

AUDIT REPORT



ICT Directorate Payments Process

August 2017

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Executive Summary

For some time GIAS had planned to conduct audits within the ICT Directorate. It was decided that the audits of ICT would be conducted on a phased basis over a number of audit assignments with this audit considering:

- Controls over a sample of payments.
- Compliance with public procurement obligations and
- Project management.

This audit was conducted through interviews with ICT managers and the examination of records as appropriate.

GIAS were satisfied that there are controls in place in relation to payments. There is evidence that checks are being carried out on invoices submitted by contractors for payment. However, the underlying methodology for the recording of hours by the largest single contractor, Accenture, needs to be improved. The audit noted differing systems in recording Skilled Resources and fixed cost contract employees by this contractor. To provide full accountability and transparency, GIAS are recommending consideration of a move to electronically recording the hours, worked by Accenture staff, chargeable to an Garda Síochána.

GIAS identified weaknesses in relation to compliance with public procurement obligations. These concerns relate to lengthy dependence on extended framework agreements and are detailed in the report. Procurement will be revisited in future audits of ICT.

Management in ICT provided a description of the procedures for project oversight; a description which was consistent with the observations of the auditors when examining the controls over payments. GIAS noted the concerns of ICT management concerning the adequacy of the resources available to them for project oversight. This area will be revisited in a future audit of ICT.

Audit Opinion

GIAS can provide **reasonable assurance** in all areas except in relation to procurement and control of resource allocation, that the internal management systems in place in ICT are adequate.

In relation to specific audit objectives GIAS can provide;

1. **Reasonable Assurance** that there are effective controls over the payment of invoices. This represents **low** risk.
2. **Reasonable Assurance** that there are appropriate policies for project management. This represents **low** risk.

3. **No Assurance** that Public Procurement requirements are being complied with. This represents **high** risk.
4. **Limited Assurance** that adequate controls exist in the management of resources in relation to the largest contractor. This represents **medium** risk.

An Garda Síochána has been approved by the European Commission (the Commission) for co-financing under the Internal Security Fund (ISF). No payment/recoupment was involved in the period examined as part of this audit.

This audit identified vendors who are providing services to An Garda Síochána under outdated contracts. Notwithstanding that contracts have been extended through various framework agreements with other Departments/Offices, should these same vendors be providing services that are relevant to EU supported projects there is a risk that the Commission may impose a financial correction.

ICT must work with the Procurement Officer, Finance Directorate to ensure that contracts and/or framework agreements comply with rules and guidelines and are current and fit for purpose.

Main Findings and Recommendations

The audit areas which are the subject of **Priority 1** recommendations are –

- **Recording of hours** – Some contractors engaged through Accenture do not record their hours of attendance on an Electronic Time Recording System, unlike other contractors engaged in ICT. Recording of hours provides a valuable verification for ICT management and personnel responsible for authorising invoices from the various contractors. GIAS recommend this as a reasonable control. In addition, there is no clearly documented process in place and no evidence of countersigning of timesheets to verify hours worked for some Accenture personnel. GIAS consider handwritten timesheets to be a much weaker system of accountability than the electronic system that is in place for other contract staff employed with different vendors.
- **Contracts** – The contract with Accenture provided to the audit is dated August 2009. This contract was extended without recourse to tendering and remains the basis for the skilled resources provided by Accenture. As this contract has not been renewed since 2009 GIAS are not satisfied An Garda Síochána has complied with its procurement obligations.
- **Skilled Resources** – The audit was informed that ICT Skilled Resources are being drawn from the Accenture contract 2009 whilst an Garda Síochána wait for the OGP National Framework to be completed. Concerns were expressed to the auditor that the National Framework may not meet all the requirements for ICT.

Audit Report

Introduction

The audit set out to examine the payment processes in ICT; covering the authorisation of payments, contractual position and the monitoring of projects. It is intended that this audit will be complimented by future audits in the ICT area, which, due to their complexity, GIAS will be undertaking on a phased basis.

