Annual Governance Statement – Year Ending 31st August, 2015

1. Code of Governance

DIT confirms that the approved Code of Governance for Institutes of Technology has been put in place and implemented.

2. Code of Conduct for Members

Code of Conduct for Members was adopted on the 9th March 2016 and to date is being monitored by periodic reference at Governing Body meetings.

3. Code of Conduct for Employees

DIT confirms that a Code of Conduct for employees has been adopted and put in place and is being monitored.

4. Financially Significant Developments

4.1 Grangegorman 2014/2015

In September 2014 the first cohort of 1,000 DIT students started their studies on the DIT Grangegorman Campus along with 150 DIT staff. The first semester saw small snags addressed and operations bedded down. The integration of a suite of new campus-wide security and life safety systems presented a range of challenges and took considerable effort from IS and DIT teams working with GDA and suppliers to move towards a functional system. The first year of operation on the campus saw no major incidents and very little by way of any anti-social behavior and has been very well received and reviewed by all. Feedback from students and staff as well as visitors is overwhelmingly positive.

Redevelopment works on The Clock Tower concluded in November 2014 and the GDA and DIT Campus Planning team along with elements of Student Services moved into the building.

The construction of the Greenway Research and Innovation Hub, incorporating the ESHI Research Centre and Hothouse incubation progressed steadily and reached substantial completion in October 2015, slightly ahead of schedule and on budget. Snagging and furniture, fittings and equipment fit-out then commenced with a view to occupation from Q2 2016.

The opening in 2014 saw only a minimum extent of public realm available to students, staff and general public. From September 2014 through to September 2015 the contractor, Roadbridge, then concentrated their efforts on completing the larger area of public realm in and around the fields. This included one all-weather and two grass pitches, sports lighting, public lighting, CCTV and help points, a playground, paths and extensive landscaping. These larger grounds became available from September 2015 and have proved very popular with students and public alike. The playground in particular has been very well received by the local community. The opening of the Fingal Place

gateway and the creation of a new route through the Prussia Street shopping centre has also greatly improved access to the campus and improved integration with the surrounding communities.

Work on the procurement of the two major quads by way of Public Private Procurement continued apace. Intensive engagement with the shortlisted bidders continued throughout 2014, with a series of structured reviews and with the final tenders being submitted in November 2014. Then following an intensive assessment period a preferred bidder was selected in February 2015 followed by an intense two month engagement with stakeholders across DIT to bring the plans to the level of planning application. Planning was submitted in late May 2015 and full planning permission granted for both Quads in July 2015. Unfortunately a legal challenge to the procurement by one of the unsuccessful under-bidders, lodged in March 2015 has since constrained progress, but considerable efforts are being made to resolve the issue and it is hoped progress will resume very soon.

4.2 TU4Dublin

The TU4Dublin Alliance comprising DIT, ITT and ITB was established in October 2011
with a view to maximising the benefits arising from structured co-operation and collaboration, up to and including the establishment of a new single institution with the intention to seek designation as a Technological University. Subject to the passage of the relevant enabling legislation, the TU4Dublin partners are committed to seeking designation as a technological university and to meeting all criteria for such designation as set out in the final form of the legislation.

2015 saw progress across a broad range of areas identified within the 2014 TU4Dublin Implementation Plan. These broadly fall under two headings – institutional alignment and institutional transformation.

