



An Roinn Post, Fiontar agus Nuálaíochta
Department of Jobs, Enterprise and Innovation

The Public Spending Code

Quality Assurance Report for 2015

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Certification

This 2015 Annual Quality Assurance report reflects the Department of Jobs, Enterprise & Innovation's assessment of compliance with the Public Spending Code. It is based on the best financial, organisational and performance related information available across the various areas of responsibility.

Specifically, it confirms that Quality Assurance checks have been successfully carried out on expenditure incurred by Enterprise Ireland, IDA Ireland, Science Foundation Ireland and the Higher Education Authority on capital projects supported by the Department during 2015.

Dr Orlaigh Quinn

Accounting Officer,

Department of Jobs, Enterprise & Innovation

Date: 17th October 2017

Overview of the work of the Department

The remit of the Department of Jobs, Enterprise and Innovation is very diverse. It has a wide range of functions and policy responsibilities which are pursued and delivered through three high-level Programme Areas. These in turn are delivered through a number of Agencies under the Department's aegis, as follows:

- A. Jobs and Enterprise Development. (includes Enterprise Ireland, IDA, Local Enterprise offices, InterTrade Ireland, National Standards Authority of Ireland)
- B. Innovation (includes Science Foundation Ireland, EI Research, the Programme for Research in Third-Level Institutions and Ireland's membership of certain international research organisations)
- C. Regulation (includes Companies Registration Office, Office of Director of Corporate Enforcement, Competition & Consumer Protection Commission, Work Relations Commission)

The Department's mission is:

"To encourage the creation of high quality and sustainable full employment by championing enterprise across government supporting a competitive enterprise base, promoting a low tax environment to incentivise work and enterprise, and promoting fair and competitive market".

Overview of the Department's spending programme

The Department's annual spending tends to be in the region of €800m, split between capital (grant) supports and current expenditure. The current expenditure is used to meet the day-to-day running costs of the Department and its Agencies. The capital provision is provided through a range of grant funded programmes by the DJEI Agencies to assist in the development of Ireland's enterprise and innovation sectors.

The Exchequer provision via DJEI is driving the jobs agenda significantly aiding Ireland's economic recovery and ongoing development. At the end of 2015 the capital supports provided through the enterprise agencies were directly supporting over 400,000 jobs in Ireland, over 1 in 5 jobs. Allowing for the multiplier effect a similar number of jobs are being supported indirectly in sub-supply and services connected to the clients of Enterprise Ireland, IDA Ireland and the Local Enterprise Offices.

The key science, technology and innovation supports provided by Science Foundation Ireland, Enterprise Ireland and through the Programme for Research in Third-level Institutions are some of the principal enablers of our future jobs capability, foreign direct investment attractiveness and ensure that Ireland remains as a globally recognised research performer of high-standing.

The total capital expenditure incurred across the DJEI Vote in 2015 was €539 million. This expenditure spanned Enterprise Ireland, IDA Ireland, Science Foundation Ireland, the Local Enterprise Offices, Tyndall National Institute, the National Standards Authority of Ireland, Inter Trade Ireland, the Programme for Research in Third-Level Institutions (PRTL I)* and the Interreg programme.

For the purposes of the 2015 Quality Assurance (QA) report the Department focused on 5 of largest capital programme areas, namely:

- Subhead A5 IDA Ireland
- Subhead A7 Enterprise Ireland (EI)
- Subhead B4 (part) Science Foundation Ireland (SFI)
- Subhead B4 (part) Enterprise Ireland (EI)
- Subhead B5 Programme for Research in Third-level Institutions (PRTL I)¹

Table 1: 2015 Capital Expenditure

Subhead	Agency	Capital Expenditure €million
A5	IDA Ireland	€111.0
A7	Enterprise Ireland	€ 50.0
B4 (part)	Enterprise Ireland	€118.8
B4 (part)	Science Foundation Ireland	€157.0
B5	Programme for Research in Third-Level Institutions	€ 55.5
	Subtotal	€492.3
	Other	€ 46.7
	Gross Total Outturn	€539.0

Includes deferred surrender amounts from 2014

¹ The Higher Education Authority, an agency of the Department of Education & Skills, administers the PRTL I on behalf of the Minister for JEI since May 2010

Typically the capital grants provided by EI, IDA Ireland, SFI are multi-annual in nature, often spanning a 3 to 5 year timeframe. The respective agency grants typically follow a competitive and rigorous review process at the outset of a programme call or an investment decision by the agency. When the awarded project is underway progress is also periodically reviewed by the relevant agency, sometimes with external expertise, such as utilisation of internationally recognised scientific experts in the case of SFI. There is often cross-agency strategic assessment input on certain enterprise grant programmes.

Agency Programme Evaluations

It is important to appreciate that the enterprise agencies undertake regular assessment, ongoing reviews and formal evaluations of their Programme portfolio to ensure that programme offerings are:

- In line with Government policy;
- Meeting a national strategic need;
- Represent best use of resources available to the Agency;
- Effective and can be delivered to ensure best value for money for the Exchequer.

The Strategic Policy Division of the Department of Jobs, Enterprise & Innovation (DJEI) has completed a comprehensive programme of evaluations of supports provided by the State Enterprise Agencies (Enterprise Ireland, IDA Ireland, Science Foundation Ireland and County Enterprise Boards) across three thematic areas:

- Supports for Start Up and Entrepreneurship (2012)
- Supports for Research, Development and Innovation (2012-2013)
- Supports for Business Development (2014-2015)

The evaluations took place over the period 2012 to 2014, informed by the Framework for the Evaluation of Enterprise Supports developed by Forfás in 2011 (the evaluations framework). A Steering Committee was established that includes senior level representatives from relevant divisions within DJEI, the Department of Public Expenditure and Reform, the enterprise development agencies and an independent representative, Professor Helena Lenihan, University of Limerick.

Furthermore the Department through its Strategic Policy Division undertakes regular programme evaluations. In 2015 a suite of Business Development Programmes provided by the Enterprise Agencies was published. The evaluations cover **33** individual supports involving approved expenditures of

approximately €750 million over the period of evaluation (2005-2012)². In some instances a number of individual incentives with shared objectives were grouped to facilitate a pragmatic and efficient approach to undertaking the evaluations. The thematic approach adopted allows for an initial assessment of the programme complementarities within a thematic area, as well as across the wider spectrum of supports available. These business development evaluations cover supports for investment in capital and employment, internationalisation, capability and management development and productivity.

In July 2015, DJEI also published the Synthesis Report on Evaluations for State Support for Enterprise. This report brought together the evaluations that were conducted under the three thematic areas: Start-up and Entrepreneurship, RD&I and the Business Development Programmes and presents the overarching findings and a synopsis for each thematic area. Recommendations relating to future evaluations and approaches were set out. The overarching analysis also informs policy considerations that contribute to Enterprise 2025 and ongoing engagement with the agencies.

In December 2015, the Enterprise Programmes & Policies Evaluation Unit in DJEI commissioned Technopolis Group to undertake an Ex-Post evaluation of Ireland's participation in FP7 (2007-2013) and an interim evaluation of Ireland's participation in the Eight Framework Programme, Horizon 2020 (2014-2020). The evaluations were undertaken from January to May 2016 and were overseen by a Steering Committee, chaired by DJEI and comprising representatives from IDA Ireland, Enterprise Ireland, Department of Education & Skills, HEA/Irish Research Council, Science Foundation Ireland and DJEI's Innovation, Research and Development Division. Prof. Iulia Siedschlag from the ESRI participated as the independent expert. The Steering Committee met on five occasions during the evaluation process. The evaluations were published in July 2016.

The Department has also conducted a study focused on public R&D investments and specifically the economic and enterprise impacts of R&D active firms. This study has been conducted under the guidance of a Steering Committee. The report was published on the website in January 2017.

² A listing totalling 93 BDP programmes/interventions that had approvals over the period 2003-2012 was reviewed by Forfás at the initiation of this evaluation process. A number of programmes have not been evaluated for the following reasons: the programme was discontinued; was a once off initiative and specific; was at too early a stage to facilitate informative assessment of impact; was very small in terms of expenditure

[<https://www.djei.ie/en/Publications/Economic-and-Enterprise-Impacts-from-Public-Investment-RD-Ireland.html>]

In 2016 Department has also commenced an evaluation of the activities of the overseas office networks and a review of the economic appraisal model for enterprise agency projects which are due to be completed in 2017. An evaluation of the Enterprise Ireland Lean Transform programme is also intended to be undertaken in 2017.

Work has also commenced on a Review of Innovation Supports for Enterprise. This is due to be completed in 2017.

Under the 2015 – 2017 VFM round the Department committed to the following evaluations:

Year	Evaluation
Completed and published in 2015	<p>Business Development Suite of Evaluations</p> <p>https://www.djei.ie/en/Publications/Evaluation-of-Enterprise-Business-Development-Programmes.html</p> <p>Synthesis Report of Programme of Evaluations</p> <p>https://www.djei.ie/en/Publications/Evaluations-of-State-Supports-for-Enterprise-Synthesis-Report-and-Conclusions.html</p>
Completed and published in 2016	<p>Evaluation of Ireland’s participation in FP7</p> <p>Evaluation of Ireland’s participation in Horizon 2020</p> <p>https://www.djei.ie/en/Publications/Evaluations-of-Irelands-participation-in-FP7-and-Horizon-2020.html</p>
Commence in 2016/ anticipated completion in 2017	<p>Evaluation of the Activities of the Overseas Office Network</p> <p>Evaluation the Economic Appraisal Model</p>
Anticipated completion in 2017	Evaluation of Enterprise Ireland Lean Transform Programme

Quality Assurance Procedure

The Quality Assurance procedure is made up of five steps, which are set out in Section A of the PSC³.

1. Draw up inventories of projects/programmes at different stages of the Project Life.
2. Publish summary information on the website of all procurements in excess of €2m, related to projects in progress or completed in the year under review.
3. Complete a set of checklists, contained within the PSC guidance document, which cover both capital and current expenditure that will involve annual expenditure of €0.5m or more. Checklists are completed based on a sample of projects from each area of expenditure.
4. Carry out a more in-depth check on a small number of selected projects/programmes.
5. Based on the above steps, complete a short summary report including a quality assurance assessment.

In accordance with the requirements of the PSC, a Quality Assurance review of the appraisal of projects approved for grant aid has been carried out at the direction of the Department by the following evaluation teams:

- **Enterprise Ireland** - by their internal auditors Ernst & Young (EY).
- **IDA Ireland** – by their internal auditors Deloitte.
- **Programme for Research in Third-Level Institutions** – by Mazars on behalf of the Higher Education Authority, who administer the PRTLTI on behalf of the Minister for Jobs, Enterprise and Innovation.
- **Science Foundation Ireland** - by the Department's Finance Unit Financial Accountant.