Background

Garda Internal Audit Section (GIAS) has made a commitment to conducting a series of audits of the ICT area. Expenditure on IT (excluding photocopiers and other office machinery) in 2016 totalled almost €50 million, comprising 1521 payments.

The primary aim of the audit was to examine the payment processes in ICT; specifically the authorisation of payments, contractual position with vendors and to obtain assurance that projects are monitored.

A secondary aim of this audit was obtain assurance that controls over expenditure in the ICT area are sufficiently robust to satisfy the EU Commission. An Garda Síochána has been approved for funding by the Commission under the Internal Security Fund (ISF). For the accounting years 2015 and 2016 'NIL' expenditure has been reported to the Commission. GIAS have been informed that there is likely to be significant expenditure on ICT that will be eligible for recoupment from the Commission in 2017. This will be subject to audit in due course.

Offices Examined

The ICT offices based at Garda Headquarters were examined.

Audit Scope and Methodology

Audit Scope

The following were considered:

1. IT Contracts.
2. Controls over payments.
3. IT project management.

Audit Methodology

GIAS selected a sample of 18 transactions, to a total value of €12,479,476 for review. There were 7 vendors in the sample; the supplies included the provision of software licences, support and maintenance.

Payments to sampled vendors 2016

Vendor	Transactions Sampled	Sample Value
ACCENTURE	3	9,625,791
COMPUTER ASSOCIATES PLC '	1	737,981
MICROMAIL	1	59,735
ORACLE EMEA LTD	1	937,150
PREMIER RECRUITMENT INT LTD	1	11,457
SOGETI IRELAND LTD	5	75,553
VANTAGE RESOURCES LTD	6	1,031,809
Total	18	12,479,476

Source – GIAS working papers

Audit Findings & Recommendations

1. Verification of Effectiveness of Controls over payments

All invoices in the sample were made available to GIAS.

1.1 Checking and approvals

There was evidence of checking on the face of each invoice (with one exception) and that invoices are being authorised as appropriate. The exception was sample item 5 - Invoice 123056 from Micromail for €59,735.32 - the Invoice has been co-signed, however, there was no physical evidence of checking on the face of it).

Overall GIAS are satisfied with the controls at this level.

1.2 Prepayments

GIAS have raised the question of pre-payments to contractors as this practice is unusual in An Garda Síochána.

The sampled payments of €9,625,791 made to Accenture represent 3 invoices:

Table – analysis of sample payments - Accenture

Line Description	Payment	Inv Date
Garda Information System's Support and Maintenance from 1st Jan to 31st Dec 2016	7,205,708.69	26-Jan-2016
Software Services	596,779.80	09-Dec-2016
Skilled Resources Services Costs for 1st Jan 17 to 31st Mar 2017	1,823,302.80	12-Dec-2016
Total	€9,625,791.29	

The payment of €7,205,708 refers to a prepayment made in January 2016 for services to be provided in the year. It was also noted that the payment of €1,823,302 made on 12 December 2016 was a prepayment for the period January to March 2017; GIAS were advised that certain contracts with Accenture are a fixed yearly contract amount, and is on a pre-payment basis in order to secure agreed discounts.

It was noted that on 5 April 2016 an advance payment of €737,981 was made to Computer Associates plc; this was in respect of maintenance services for the period 29 February 2016 to 27 February 2017.

1.3 Recording of contractor hours

Individual projects are managed by Team Leaders (Garda employees at HEO level) who assign individual contractor personnel to the various projects. The contractors each have their own in-house system for recording hours worked by personnel engaged by them. Contracted staff and time allotted are allocated to each project by the team leader. GIAS were advised that no written work plan was provided to the team leaders for some projects.

GIAS note that, with the exception of those engaged by Accenture, contractor personnel also record their hours of attendance on the electronic clocking system. This provides a valuable verification for management and for those Garda ICT staff responsible for authorising the invoices from the various contractors. GIAS commend this useful control.