Institutional Alignment
- Continued oversight provided by the TU4Dublin Steering Group composed of the 3 Presidents and independent chair. These typically occurred on a weekly basis over the year.
- The TU4Dublin Support Team continued to work on the Joint Implementation Plan to create TU4Dublin. This Plan is centred on nine Foundation Themes.
- Significant work commenced over this period on Merger Planning associated with the activities required to be successfully completed in order for the 3 Partners to merge. For example, a joint HR Working Group meets monthly to discuss and coordinate a range of mutual HR issues. Other merge planning groups for Finance, IT, Student Services, etc. were also established and meet regularly. Reports go to the TU4Dublin Steering Group.
- At the end of the period in question, initial work was commencing on a process to ensure coordinated strategic planning by the TU4Dublin partners. This resulted (in 4Q15) in the establishment of a joint sub-committee of Governing Bodies and Executive Working Group, co-ordinated institutional data and identification of agreed KPIs.
- Significant progress continued to be made on joint Research & Innovation activities, including co-ordination by a Director of Research, Enterprise & Innovation Services with a remit across the 3 partners, the bedding down of a joint Graduate Research School and the development of a common Technology Transfer & Incubation service.
- The TU4Dublin Programme Office continued to co-ordinate TU4Dublin activity across all aspects of the Implementation Plan and including specific planning for the legal merger of the partners and overall risk management establishment of a joint committee of the 3 Governing Bodies.

Institutional Transformation

This describes a range of activities described within the ambit of nine transformational Foundation Themes as set out in the 2014 TU4Dublin Implementation Plan. Some specific activities to note are:

- Curriculum framework for TU4Dublin created, including significant international collaboration e.g. Ireland Canada Higher Education in Transformation Symposium (HEIT)
- Approved initial set of TU4Dublin programmes to be developed in the overall process of programme alignment
- 20 different First Year experience initiatives developed and in place
- Significant growth in research capacity;- Research Students enrolments, staff qualifications
- Operation of a range of professional service groups with effective cross partner working relationships
- Governance framework developed for Governing Body, Academic Council (legislation is required for implementation)
- Organisation design – significant engagement process ongoing in relation to configuration of schools and structure of student & professional services
- Development of a Digital Campus – scope and approach agreed and procurement started to develop detailed implementation plan
- Framework for union engagement ('Safe Space') established and facilitated by the Workplace Relations Commission
- Communications and engagement with students, staff, and other stake-holders using a range of channels - face to face, email, Web and social media
- Strategies developed for industry, community / civic & international engagement
- Extensive engagement with international peers

5. Pay

The Institute is compliant with Government policy on pay.

6. Financial Reporting

All appropriate procedures for financial reporting are being carried out.

7. Internal Audit

All appropriate procedures for internal audit are being carried out.

8. Procurement

In the audit of the 2013/2014 Financial Statements the Comptroller General identified a range of procurements that were not in compliance with national procurement guidelines. A significant issue with procurement over the last year has been a lack of procurement resources and this has impeded the Institute's efforts to ensure full compliance. The Institute has provided an update on all the issues provided by the Comptroller and Auditor General with a Procurement plan that incorporates all the issues raised by them. The majority of the items raised by the C & AG have either now been fully and properly procured or are in the process of procurement. As part of the preparation for the 2014/2015 Financial Statements the Institute provided an analysis of all purchases over €25,000 in the year to the Comptroller and Auditor General with a full commentary of the procurement undertaken on these payments. This file is currently being reviewed by the C & AG.

In addition, the Institute is in the process of recruiting a number of procurement staff at the moment with the intention of allocating additional resources to assist in the ongoing procurement efforts.

9. Asset Disposals

All appropriate procedures for asset disposals are being carried out.

10. Guidelines for the Appraisal and Management of Capital Proposals

We confirm that the Institute is compliant with the Guidelines for the Appraisal and Management of Capital Proposals where appropriate.

11. Travel Policy

Government travel policy requirements are being complied with in all respects.

12. Guidelines on Achieving Value or Money in Public Expenditure

We confirm that the Guidelines on Achieving Value for Money in Public Expenditure as set out in the address by the Minister for Finance of 20 October 2005 and communicated to the Institutes are being followed.

13. Tax Laws

The Institute is compliant with tax laws.

14. Corporate Procurement Plan

The Corporate Procurement plan is being updated and will be approved at Executive level in July 2016.

15. Non Compliance

The Institute has reported that there were compliance issues in the area of Procurement previously and following the completion of the C & AG audit will disclose any observations and / or recommendations that arise in the audit.