³ The Public Spending Code "Expenditure Planning, Appraisal & Evaluation in the Irish Public Service: Standard Rules and Procedures". Central Expenditure Evaluation Unit, Department of Public Expenditure and Reform

Those reports incorporated a more in-depth check on a small number of programmes to comply with the fourth step of the PSC procedure. This report fulfils the fifth requirement of the Quality Assurance process for the Department for 2015 expenditure.

Public Spending Code: - Inventory of Projects for 2015

The first step in the process is to draw up an inventory of expenditure being considered; incurred and recently ended. These inventories should in turn be broken down by their anticipated cost (between €0.5m - €5m, between €5m - €20m, greater than €20m).

A number of the agencies provided or publish data regarding grant aid on their websites. However, in some cases commercial sensitivity prevented publication.

Enterprise Ireland publishes some data regarding grant aid on its website at www.enterprise-ireland.com. See **Appendix 1** of this report for an inventory of the EI grant recipients.

IDA does not publish details of the recipients of grant aid due to commercial sensitivity. However they did publish a summary of grants paid by type, in their Annual Reports which are available on its website at www.idaireland.com. They have also provided an inventory of the grants appraised and approved, by type, in 2015, as follows:

Table 2: IDA Grants Approved

	€ million
Capital	10.57
Employment	23.50
R&D	115.57
Training	19.87
Environmental Aid	1.85
Total	171.36

See also **Appendix 2**.

Details of **SFI** programme expenditure undertaken each year is published in their annual reports. The SFI website also contains a list of the grant recipients

for all of their major funding programmes at www.sfi.ie. **Appendix 3** of this report shows the 2015 Capital payments made by SFI by programme.

The **higher education institutions** and the related **PRTL** funded projects are listed on the Higher Education Authority website at www.heai.ie. **Appendix 4** of this report contains an inventory of PRTL payments funded by the exchequer.

Public Spending Code: - Procurements over €2m

Section A of the Code also requires that an organisation should publish, annually on its website, summary details of all procurements (capital and current) where the value exceeds €2m.

The Department made no procurements in excess of €2m in the year. For transparency purposes, the Department also publishes a list of payments over €20,000 in any given quarter. These are available at www.djei.ie/en/Publications/DJEI-Payments-over-20000.html

Enterprise Ireland did not have any procurement in excess of €2m in 2015. It does, however, publish on its website details of all payments or purchase orders for goods and services over €20,000 on a quarterly basis.

<https://enterprise-ireland.com/en/About-Us/Services/Procurement/>

IDA publishes details of all payments or purchase orders for goods and services over €20,000 on a quarterly basis on its website under Section C, Financial Information at the following link:

<http://www.idaireland.com/information-compliance/>

Science Foundation Ireland did not have any procurement in excess of €2m in 2015.

Public Spending Code: - Completion of Checklists

The Quality Assurance process involves the completion of self-assessment checklists by DJEI and its Agencies. These cover all expenditures, capital and current. No significant compliance issues in relation to the Code have been identified in any of the completed Checklist forms. Copies of the completed checklists by DJEI and its Agencies can be found in **Appendix 8**.

Public Spending Code: - Training & DJEI resources

One of the general obligations listed in Checklist 1 refers to training on the Public Spending Code being provided to relevant staff. On 8th December 2014 a training course was run by the Department of Public Expenditure & Reform for members of this Department with a view to providing training in relation to novel aspects of the revised Code as published in November 2013. The Department has been in discussion with the Department of Public Expenditure & Reform about providing further training in view of the passage of time and staff changes.

Members of the Finance Unit of DJEI attended further meetings with CEEU of DPER, including a Working Group meeting on 9th February 2015 with colleagues from other Government Departments. Members of the Agencies have yet to attend training courses.

Staffing changes within the DJEI Finance Unit in 2016 somewhat constrained the capacity to expand Public Spending Code activity to the level previously envisaged or to deliver it in a timely manner bearing in mind the various other financial reporting commitments required of the Department. In this report we have taken on board recommendations of the Irish Government Economic & Evaluation Service (IGEES) and we will strive to make further **improvements for future Quality Assurance reports.**

Public Spending Code: - Main findings

Arising from the various Quality Assurance checks undertaken by Deloitte, Ernst and Young, Mazars and the Department on samples of 2015 capital expenditure incurred by Enterprise Ireland, IDA Ireland, Science Foundation Ireland and the Higher Education Authority respectively, the Department is satisfied that key requirements of the Public Spending Code are being met.

While some minor issues were identified and discussed with the relevant parties during the reviews, all conclude that each of the agencies complied with the requirements of the Public Spending Code. No issues of significant concern arose from any of the Quality Assurance Checks undertaken

More specific findings at agency/programme level are contained in the remainder of this report.

Public Spending Code: - Agency level detailed findings

Enterprise Ireland

Enterprise Ireland (EI) is the government organisation responsible for the development and growth of Irish enterprises in world markets. EI works in partnership with Irish enterprises to help them start, grow, innovate and win export sales on global markets. In this way, EI supports sustainable economic growth, regional development and secure employment. A key EI priority is the achievement of export sales growth from Irish-owned companies and EI assistance is geared toward helping Irish companies win international sales. In 2015 EI supported clients achieved record exports sales of €20.6 billion.

EI supported companies created 21,118 new jobs in 2015, resulting in a net increase of 10,169 in the number of people employed within their client base – the highest employment gains achieved in the history of the agency.

A Quality Assurance review of the appraisal of grant aided projects by EI was carried out by Ernst & Young (EY), internal auditors. The review was conducted and reported on in February 2016. In accordance with the requirements of the Public Spending Code, only grant approvals in excess of €500,000 were included in the population from which the sample was selected for checking. Most of EI's expenditure falls below this threshold. Furthermore only capital expenditures were subject to EY's appraisal. So grants for non-capital purposes (e.g. employment, seed & venture, training, consultancy) were not included as they were not part of the Capital Spot Check guidelines, a precursor to the PSC.

This Department has advised both EY and EI (through the Department's liaison unit) that the PSC requires that all spending above €500k is to be covered in the inventory and in the selection of cases for in depth checks. They have agreed to ensure that the full range of expenditure is covered as specified in the VFM guidelines.

The Board of Enterprise Ireland has established a robust committee structure for the appraisal and approval of all grants. DJEI is represented on these investment committees. Details of thresholds and approval limits are in **Appendix 5**.

The recent Quality Assurance review by EY involved in depth checks on two grant aided projects. The cycle chosen was the 'implementation and monitoring' of capital grants. The total value of the sample amounted to €5 million, or almost 12% of total capital expenditure for this cycle. For their in

depth checks, EY reviewed the relevant documentation and interviewed members of the grant administration department. EY found the processes in place for the implementation and monitoring of grants to be adequate.

In response to a question on the self-assessment checklists, EI staff identified an increase in the turnaround times in grants administration due to the loss of a number of staff in recent times. As a follow up to this, EI's HR department confirmed they have replaced a number of resources in the grants team through recruitment and reassignment. They are also currently involved with an external consultants review around process integration.

Ernest and Young also found that EI only conducts a post grant evaluation on a sample basis. Specifically, EI will review the success of the project for which the grant was awarded on 10% of projects. EY are of the opinion that this is a potential area of project management/grant administration weakness and as a result EY proposes to assess the adequacy of sampling approach when conducting its 2016 review. No significant adverse findings were noted in the Quality Assurance report.

Enterprise Ireland publishes details on its website of all payments and procurements above €20,000 each quarter.⁴ Enterprise Ireland did not make any procurement in excess of €2 million during the period under review.⁵

IDA Ireland

IDA Ireland's main objective is to encourage investment into Ireland by foreign-owned companies as well as maintaining current levels of FDI jobs and investment in the country. IDA Ireland works as a strategic partner and provides consultancy and support services free of charge to help organisations set-up and grow.

The IDA's processes and expenditures are subject to a number of controls and assurances each year. These include internal control statement by the Chairman, Internal Audit reports authorised by the audit committee, Annual statutory audit by the Comptroller & Auditor General. In addition a Quality Assurance review in respect of IDA Ireland was carried out by Deloitte, internal auditors to IDA Ireland. The scope of their review was the Grant Aid procedures. The 2015 review examined 14 projects approved for grant aid

⁴ <https://enterprise-ireland.com/en/About-Us/Services/Procurement/>

⁵ <https://enterprise-ireland.com/en/About-Us/Services/Public-Spending-Code/>

representing 14% of the total amount approved of €171.36 million - two in 2013, five in 2014, and seven in 2015.

The following in depth checks were undertaken by Deloitte:

1. Application received with appropriate form completed
2. Letter of Intent received from applicant
3. Letter of acknowledgement issued by IDA in a timely manner
4. Was a Business Plan submitted to IDA
5. Who prepared/signed the proposal
6. Evidence that independent technical assessment was carried out and on file
7. Technical Assessor is appropriately qualified
8. Did the result of technical assessment support the case for the project
9. Was the FACE (financial analysis) Model used to assess Parent company
10. Was an Economic Model used; is the Model appropriate.
11. Was the project appropriately approved as at Management Investment Committee level
12. Was the relevant coordinator notified of the amount approved
13. If the project exceeded thresholds for Government approval, was the project approved by Government
14. If payments have been made for the project, were approved payment procedures followed
15. Were payments appropriately approved

Any findings and recommendations arising from the review are graded according to the following risk categorisation:

- 1. Significant control weakness or issue that poses a significant risk of financial loss or operational disruption that requires attention at the highest level.*
- 2. Important control weakness or issue that may result in financial loss or operational disruption that requires attention at senior management level.*
- 3. Other control deficiency or operational/process issue that is procedural in nature and does not expose the organisation to significant risk and requires attention at manager level.*

No significant control weaknesses or issues concerning compliance with the Public Spending Code were identified by Deloitte in the annual review. However, they identified as 'important' an issue where financial analyses are not carried out on all grantees, especially those considered high profile or Global 400/Blue Chip companies. As a result of this finding, IDA management agreed to conduct a review during 2016. This review was undertaken and the Executive Committee agreed that the Financial Ratio Analysis for Global 500 companies' template should be used in future where applicable.

The Deloitte review found that IDA Ireland uses an economic appraisal system prior to the approval of Capital and Employment grants to assess their suitability for grant aid. No such economic appraisal is carried out in respect of Research, Development and Innovation grants because it is not possible to estimate with any reasonable degree of accuracy the likely revenues and future costs that might arise from identified projects / programmes when, and if, these result in marketable products or viable businesses in the future. Instead, a robust cost effectiveness analysis is carried out.

The IDA has also completed self-assessment checklists covering capital and current expenditure. While they have not provided any comments to support the marks given, I am assured from the fact that the Agency has a robust grant aid appraisal process in place, as indicated by the process overview in their internal audit report. Furthermore I have been given assurances by the IDA's internal auditors and the C&AG.