Conclusion

GIAS are satisfied that, with the exception of Accenture, controls over payments are effective and make the following observations:

- For large infrastructural projects, where the contractor would need priming funding, prepayments are an accepted practice. While commending ICT for securing and availing of discounts, GIAS is not convinced that this practice is appropriate for continuing multiannual service contracts. It is acknowledged however that benefits accrue in the value for money discounts allowed for payments made in advance.
- The practice of contractors electronically recording their hours of attendance is an excellent supplementary control and should be extended to all contract personnel.

Recommendations

Priority 2

Notwithstanding the different fixed price / skilled resource contracts in place, GIAS recommend that a system similar to the electronic clocking system, for recording contractor hours should be extended to all contractors employed at ICT, including Accenture.

Management Response

Arrangements are in train to extend the electronic clocking system to those contractors not currently using same. This is expected to be in place by early September 2017.

2. Project Management

ICT have informed GIAS that Projects are scheduled and managed through Project Life Cycle; these are industry standard approaches.

- As part of this the Garda Quality Assurance (QA) team review and test the deliverables for internal projects; this follows normal robust industry standard approaches in terms of design review, test case preparation, execution, review and sign-off (or otherwise).
- Entry/Exit criteria are used for all stages of the QA process which normally include Unit, System, User Acceptance and Technical Test Phases. Software cannot move from 1 stage to the next of QA without passing the minimum standards of the Entry/Exit criteria.
- The QA Team report to the Project Manager (PM) as part of project Governance so the PM is aware of any issues etc. The PM would in turn be handling the management of any issues and reporting progress, issues and risks to the relevant Project Board as well as through the PAF processes with ICT management reporting.

For externally sourced projects, ICT advised GIAS that, the Supplier PM/team lead would report to the Garda PM on all matters and again these would be reported to ICT Management/Project Boards.

Financial matters, according to ICT, would be dealt with by the PM with regular monitoring against budget (time/monetary) at project meetings, weekly reporting etc. Reporting to ICT Management takes place weekly or fortnightly as ICT has day to day control of any budget, while the Project Board has oversight, for responsibility and costs etc are reported to these meetings. Financials would normally apply to mainly external projects which would have linked milestones and payments and would be monitored by the respective Project Board. Extra expenditure would generally arise from changes in scope/requirements and this would be dealt with through a change control process and approved or otherwise in advance by the Project Board.

Conclusion

Based on the procedures described to the Audit by ICT, GIAS are satisfied that there are appropriate procedures in place for the oversight of projects.

This area will be revisited in further audits as ICT Management have expressed concerns about the adequacy of resources (capacity and

capability) for the appropriate implementation of controls over the management of projects.

Recommendations

As these projects are critical to the delivery of the Modernisation and Renewal Programme the shortage of in-house specialist resources should be included on the ICT Directorate Risk Register and on the Corporate Risk Register.

GIAS are also conscious that the ICT Strategic Plan 2015 has not been implemented. This is seriously affecting the delivery of services and the effectiveness of the available resources across the organisation. It is therefore recommended that the non-implementation of this Strategic Plan is included on the Corporate Risk Register.

Management Response

The HR Strategy for ICT sets out the resources required to support the current ICT estate and the structure for expanding and contracting as required to support new projects as required under the Modernisation and Renewal Programme. The shortfall in permanent resources has been recorded on the ICT Risk Register and is the key risk which has been forwarded by ICT for inclusion on the Garda Corporate Risk Register. Business cases for the additional staff required have been developed and forwarded to the Human Resources Directorate. There is ongoing consultation between the Executive Director ICT and the Human Resources Directorate in relation to same.

3. Procurement

Contracts are generally in place for the provision of specialist skilled staff. Depending on the skill set of the resource, the rates charged to An Garda Síochána by the contractor vary for individual members of their specialist staff. GIAS noted this when comparing time sheets between periods that original contract staff employed were replaced by new (contract) resources. When queried, GIAS was advised that over time contract staff are promoted or take up other jobs and are therefore replaced. This leaves An Garda Síochána vulnerable to expensive highly skilled contractor staff being substituted by less qualified or less capable staff at the same contract rates. ICT management advised the auditor that they are aware of this risk and mitigate it by screening replacement contractor staff.