16. Confidential Disclosure Faith Reporting – Protected Disclosures Act 2014

A Confidential Disclosure Policy in in place in the Institute.

17. Governing Body Meetings

During the financial year, the Institute convened nine meetings of the Governing Body.

		6th Governing Body Meeting Attendance 1st September 2014 – 31st March 2015						
First Name	Surname	17th September 2014	15th October 2014	19th November 2014	10th December 2014	14th January 2015	18th February 2015	25th March 2015
Tom	Collins	P[1]	P	P	P	P	P	P
Brian	Norton	P	P	P	P	P	P	P
Maurice	Ahern	A[2]	P	P	P	P	P	P
Shane	Allwright	P	P	A	P	P	P	P
William	Bassett	P	P	A	P	P	P	P
Maurice	Boland	P	P	P	P	P	P	P
Paddy	Bourke	A	P	P	P	P	P	A
Anne	Butler	P	P	A	P	A	P	P
Jerome	Casey	A	P	P	A	P	P	P
Áine	Clancy	P	A	P	P	P	P	A
Dominic	Dillane	P	P	P	P	P	P	P
Fiachra	Duffy	P	P	A	P	P	P	P
Paul	Fitters	P	P	P	P	A	A	P
Mary	Freehill	P	P	P	A	A	P	P
Jackie	Kelly	A	P	P	P	P	P	P
Maev	Maguire	P	P	P	P	P	P	P
Ciara	Murnane	P	P	P	P	P	P	A
Imelda	Reynolds	P	P	P	P	P	P	P
Julie	Sinnamon	A	P	P	A	A	P	A
Patrick	Sutton	A	A	P	P	P	P	P

Note:
1. 'P' denotes Present
2. 'A' denotes Absent

7th Governing Body Meeting Attendance 1st April 2015 – 31st August 2015			
First Name	Surname	3rd June 2015	8th July 2015
Tom	Collins	P	P
Brian	Norton	P	P
Shane	Allwright	A	P
Paddy	Bourke	P	P
Cathleen	Carney Boud	P	P
Michael	Carr	P	P
Áine	Clancy	P	P
Michael	Donnelly	A	P
Fiachra	Duffy*	P	N/A
Denise	Dunphy	P	P
Colm	Gillen	P	P
Lysette	Golden*	N/A	P
Graham	Higginbotham*	N/A	P
Jackie	Kelly	P	P
Tom	Kelly	P	P
Mary	Lonergan	P	P
Rebecca	Moynihan	A	P
John	Mulcahy	P	P
Ciara	Murnane*	P	N/A
James	O'Connor	P	P
Imelda	Reynolds	P	P
Declan	Troy	P	P

*Denotes student members (Student Term for Governing Body is from the 1st July - 30th June)

18. Audit Committee Meetings

During the financial year 2014/2015 the Institute convened five Audit Committee Meetings.

6th Governing Body Audit Sub-Committee Meeting Attendance 1st September 2014 – 31st March 2015					
First Name	**Surname**	**24th October 2014**	**19th January 2015**	**12 March 2015**	**23 March 2015**
Imelda	Reynolds	P[1]	P	P	P
Jackie	Kelly	A[2]	P	P	P
William	Bassett	P	P	P	P
Dennis	Ryan	P	P	A	A
Bernadette	McGrory Farrell	A	A	A	A

7th Governing Body Audit Sub-Committee Meeting Attendance 1st April 2015 – 31 August, 2015		
First Name	Surname	12th June 2015
Imelda	Reynolds	P
Michael	Donnelly	P
Jackie	Kelly	P

Note:
1.   'P' denotes Present
2.   'A' denotes Absent

19. Review of Governing Body Performance

Review of Governing Body Performance – to date internal review of performance has been done by periodic discussion at Governing Body meetings. The next external review will be conducted by PwC and begins in June with a scheduled final report date for the Governing Body on the 28th September 2016.

