



An Roinn Fiontar,  
Trádála agus Fostaíochta  
Department of Enterprise,  
Trade and Employment

# Quality Assurance Report for 2019

Submitted to the Department of Public Expenditure and  
Reform in compliance with the Public Spending Code



Certification	2
Departmental Overview	3
Overview of DETE's Spending Programme	4
Highlights in 2019	5
Agency/Department Programme Evaluations	7
Quality Assurance Procedure	10
Public Spending Code - Inventory of Projects for 2019	11
Public Spending Code - Procurements over €10 million	12
Public Spending Code - Completion of Checklists	13
Public Spending Code - Training	13
Public Spending Code - Main findings	13
Public Spending Code - Agency level detailed findings	14
<b>Enterprise Ireland</b>	<b>14</b>
<b>IDA Ireland</b>	<b>14</b>
<b>Science Foundation Ireland</b>	<b>15</b>
APPENDIX 1 EI In-Depth Check and Expenditure Inventory	16
APPENDIX 2 IDA Ireland In-Depth Check and Inventory	24
APPENDIX 3 SFI In-Depth Check and Inventory	25
APPENDIX 4 EI Grant expenditure thresholds/approval limits	27
APPENDIX 5 IDA Grant expenditure thresholds/approval limits	29
APPENDIX 6 SFI Grant expenditure thresholds/approval limits	31
APPENDIX 7 Checklists – Department and Agencies	32

## Certification

This Quality Assurance Report for 2019 reflects the Department of Enterprise, Trade and Employment's annual 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 and Science Foundation Ireland on capital and current projects supported by the Department during 2019. Funding provided to these three agencies accounted for 69.4% of the Department's gross expenditure in 2019.



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Accounting Officer

Department of Enterprise, Trade and Employment

Date: 26 January 2021

## Departmental Overview

Following the formation of the new Government in June 2020, the Department of Business, Enterprise and Innovation (DBEI) changed its name to the Department of Enterprise, Trade and Employment (DETE).

Transfer of Function Orders resulted in the following changes of functions for DETE:

### *Transferred in*

- responsibility for Trade promotion has been transferred in from the Department of Foreign Affairs
- responsibility for employment rights, including the Low Pay Commission and Insolvency and Redundancy policy, transferred in from the Department of Social Protection
- the Balance for Better Boards Group transferred in from the Department of Justice and Equality
- the Trading Online Vouchers transferred in from the Department of Environment, Climate and Communications

### *Transferred out*

- certain research and innovation functions, which includes Science Foundation Ireland and the Programme for Research in Third Level Institutions, transferred out to the newly created Department of Further and Higher Education, Research, Innovation and Science.

**Note:** This report was compiled during the course of 2020 and it focusses on spending in the fiscal year 2019. Therefore, all references to DETE in this report relate to the previous functions that operated within DBEI.

The remit of DETE is very diverse. It has a wide range of functions and policy responsibilities which are pursued and delivered through three distinct high-level programme areas. These in turn are delivered through a number of agencies under the Department's aegis, as follows:

- Jobs and Enterprise Development** (*includes Enterprise Ireland, IDA Ireland, Local Enterprise Offices, InterTradeIreland, National Standards Authority of Ireland*)
- Innovation** (*includes Science Foundation Ireland, EI Research, the Programme for Research in Third-Level Institutions, Intellectual Property Office of Ireland and membership of certain international research organisations*)
- Regulation** (*includes Companies Registration Office, Office of Director of Corporate Enforcement, Competition & Consumer Protection Commission, Workplace Relations Commission*).

DETE's mission is as follows

*"We will lead on the creation and maintenance of high quality and sustainable full employment across all regions of the country by championing Trade & Employment across government, by supporting a competitive business base to incentivise work, enterprise, trade, innovation and investment and by promoting fair and competitive markets as well as best business practice through the regulatory and enforcement work of the Department, its offices and its agencies."*

## Overview of DETE's Spending Programme

DETE's net expenditure in 2019 (net of Appropriations-in-Aid) was €870 million, split between capital supports (€605 million) and current expenditure (€265 million). Current expenditure is used to meet the day-to-day running costs of DETE and its agencies. The capital provision is provided through a range of grant funded programmes administered by DETE's agencies to assist in the development of Ireland's enterprise and innovation sectors.