The audit found that the 2016 extension to the original Accenture contract does not outline the contractor rates for specialist staff provided to An Garda Síochána. The revised 2016 rates were provided on a spreadsheet. There is no documentary evidence to show how the revised 2016 rates were agreed between Accenture and ICT management. GIAS were informed that the rates were verbally agreed between the Executive Director of ICT and Accenture.

Best practice would have ensured documented records of these discussions and agreements.

Using Oracle based material, provided by ICT, GIAS examined expenditure for the year 2016, which totalled €49.925m. The audit sample comprised a total of 7 vendors; cumulative payments to these vendors was €36.958m (the transactions tested had a value of €12,479m). Payments in 2016, across all projects, to the suppliers in the audit sample are:

Paid 2016 for selected suppliers

Vendor Name	Paid	Sample Value
ACCENTURE	26,594,655*	9,625,791
COMPUTER ASSOCIATES PLC	737,981	737,981
MICROMAIL	4,969,464	59,735
ORACLE EMEA LTD	1,436,908	937,150
PREMIER RECRUITMENT INT LTD	68,037	11,457
SOGETI IRELAND LTD	196,536	75,553
VANTAGE RESOURCES LTD	2,954,115	1,031,809

* Project Breakdown at Annex iii

Source: ICT

The audit did not include an investigation into the competitive processes followed.

GIAS sought to determine if contracts are in place for the above vendors and to use the dates on which these contracts were agreed as an indicator of whether procurement obligations were complied with. GIAS is aware that the Office of Government Procurement is in the process of establishing framework agreements for a range of service 'Lots' for the Public Service.

Accenture:

Payments of €26.6m to Accenture were noted across 9 projects. The principal contract with Accenture is dated August 2009. This 5 year contract was extended for an additional 2 years, without recourse to tendering, and remains the basis for the skilled resources provided by Accenture. As the contract is in place since 2009, GIAS are not fully satisfied An Garda Síochána has complied with its procurement obligations.

Micromail

Micromail is the supplier for Microsoft software to An Garda Síochána. GIAS are informed that a tender process was conducted in 2014 and there is a licensing agreement in place up to 2017 with an option to extend for 2 years. Therefore there is some assurance that An Garda Síochána has complied with its procurement obligations in this instance.

Premier Recruitment

The services purchased from Premier Recruitment were under the terms of a Department of Jobs and Enterprise framework agreement (T.035/2015), from which An Garda Síochána are at liberty to drawdown resources. As this is a recent framework, GIAS are reasonably satisfied that An Garda Síochána has complied with its procurement obligations.

Vantage Resources Ltd and Sogeti

The services from Vantage Resources and Sogeti were engaged under the terms of a Framework for the supply of skilled resources dating from 2006 and in place until 2012. GIAS understands that further framework agreements with the Departments of Education / Justice were availed of from 2012 to October 2015 and from 2015 to January 2017. The enterprise architecture team are currently using this agreement. Again the principal contract has not been advertised for tender in recent years.

While the contract with Sogeti was renewed in December 2016, the underlying Framework contract has not been renewed since 2006. Therefore, GIAS are not satisfied that An Garda Síochána has complied with its procurement obligations.

Computer Associates

The services are provided under a current awarded contract providing GIAS with some assurance that An Garda Síochána has complied with its procurement obligations.

Oracle Emea Ltd

This is a proprietary service. The audit was informed that the services provided by Oracle Emea are by way of a current enterprise agreement provided under a long standing contract. GIAS cannot be fully satisfied that An Garda Síochána has complied with its procurement obligations.

GIAS were informed of initiatives in the area of procurement, including the Executive Director of ICT engaging the services of external consultants “ICT Executive Focus” in the last 6 months, to assist with the drafting of new tenders and reviewing the detail of the upcoming OGP national framework. It is the view of GIAS that this exercise should be undertaken in conjunction with the Procurement Officer for An Garda Síochána who is based in the Finance Directorate.

