.
- There is a lack of documented processes to mitigate key person risk. While there is significant documentation prepared for system users, day-to-day processes performed for the operation of the system are not currently documented.
- Research Ethics Policy does not reflect current requirements and processes. Policy update is required to ensure requirements for the use of REAMS are appropriately reflected within revised Policy on Good Research Practice.
- Lack of compliance may result in appropriate ethics approval. All Research Ethics Committees should be advised of the requirement to use REAMS for all applications and all REC webpages should be updated to link to the webpage of Trinity Research, where the most accurate and up-to-date information is available.
- The Research Ethics Policy Committee Terms of Reference do not reflect the current remit of the REPC and should be formally reviewed and revised.

In conclusion, Ms Donnelly advised that based on the results of the audit work undertaken in relation to the Research Ethics Application 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 have been identified. The Committee noted that management have accepted all the Report's findings and recommendations.

During a subsequent discussion, Ms Donnelly clarified a number of queries from members.

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

The Chair thanked Ms Donnelly for attending the meeting and for her work on Report, after which she withdrew from the meeting.

**AD/23-24/34 Internal Audit Annual Report**

The Chair invited the Internal Auditor to brief the Committee on the Internal Audit Annual Report for 2023, which had been circulated. The Internal Auditor advised members that the purpose of the Report was to provide the Committee with a summary of the activities of the Internal Audit function during the year, noting that this is in line with good practice.

The Committee noted the Internal Audit Annual Report for 2023 as presented.

**AD/23-24/35 Governance Statements**

The Committee noted the memorandum from the Internal Auditor dated 06 February 2024, together with the Draft Statement of Governance and Internal Control (SGIC) and the Draft Annual Governance Statement, which had been circulated.

Noting the differences between the two statements, the Internal Auditor advised that the Draft Statement of Governance and Internal Control (SGIC) is prepared by the FSD in conjunction with the College Secretary's Office on behalf of Board and will form part of the Financial Statements for the year ended 30 September 2023 to be presented to Board for approval on 27 March 2024. The Committee noted that the Draft Annual Governance Statement for the same period is prepared by the College Secretary's Office for submission to the Higher Education Authority (HEA).

The Internal Auditor invited members to consider and note the Draft Statements as circulated and to ensure that there is no direct inconsistency either between the two Statements as presented or with any information that the Audit Committee has been made aware of during the year.

The Internal Auditor advised that both statements are in draft form and are intended to provide an overview of the system of internal control within the University. The Committee noted that there is significant overlap in the scope and context of both statements. The Committee also noted that Internal Audit have identified several minor inconsistencies which, together with feedback from the members, will be notified to management.

During a subsequent discussion on the Draft Statements, the Committee highlighted a number of minor textual issues, which the Internal Auditor agreed to follow up with management after the meeting.

In conclusion, the Committee noted that final SGIC will be circulated to the Committee in March as part of the University's Financial Statements.

**Action:**

**35.1** The Internal Auditor to provide feedback to management on the draft Statement of Governance and Internal Control and the draft Annual Governance Statement.

*The Secretary to the College withdrew from the meeting by invitation.*

**AD/23-24/36 Audit Committee Annual Report 2023/2024**

Introducing the topic, the Chair drew the Committee's attention to a preliminary draft of the Committee's Annual Report for 2023/2024, which had been circulated in advance. The Chair invited members for its views on the Draft Report and in particular invited members to consider if it incorporates the key messages they wish to impart to Board.

The Committee noted that the Appendices to the Report set out a summary of work conducted during the year, as reported in the Committee minutes. During the discussion, the Internal Auditor advised that, as part of an on-going audit, the co-sourced internal auditors had flagged a number of significant concerns with the approach to data protection as it relates to health research across the University.

The Committee considered the overall message it wishes to convey in its Annual Report including a number of amendments to the preliminary report as presented.

Following a detailed discussion, members identified several clarifications and additions to the text of the draft Annual Report. In particular, the Committee emphasised the importance of achieving a balance between highlighting issues of concern to the Committee whilst remaining constructive and encouraging.

In conclusion, the Committee agreed that a revised draft of the report, taking account of the points discussed, be completed and circulated in advance of next meeting on 14 March. Noting the tight timelines, the Internal Auditor advised that a final Draft of the Annual Report will be presented to the Committee at its meeting on 14 March with the intention that the final Report will be forwarded to Board for its meeting on 27 March 2024.

**Action**

**36.1.** The Chair and Internal Auditor to amend the preliminary Draft of the Committee's Annual Report for 2023/2024 as discussed and circulate to members for comment in advance of the next meeting on 14 March.

**Section C – Items for Noting**

**AD/23-24/37 Annual Assurance Statement**

The Committee noted the memorandum to the Secretary to the College dated 01 February 2024, which had been circulated for noting.

**AD/23-24/38 Risk and Compliance Committee Minutes**

The Committee noted the Risk & Compliance Committee Minutes dated 20 November 2023, which had been circulated for noting.

**AD/23-24/39 Board Papers**

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