The Exchequer provision managed by DETE is driving the jobs agenda and is significantly aiding Ireland's economic recovery and ongoing development. At the end of 2019 the capital supports provided through the enterprise agencies were directly supporting over 475,505 jobs in Ireland, an increase of 4.1% over 2018.<sup>1</sup>

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

The total capital expenditure incurred across DETE's Vote in 2019 was €605 million. This expenditure spanned EI, IDA Ireland, SFI, Local Enterprise Development, Tyndall National Institute, the National Standards Authority of Ireland, Inter Trade Ireland, subscriptions to International organisations and the PRTL.

For the purposes of the 2019 Quality Assurance (QA) report DETE focused on of the largest capital programme areas, namely:

- Subhead A5                      IDA Ireland
- Subhead A7                      Enterprise Ireland
- Subhead B4                      Science Foundation Ireland
- Subhead B4                      Enterprise Ireland

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<sup>1</sup> DETE Annual Employment Survey 2019 (page 35) - <https://enterprise.gov.ie/en/Publications/Annual-Employment-Survey-2019.html>

**Table 1: 2019 Capital Expenditure**

Subhead	Agency	€ million
A5	IDA Ireland	146
A7	Enterprise Ireland	30
B4 (part)	Enterprise Ireland	122
B4 (part)	Science Foundation Ireland	180
	<b>Subtotal</b>	<b>478</b>
	Other capital subheads	127
	<b>Total Capital Expenditure</b>	<b>605</b>

Typically, the capital grants provided by EI, IDA Ireland and 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.

## Highlights in 2019<sup>2</sup>

### Overall Job Creation

There were 79,900 jobs created in the year with over 471,200 more people at work in Quarter 4 2019 than in 2012, when the first Action Plan for Jobs was launched. Unemployment declined from over 15% in early 2012 to 4.7% in December 2019.

### Annual Employment Survey of Client Companies of Enterprise Development Agencies

This survey is a census of employment in approximately 8,000 client companies of the enterprise development agencies. The latest available headline results for 2019 was that total employment (full-time and part-time) reached 466,911. This was a net increase of 18,735 in EI and IDA Ireland clients in 2019, an increase of 4.1% on 2018.

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<sup>2</sup> Department of Enterprise, Trade & Employment Annual Report 2019  
<https://enterprise.gov.ie/en/Publications/Department-Annual-Report.html>

## **Annual Business Survey of Economic Impact of Agency Clients**

This is an annual survey of agency client companies with 10 or more employees (approximately 4,200 companies). End of year results for 2018 were collected in 2019 and recorded total sales of €275 billion in 2018, an increase of 12.3% since 2017. In addition, total exports amounted to €245 billion in 2018, an increase of 13.1% since 2017.

## **IDA Ireland**

IDA Ireland performed strongly in 2019 with client companies creating 21,844 gross new jobs on the ground. The net gain was 13,867 additional jobs. IDA Ireland client companies now account for almost 11% of employment in the State. Total foreign direct investment employment in Ireland at the end of 2019 stood at 245,096, the highest ever number employed in the multinational sector, exceeding targets contained in IDA Ireland's Strategy 2015-2019. Job numbers of 54,868 were created outside of Dublin over the past five years leading to 33,118 additional direct jobs (net) on the ground in regions at the end of this strategy.

## **Enterprise Ireland**

Employment in EI's client companies reached 221,895 in 2019, a net increase of 4,706. A total of 16,971 jobs were created in EI supported companies, with two-thirds located in the regions. It established over 99 new market presences into the Eurozone and 1,554 new overseas contracts were secured by client companies.

