

MINUTES

Minutes of a meeting of the Corporation's Audit Committee Held on Tuesday 16 March 2010 at 5pm In Hollands House Boardroom, Yeovil College

Membership: Paul Taylor [Chair]; *Peter Thomas [Vice Chair – Chair for this meeting];
*Paul Clowes [Co-Opted]; *Derek Esp; Derrick Goddard; Jo Roundell Greene;
*Tim Sweeney.
[Quorum = 3 Committee members, at least 1 of whom is a Corporation member]

In attendance: *Paul Bowe [Vice Principal Resources]; *Lily Garth [Clerk];
*James Hampton [Principal]; Janice Tipper [Head of Finance];
*Karen Williams of RSM Tenon [Internal Auditors] (part-meeting).

** Indicates actual presence at this meeting*

1.	<p>DECLARATIONS OF INTEREST</p> <p>None declared.</p>
2.	<p>APOLOGIES</p> <p>Apologies for absence were received from Derrick Goddard, Jo Roundell Greene, Paul Taylor and Janice Tipper.</p> <p>In the absence of Paul Taylor [Chair], Peter Thomas [Vice–Chair] chaired this meeting.</p>
3.	<p>MINUTES OF THE MEETING HELD ON 30 NOVEMBER 2009</p> <p>The Committee AGREED the minutes as a correct record and APPROVED them for website publication. The minutes were signed by Peter Thomas.</p>
4.	<p>MATTERS ARISING (MA) FROM THE MINUTES</p> <p>The action and query sheet was reviewed. Key updates included:</p> <ul style="list-style-type: none"> ▪ Disaster Recovery Plan – the new draft of the overarching plan was ready for Senior Leadership team (SLT) approval, after which area/department sub-plans would be created (including IT). The Committee was reminded that the current plan was adequate, and that the new plan would reflect updated best practice. ▪ The Train to Gain audit outcome was noted ▪ The IT Strategy would be included in the Principal's Report at the 31 March 2010 Corporation meeting ▪ The Financial Regulations (due for approval on 31 March) had been amended to adopt the sales ledger recommendation made by the Financial Statements' auditor
5.	<p>ALL AUDIT RECOMMENDATIONS MONITORING</p> <p>The Committee reviewed the Summary Report Status of Critical, High and Medium Priority Internal Audit recommendations by the previous internal auditors PWC and Fundamental and Significant recommendations by the current internal auditors RSM Tenon. For the first time, for additional assurance/completeness, this monitoring report also included recommendations made by the external auditors.</p>

	<p><i>[Confidential minutes on this item are recorded elsewhere]</i></p> <p>6. INTERNAL AUDIT REPORTS</p> <p>The Committee received the following reports from RSM Tenon.</p> <p><u>Health and Safety 02.09-10</u> <i>[Confidential minutes on this item are recorded elsewhere]</i></p> <p><u>Internal Audit Progress Report 2009/10</u> <i>[Confidential minutes on this item are recorded elsewhere]</i></p> <p>7. RISK MANAGEMENT POLICY</p> <p>To allow for any factors of the full implementation of the new risk management system to be included, the Committee AGREED that revision and approval of the Risk Management Policy would be deferred to the June 2010 meeting.</p> <p>8. RISK MANAGEMENT</p> <p>The Principal and the VP Resources gave an on-screen presentation of the latest risk management position, drilling into definitions, categorisation and prioritisation as the Committee requested.</p> <p>The Committee closely examined the top risks (contained within the top two categories on the heat map).</p> <p>Further development of the software and progress of the implementation would continue, with updates at future meetings and the expectation that it would be fully critiqued and in completely functional across the college by the beginning of the next academic year.</p> <p>9. EXTERNAL AUDIT PERFORMANCE REVIEW (2008/09 ACCOUNTS)</p> <p>After giving their input in respect of liaison with the external auditors, the internal auditors [Karen Williams] left the meeting. The Committee briefly discussed the performance indicators and then delegated the initial grading to the VP Resources who would complete the PIs outside of the meeting, which would then be distributed via the Clerk for Committee approval.</p> <p>10. AUDITORS' MERGER / TENDER DECISION</p> <p>As a result of the 01 January 2010 merger of the College's Internal Auditors (RSM Bentley Jennison) and External Auditors (Tenon), the Committee RECOMMENDED the following to Corporation for approval:</p> <ul style="list-style-type: none"> ▪ A tender process should take place in respect of the Internal Auditors (this should include the consideration of the option of employing a IA) ▪ The selection panel for the IA would be the Audit Committee itself with the same quorum/rules ▪ the VP Resources would take the lead in this tender with support from the Clerk ▪ the documents from the most recent IA tender would be used as the basis of the new documents (the PA to the VP Resources would assist the Clerk in locating these) ▪ the document approval and shortlisting would be delegated to the Audit Committee Chair ▪ A draft timetable and potential field of candidates/options would be tabled to the Corporation on 31 March 2010 	<p>VP Resources</p> <p>VP Resources</p> <p>Clerk</p> <p>VP Resources & Clerk</p>
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11. REMINDER OF FUTURE MEETING DATES:

It was noted that the meeting planned for Wednesday 23 June 2010 would have to be rescheduled due to key attendee availability (and the internal audit tender process). The new date would be organised as soon as possible.

Clerk

12. ANY OTHER BUSINESS

In previous years, the Financial Regulations would have gone via the Resources Committee's recommendation to Corporation for approval. The Resources Committee had since been abolished and the Financial Regulations had recently been revised (to include future recommendation via the Audit Committee) and were now ready for re-approval. The VP Resources and the Clerk suggested that on this occasion the Financial Regulations would have to go direct to Corporation for approval as the Audit Committee's right to recommend them had not yet been established. The Committee was content with this suggestion.

Meeting closed at 6.32pm

APPROVED 08 JULY 2010