The audit was also informed that it is intended that the Executive Director of ICT will review each area within ICT and the skilled resources required to operate each function. A roll out is planned for ICT to operate on a managed services (outsourced) basis but housed within an Garda Síochána. The first section for roll out will be the Shared Service desk. Tenders are expected to be invited before the end of April 2017 and the Department of Education and Skills 2006 Framework will be used.

Conclusion

GIAS are concerned that from our sample of 7 suppliers, 4 do not have a contract that has been opened up to tender competition for many years. Payments in 2016 to these 4 suppliers represented 84% of the value of payments to the suppliers in the audit sample.

GIAS appreciate that procurement in the area of IT is complex and that the OGP frameworks may be deficient in covering the complexity of An Garda Síochána's IT service needs. The audit was informed that, all ICT skilled resources are being drawn from the Accenture contract 2009 whilst An Garda Síochána wait for the OGP National Framework to be completed. Even allowing for that, concerns were expressed by ICT management that the National Framework may not meet all the Garda requirements for ICT. It was also evident that the loss of skilled internal resources over a number of years has necessitated this buy-in of contract replacements.

The contracts viewed during the audit were generally for the provision of specialist staff by the contractors. Individual specialist staff have particular skills and abilities and accordingly, the rates charged to an Garda Síochána by the contractors vary. From time to time, these individual specialists are promoted or move to other jobs and are replaced by the contractor. This leaves an Garda Síochána vulnerable to expensive highly skilled contractor staff being replaced by less capable colleagues charged at the same rates. In discussions with ICT it was apparent to the auditor that ICT Management are aware of this risk and mitigate it by insisting on screening replacement contractor staff.

Recommendations

Priority 1

ICT management must ensure that public procurement obligations are complied with.

Priority 2

ICT management must continue to manage the risk of expensive highly skilled contractor staff being substituted by less qualified or less capable staff, while being charged at the same contract rates.

Future agreements on contractor rates must be properly documented.

Management Response

The resourcing of Garda ICT will always require a mixture of a cohort of permanent public servants supplemented by external technical expertise as required in order to maintain and support our current ICT estate as well as deliver the large number of ICT enabled projects set out in the Modernisation and Renewal Programme. The permanent public servant cohort in ICT has been depleted by over 37% since 2008 due to reductions in staff imposed under the Employee Control Framework (ECF) and there has, of necessity, been an increasing reliance on external skilled resources. The ECF cap has now been removed and business cases for additional permanent staffing have been forwarded to the Human Resources Directorate. Fundamentally it is critical that Garda ICT has the skilled resources, both permanent and external as required, available with the necessary technical skills to ensure that our policing and national security systems are supported and available 24 x 7 for our operational resources.

The new Office of Government Procurement (OGP) framework for skilled resources is now available (as and from August 2017). Discussions with the Department of Public Expenditure & Reform (OGCIO) are in train to commence to re-tender all current services in a lot by lot process under the new framework commencing with the ICT Service Desk which is currently awaiting approval. All contracts entered into under the new framework will use the newly approved OGP format which was developed by OGP with the Chief State Solicitors Office.

ACKNOWLEDGEMENTS

Garda Internal Audit Section wishes to take this opportunity to acknowledge the support and assistance provided by the Mr Aeneas Leane, Superintendent Ryan and Mr Kieran Downey and all staff who participated in the audit by providing records, clarifications and guidance to the auditors in the course of their work.

Niall Kelly

Head of Internal Audit

Date: 31st August 2017

Annex I

Recording of contractor hours

Project Managers/Team Leaders (who are HEOs employed by An Garda Síochána) assign the time to be spent on each project and decide which contractor staff are assigned to each project. GIAS were advised that there was no written work plan held by the team leads (HEO) for the assignments.

The contractors use their own in-house systems (software or paper, depending on the contractor) to record their staff to log on / off and record the hours worked on specific projects. Contracting staff record their individual hours and submit this to their employer. On a monthly basis, this record is forwarded to ICT by the contractor.

With the exception of Accenture, contracted staff also record their time on their Project Time Analysis System (PTAS) which is similar to recording on the electronic time recording system.