A total of 7,408 new full and part-time jobs (gross) were created by Local Enterprise Office (LEO) clients overall in 2019 - a net increase of 3,149 jobs (full and part-time). The LEO portfolio consisted of 7,400 client companies, with an employment total of 38,535. The LEO Competitive Fund of €2.5 million was launched in July 2019 and is targeted at established small to medium enterprises. In addition, a Productivity Challenge Fund of €500k was introduced on a pilot basis to support small businesses and enterprises by providing them with the right advice and training resources to enhance productivity and efficiency.

## **Science Foundation Ireland**

There was significant accomplishment across all areas of SFI's activity in 2019 with 317 new multiannual awards approved across 32 programmes. This amounted to a total commitment value of €448.5 million with total payments to research bodies and institutions of €188 million.

Six SFI Research Centres were awarded a second phase of funding representing €230 million investment by the Government through the SFI Research Centres Programme. It is estimated that more than 170 industry partners are involved in these Centres to date. These partners come from a huge variety of sectors and industries and have committed to providing over €200 million of cash and in-kind contributions.

The network of SFI Research Centres had significant success in Horizon 2020. The total draw down by SFI Research Centres is more than €139 million.

An investment of €100 million in six new SFI Centres for Research Training was also announced. These Centres will provide training for 700 postgraduate students in areas of nationally and internationally identified future skills needs of digital, data and ICT.

## Agency/Department Programme Evaluations

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

- in line with Government policy - on foot of Government spending reviews
- 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.

### **DETE Spending Review 2019 - Focused Policy Assessment of Capital, Employment, and Training Supports: 2005/06 – 2018 (August 2019)**

This Focused Policy Assessment (FPA)<sup>3</sup> reviewed the direct financial capital, employment and training (CET) supports to industry delivered through EI and IDA Ireland. For EI and IDA separately the FPA sets out the rationale for Government direct financial CET supports. It focused on the level of demand for these supports and the associated expenditure. Finally, the efficiency, effectiveness and appropriateness of EI and IDA CET supports was examined based on a review of the existing evaluation evidence base. The FPA finds that Enterprise Ireland's CET supports have been significant in scale across the enterprise base with almost 13,000 approvals valued at €727 million across nearly 6,000 unique firms over the 2006-2018 timeframe. In addition, €52 million of CET approvals were approved to 39 unique not-for-profit entities through 77 awards. For IDA direct financial CET supports, there have been more than 1,250 approvals, with an associated value of almost €1.1 billion, to more than 650 unique firms over the 2005-2018 timeframe.

### **DETE and DPER Analysis of Science Foundation Ireland Research Grants (August 2019)**

This paper<sup>4</sup> reviewed the rationale of public support for innovation; analysed the overall funding dynamics of SFI; analysed SFI grant awards by grant characteristics and activities; and analysed selected activities and outputs from SFI programmes, with a focus on those that can be linked to enterprise. There has been an emphasis in recent years on investment in science being aligned with the needs of the economy and society to deliver economic and social impact.

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<sup>3</sup> <https://assets.gov.ie/27042/81a07f7e31ea444aa3f7af58b1799f81.pdf>

<sup>4</sup> <https://assets.gov.ie/25647/b041ef6d714c4414ac0cbe0eaf329795.pdf>

The Budget 2020 Expenditure Report<sup>5</sup> included the following paragraph on Page 32:

*‘Enterprise Supports – One area of the enterprise supports landscape that has stood out as a success is Science Foundation Ireland (SFI). A 2019 spending review paper in this area finds that SFI appear to have intensified links with the enterprise base, effectiveness as measured by publications and quality of scientific research has improved, and by a number of measures the organisation appears to be operating efficiently.’*

### **DETE and DPER Spending Review 2020: State-Supported Loan Schemes (July 2020)**

This Spending Review paper,<sup>6</sup> published in October 2020, covers five State-supported loan schemes in Ireland: the Agriculture Cash-Flow Loan Supports scheme; the Brexit Loan Scheme / COVID-19 Working Capital Loan Scheme; the Future Growth Loan Scheme; the Microenterprise Loan Fund scheme; and the SME Credit Guarantee Scheme.

The paper goes into the specifics of these schemes to clarify their stated objectives, to examine the profile of recipients, to assess the approaches and data needed for comprehensive evaluation, and to determine the potential implications of scheme design for the incentives of private lending institutions and borrowers.