The Board has the power to approve and authorise grants up to €7.5 million Industrial Development Act, 2009 and to recommend grant aid above these specified levels to Government. To further strengthen its procedures, the Board established a Management Assessment Committee, chaired by the Chief Executive Officer of the IDA. This committee reviews all proposals for grant assistance before making recommendations to the Board. Under powers delegated by the Board, this Committee also approves grants up to a maximum of €500,000.

In 2015 Government approval was sought and granted for an R&D grant for one company. Having seen the business case documentation, I am satisfied that the appropriate pre-grant award appraisals took place and metrics are in place to measure outcomes from this funding.

The IDA Ireland publishes details on its website of all payments and procurements above €20,000 each quarter⁶. There were no grants approved in excess of €20m in the period. Details of thresholds and approval limits are in **Appendix 6**.

Science Foundation Ireland

Science Foundation Ireland (SFI) is Ireland's national foundation for investment in scientific and engineering research. SFI invests in academic researchers and research teams who are most likely to generate new knowledge, leading edge technologies and competitive enterprises in the fields of science, technology, engineering and maths (STEM). In 2013 SFI's legal remit was extended to include applied research in areas of importance to Ireland's economy to complement with its original mandate of funding oriented basic research.

The Quality Assurance review in respect of Science Foundation Ireland was carried out by a financial accountant from DJEI Finance Unit. As part of the Quality Assurance procedure, in depth examination checks were conducted on the appraisal used by Science Foundation Ireland on 7 research project awards. (2 x Centres awards, 2 x Principal Investigator awards, 1 Discover Programme Call, 1 Conference and Workshop grants and 1 smaller award under the SFI Technology and Innovation Development Awards (TIDA) programme.)

The SFI Research Centres and Centres for Science Engineering and Technology programmes typically span a 5 to 6 year period. The SFI Investigator programme awards typically span a 4 year period. The TIDA programme is a single-year funding award. Details of thresholds and approval limits are in **Appendix 7**.

The two large-scale centres awards chosen were:

- **INSIGHT** – Ireland's Big data and Analytics Research Centre
- **The CENTRE FOR NEXT GENERATION LOCALISATION (CNGL)**

The two SFI Principal Investigators projects (awarded in 2010 and 2011) chosen were:

⁶ <http://www.idaireland.com/information-compliance/>

- “Molecular Genetic Analyses of Thelamocortical Connectivity”
- “The role of endocannabinoid system in anxiety-induced modulation of pain”

The one Discover Programme Call (2014) selected was for €29,000 paid to Gallomar Communications Ltd, UK to part fund a free on-line event aimed at school students. The one conference and workshop chosen was for €29,000 to UCD for the “George Boole Mathematical Science Conference” by UCC held in August 2015

The one SFI TIDA award chosen was made in 2015 and subsequently de-committed due to the researcher departing the project was for €97,000 towards the costs for research into “Polymeric Brush Grafted Membrane Platform for Protein Mobilisation”.

The Quality Assurance review found that Science Foundation Ireland carried out a rigorous scientific technical assessment of the proposed projects. These follow standard operating procedure documents which provide scientific staff with guidance in implementing formal eligibility checking and review of applications. For the Centres and Investigator awards each proposal was evaluated by an international Impact Assessment panel and separately an international scientific peer-review panel.

The Impact Assessment Panel comprised seven eminent internationally based scientists with proven track records. *(note: SFI does not use Irish scientists to review grant applicants in case of any conflict of interest and for the purposes of objectivity)*. The Panel rated the projects highly and recommended funding.

The TIDA programme is reviewed by way of scientific review and strategic assessment jointly by SFI and Enterprise Ireland, with the primary focus being on commercialisation potential.

As the significant benefits associated with the projects selected could not be quantified or valued in a financial context, it was therefore not possible for Science Foundation Ireland to prepare a formal Cost Benefit Analysis or a financial analysis. Instead Science Foundation Ireland carried out a detailed assessment of the costs associated with the proposed projects. Quality Assurance reviews in respect of 2015 concluded that Science Foundation Ireland complied with the requirements of the Public Spending Code.

The Programme for Research in Third-Level Institutions

The Program for Research in Third-Level Institutions (PRTL) supports the provision of top-class research infrastructure (buildings, laboratories and cutting edge equipment) as well as human capital development through Structured PhD/Emergent Technology programs across Ireland's higher education institutions. A key aim of the PRTL is to develop critical mass in key research areas, thereby enhancing collaboration and coherence across Ireland's research system.

The PRTL was launched in 1998 with cycles of expenditure commencing in 2000. Effectively the PRTL is a "primer" and complements other significant research initiatives that subsequently can flow from funding sources such as Science Foundation Ireland, Enterprise Ireland, the Health Research Board and the Irish Research Council amongst others. Funding is a mixture of Exchequer and private funding. The programme is also EU co-funded under the European Regional Development Fund Regional Operational Programme 2007–13.

In May 2010 responsibility for the PRTL transferred from the Department of Education and Science to the Department of Enterprise, Trade and Employment (now DJEI). PRTL Cycle 5 was initiated in 2011. The programme is administered on behalf of the Minister for JEI by the Higher Education Authority.

Cycle 5 award funding of c. €347 million in total spans 33 distinct projects (through 18 Capital infrastructural projects and 15 Structured PhD/Emergent Technologies projects). It should be noted that approximately €60m of the Cycle 5 funding is private funding with the remainder being an Exchequer commitment. The projects span the following areas:

- Pharma/biopharmaceuticals
- Medical Technologies
- ICT
- Energy and environment
- Translational research biosciences/biomedical
- Social Sciences & Humanities
- Food and Drink
- Engineering, physics and chemistry

Capital expenditure under the PRTL I is subject to regular audit, most regularly for European Regional Development Fund (ERDF) purposes. These ERDF audits have taken the form of regular Article 13 Transaction Tests under the relevant EU Regulations specific to the Operational Programme period concerned. PRTL I Cycle 5 is relevant to the 2007 – 13 Operational Program. Such checks can also include occasional Systems Audits.

The PRTL I differs from other research grant refund programs operated by other Department Agencies in that there are no new awards made until a new Cycle of funding is initiated. Therefore for the purposes of this Quality Assurance report there is a distinct number of projects (18) in receipt of PRTL I Capital funding under Cycle 5. The sample chosen by the Higher Education Authority (HEA) in conjunction with the Department was in line with the sampling methodology applied by the HEA vis-à-vis all funded projects based on the following criteria:

- High and Low value projects (i.e. a variety of projects that were subject to Simple Assessment, Single Assessment, MCA and CBA).
- In general, if a project has been previously audited it will not be audited in the current year unless issues were raised in the previous audit that warrants a subsequent audit in the next year.
- Large scale projects may be audited more than once during the lifespan of their projects/programmes.
- Projects on which issues have arisen.
- New Build / Refurbishment / Infrastructure,
- High Tech v Low Tech
- Geographical spread
- Alphabetical

The 2015 examination of PRTL I capital expenditure focused on two of the 18 PRTL I Cycle 5 capital infrastructural projects, one large and one smaller project. Mazars undertook the checks on behalf of the HEA and the two projects chosen were:

- **University of Limerick, NCAMR project. Total amount €10.8m**
- **Maynooth University ICT Infrastructure & IVI Phase II €10m⁷**

⁷ Exchequer funding, as per page 7 of Mazars Capital Spot Check Audit Reports

The 2015 funding provision to these 2 projects represented 14% (€4.7m/€34m) of the PRTL I Cycle 5 funding provided in year. **(See Appendix 4)**.

Checklist numbers 4 to 6 of the PSC was also provided with each question obtaining a top rating with no issues identified.

The Quality Assurance reviews in respect of 2015 PRTL I funding concluded therefore that the Higher Education Authority complied with the requirements of the Public Spending Code.

END

APPENDIX 1 Enterprise Ireland Expenditure Inventory

It is important to appreciate that the scale of Enterprise Ireland (EI) operations varies from very small grant supports (eg €5k for an Innovation Voucher to a multi-million, multi-annual award supporting enterprise development). As a consequence EI typically has several thousand “live” grant awards at a given time. Therefore it is not feasible to list each and every recipient of EI grant supports. Listed below are details of grant recipients with approval amounts in excess of €500k, on projects that incurred some expenditure in 2015.

As part of the QA (as detailed in Section A.04 of the Public Spending Code) the following tests were performed (by Ernst & Young):

Drawing up Inventories of Capital & Current funded projects (including grants) that are or were under consideration during the year, classified as:

- I. Expenditure being considered
- II. Expenditure being incurred
- III. Expenditure that has recently ended

These Capital and Current projects (including grants) are then further divided into between €0.5 - €5m, between €5m - €20m, greater than €20m.

(I. a) New Capital Expenditure being considered

It is not possible for Enterprise Ireland to document projects under consideration during 2015. Therefore Enterprise Ireland has detailed capital projects that were approved in 2015 (including grant schemes for capital purposes) in excess of €500,000.

Client Name	Project No	Grant Type	Date First Approved	Amount Approved
Between €0.5 - €5m				
AEROGEN LTD	157887	R&D Facility	2015	€513,325.00
AEROGEN LTD	157889	R&D Facility	2015	€513,325.00
ATHLONE EXTRUSIONS LTD	157941	Capital	2015	€600,651.00
UNIVET LTD	159052	Capital	2015	€628,850.00
UNIVET LTD	159054	R&D Facility	2015	€628,850.00
KERRY GROUP SERVICES INTERNATIONAL LTD	158479	R&D Facility	2015	€2,896,400.00
JFC MANUFACTURING CO LTD	158796	Capital	2015	€522,171.00

Over €5m: NONE

(I. b) New Current expenditure being considered

Programmes or significant extensions to existing programmes that will involve annual expenditure of €500,000 or more that were considered in 2015

Supplier Name	Supplier Type	Status	Amount raised on PO to date
ATOMIC	Recruitment	Expenditure Approved	€1,543,675

(II. a) Capital expenditure incurred

Projects that incurred expenditure during the period under review in excess of €500,000

Client Name	Project No	Grant Type	Approval Amount
Between €0.5 - €5m			
NATIONAL UNIVERSITY OF IRELAND MAYNOOTH	150439	Capital	€1,588,502.00
NATIONAL UNIVERSITY OF IRELAND MAYNOOTH	150440	Capital	€1,588,502.00
MCHALE ENGINEERING	152317	R&D Facility	€937,196.00
MCHALE ENGINEERING	152319	R&D Facility	€937,196.00
ABTRAN	152674	R&D Facility	€899,992.00
POWERBAR LTD	154437	Capital	€1,441,508.00
ANGLO BEEF PROCESSORS IRELAND	154584	Capital	€900,000.00
NUTRICIA INFANT NUTRITION LTD	155084	Capital	€2,550,000.00
DUBLIN INSTITUTE OF TECHNOLOGY	155083	Capital	€2,000,000.00
GLANBIA INGREDIENTS IRELAND LTD	155451	Capital	€1,598,850.00
GLANBIA INGREDIENTS IRELAND LTD	156008	Capital	€2,381,575.00
GLANBIA INGREDIENTS IRELAND LTD	156009	Capital	€2,381,575.00
COOLRAIN SAWMILLS LTD	155845	R&D Facility	€674,146.00

