



PAC-R-1709 Correspondence 3A.2  
Meeting 152 26/02/15

**Oifig an Ard-Rúnaí**  
An Roinn Oideachais agus Scileanna



**Office of the Secretary General**  
Department of Education and Skills

Ms. Margaret Falsey  
PAC Secretariat  
Committee of Public Accounts  
Leinster House  
Dublin 2

Our Ref: S1511468

16<sup>th</sup> February 2015

Dear Ms. Falsey

I refer to your letter of 28<sup>th</sup> January last in relation to the supply of further information following my attendance at the Committee meeting on 22<sup>nd</sup> January.

**Galway/Mayo Institute of Technology**

In relation to the plagiarism case in Galway/Mayo Institute of Technology (GMIT), the external investigation was completed and a final report submitted to the President of GMIT. The Institute is currently finalising the publication of the report and is also finalising, via the services of the Labour Relations Commission, disciplinary action to be taken against a staff member. Staffing changes at senior management level have also been made within the Institute with effect from January 2015. I will report in full on this when GMIT has considered the final report and disciplinary action has been taken.

**Waterford and Carlow Institutes of Technology**

The position with regards the process being carried out by Mr. Michael Kelly in relation to the merger of Waterford Institute of Technology (WIT) and Institute of Technology Carlow (ITC) is that Mr. Kelly is leading a process of consultation with regional stakeholders, the governing bodies, staff and students in both institutes in order to develop a shared vision for a technological university in the South East. Mr. Kelly has met with the Governing Bodies of both institutions and a series of meetings with a variety of stakeholders have been scheduled and are ongoing. Mr. Kelly has not yet submitted a report but the Minister expects to receive this report before the end of this quarter. The Minister has indicated that she wants to give Mr. Kelly adequate time to ensure quality of the engagement process rather than being restricted to the original specified timeframe.

## Waterford IoT – Carriganore Sports Campus Development

In the June 2013 Quigley report, it was recommended that €2.5m be provided by the Department to complete the project. The Department committed to providing this funding to WIT as a loan when the report was considered. In December 2014 the Institute tendered for works to allow completion of all external works, building and engineering services to the complete building and address all health and safety works to enable the safe opening of the complete complex. Tenders are due back in later this month.

WIT has informed that Department that the GAA contributed €1m towards earlier phases of the project and that there has been no commitment from the GAA to funding any element of the next phase. The GAA contribution allows it have priority access to all weather pitches, dressing rooms, meeting rooms and associated facilities when not in use by the Institute. The duration of the agreement with the GAA is 5 years effective from May 2010.

## Cork Institute of Technology

At our meeting the issue of anonymous complaints regarding Cork Institute of Technology (CIT) was also raised. The report of the audit committee of CIT is currently being considered by both the Department and the HEA and I will write to the Committee separately on this issue as soon as possible with an update.

## Risk Identification processes

The following is the extract from the Department's risk register in relation to the higher education institutions as discussed at the committee meeting on 22<sup>nd</sup> January last:

Activity	Risk Definition	Impact category	Rate of effectiveness of existing controls	Risk Action
Financial Payments	Non-compliance with Government circulars/public financial requirements in individual HEI's Improper use of Exchequer funding. Value for money not achieved	Financial loss	Adequate	Financial controls in place in HEIs. Internal audit/External audits. Compliance with Code of Practice/Governance in HEI's. Annual Governance Statements for HEA designated bodies. Comprehensive Report by Chairperson on annual basis.

The Department is currently in discussions with the Higher Education Authority (HEA) in relation to a risk register that will encompass the roles of both organisations to ensure early identification of, and action on, risks in the higher education sector.

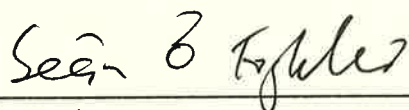
The role of the Department in relation to risk identification processes and monitoring of the HEA is as follows:-

- Agreement of Service Level Agreement with the HEA on an annual basis. This SLA includes specific requirements for the HEA in relation to monitoring of governance and accountability compliance of Higher Education Institution's (HEI's).
- Annual grant allocation letter to the HEA which requests confirmation that the Authority is fully aware of the requirement to be compliant with the Code of Practice for the Governance of State Bodies.
- Four formal meetings with the HEA per year, general meetings with the HEA on issues arising and specific meetings as required during the year.
- Annual letter to the HEA reminding of requirements under the Code of Practice for the Governance of State Bodies and that same is required of the higher education institutions under its designation.
- Annual checklist of compliance with the Code of Practice in respect of the HEA.
- Laying of Accounts of the HEA and HEI's before the Houses of the Oireachtas within two months of receipt.
- Monitoring of accounts of HEA and HEI's in respect of any issues raised by the C&AG. Where the C&AG notes issues on accounts the Department raise same with the HEA requesting update and observations.

The Department is in the process of finalising a formal Financial Accountability Framework with the HEA which will increase the oversight and reporting arrangements to the Department and as stated above is in the process of agreeing a joint risk register with the HEA.

The requirements, as set out in the SLA and Financial Accountability Framework, between this Department and the HEA, the proposed joint risk register and the Governance and Regulatory Framework currently being agreed between the HEA and the higher education sector should result in strengthened processes in relation to the monitoring of financial and governance compliance across the higher education sector. An overall aim of the new arrangements is to increase the likelihood of early detection of any non-compliance issues and to thus enhance the opportunity for timely action in dealing with any such issues identified.

Yours sincerely



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Seán Ó Foghlú  
Secretary General