

Falkirk Campus
4.00pm (refreshments available from 3.30pm)

AGENDA

1. Apologies for Absence
2. Declarations of interest

FOR APPROVAL

3. Minute of Audit Committee of 19 March 2015
4. Matters Arising
 - a) A/14/018 Risk Management
5. Appointment of Internal Auditors Alison Stewart
6. External Audit Planning Memorandum Henderson Loggie

FOR DISCUSSION

7. Presentation of Internal Audit Reports Baker Tilly
 - a) Business Development (Phase 2)
 - b) IT helpdesk (Phase 2)
8. Progress Report on Audit Recommendations Stephen Jarvie
9. Risk Management Alison Stewart
10. Review of Risk
11. Any other competent business

FOR INFORMATION

Programme of Committee Business

S1.18, Stirling Campus (commencing at 4.30pm)

Present: Mr Nigel Scott (Chair)
Mr Colin Alexander
Mrs Beth Hamilton

Apologies: None

In Attendance: Mrs Alison Stewart, Associate Principal and Executive Director of Finance
Mr Stephen Jarvie, Corporate Governance and Planning Officer
Mrs Janet Hamblin, Baker Tilly
Ms Louise Burnett, Finance Manager (for item A/14/016 only)

A/14/012 Apologies for Absence

None.

A/14/013 Declarations of Interest

None.

A/14/013 Minute of Audit Committee of 27 November 2014

The Minutes of meeting of 27 November 2014 were approved as a correct record.

A/14/014 Matters Arising

a) A/14/006 Presentation of Internal Audit Reports

The Chair noted that the Committee had requested the College source the business continuity plan for FES who provide facilities management services to the College. It was further recommended that this be included in the College's Business Continuity Plan.

The Corporate Governance and Planning Officer confirmed that this had occurred.

A/14/015 FE Code of Governance

The Associate Principal and Executive Director of Finance presented the new FE Code of Governance to the Committee for approval to submit to the Board of Management. She noted that adoption of the code was a condition of the College's Financial Memorandum with SFC.

The Chair noted that, during the development of the guidance, Board Members had been involved in responding to the consultation on the content of the guidance.

a) Members approved the FE Code of Governance for submission to the Board

A/14/016 Presentation of Internal Audit Reports

Mrs Janet Hamblin presented the report for the recent audit on the College's Payroll function. She noted that overall the processes and procedures in place were working effectively and that the report had two medium level and three low level recommendations.

She highlighted a recent upswing in instances of fraudulent changes to employee information intended to defraud organisations. The Finance Manager outlined the processes in place which would prevent instances such as this occurring within the College.

Members queried staff authorisation limits. The Associate Principal and Executive Director of Finance noted that these levels were very low and that SMT approval was needed for amounts over £1,000.

Members queried the links between the Payroll and HR systems to ensure reconciliation of information occurs. The Finance Manager confirmed that there was not an automatic link at this time and outlined the current process.

- a) Members noted the content of the payroll audit

The Associate Principal and Executive Director of Finance also notified members of the intention to bring forward an audit originally scheduled for 2015/16 as a result of the approved extension of the current internal audit arrangements. Members agreed to this approach.

A/14/017 Progress Report on Audit Recommendations

The Corporate Governance and Planning Officer updated members on progress towards implementation of audit recommendations. He highlighted that there had been a lot of progress with completion of audit recommendations.

He noted that two recommendations were requesting small extensions to their completion dates and outlined the reasons for this.

Members noted that one of the extensions related to a manager being off for a significance period of time and that delaying audit recommendations posed a risk to the College. Following discussion on how the College managed long term absence, it was agreed that activities such as audit recommendations should be highlighted to the individuals covering a managers duties.

It was agreed that this would be feedback to HR for action.

- a) Members noted the content of the report
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A/14/018 Risk Management

The Associate Principal and Executive Director of Finance presented the latest version of the College's Strategic Risk Register.

She noted that the top risk at this time was financial and updated members on current issues with the potential retention of College funding across the sector by SFC owing to a Scottish Government decision.

Members noted that the scoring for risk ID 11 did not appear to reflect the mitigating actions that had occurred. It was agreed that this risk would be reviewed.

- a) Members noted the content of the report

A/14/019 Review of Risk

The risk relating to long term absence as covered under A/14/017 was highlighted.

A/14/020 Any Other Competent Business

None.