Client Name	Project No	Grant Type	Approval Amount
GLANBIA FOODS IRELAND LTD	156119	Capital	€1,750,000.00
C & D FOODS	156414	Capital	€1,750,000.00
LAKELAND DAIRIES CO-OP SOCIETY LTD	156450	Capital	€2,037,391.00
ARRABAWN CO-OP SOCIETY LTD	156611	Capital	€949,383.00
DAIRYGOLD CO-OP SOCIETY LTD	157150	Capital	€3,418,899.00
DAIRYGOLD CO-OP SOCIETY LTD	157151	Capital	€3,418,899.00
Between €5m - €20m			
LAKELAND DAIRIES CO-OPERATIVE SOCIETY LTD	156446	Capital	€7,462,421.00

Over €20m: NONE

(II. b) Current expenditure incurred

Schemes or programmes that are incurring expenditure during the period in review in excess of €500,000

Supplier Name	Supplier Type	Amount raised on PO to date
EAST POINT DEVELOPMENT (TWO) LTD	Lease	€3,002,205
TRAVELPLAN CORPORATE LTD T/A FCM TRAVEL SOLUTIONS	Travel administration	€2,020,957
ATOMIC	Recruitment	€1,543,675

(III. a) Capital Projects (including grants for capital purposes) completed

Projects completed during the period under review in excess of €500,000

Client Name	Project No	Grant Type	Approval Amount
Between €0.5 - €5m			
DEW VALLEY FOODS	142255	R&D Facility	€2,591,505
BALLYBOFEY & STRANORLAR INTEGRATED COMMUNITY CO LTD	142319	Capital	€550,000
MCHALE ENGINEERING	152317	R&D Facility	€937,196

Client Name	Project No	Grant Type	Approval Amount
MCHALE ENGINEERING	152319	R&D Facility	€937,196
DAWN MEATS IRELAND	152049	Capital	€1,767,950
ABTRAN	152674	R&D Facility	€899,992
POWERBAR LTD	154437	Capital	€1,441,508
ANGLO BEEF PROCESSORS IRELAND	154584	Capital	€900,000
DAIRYGOLD CO-OP SOCIETY LTD	156059	Capital	€2,807,500
GLANBIA INGREDIENTS IRELAND LTD	156008	Capital	€2,381,575
GLANBIA INGREDIENTS IRELAND LTD	156009	Capital	€2,381,575
COOLRAIN SAWMILLS LTD	155845	R&D Facility	€674,146
Between €5m - €20m			
GLANBIA INGREDIENTS IRELAND LTD	154753	Capital	€6,900,000

Over €20m: NONE

(iii.b) Current expenditure schemes or programmes completed

There were no Current expenditure schemes or programmes that were completed during the period in review in excess of €500,000

APPENDIX 2 IDA Ireland Expenditure Inventory

Population and Sample Selection (undertaken by Deloitte)

To determine the population for review, Deloitte sought details of all Grant Aid Approvals from 2013, 2014 and 2015. Deloitte was provided with a spreadsheet prepared by the Planning Department in IDA Ireland. Management indicated that this is the best source for IDA Grant Aid Approvals information.

A sample of 14% of total grants approved in 2013 to 2015 was selected for in depth checks. The breakdown of the categories/years selected is as follows:

Grant Type	2013	2014	2015	Total
Capital	1	-	1	2
Employment		2	1	3
RD&I	1	2	3	6
Training	-	1	1	2
Environmental Aid	-	-	1	1
Total	2	5	7	14

IDA does not publish details of the recipients of grant aid in excess of €2m due to commercial sensitivity. However the following is a summary of the grants appraised and approved in 2015:

	€ million
Capital	10.57
Employment	23.50
R&D	115.57
Training	19.87
Environmental Aid	1.85
Total	171.36

APPENDIX 3 Science Foundation Ireland Expenditure Inventory

Grant Payments & Commitments by Programme - 2015

SFI - 2015 Payments by Programme	Full list in Annual Report 2015 - Pages 65 to 66	€162,706,000
SFI - 2015 Grant Commitments by Programme	Full list in Annual Report 2015 - Pages 67 to 84	€131,432,000

<http://www.sfi.ie/news-resources/publications/annual-reports/>

APPENDIX 4 PRTL I – Cycle 5 Expenditure Inventory

(4. a) PRTL I – Cycle 5: Expenditure by project

Institution	CYCLE 5 Capital	Budget Category	Approved Amounts under Cycle 5	Cumulative HEA Payments to 31/12/15	Outstanding Exchequer Funding as at 31/12/15	HEA Payments in 2015
DCU	Nano-BioAnalytical Research Facility (NRF-TRH)	Building & Fees	10,365,817	4,552,059	5,813,758	3,115,102
		Equipment	2,889,183	1,325,565	1,563,618	444,838
NUIM	ICT Infrastructure	Building & Fees	4,206,000	2,090,913	2,115,087	1,318,834
		Equipment	-	-	-	-
NUIM	IVI - Phase 2	Building & Fees	1,120,000	563,116	556,884	347,238
		Equipment	-	-	-	-
UL	NCAMR	Building & Fees	7,517,630	3,396,244	4,121,386	2,495,876
		Equipment	3,328,370	1,895,149	1,433,221	575,182
NUIG	Advancing Medicine	Building & Fees	19,839,000	17,236,300	2,602,700	1,622,878
		Equipment	2,851,000	1,888,979	962,021	599,855
NUIG	AHSSRB	Building & Fees	9,888,000	7,276,450	2,611,550	1,628,396
		Equipment	306,000	180,209	125,791	78,435
UCD	SCIENCE CENTRE - Phase 2	Building & Fees	14,791,500	10,387,912	4,403,588	2,711,814
		Equipment	8,232,000	3,598,315	4,633,685	1,510,544
UCD	SCIENCE CENTRE - Link	Building & Fees	4,771,000	3,535,501	1,235,499	770,379
		Equipment	148,000	66,722	81,278	30,975
UCD	SCIENCE CENTRE - Radio	Building & Fees	-	-	-	-
		Equipment	1,800,500	-	1,800,500	-
UCD	SCIENCE CENTRE - Total	Building & Fees	19,562,500	13,923,412	5,639,088	3,482,193
		Equipment	10,180,500	3,665,037	6,515,463	1,541,519
UCD	NANOREMEDIES	Building & Fees	-	-	-	-
		Equipment	561,000	450,100	110,900	65,335
UCD	ITN	Building & Fees	-	-	-	-
		Equipment	52,000	36,432	15,568	9,707
TCD	BIOMED	Building & Fees	51,771,000	46,038,789	5,732,211	2,611,720
		Equipment	2,800,000	1,853,542	946,458	483,692
TCD	ITN	Building & Fees	1,302,000	1,188,469	113,531	70,791
		Equipment	944,000	732,538	211,462	131,854
UCC	BSI WEST	Building & Fees	14,671,000	12,100,723	2,570,277	1,596,550
		Equipment	-	-	-	-
UCC	ERI@MERC	Building & Fees	6,415,000	2,686,446	3,728,554	2,117,457

		Equipment	-	-	-	-
UCC	FOOD & HEALTH	Building & Fees	450,000	179,136	270,864	161,295
		Equipment	2,367,000	1,274,548	1,092,452	476,099
UCC	TYFFANI	Building & Fees	285,000	233,924	51,076	31,848
		Equipment	3,506,000	2,521,570	984,430	601,999
		Equipment	260,000	102,016	157,984	62,984
CIT	CREATE	Building & Fees	2,630,000	2,498,500	131,500	1,586,357
		Equipment	667,000	360,254	306,746	312,603
DIT	EHSI	Building & Fees	6,953,000	6,605,350	347,650	6,391,877
		Equipment	2,157,000	45,441	2,111,559	45,441
		Total Building & Fees	156,975,947	120,569,830	36,406,117	28,578,412
		Total Equipment	32,869,053	16,331,380	16,537,673	5,429,543
		TOTAL	189,845,000	136,901,209	52,943,791	34,007,955

(4. b) PRTL I - Cycle 5: Expenditure by project

Inst	CYCLE 5 Recurrent	Total approved	HEA Payments to 30/12/15	Outstanding Exchequer Funding as at 31/12/15	HEA Payments in 2015
CIT	ED4Life	293,000	278,350	14,650	36,798
CIT	INSPIRE	299,000	284,050	14,950	41,104
CIT	CIT total	592,000	562,400	29,600	77,901
DCU	NRF-TRH	885,000	592,892	292,108	298,970
DCU	SmartBay DCU (inc NUIG)	3,823,000	3,419,116	403,884	602,152
DCU	Bio-AT	1,384,000	1,314,800	69,200	208,688
DCU	INSPIRE	366,000	347,700	18,300	33,794
DCU	TGI	560,000	532,000	28,000	77,186
DCU	DCU total	7,018,000	6,206,508	811,492	1,220,789
DIT	EHSI	1,142,000	795,000	347,000	250,861
DIT	NAVR	570,000	541,500	28,500	127,911
DIT	GrepEng	416,000	377,605	38,395	54,545
DIT	INSPIRE	309,000	293,550	15,450	56,383
DIT	TGI	643,000	501,861	141,139	108,677
DIT	DIT total	3,080,000	2,509,516	570,484	598,377
ITTD	Bio-AT	364,000	345,800	18,200	51,370
ITTD	ITTD total	364,000	345,800	18,200	51,370
NUIG	Advancing Med	1,870,000	1,776,500	93,500	359,239
NUIG	AHSSRB	636,000	369,523	266,477	167,772
NUIG	NAVR	360,000	342,000	18,000	149,814
NUIG	BME & RM	1,741,000	1,611,432	129,568	243,462
NUIG	DAH	1,478,000	1,404,100	73,900	179,677
NUIG	ESI-PhD-ENS	1,176,000	1,117,200	58,800	157,275
NUIG	INSPIRE	686,000	611,713	74,287	130,788
NUIG	MMI CTRSP - NUIG & MMI	1,080,000	1,026,000	54,000	173,504
NUIG	MolCellBiol	1,328,000	1,190,236	137,764	328,911
NUIG	SimSci-PhD	863,000	763,822	99,178	224,629
NUIG	NUIG total	11,218,000	10,212,526	1,005,474	2,115,072
NUIM	NAVR	1,418,000	1,289,098	128,902	178,522
NUIM	Bio-At	1,629,000	1,513,047	115,953	261,156
NUIM	DAH	748,000	508,402	239,598	14,798
NUIM	TGI	741,000	582,397	158,603	80,493
NUIM	NUIM total	4,536,000	3,892,943	643,057	534,970
RCSI	Bio-AT	1,881,000	1,786,950	94,050	284,787
RCSI	RCSI total	1,881,000	1,786,950	94,050	284,787
RIA	NAVR	1,423,000	1,351,850	71,150	175,749
RIA	DAH	211,000	200,450	10,550	100,857
RIA	RIA total	1,634,000	1,552,300	81,700	276,606
TCD	Academy	861,000	817,950	43,050	149,466
TCD	TCD Biomed	659,000	626,050	32,950	87,096
TCD	ITN	1,427,000	1,332,210	94,790	244,753
TCD	NAVR	1,410,000	1,339,500	70,500	310,201
TCD	DAH	3,081,000	2,822,899	258,101	249,796
TCD	DGPP	2,854,000	2,524,933	329,067	313,218
TCD	ESI-PhD-ENS	1,357,000	1,289,150	67,850	173,193
TCD	GREP-Eng	2,476,000	2,352,200	123,800	265,109
TCD	MMI CTRSP - TCD & MMI elements	1,079,000	1,025,050	53,950	162,729

