

Minutes of the 2nd Audit & Risk Committee meeting

Date: Thursday, 2nd March 2023
Time: 4pm, Boardroom, Dargan Center, SETU Carlow campus

Chairperson: Mr Jim Bergin

Attendees: Ms Nora Widger
 Ms Imelda Buckley (via MS Teams)
 Ms Kathleen Holohan

In attendance under the Code of Governance:

Ms Elaine Sheridan, Vice President for Corporate Affairs and Finance
 Mr Cormac O'Toole, Vice President for Corporate Affairs

In attendance for Agenda Item 2:

Ms Brenda Nelson, Deloitte

In attendance for Agenda Items 3 & 4:

Ms Sarah Morrissey

In attendance for Agenda Item 3.2:

Dr Aidan McGrath
 Mr Colm O'Connor

Secretariat: Ms Annette Byrne

Item Title	
1.	<u>Chairperson's Opening:</u>
1.1	<u>Welcome & Approval of Agenda</u> NOTED The Chairperson opened the meeting. He firstly informed the members that he intends on seeking approval for the appointment of Mr Sean Quigley to the Audit & Risk committee from the Governing body at their upcoming meeting. He then indicated to all that following separate conversations with ARC members he had conducted an informal meeting with the Governing Body Chairperson and President whereby suggestions or matters highlighted such as committee independence, internal audit function and a chief risk officer requirement was discussed. It has also been suggested that it would be beneficial for the President to attend quarterly meetings to address strategic matters.
1.2	<u>Conflict of Interest</u> NOTED The Chairperson asked members if they had any conflicts of interest to declare particularly associated with items on the meeting agenda. No member present declared a conflict for this meeting.

<p>1.3</p> <p>1.4</p> <p>1.5</p>	<p><u>Disclosure Matters (as applicable)</u> NOTED The Chairperson informed all that he had been in receipt of a confidential letter. The matter has been discussed with Ms Sheridan. The nature of the issue highlighted albeit low risk does not constitute a Protected Disclosure however will be reviewed as appropriate.</p> <p><u>Revised ARC Terms of Reference</u> NOTED Members indicated satisfaction with the revised terms of reference and therefore agreed to recommend approval of same to the Governing Body. It was also suggested that a review of the Audit Charter would progress in the coming months.</p> <p>ACTION: Recommend approval of Terms of Reference to the Governing Body.</p> <p><u>Approval of Minutes 8 December 2022</u> AGREED Approval of the minutes of the meeting of 8 December 2022. It was also suggested that an Action Log for matters arising is maintained and included as an agenda item for meetings.</p> <p>ACTION: Create and maintain an Action Log.</p>
<p>2.</p> <p>2.1</p> <p>2.2</p>	<p><u>Internal Audit:</u></p> <p>NOTED A brief discussion ensued in relation to the role and sectoral contract regarding the current Internal Audit services provider (Deloitte). It was suggested that a short extension option may be appropriate pending an organisational structure for SETU with a view to exploring where this particular function is placed within the organisation.</p> <p>NOTED The Chairperson welcomed Ms Nelson to the meeting. She commenced by providing a status update on 2022 internal audit plan. She continued by presenting findings in relation to the Research Scholarships audit assignment reporting one moderate and one minor findings. Due to the late availability of this particular report with limited review time, Ms Sheridan indicated reservations pertaining to management responses and suggested that additional time to review is required. Ms Nelson outlined details of a Follow-Up Review currently in progress indicating findings complete, in progress and not started. It was also indicated that outstanding follow up items are maintained, progressed and updated through an in-house process. Ms Nelson then suggested potential areas for the 2023 SETU internal audit plan. It was suggested that it would be appropriate to prepare a three-year flexible plan which could be reviewed annually to ensure that items selected remain relevant. Members of the Audit and Risk Committee briefly discussed the matter giving consideration and context to the evolution of the new university and achieving added value through the internal audit service. An area that was emphasised upon was data migration associated with systems integration, however it was highlighted that while the financial management system is consolidated that the student record and HR systems are not yet consolidated. Detail was provided regarding the system of integration and governance associated with systems merger under the Educampus and HEPSS banners and therefore it was suggested that it may be more beneficial to receive an update or presentation on systems that have been through merger activities. It was therefore agreed to arrange same. Following a discussion and consideration the Audit & Risk committee members discussed the potential for assignments in the following areas:</p> <ul style="list-style-type: none"> • Academic council – quality standards, policies & procedures • IT Governance • Conflicts of Interest • Subsidiary companies (excl. Novus) <p>Ms. Nelson will review the potential areas and provide an update for the committee. The Chairperson thanked Ms Nelson for her updates and she left the meeting.</p> <p>ACTION: Arrange a presentation on Finance Systems integration in due course.</p>