An excel spreadsheet is provided once a month by the Project Manager in administration to the Senior Systems Analyst outlining total hours and days completed by each contractor together with PDF downloads from the electronic recording system which the contractor logs in and out of daily. This is used as a cross check to verify days completed in the month. The monthly invoice is calculated by multiplying the set rates assigned to each contractor by the number of days worked. The rate per contractor is input on an annual basis. Rates are negotiated between ICT and the contractors based on the skill set required for the role.

By recording their hours on the electronic system, in addition to their in-house records, the contracted staff provide a useful verification tool. GIAS recommend that this practice should be extended to all contracted staff.

Annex II

Observations from review of sample invoices

GIAS selected a sample of 18 transactions, to a total value of €12,479,476 for review. The transaction with the lowest value was €9,514 and the highest €7,205,709. The earliest invoice is dated 26 January 2016, for €7,205,709, and the latest 31 December for €250,397. There are 7 vendors in the sample; supplies include software licences, support and maintenance.

Payments to sampled vendors 2016

Vendor	Total paid 2016
ACCENTURE	9,625,791
COMPUTER ASSOCIATES PLC '	737,981
MICROMAIL	59,735
ORACLE EMEA LTD	937,150
PREMIER RECRUITMENT INT LTD	11,457
SOGETI IRELAND LTD	75,553
VANTAGE RESOURCES LTD	1,031,809
Total	12,479,476

Source – GIAS working papers

Accenture

Payments examined related to 3 sample invoices –

Item	Line Description	Payment	Payment Date
1	Garda IT Support & Maintenance 2016 (advance payment)	7,205,708.69	26-Jan-2016
2	Skilled Resources services costs Jan/March 2017	1,823,302.80	12-Dec-2016
3	Software Services	596,779.80	09-Dec-2016

GIAS reviewed the Accenture 2009 contract provided to the audit team by ICT which outlines a schedule of charges for 'Man day' rates based on a 7.5 hour day for different grades of skilled personnel. The 2009 contract which has been extended in 2016 outlines the list of skilled personnel required which covers 14 operational functions within ICT. Contract rates for 2016 were not outlined in the 2016 contract but were made available to GIAS on a spreadsheet. There was no documentary evidence to show how the revised 2016 rates were agreed between ICT and Accenture; GIAS were informed that the rates were verbally agreed between the Executive Director of ICT and Accenture. This is not best practice.

Separate Accenture contracts are in place for GNIB, AFIS, MI and PMO and Enterprise Architecture operations. Future audit work is likely to examine these.

Some Accenture personnel do not have an electronic system for recording their hours, i.e. there is no system in place at ICT to log days and hours completed on projects by each resource. They use handwritten timesheets; copies of which (for January 2016) were provided to GIAS and these outlined the contract hours, list of

personnel and days billed as per the agreed contract monthly instalments. GIAS reviewed the January 2016 timesheet reconciliation as a sample transaction forming part of the €7.2m Accenture invoice paid in January 2016. Timesheets are approved by a Sergeant in IAS (Information Analysis Service). GIAS queried the workflow process for approving timesheets for each section through to IAS. There is no documented process in place and the audit noted no evidence of countersigning of timesheets to verify hours worked. We were advised that the Sergeant in IAS liaises verbally with the team leads if there are queries. GIAS consider the handwritten timesheets to be a much weaker system than the electronic recording system, as the latter provides much stronger evidence for the verification of hours worked on projects.

Additional costs were noted on the reconciliation for External SME, Management personnel and when queried GIAS were advised that Accenture don't charge extra for this. Accenture show this as providing added value. 'On call' charges when queried by GIAS were explained as annual fixed charges billed monthly by Accenture for level 3 'out of hours' support operations and database administrators. No back up documentation was available during the audit to support these charges.