TCD	MolCellBiol	2,968,000	2,819,600	148,400	267,263
TCD	SimSci-PhD	61,000	57,950	3,050	5,350
TCD	TGI	1,606,000	1,525,700	80,300	361,940
TCD	ERCGI	638,000	540,304	97,696	93,871
TCD	Nanoremedies	252,000	239,400	12,600	58,140
TCD	TCD total	20,729,000	19,312,896	1,416,104	2,742,124
UCC	ERI@MERC	504,000	478,800	25,200	99,208
UCC	Food & Health	496,000	471,200	24,800	1,165
UCC	TYFFANI	323,000	306,850	16,150	106,765
UCC	ITN	498,000	473,100	24,900	150,149
UCC	MolCellBiol	1,573,000	1,494,350	78,650	309,389
UCC	DAH	878,000	834,100	43,900	102,616
UCC	GREP-Eng	685,000	471,827	213,173	113,798
UCC	INSPIRE	1,068,000	1,014,600	53,400	473,476
UCC	MMI CTRSP - UCC & MMI elements	1,079,000	1,025,050	53,950	197,488
UCC	TGI	495,000	470,250	24,750	61,734
UCC	UCC total	7,599,000	7,040,127	558,873	1,615,788
UCD	ScienceCntr	3,561,000	3,382,950	178,050	931,562
UCD	Academy	861,000	817,950	43,050	215,936
UCD	ITN	686,000	651,700	34,300	153,165
UCD	DGPP	1,601,000	1,520,950	80,050	289,441
UCD	GrepEng	1,436,000	1,266,538	169,462	543,058
UCD	ESI-PhD-ENS	6,210,000	5,821,028	388,972	1,311,195
UCD	MMI CTRSP	1,079,000	1,025,050	53,950	119,064
UCD	MolCellBiol	1,432,000	1,346,220	85,780	334,570
UCD	SimSci-PhD	2,699,000	2,500,098	198,902	613,818
UCD	TGI	717,000	644,655	72,345	196,443
UCD	ERCGI	1,945,000	1,781,837	163,163	752,416
UCD	IPSE	1,151,000	1,093,450	57,550	201,544
UCD	Nanoremedies	1,039,000	987,050	51,950	117,442
UCD	UCD total	24,417,000	22,839,476	1,577,524	5,779,653
UL	NCAMR	-	-	-	-
UL	BME&RM	921,000	874,950	46,050	106,320
UL	ESI-PHD-ENS	817,000	776,150	40,850	90,100
UL	INSPIRE	585,000	555,750	29,250	87,337
UL	UL total	2,323,000	2,206,850	116,150	283,758
WIT	TGI	896,000	820,365	75,635	224,850
WIT	WIT total	896,000	820,365	75,635	224,850
					-
	Overall Total	86,287,000	79,288,658	6,998,342	15,806,046

(Note: Exchequer Funding for all PRTL expenditure is in the form of a capital grant from the Department of Jobs, Enterprise and Innovation)

APPENDIX 5 Grants/expenditure thresholds/approvals limits: Enterprise Ireland

It should be noted that Enterprise Ireland functions, certain funding thresholds and related requirements are underpinned by the Industrial Development (Enterprise Ireland) Act 1998 and the Science and Technology Act 1997.

1. The composition of the board of Enterprise Ireland is provided for in legislation.
2. All administrative decisions of Enterprise Ireland are made by either the Board of Enterprise Ireland, or by a committee to which powers have been delegated by the Board or, for approvals of smaller amounts, by managers exercising express delegated powers (which provide for such approvals to be counter-signed by a senior manager) (see Note 1 on p32 below).
3. All decisions by the Enterprise Ireland board are minuted formally. All delegated committees of the board operate within approved written Terms of reference, and all decisions are minuted. All management approvals are counter-signed by Department managers or above.
4. The Audit Committee has approved a 3 year audit plan which is implemented by the Internal Audit department. The IA department completes between 15 and 20 internal audits across the organisation annually, assisted by independent internal-auditors (at present from Ernst & Young).
5. The EI Board sign off on the internal statement of financial affairs annually.
6. The C&AG audits the annual accounts of Enterprise Ireland annually.
7. Enterprise Ireland produces an annual report which is laid before the Houses of the Oireachtas through the Minister for JEI, in line with its legislation and with public financial management guidelines and protocol.
8. Strong corporate governance practices and policies are in place and Enterprise Ireland has been awarded the SWIFT 3000 standard for Corporate Governance for the last 3 years.
9. EI Board and senior managers are generally aware of the statutory parameters within which their powers are exercised, and may seek advice from Enterprise Ireland's in-house solicitor if there are any queries or concerns in this regard.
10. Letters of offer for financial approvals or shareholders purchase agreements will not be issued by the relevant contracts unit (which is separate from the unit which sought approval for the proposal) until signed minutes are in place.
11. There is also a separation between approval and payment functions.
12. All payments (whether grant or equity) are subject to an inspection process and only eligible expenditure is used for determining either the payment of grants or the successful validation of equity investments.
13. Enterprise Ireland has practice of evaluating its major funding schemes either using internal or external evaluators, and a significant number of these have been published.

Note 1: Enterprise Ireland Committees & approvals

(i) Investment Committee

Total funding packages of up to €1.25 million, subject to previous accumulated funding approvals for one undertaking being €3.25 million within the previous 2 years.

(ii) R&D Committee is a sub-committee of the Investment Committee

Funding is in the form of an R&D Grant. The maximum grant available is €650,000 at a maximum grant rate of 45% (50% for collaborative projects).

(iii) The Job Expansion Committee - a sub-committee of the Investment Committee

Funding for the Job Expansion Programme is in the form of an employment grant. The maximum grant available under the Job Expansion Fund is €150,000.

(iv) The Capital Investment Initiative Committee is a sub-committee of the Investment Committee

The minimum grant available is €20,000 subject to a maximum grant of €250,000.

(v) Industrial Research and Commercialisation Committee (IRCC)

Range: Up to €1.25 million, subject to previous accumulated funding approvals for one undertaking being €3.25 million within the previous 2 years. The IRCC considers grant applications for all programmes which are supported under the Science and Technology Act 1987.

Line Management Approval Powers

The Board delegates to the Chief Executive (who may in turn delegate to the following):

A Director, Divisional Manager or Department Manager (as appropriate) with line responsibility for the company/client on the recommendation of the Development Advisor for the company, (or his/her line manager) **and** the approval being ratified by any one of the following:- the Section Manager, Client Services Unit or the Manager Grants Administration Department or in their absence – the Secretary, the Head of Corporate Services or a Director. There are various threshold approval amount limits set per senior grade (i.e. per post & responsibilities) held within Enterprise Ireland.

EI Board

Any cases of funding recommendations higher than the thresholds permitted at Committee level must therefore be approved by the EI Board.

In general all cases where a proposed EI investment package exceeds €7.5 million (in cumulative funding) it must be recommended to Government by the EI Board. This is applicable to funding packages covering the areas of Employment Grants, Training Grants, R&D grants and Purchase of Shares. There are some exceptions where lower thresholds [€0.5m+ and €1.0m+] apply whereby grant approvals in relation to certain forms of Technology Acquisition Grants must be brought to the attention of Government.

APPENDIX 6 IDA Ireland

Grants/expenditure thresholds/approvals limits:

Controls Environment

The IDA Board has taken steps to ensure an appropriate control environment is in place by:

- establishing formal procedures through various committee functions to monitor the activities and safeguard the assets of the organisation;
- clearly defining and documenting management responsibilities and powers;
- developing a strong culture of accountability across all levels of the organisation.

The Board has also established processes to identify and evaluate business risks. This is achieved in a number of ways including:

- working closely with Government and various agencies and institutions to ensure that there is a clear understanding of the IDA goals and support for the Agency's strategies to achieve those goals;
- carrying out regular reviews of strategic plans both short and long term and evaluating the risk to bringing those plans to fruition;
- setting annual and longer term targets for each area of our business followed by regular reporting on the results achieved;
- establishing and enforcing extensive standard procedures and provisions under which financial assistance may be made available to projects, including provisions requiring repayment if the project does not fulfil commitments made by the promoter;
- A Risk Management policy and a revised Risk register have been developed in line with Strategy 2020.

The system of internal financial control is based on a framework of regular management information, administrative procedures including segregation of duties and a system of delegation and accountability. In particular it includes:

- a comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board;
- regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts;
- setting targets to measure financial and other performances;
- clearly defined capital investment control guidelines;
- formal project management disciplines.

The IDA has outsourced the Internal Audit function, which reports directly to the Audit, Finance & Risk Committee of the Board. This committee meets on at least a quarterly basis to review reports prepared by Internal Audit and other departments. The Audit, Finance & Risk Committee in turn keeps the Board informed of the matters that it has considered.

The Internal Audit function operates in accordance with the principles set out in the Code of Practice on the Governance of State Bodies. A rolling three-year Internal Audit work plan is determined by the Audit, Finance & Risk Committee and revised annually where required. The current work plan takes account of areas of potential risk identified in a risk assessment exercise carried out by management and reviewed by the Audit, Finance & Risk Committee and the Board. The Internal Audit function provides the Committee with quarterly reports on assignments carried out. These reports highlight deficiencies or weaknesses, if any, in the

system of internal financial control and the recommended corrective measures to be taken where necessary.