<p>3.</p> <p>3.1</p> <p>3.2</p>	<p><u>Risk Management:</u></p> <p>NOTED Ms Morrissey was welcomed to the meeting. She commenced by highlighting the area of risk appetite and informed members that the Executive Management Team (EMT) has considered and approved the risk appetite of the University recommending that this is adopted and included in the Risk Management Policy and then on to the Governing Body for formal approval. Members queried the categorisation of the risk appetite relating to Data & Information including GDPR management and requested that this is further clarified by EMT. Ms Morrissey provided updates regarding the collation of semester 1 Risk registers, the implementation of a new risk software system and also that a process of identifying risks which could prevent the attainment of objectives set out in the Strategic Plan has commenced with the VP for Strategy.</p> <p>ACTION Refer Risk Management Policy to EMT regarding query on risk appetite categorisation as outlined above.</p> <p>(See below)</p>
<p>4.</p> <p>4.1</p> <p>4.2</p> <p>4.3</p>	<p><u>Governance & Compliance:</u></p> <p>NOTED Ms Morrissey outlined the background detail and explanation regarding the Annual Governance Statement to the HEA informing all that this has been prepared with input and confirmation from responsible executive members and managers in relation to governance and compliance matters. In preparing the statements ample dialogue directly with HEA representatives was conducted to ensure and provide clarity on the matter. The Chairperson in understanding that matters are dealt with by exception, queried if there were any areas of concern that should be highlighted to the committee.</p> <p><u>Annual Governance Statement 2021/22 (ITC & WIT)</u></p> <p>NOTED Ms Morrissey noted areas where explanations have been provided. A minor amendment to the AGS for WIT was suggested regarding a board effectiveness review carried out by the former Audit & Risk committee. It was agreed that this would be amended prior to submission to the HEA.</p> <p><u>Annual Governance Statement May to Aug 2022 (SETU)</u></p> <p>NOTED Ms Morrissey noted areas where explanations have been provided as appropriate responses for this particular statement as it covers a shorter period due to the establishment of SETU in May 2022.</p> <p>AGREED To recommend to the Governing Body approval of all statements as presented.</p> <p>ACTION Submit AGS documents to Governing Body for approval at their meeting on April 4th. Following approval of same all documents to be submitted to the HEA immediately.</p> <p><u>Briefing on ICF process</u></p> <p>NOTED Ms Morrissey drew attention to a document provided regarding the Internal Controls Framework indicating that work is ongoing in this regard. Members noted and welcomed the provision of this document for reference purposes.</p> <p>The Chairperson thanked Ms Morrissey for her input and attendance. She then left the meeting.</p>
<p>5.</p>	<p><u>Committee Matters:</u></p> <p><u>ARC Workplan 2022-2023 (Draft)</u></p> <p>NOTED Ms Sheridan provided a brief outline of items and tasks contained within the draft work plan which are derived from the Terms of Reference of the committee. She welcomed additional review and feedback which will be incorporated as required. It was suggested that it would be beneficial to include the following; Organisation or Strategy updates; Health & Safety annual report. It was also suggested that induction days on both the Waterford and Carlow campus would be arranged in order to meet with Heads of Schools, Departments and function managers.</p>

	<p>ACTION: Revise draft workplan to include recommendations outlined above.</p> <p>ACTION: Organise and arrange ARC induction days per SETU campus at times convenient to all.</p>
3.2	<p><u>Cyber Security presentation:</u></p> <p>NOTED Dr McGrath and Mr O'Connor joined the meeting. The Chairperson firstly apologised for the unavoidable delay and thanked them for their patience. Dr McGrath commenced by informing members of the actions taken by SETU following advice from MTU and the National Cyber Security Centre on the recent cyber-attack in MTU. The challenges associated with a dedicated IT security resource was outlined and it was highlighted that the EMT has prioritised a cyber security strategy. A discussion ensued in relation to the level of funding required, awareness campaigns and other risk matters associated with recent events. In concluding the matter, ARC members remained supportive of the need for appropriate resources to mitigate against risks in the current environment and acknowledged the work and efforts required in maintaining business continuity. It was also requested by the committee that this matter including appropriate resourcing is brought to the attention of the Governing Body. The Chairperson thanked both gentlemen for their presentation.</p> <p>ACTION: Matter regarding Cyber security and resourcing to be highlighted to the Governing Body.</p>
6.	<p><u>AOB:</u></p> <p>There being no other business to attend to the Chairperson thanked all and closed the meeting.</p>