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Briefing paper for Public Accounts Committee, 10th December 2015

Cork Institute of Technology - anonymous allegations

In March 2014 the C&AG received anonymous correspondence containing a number of serious allegations in respect of CIT. The correspondence was subsequently forwarded to both CIT and the HEA. Following a competitive tender process facilitated by CIT's legal advisors, KPMG was subsequently commissioned by the Audit Committee of CIT's Governing Body to review and report on these allegations. During this time the HEA was kept informed of developments by CIT, e.g. when the Audit Committee was seeking responses of management to allegations, when legal advisers were engaged and when an accounting firm was appointed to review the allegations.

In late December 2014 a further set of anonymous allegations relating to CIT were forwarded by the C&AG to CIT, the HEA and Department of Education and Skills. KPMG was engaged by CIT's Audit Committee to review these allegations as well.

The HEA notes that KPMG carried out a detailed review and investigation of the allegations with only minor matters of clarification identified by KPMG. On the basis of these findings, the Audit Committee prepared a report for the CIT Governing Body. The HEA notes that in its report the Audit Committee found that all individuals/agencies carried out their professional duties highly diligently and with total integrity and that no further response or action was required from the CIT Executive.

The HEA also reviewed both KPMG reports and their findings. On foot of this it too sought additional information from CIT for clarification purposes and identified areas

for improvement. The HEA understands that CIT also liaised with the C&AG in relation to queries raised by that office.

Based on its examination of both reports and additional supporting information provided to it, the HEA is satisfied that CIT (and the independent reviewers) implemented and carried out a process which thoroughly investigated the allegations with no major issues arising.

In addition, the HEA notes that the total direct cost to CIT of the legal advice and investigation amounted to €65,000. CIT has also estimated an internal cost of approximately €37,000. Given that an investigation was considered necessary of these anonymous allegations, the HEA is of the view that the direct costs incurred are reasonable given the significant amount of work undertaken and time utilised. The HEA has previously advised institutions of the need to protect the independence of such investigations whilst at the same time having appropriate systems for cost control within the institution.