20. Salary of President

DIT confirms that the President receives a salary of € 175,876.60 per annum

21. Child Protection Policy

DIT Child Protection Policy and Guidelines for Staff was approved by the Governing Body in December 2012 and updated in October 2013.

22. Fees and Expenses in accordance with guidelines from the Department of Finance

We confirm that fees and/or expenses paid to members of Governing Body are in accordance with the guidelines from the Department of Finance.

23. Fees and/or expenses presented in Annual Report

The Institute does not prepare an Annual Report at this time.

24. Note on Schedule of fees and Aggregate Expenses

Name of Governing Body Member	Payment	Amount €	Subtotal €	Date
Mr Maurice Aherne	Interview Board Expenses	254.00	**254.00**	11/12/2014
Mr William Bassett	Interview Board Expenses	127.00		16/10/2014
		381.00		25/11/2014
		762.00		03/12/2015
		127.00	**1.397.00**	24/2/2015
Ms Anne Butler	Interview Board Expenses	254.00		06/11/2014
		254.00		25/11/2014
		127.00	**635.00**	09/12/2014
Councillor Aine Clancy	Interview Board Expenses	889.00		16/10/2014
		889.00		29/10/2014
		127.00	**1,905.00**	09/12/2014
Professor Tom Collins	Interview Board Expenses	762.00		01/8/2014
	Telephone Expenses	149.07		01/9/2014
		80.81		01/10/2014
		128.30		01/11/2014
		414.79		01/12/2014
		76.75		01/01/2015
		96.35		01/02/2015
		39.53		01/03/2015
		46.13		01/04/2015
		49.50		01/05/2015
		52.92		01/06/2015
		201.24		01/07/2015
		34.66	**2,132.05**	01/08/2015
Councillor Mary Freehill	Interview Board Expenses	127.00		16/10/2014
		127.00		06/11/2014
		254.00	**508.00**	25/11/2014
	OVERALL TOTAL	**6831.05**		

25. Code of Governance for Trading Subsidiaries

Appropriate Code of Governance is in place in respect of trading subsidiaries (i.e. subsidiaries with annual turnover and employees), with annual statements provided to the Governing Body.

26. General Governance and Accountability Issues

Description of other governance and accountability issues that the Institute may wish to bring to the attention of the HEA.

27. Governing Body responsibility for System of Internal Control

The Governing Body acknowledges its responsibility for ensuring that an effective system of internal control is maintained and operated. The system of internal control consists of those processes used to identify, evaluate and manage the significant risks faced by the Institute in the management of its affairs.

28. Reasonable Assurance against Material Error

The system is designed to manage rather than eliminate risk, recognising that the system can only provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected in a timely manner.

29. Key Procedures put in place designed to provide effective internal control – appropriate control environment

DIT Governing Body have taken steps to ensure an appropriate control environment, including:

- Clearly defined management responsibilities
- Developing formal procedures for reporting significant control failures and ensuring appropriate corrective action

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties, and a system of delegation and accountability. In particular it includes procedures and regulations that are currently documented, implemented and up to date:

- Comprehensive budgeting system with an annual budget which is reviewed and agreed by the Governing Body
- Regular reviews by the Governing Body (and its subcommittees), of periodic and annual financial reports, which include reports of financial performance against budgets
- Development of targets to measure financial and other performance
- Development of clearly defined capital investment control guidelines
- Development of formal project management disciplines

The Institute has an internal audit function, which operates in accordance with the Framework Code of Best Practice set out in the Code of Governance of Irish Institutes of Technology. The work of Internal Audit is informed by analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The plans are approved by the Governing Body Audit sub-committee. The Internal Audit function reports to this subcommittee at least quarterly.

30. Key procedures put in place designed to provide effective internal control – business risks

DIT has implemented a risk management system across all areas of the Institute. The system is based on the principals of the COSO system whereby risks are assessed on the basis of impact and the likelihood of occurrence. Risk is managed through detailed local risk registers, a corporate risk Register, Risk Appetite Statement and Action Plans generated by college and

support service functions. The risk registers are updated not less than twice per year and presented to the Institute Risk & Planning Coordinator for analysis. The Coordinator uses the bi-annual returns as the basis for the Institute wide and Corporate Risk Register.