The Board conduct an annual review of the System of Internal Financial Controls (SIFC) including Corporate Risks. The monitoring and review of the effectiveness of the SIFC by the Board is informed by the work of the Internal Audit function, the Audit, Finance & Risk Committee, which oversees the work of the Internal Audit function, and the executive managers within IDA Ireland who have responsibility for the development and maintenance of the financial control framework.

IDA Ireland Approval Limits

- The IDA Ireland Board can approve grants up to €7.5m. Anything above that level requires Government approval.
- The Investment Committee of the Board (ICB) can approve grants from €500,000 up to €1.5m per project.
- The Management Investment Committee (MIC) can approve grants up to €500,000 per project.

APPENDIX 7 Grants/expenditure thresholds/approvals limits-SFI

Extract from Science Foundation Ireland (SFI) Procurement Policy

2 AUTHORISATION & TENDER THRESHOLD LEVELS

2.1 OVERVIEW

The purchase of supplies and services should be in accordance with the following Procurement guidelines;

Before entering into a commitment to purchase goods or services it is important to ensure that:

- The goods or services are necessary;
- The proposed cost represents good value;
- There are budget resources available against which the cost can be charged
- Competitive tendering procedures (State Guidelines and EU Regulations) are followed, where appropriate
- Thresholds for both the approval of expenditure and for Tender Procedures as set out in 2.2 and 2.3 are complied with.
- Appropriate audit trail supporting documentation is maintained for each procurement transaction.
- The transaction for the goods or services has not been split up into a number of transactions for the purposes of circumventing the tender threshold levels.

2.2 SFI COMMITMENT TO EXPENDITURE AUTHORISATION LEVELS

SFI Tiers	Authorisation Level
Tier 1	Executive Committee
Tier 2	Executive Directors
Tier 3	Departmental Managers

Expenditure (Exclusive of VAT)	Authorisation Level
up to €10,000	Tier 3
From €10,001 to €50,000	Tier 2
from €50,001 to €250,000	Tier 1
Greater than €250,000*	SFI Board
* An item that brings approvals, for a consultant or company, to an aggregate of €250,000 (exclusive of VAT) within the same calendar year requires Board approval.	

The relevant staff member seeking approval to commit the expenditure on Goods and Services should prepare a written request for approval as follows;

For expenditure up to €5,000 – a written request to the Tier 3 Member for approval by the relevant Tier member.

For expenditure above €5,000 – a Business Case should be prepared for approval by the relevant Tier 1 member setting out in detail the purpose of the expenditure, the scope, the deliverables, skills required and the estimated cost of the proposed goods or service.

2.3 SUPPLIES AND SERVICES – TENDER THRESHOLDS

The following expenditure thresholds apply for tendering for goods and services in line with EU and National Procurement guidelines.

Different threshold levels apply to IT expenditure, which are set out in table (b) below, as required by the Office of the Government Chief Information Officer (OGCIO). This is a division of the Department of Public Expenditure and Reform which has responsibility for monitoring and approving ICT Spend for public sector bodies (formerly known as CMOD). The Process for engagement with the OGCIO and the Office of Government Procurement (OGP) in relation to the ICT expenditure approval process and related procurement of ICT goods and services is set out in Appendix 2 (of SFIs procurement policy document).

(a) Expenditure (excluding IT)

EXPENDITURE (EXCLUSIVE OF VAT)	TENDER REQUIRED
Up to €5,000	Verbal quotations from one or more competitive suppliers
From €5,000 - €24,999	Written – 3 or more based on specifications. Tender Evaluation, Criteria & Weighting may be applicable
From €25,000 - €206,999	Written - eTenders (Any exceptions to using eTenders must be approved by Tier 1) or Gov. Framework Agreements if in place
€207,000 or greater	Written - Official Journal of the European Union. (OJEU)

(b) IT Expenditure only (in line with OGCIO approval procedures - see Appendix 2)

EXPENDITURE (EXCLUSIVE OF VAT)	TENDER REQUIRED
Up to €5,000	Verbal quotations from one or more competitive suppliers
From €5,001 to €9,999	Written – 3 or more based on specifications. Tender Evaluation, Criteria & Weighting may be applicable
From €10,000 to €206,999	Written - eTenders or Gov. Framework Agreements if in place
€207,000 or greater	Written - Official Journal of the European Union. (OJEU)

APPENDIX 8

Checklists – DJEI & Agencies

Name of Body	Which checklists provided
Department of Jobs Enterprise & Innovation:	Checklist 1
Enterprise Ireland	Checklists 1 to 7
IDA Ireland	Checklists 2, 3, and 5 only. [According to IDA, checklists 1,4,6,7 do not apply]
SFI	Checklists 1 to 7
PRTL	Checklists 4 to 7. (checklists 1 to 3 not applicable)

Checklist 1: Department of Jobs, Enterprise & Innovation

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 -3	Discussion/Action Required
Does the Department ensure, on an ongoing basis that appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code?	2	Procurement is done by staff in organisation unit. They are aware of the requirements under various circulars. Most of capital spending is done through the agencies who are required to supply business cases to support grant funding.
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	2	Both the Agencies and Department staff would benefit from more regular training. We have also engaged with IGEES and strived to take on their recommendations
Has internal training on the Public Spending Code been provided to relevant staff?	2.5	Yes, for Staff in Business Services Unit (Fixed Assets and Purchasing Unit)
Has the Public Spending Code been adapted for the type of project/programme that your Department is responsible for? i.e. have adapted sectoral guidelines been developed?	n/a	
Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	3	This QA report is evidence of this work
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to your agencies?	2.5	Spot checks and other controls are in place e.g. BSU and Internal Audit committee provide various assurances.
Have recommendations from previous Quality Assurance exercises been acted upon?	3	DJEI has worked with its agencies to implement recommendations made. We will continue to seek to improve the process in future years.
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	3	Yes, 2013 and 2014 was submitted. This is the third such report
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	N/a	No procurements over €500,000
Has the Accounting Officer signed off on the information to be published to the website?	2	Accounting Officer has signed off on 2013 and 2014 and both are published on the website

Enterprise Ireland - Checklist 1:

Self-Assessed Ratings: **1** Scope for significant improvement **2** Compliant but with some improvement necessary **3** Broadly compliant

GENERAL OBLIGATIONS NOT SPECIFIC TO INDIVIDUAL PROJECTS/PROGRAMMES	SELF-ASSESSED COMPLIANCE RATING: 1 – 3	COMMENT/ACTION REQUIRED
Does the Agency ensure, on an ongoing basis that appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code?	2	The Agency ensures appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code indirectly. The policies of the procurement and grants departments are in line with the guidelines set out in the Code. Based on the sample of projects tested as part of the checklist step and the overall QA process, it is evident that the underlying principles of the Public Spending Code are being adhered to.
Has training on the Public Spending Code been provided to relevant staff?	2	There is no Public Spending Code specific training but training is provided relevant persons involved with expenditure. This training provided is in line with the requirements set out in the Public Spending Code.
Has the Public Spending Code been adapted for the type of project/programme that your Agency is responsible for? i.e. have adapted guidelines been developed?	2	As EI's main objective is to provide grants to business in Ireland, the vast majority of projects reviewed as part of the Quality Assurance assessment were grants for capital purposes.
Has the Agency in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	3	Grants are approved on the basis that the funds provided constitute good value for money. There is a thorough assessment for the allocation of funds during the approval process.
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to your agencies?	3	Yes. All previous Quality Assurance reports are discussed at quarterly board meetings and are circulated where appropriate.
Have recommendations from previous Quality Assurance exercises been acted upon?	3	Yes. A Public Spending Code Officer has been appointed subsequent to the recommendation made in the 2014 QA.

GENERAL OBLIGATIONS NOT SPECIFIC TO INDIVIDUAL PROJECTS/PROGRAMMES	SELF-ASSESSED COMPLIANCE RATING: 1 – 3	COMMENT/ACTION REQUIRED
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	3	A report on 2015 expenditure by the internal auditors was sent to the parent Department in 2016.
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	3	Yes. The required sample subjected to a more in-depth Review as per Step 4 of the QA process.

Enterprise Ireland - Checklist 2

COMPLETED IN RESPECT OF CAPITAL PROJECTS OT CAPITAL PROGRAMME/GRANT SCHEME THAT IS OR WAS UNDER CONSIDERATION IN THE PAST YEAR

Note: There were no capital projects in excess of €500,000 considered in the period. All expenditure under this heading relates to grants for capital purposes.

CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 1 – 3	COMMENT/ACTION REQUIRED
Was a Preliminary Appraisal undertaken for all projects > €5m	n/a	There were no projects appraised in the period that were over €5m
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	<p>A thorough appraisal process is carried out when an application is received. The investment appraisal team will assess the feasibility of the application and approve it on that basis. The application must also meet the requirements set out under the Terms of Reference for that grant type.</p> <p>The vast majority of grants received above this threshold are completed in line with the specific requirements set out by the Department. There is ongoing communication between the applicant and the Agency to ensure that the requirements of the Department are met.</p>

CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 1 – 3	COMMENT/ACTION REQUIRED
Was a CBA completed for all projects exceeding €20m?	n/a	There were no projects appraised in the period that were over €20m
Were all Programmes with an annual value in excess of €30m and of 5 years or more duration subjected to an ex-ante evaluation?	n/a	There were no projects appraised in the period that were over €30m
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the Planning and Design Phase?	3	Yes. An approval in principle was granted and recorded. Board minutes for the approval are also recorded from the Investment Committee meeting.
If a CBA was required was it submitted to the CEEU for their view?	n/a	No CBA was performed as there were no projects appraised in the period that were over €20m
Was the NDFA Consulted for projects costing more than €20m?	n/a	were no projects appraised in the period that were over €20m
Were all projects that went forward for tender in line with the Approval in Principle and if not was the detailed appraisal revisited and a fresh Approval in Principle granted?	n/a	No projects (over €500k) went to tender. Any 'projects' in this section over the threshold are grants, which do not go through the tender process.
Was approval granted to proceed to tender?	n/a	No projects (over €500k) went to tender. Any 'projects' in this section over the threshold are grants, which do not go through the tender process.
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	n/a	No projects (over €500k) went to tender. Any 'projects' in this section over the threshold are grants, which do not go through the tender process.
Were Performance Indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	2	Every grant will be governed by conditions. The grantee must adhere to these conditions in order to receive grant payments. Prior to the issuing of a grant payment, a site inspection may be carried out to ensure that the grantee is adhering to the conditions outlined in the grant agreement. If these conditions are being met, the grant payment may be approved.

CAPITAL EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 1 – 3	COMMENT/ACTION REQUIRED
Have steps been put in place to gather the Performance Indicator data?	3	Site visits are conducted to ensure that grantees are following the conditions outlined in the grant agreement.