An additional timesheet was selected for November 2016 for comparative purposes. It is noted that there were a large number of replacement personnel and promotions between the two periods selected. GIAS were advised that replacement contractors and promotions of individual Accenture staff are verbally agreed between ICT and Accenture. While GIAS appreciate that promotions and changes in personnel is a natural progression in the workplace, we are also concerned that there is potential for abuse; simply promoting Accenture personnel in order to claim a higher rate for the same skill set or transferring the more competent personnel to more lucrative contracts should not be accepted. GIAS is not asserting that Accenture are doing this but merely expressing a concern.

Computer Associates plc

On 5 April 2016 this vendor was made an advance payment of €737,981 in respect of maintenance services for the period 29 February 2016 to 27 February 2017. GIAS examined the invoice and noted that while it was certified for payment by ICT, an error was identified by Finance Directorate re the calculation of VAT on the invoice. This error was not identified by the certifiers in ICT. The error was immaterial and was below the total net of VAT. GIAS conclude that while the project managers check the elements of the invoice for which they have personal responsibility, in this instance nobody looked at the overall invoice. Despite this, GIAS are satisfied that invoices are being checked and missing the error was an aberration.

Sogeti Ireland Ltd

Sampled payments

Item	Line Description	Payment	Payment Date
1	March 2016 - Invoice Number 24715INV0928	15,670.20	17-May '16
2	July 2016 - Invoice Number 24715INV1191	14,391.00	15-Sep '16

3	August 2016 - Invoice Number 24715INV1272	9,514.05	27-Sep '16
4	October 2016 - Invoice Number 24715INV1443	19,987.50	08-Dec '16
5	December 2016 - Invoice Number 24715INV2211201601	15,990.00	08-Dec '16

GIAS were informed that the service provided by Sogeti is delivered under a 2006 Department of Education Framework Agreement.

Sogeti personnel use the Electronic Time Recording system in addition to their own timesheets for recording their hours worked. While for items 4 and 5, timesheets together with reconciliations to the electronic system were available, in respect of items 1 to 3 there was no printout to verify the contractor timesheets.

Vantage Resources

Between 31 March and 8 December, 2016 €2.9m was paid to Vantage Resources. The audit sample has a value of €1m:

Sampled payments

Item	Line Description	Payment	Payment Date
1	IT. AN GARDA SIOCHANA	176,140.98	12-May-2016
2	IT. AN GARDA SIOCHANA	68,408.97	12-May-2016
3		221,837.08	15-Sep-2016
4		21,700.40	15-Sep-2016
5	VS-16349-11-16	293,324.25	08-Dec-2016
6	INV NO VS-16350-12-16	250,397.25	08-Dec-2016

In respect of items 2 and 3, GIAS were not provided with a complete set of time sheets. Overall, GIAS is satisfied that the invoices are being checked and there is adequate evidence to support the hours being charged for.

Annex III**Vendor – Accenture****Expenditure - 2016**

Project Desc	Balance
	307,181.21
	826,985.26
	9,402,272.53
	3,543,922.48
	42,537.21
	1,311,494.88
	1,601,405.88
	2,118,742.65
	1,026,807.61
	58,117.50
	146,851.86
	16,516.75
	3,999,999.36
	1,491,112.80
	365,297.45
	335,409.63
2016 TOTAL EXPENDITURE	26,594,655.06

Source ICT

Annex IV - Categorisation of Audit Findings

The findings in this report have been categorised using a formalised assessment process as follows;

Priority 1: Where both the impact of the control weaknesses on the operations of the Division and the likelihood of occurrence is considered to be high. Priority 1 issues need to be given immediate attention by management as this represents **high risk**.

Priority 2: Where one of either the impact of the control weakness on the operations of the Division or the likelihood of occurrence is considered to be high and the other is considered medium. Priority 2 issues need to be given attention by management as this represents **medium** to **high** risk.

Priority 3: Where one of either the impact of the control weakness on the operations of the Division or the likelihood of occurrence is considered to be medium and the other is considered low. Priority 3 issues need to be given attention by management as this represents **medium** to **low** risk.

Priority 4: Where both the impact of the control weak on the operations of the Division and the likelihood of occurrence is considered to be low. Management should keep Priority 3 issues under review as this represents **low risk**.