In embedding this system, a number of areas for improvement were identified, including: - the prompt submission of local risk registers; clear linkage of action plans to mitigate the identified risks; and standardisation across the Institute in the rating of risks.   The Coordinator also chairs the Risk Forum that monitors and recommends updates and enhancements to the risk management system. Training has been delivered to the Risk Forum members and the members of the SLT, and is being rolled out across the Institute.

The Coordinator prepares the required data and management reports that are presented regularly to the Senior Leadership Team and the Governing Body Audit sub-committee. This provides an enhanced assurance to the SLT, Governing Body, and the Governing Body Audit sub-committee that an appropriate and effective risk management system operates in the Institute.

31. **Key procedures put in place designed to provide effective internal control- information systems**

This Institute uses the Aggresso System for processing financial and budgetary transaction. Quarterly budget monitoring reports are brought to the attention of the Executive and the Governing Body. For the calendar year 2015 a balanced budget was delivered and a balanced budget is projected for 2016.

32. **Key procedure put in place designed to provide effective internal control – financial implications of major business risks**

DIT has implemented a risk management system across all areas of the Institute. The Risk Management System in DIT is based on the principals of the COSO systems whereby risks are assessed on the basis of impact and the likelihood of occurrence. Risk is managed through detailed risk registers and action plans generated by College and Support Service functions.

The Institute continues to upgrade the consolidated Corporate Risk Register to ensure oversight of the Institute high level and Strategic risks. Work is currently being completed on the generation of a Risk Appetite Statement which has been approved by the Senior Leadership Team and is going to Governing Body for approval.

33. **Key procedure put in place designed to provide effective internal control – monitoring the effectiveness of the internal control system**

The procedures for monitoring the effectiveness of the internal control system which may include: Audit committees, management reviews, consultancy, inspection and review studies, the work of internal audit, quality audit reviews and statements from the heads of internal audit.

34. **Review of the effectiveness of the system of internal control**

The Governing Body confirm that a formal review of the effectiveness of the system of internal controls for the year ended 31 August 2015 was performed by the Governing Body in November 2015.

35. Weaknesses in internal control

Procurement has already been mentioned earlier in the document as well as the corrective actions. In addition issues around DITSU have previously been highlighted in the Financial Statements and a comment of each of these items is set out below.
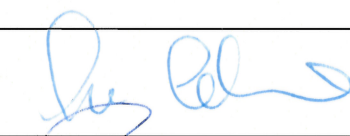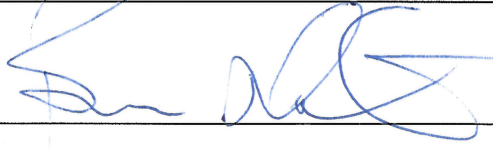
As the audit is currently in progress it is not possible to provide information regarding the content of the auditor's report at this stage. Once the audit is complete full disclosure of material issues raised will be brought to the attention of the HEA.

36. Description of the action taken to correct weaknesses

Where the Governing Body of Dublin Institute of Technology has stated that DIT is not in compliance with the requirements as set out above the following actions have been agreed by the Governing Body to achieve compliance, together with the timeframes within which this will be done.

37. Matters of non-compliance and weaknesses in internal control

Area of non-compliance or weaknesses in internal control	Action to be taken to attain compliance or correct Weaknesses	Due Date
Procurement	Procurement Resources in recruitment. Procurement analysis provided to the C & AG 2014/2015 audit team. Procurement processes are a key focus of the Senior Leadership team with monthly focus on ensuring all appropriate approvals take place	On-going
DITSU	Funding agreement agreed and right to audit secured.	Complete

Tom Collins, Chairperson:	**Signature:**	
Brian Norton, President:	**Signature:**	
Dublin Institute of Technology:		
Date:	13 / 7 / 16	