Enterprise Ireland Checklist 3:

– NEW CURRENT EXPENDITURE OR EXPANSION OF EXISTING CURRENT EXPENDITURE UNDER CONSIDERATION

CURRENT EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 1 -3	COMMENT/ACTION REQUIRED
Were objectives clearly set?	3	In the sample selected, the objectives and the requirements were clearly identified in the request for tender.
Are objectives measurable in quantitative terms?	3	Yes. The procurement relates to a recruitment strategy for graduates. Statistics on the recruitment can clearly be identified.
Was an appropriate appraisal method used?	3	Yes. A scoring system was used that is in line with Enterprise Ireland methodology which is consistent with the Public Spending Code.
Was a business case prepared for new current expenditure?	3	A business case was prepared and sent for committee approval (finance and operations). The business case was reviewed and signed off by the committee.
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	3	The need for the expenditure is detailed in the business plan that was approved as part of a submission to the finance and operations committee. The business case describes the need for the service with adequate reasoning.
Was the required approval granted?	3	Yes. Approval was received from the finance and operations committee.

CURRENT EXPENDITURE BEING CONSIDERED – APPRAISAL AND APPROVAL	SELF-ASSESSED COMPLIANCE RATING: 1 -3	COMMENT/ACTION REQUIRED
Has a date been set for the pilot evaluation?	2	A fixed price contract is currently monitored using the monthly reporting structure and regular face-to-face meetings to ensure that the contract is delivering on expectations as set out in the tender documentation.
Has the methodology and data collection requirements for the pilot evaluation been agreed at the outset of the scheme?	3	Yes. The methodology and data collection requirements were set out in the tender documentation.
If outsourcing was involved were Procurement Rules complied with?	3	Yes. The expenditure followed all of the outlined in the EI procurement policy which are in line with the guidelines set out in the Public Spending Code.
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	3	Yes. A suite of metrics have been defined so ongoing monitoring can be performed. Metrics are relevant to the objectives set and the terms of the agreements.
Have steps been put in place to gather the Performance Indicator data?	3	Yes. A suite of metrics have been defined so ongoing monitoring can be performed. Metrics are relevant to the objectives set and the terms of the agreements.

Enterprise Ireland Checklist 4

– COMPLETE IF YOUR ORGANIZATION HAD CAPITAL PROJECTS/PROGRAMMES THAT WERE INCURRING EXPENDITURE DURING THE YEAR UNDER REVIEW.

Note: There was no capital project in excess of €500,000 considered in the period. All expenditure under this heading relates to grants for capital purposes.

INCURRING CAPITAL EXPENDITURE	SELF-ASSESSED COMPLIANCE RATING: 1 –3	COMMENT/ACTION REQUIRED
Was a contract signed and was it in line with the approval in principle?	3	Yes. Contracts are signed for each grant agreement. Each contract signed is in line with the approval in principle
If a construction or ICT project was the contract for a fixed price?	n/a	There were no construction or ICT projects completed in the period under review above the €500k threshold.
Are suitable management structures in place, commensurate with the scale of projects?	2	The Department has lost 9 staff over the last 12 months. This has resulted in an increase in turnaround times in grants administration. However, the number of grant applications has also fallen in the same period. The age profile of the inspectors is a slight cause for concern as it may lead to organisational memory loss. This is being addressed.
Did management boards/steering committees meet regularly as agreed?	3	Yes. Each grant type has a dedicated committee who meet on a monthly basis. The investment committee also meets on a monthly basis who discusses all grant types at high level.
Were Programme Co-coordinators appointed to co-ordinate implementation?	3	Yes. A Development Advisor is appointed for each grant. The DA manages the approval and implementation of the grant.
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable level for the scale of the project?	n/a	The grantee is responsible for delivering the project.
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Once a grant claim is approved, there is a site visit to ensure the grant provided was used for its intended purpose. A grant report is submitted indicating the performance of the grant.
Did the project keep within its financial budget and its time schedule?	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the maximum that can be paid out as part of the grant agreement.
Did budgets have to be adjusted?	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the maximum that can be paid out as part of the grant agreement.
Were decisions on changes to budgets or time schedules made	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the

INCURRING CAPITAL EXPENDITURE	SELF-ASSESSED COMPLIANCE RATING: 1 -3	COMMENT/ACTION REQUIRED
promptly?		maximum that can be paid out as part of the grant agreement.
Did circumstances ever warrant questioning the viability of the project? (exceeding budget, lack of progress, changes in the external environment) (Y/N)	n/a	Not as part of the sample selected. A grant will not be paid if the grantee does not adhere to the conditions of the grant.
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	3	Yes. Once a grant claim is approved, there is a site visit to ensure the grant provided was used for its intended purpose. A grant report is submitted indicating the performance of the grant.
If costs increased was approval received from the Sanctioning Authority?	n/a	A grant amount is agreed from the outset as part of the grant agreement. This is the maximum that can be paid out as part of the grant agreement.

Enterprise Ireland Checklist 5: FOR CURRENT EXPENDITURE

INCURRING CURRENT EXPENDITURE	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	Objectives for large current expenditure are set out in the business case which must get approval from the relevant committee.
Are outputs well defined?	3	The outputs for the supplier will be defined as part of the RFQ process.
Are outputs quantified on a regular basis?	3	Yes. Outputs are quantified through monthly management reports which provide key metrics as to the performance of the supplier.
Is there a method for monitoring efficiency on an ongoing basis?	3	Yes. Outputs are quantified through monthly management reports which provide key metrics as to the performance of the supplier.
Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes. Outputs are quantified through monthly management reports which provide key metrics as to the performance of the supplier. Quarterly account management meetings are held with key suppliers to discuss any issues.
Have formal VFM evaluations or	3	A fixed price contract is currently

INCURRING CURRENT EXPENDITURE	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
other evaluation been completed in the year under review?		monitored using the monthly reporting structure and regular face-to-face meetings to ensure that the contract is delivering on expectations as set out in the tender documentation.
Are plans for new evaluations made in good time to ensure that they are completed in time to feed into the annual Budget cycle?	3	Plans are made in good time to ensure that they feed into the budget cycle.

Enterprise Ireland Checklist 6 – to be completed if capital projects were completed during the year or if capital programmes/grant schemes matured or were discontinued.

CAPITAL EXPENDITURE COMPLETED	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Were the required post-project reviews carried out?	3	Building inspection reports drafted following site visits throughout the construction process and following completion of the building. A post project appraisal is completed within five years of the project being completed.
Was a post project review completed for all projects/programmes exceeding €20m?	n/a	There were no projects completed in the period with a total value in excess of €20m.
If sufficient time has not elapsed to allow a proper assessment of benefits has a post project review been scheduled for a future date?	3	A post project appraisal is completed within five years of the project being completed. The grants department receives a notification four years after the last payment of a grant. The outcomes of the grant payment are then reviewed on a sample basis.
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	3	Yes, as evidenced by the shift from funding capital expenditure with equity to the current grant system. Monthly committee meetings discuss the direction of the grant programmes and the impact they're having on the economic climate.
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	3	Yes, as evidenced by the shift from funding capital expenditure with equity to the current grant system.
Was project review carried out by staffing resources independent of project implementation?	3	Yes, the review is conducted internally by a committee (e.g. Financial Products Review Committee) other than the committee that approved the grant. This process is occasionally outsourced.

IDA Ireland Checklist

Checklist 2: – to be completed in respect of **capital projects or capital programme/grant scheme** that is or was **under consideration** in the past year.

Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a Preliminary Appraisal undertaken for all projects > €5m	3	
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	
Was a CBA/CEA completed for all projects exceeding €20m?		N/A
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the Planning and Design Phase (e.g. procurement)?		N/A
If a CBA/CEA was required was it submitted to DPER (CEEU) for their views?		N/A
Were the NDFA Consulted for projects costing more than €20m?		N/A
Were all projects that went forward for tender in line with the Approval in Principle and if not was the detailed appraisal revisited and a fresh Approval in Principle granted?		N/A
Was approval granted to proceed to tender?		N/A
Were Procurement Rules complied with?		N/A
Were State Aid rules checked for all supports?	3	
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?		N/A
Were Performance Indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	3	
Have steps been put in place to gather Performance Indicator data?	3	

IDA Checklist 3: - New Current expenditure or expansion of existing current expenditure under consideration

Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Were objectives clearly set?	3	
Are objectives measurable in quantitative terms?	3	
Was an appropriate appraisal method used?	3	
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	3	
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?		N/A
Was the required approval granted?	3	
Has a sunset clause been set?	0	
Has a date been set for the pilot and its evaluation?		N/A
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?		N/A
If outsourcing was involved were Procurement Rules complied with?	3	
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	3	
Have steps been put in place to gather Performance Indicator data?	3	

IDA Checklist 5: - For Current Expenditure

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	
Are outputs well defined?	3	
Are outputs quantified on a regular basis?	3	
Is there a method for monitoring efficiency on an ongoing basis?	3	
Are outcomes well defined?	3	
Are outcomes quantified on a regular basis?	3	
Are unit costings compiled for performance monitoring?		N/A
Is there a method for monitoring effectiveness on an ongoing basis?	3	
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?		N/A
How many formal VFMs/FPAs or other evaluations been completed in the year under review?		N/A
Have all VFMs/FPAs been published in a timely manner?		N/A
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?		N/A
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?		N/A

Self-Assessed Ratings: **1** Scope for significant improvement **2** Compliant but with some improvement necessary **3** Broadly compliant

Science Foundation Ireland (SFI)

Checklist 1: – completed by Science Foundation Ireland

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance	Discussion/Action Required
Does the Foundation ensure, on an ongoing basis that appropriate people within the Department and in its agencies are aware of the requirements of the Public Spending Code?	3	
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	no	Should training become available, SFI would be anxious to partake in same.
Has internal training on the Public Spending Code been provided to relevant staff?	no	See above
Has the Public Spending Code been adapted for the type of project/programme that your Department is responsible for? i.e. have adapted sectoral guidelines been developed?	yes	SFI has introduced detailed procedures for the whole life cycle of grant awards covered by Statements of Operating Procedures
Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	n/a	
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to your agencies?	3	There have not been any recommendations arising from prior QA checks at SFI
Have recommendations from previous Quality Assurance exercises been acted upon?	n/a	n/a
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?	n/a	n/a
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	n/a	n/a
Has the Accounting Officer signed off on the information to be published to the website?	n/a	n/a

SFI: Checklist 2: – to be completed in respect of **capital projects or capital programme/grant scheme** that is or was **under consideration** in the past year.

Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliant	Comment/Action Required
Was a Preliminary Appraisal undertaken for all projects > €5m	3	Yes covered by external peer review process and internal/Board sign-off
Was an appropriate appraisal method used in respect of each capital project or capital programme/grant scheme?	3	Each grant scheme application is reviewed by Peer review prior to Approval/Declination of the Application
Was a CBA/CEA completed for all projects exceeding €20m?		n/a
Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes
Was an Approval in Principle granted by the Sanctioning Authority for all projects before they entered the Planning and Design Phase (e.g. procurement)?		n/a
If a CBA/CEA was required was it submitted to DPER (CEEU) for their views?		n/a
Were the NDFA Consulted for projects costing more than €20m?		n/a
Were all projects that went forward for tender in line with the Approval in Principle and if not was the detailed appraisal revisited and a fresh Approval in Principle granted?		n/a
Was approval granted to proceed to tender?		n/a
Were Procurement Rules complied with?		n/a
Were State Aid rules checked for all supports?		yes
Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?		n/a
Were Performance Indicators specified for each project/programme which will allow for the evaluation of its efficiency and effectiveness?	3	Each year Annual Scientific Reports are submitted to SFI and twice yearly Financial reports are submitted to SFI.
Have steps been put in place to gather Performance Indicator data?	3	Yes, annual report on Research Outputs published by SFI on website

SFI: Checklist 3: - New **Current expenditure** or expansion of existing current expenditure under consideration - **taken to mean non-payroll expenditure at SFI**

Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating	Comment/Action Required
Were objectives clearly set?	3	Yes – covered in annual approved non-payroll budget/Allocation
Are objectives measurable in quantitative terms?	3	
Was an appropriate appraisal method used?	3	See below
Was a business case incorporating financial and economic appraisal prepared for new current expenditure?	3	Business case prepared for major procurement – i.e. approved by Director up to 50,000 in advance of procurement process
Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?		n/a
Was the required approval granted?	3	yes
Has a sunset clause been set?	n/a	n/a
Has a date been set for the pilot and its evaluation?	n/a	n/a
Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	n/a
If outsourcing was involved were Procurement Rules complied with?	3	Publish in eTenders for projects >€5k
Were Performance Indicators specified for each new current expenditure proposal or expansion of existing current expenditure which will allow for the evaluation of its efficiency and effectiveness?	n/a	
Have steps been put in place to gather Performance Indicator data?	n/a	

SFI: Checklist 4: - Complete if your organisation had capital projects/programmes that were incurring expenditure during the year under review.

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Was a contract signed and was it in line with the approval in principle?	3	All awards made by SFI require a Letter of offer signed by the Research Body and Principal Investigator.
Did management boards/steering committees meet regularly as agreed?	3	All awards made are approved by the SFI Executive. SFI Board approves awards >€20m
Were Programme Co-ordinators appointed to co-ordinate implementation?	3	All programme Calls have SFI Scientific Programme Managers assigned to each Call until the Letters of Offer are signed by the Research Body and the awards go "Live"
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable senior level for the scale of the project?	3	All awards have SFI Scientific Programme Managers assigned to each award
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes each year Annual Scientific Reports are submitted to SFI and twice yearly Financial reports are submitted to SFI.
Did the project keep within its financial budget and its time schedule?	3	SFI monitors each award on an individual basis and if projects are falling behind due to recruitment or other issues then the applicant can apply for a No Cost Extension to the award – (with no extra budget)

Did budgets have to be adjusted?	3	There can be some adjustments to the timing of the budgets and the movement of funds between categories but the budgets are never increased.
Were decisions on changes to budgets / time schedules made promptly?	3	Generally yes
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)	3	For large awards there is a mid-term review (attended by overseas expert reviewers) and if there were major concerns over the success of the project a decision would be made to terminate the award.
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?	3	Yes see above through a Site review
If costs increased was approval received from the Sanctioning Authority?	3	If extra costs are to be assigned to an award it would be through the granting of a supplementary award with a separate approvals process.
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	There could be various reasons why an award could be terminated – but this has happened rarely to date in SFI.
For significant projects were quarterly reports on progress submitted to the MAC and to the Minister?	2	Annual Scientific Reports are submitted annually to SFI and Financial reports twice yearly.

SFI: Checklist 5: - For Current Expenditure

Incurring Current Expenditure	Self-Assessed Compliance	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	
Are outputs well defined?	3	
Are outputs quantified on a regular basis?	3	
Is there a method for monitoring efficiency on an ongoing basis?	3	Monthly Management accounts are maintained by SFI –variances are explained - distributed to Exec
Are outcomes well defined?	2	
Are outcomes quantified on a regular basis?	2	
Are unit costings compiled for performance monitoring?	1	
Is there a method for monitoring effectiveness on an ongoing basis?	2	
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?	2	
How many formal VFMs/FPAs or other evaluations been completed in the year under review?	n/a	
Have all VFMs/FPAs been published in a timely manner?	n/a	
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?	n/a	
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?	n/a	

SFI: Checklist 6: - to be completed if capital projects were completed during the year or if capital programmes/grant schemes matured or were discontinued.

There were no capital projects completed during the year.

SFI: Checklist 7: - to be completed if current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued.

Current Expenditure that (i) reached the end of its planned timeframe or (ii) Was discontinued	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	3	Final reports are submitted to SFI for review by the Scientific Project Manager. Final payment is only made on the Award subject to satisfactory review.
Did those reviews reach conclusions on whether the programmes were effective?	3	
Did those reviews reach conclusions on whether the programmes were efficient?	3	
Have the conclusions reached been taken into account in related areas of expenditure?	3	
Were any programmes discontinued following a review of a current expenditure programme?	3	For large awards there is a mid-term review and if there are major concerns over the success of the project a decision could be made to terminate the award
Was the review commenced and completed within a period of 6 months?	n/a	

Self-Assessed Ratings: **1** Scope for significant improvement **2** Compliant but with some improvement necessary **3** Broadly compliant

Higher Education Authority (PRTL I – Cycle 5)

Checklist 1

General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1 - 3	Discussion /Action Required
Does the HEA ensure, on an ongoing basis that appropriate people within the HEA are aware of the requirements of the Public Spending Code?	3	Yes
Has there been participation by relevant staff in external training on the Public Spending Code? (i.e. DPER)	1	No
Has internal training on the Public Spending Code been provided to relevant staff?	1	No
Has the Public Spending Code been adapted for the type of project/programme that the HEA is responsible for? i.e. have adapted sectoral guidelines been developed?	3	Yes
Has the Department in its role as Sanctioning Authority satisfied itself that agencies that it funds comply with the Public Spending Code?		N/A
Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the HEA and to your agencies?	3	Yes
Have recommendations from previous Quality Assurance exercises been acted upon?	3	Yes
Has an annual Public Spending Code Quality Assurance Report been submitted to the Department of Public Expenditure & Reform?		N/A
Was the required sample subjected to a more in-depth Review i.e. as per Step 4 of the QA process	3	Yes
Has the Accounting Officer signed off on the information to be published to the website?		N/A

Checklist 2

As PRTL I Cycle 5 funding was approved in 2011 and no 'new' funding has been approved post 2011, the HEA's response to this checklist is 'N/A'.

Checklist 3

As PRTLI Cycle 5 funding was approved in 2011 and no 'new' current funding has been approved post 2011, the HEA's response to this checklist is 'N/A'.

Higher Education Authority (PRTLI – Cycle 5)

Checklist 4: - Complete if your organisation had capital projects/programmes that were incurring expenditure during the year under review.

Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1-3	Comment /Action Required
Was a contract signed and was it in line with the approval in principle?	3	Yes
Did management boards/steering committees meet regularly as agreed?	3	Yes
Were Programme Co-ordinators appointed to co-ordinate implementation?	3	Yes
Were Project Managers, responsible for delivery, appointed and were the Project Managers at a suitable senior level for the scale of the project?	3	Yes
Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes
Did the project keep within its financial budget and its time schedule?	3	Yes
Did budgets have to be adjusted?	3	Yes
Were decisions on changes to budgets / time schedules made promptly?	3	Yes
Did circumstances ever warrant questioning the viability of the project and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence)	3	No
If circumstances did warrant questioning the viability of a project was the project subjected to adequate examination?		N/A
If costs increased was approval received from the Sanctioning Authority?		N/A
Were any projects terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?		N/A
For significant projects were quarterly reports on progress submitted to the MAC and to the Minister?		N/A

Higher Education Authority (PRTL – Cycle 5)

Checklist 5: - For Current Expenditure

Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
Are there clear objectives for all areas of current expenditure?	3	Yes
Are outputs well defined?	3	Yes
Are outputs quantified on a regular basis?	3	Yes
Is there a method for monitoring efficiency on an ongoing basis?	3	Yes
Are outcomes well defined?	3	Yes
Are outcomes quantified on a regular basis?	3	Yes
Are unit costings compiled for performance monitoring?		N/A
Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes
Is there an annual process in place to plan for new VFMs, FPAs and evaluations?	3	Yes, CSC audits
How many formal VFMs/FPAs or other evaluations been completed in the year under review?	3	Yes, 3 projects were subject to CSC audits
Have all VFMs/FPAs been published in a timely manner?		N/A
Is there a process to follow up on the recommendations of previous VFMs/FPAs and other evaluations?	2	Yes
How have the recommendations of VFMs, FPAs and other evaluations informed resource allocation decisions?	2	Yes

Higher Education Authority (PRTL – Cycle 5)

Checklist 6: - to be completed if capital projects were completed during the year or if capital programmes/grant schemes matured or were discontinued.

Capital Expenditure Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
How many post project reviews were completed in the year under review?	N/A	Too early to expect post project reviews as only small number of projects are complete with the remaining projects yet to finish.
Was a post project review completed for all projects/programmes exceeding €20m?	N/A	Too early to expect post project reviews as only small number of projects are complete with the remaining projects yet to finish.. It is expected to receive post project reviews on all projects >€20m.
If sufficient time has not elapsed to allow a proper assessment of benefits, has a post project review been scheduled for a future date?	N/A	Too early to expect post project reviews as only small number of projects are complete with the remaining projects yet to finish. It is expected to receive post project reviews on all projects >€20m.
Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Sanctioning Authority?	N/A	
Were changes made to the Sponsoring Agencies practices in light of lessons learned from post-project reviews?	N/A	
Were project reviews carried out by staffing resources independent of project implementation?	N/A	

Higher Education Authority (PRTL – Cycle 5)

Checklist 7: - to be completed if current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued.

Current Expenditure that (i) reached the end of its planned timeframe or (ii) Was discontinued	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?		N/A
Did those reviews reach conclusions on whether the programmes were effective?		N/A
Did those reviews reach conclusions on whether the programmes were efficient?		N/A
Have the conclusions reached been taken into account in related areas of expenditure?		N/A
Were any programmes discontinued following a review of a current expenditure programme?		N/A
Was the review commenced and completed within a period of 6 months?		N/A

Self-Assessed Ratings: **1** Scope for significant improvement **2** Compliant but with some improvement necessary **3** Broadly compliant