The key findings arising from this review can be found on Page 2 of the Report.

### **Evaluation of the Enterprise Ireland Research, Development and Innovation Programme Technopolis and the ESRI for DETE (September 2020)**

The Department of Enterprise, Trade and Employment commissioned an evaluation of Enterprise Ireland’s RD&I Programme in July 2019. The evaluation found that the RD&I Programme demonstrates good levels of appropriateness toward both national policy and firm needs. It compared the RD&I programme to international comparators and found that the RD&I Programme is among the most comprehensive supports available to firms for RD&I within this set of comparators. The report delivers a number of recommendations for programme improvement relating to its efficiency, effectiveness and future monitoring.

This report was in the final stages of senior management approval before publication at the time of completing this review.

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<sup>5</sup> [http://budget.gov.ie/Budgets/2020/Documents/Budget/Parts%20I-III%20Expenditure%20Report%202020%20\(A\).pdf](http://budget.gov.ie/Budgets/2020/Documents/Budget/Parts%20I-III%20Expenditure%20Report%202020%20(A).pdf)

<sup>6</sup> <https://assets.gov.ie/94877/5414f6b7-3ffb-459e-a39d-c128e85368e1.pdf>

## **DETE Spending Review 2020: Early Evaluation of the Disruptive Technologies Innovation Fund (October 2020)**

DETE's Monitoring & Evaluation Unit carried out an early evaluation of the Disruptive Technologies Innovation Fund.<sup>7</sup> The fund has an allocation of €500m over the period 2018 - 2027, with €20 million allocated to the fund in 2019.

The objectives of this evaluation were to:

- Set out the rationale for state intervention and relevance of DTIF in the context of R&D policy and wider enterprise policy and to assess how the DTIF is aligned with the 14 Research Priority Areas 2018 to 2023, including: Decarbonising the Energy System;
- Assess the clarity of the objectives and the target population, in terms of quantification of the expected outputs, outcomes and impacts wherever possible;
- Based on the outcome of the first two calls under DTIF, profile the projects and participation. A process review of the first two calls will be commissioned separately to report in early 2020 and this will also inform the evaluation;
- Assess how the programme is interacting with other supports and identify potential synergies with other programmes and to assess the quality of the procedures for implementation, monitoring and evaluation, particularly with regard to ongoing data requirements.

The review found that there appears to be a strong rationale for a publicly funded programme making significant investments in disruptive technologies. Detailed recommendations and conclusions from this review can be found on Pages 67 to 70 of the Report.

## **DETE Capital Expenditure Review 2006-2018 (November 2020)**

DETE established a Cross Divisional Steering Group (CDSG) to develop a Terms of Reference for an in-depth review of capital expenditure allocation. The purpose of the review is to support Departmental decisions on the evolution of capital expenditure allocation in the medium to longer term to meet the emerging economic challenges and the overall strategic objectives of DETE. The outcome of the review will support the implementation of the recommendation set out in the Organisation Capability Review of DETE in 2018, to improve the alignment between policy-making and DETE's capital expenditure allocation budgetary process.

The high-level objective of this in-depth review was to undertake a strategic assessment of whether the system of capital supports for enterprise, and the capital expenditure allocation across programmes, align with the new and emerging economic challenges and strategic objectives of DETE.

DETE's Monitoring & Evaluation Unit presented the review to the Management Board in December 2020 and plan on presenting it Senior Management in early 2021. It is envisaged that the review will be updated annually.

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<sup>7</sup> <https://assets.gov.ie/94878/0c028c14-b37c-481d-bb8e-732f75baafe2.pdf>

## Quality Assurance Procedure

The Quality Assurance procedure is made up of five steps, which are set out in Section 1.1 of the 'Public Spending Code (PSC) Quality Assurance Process'<sup>8</sup>

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 €10m, 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 with annual expenditure of €0.5m or more.
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 DETE by the following evaluation teams:

- **Enterprise Ireland** - by its internal auditors.
- **IDA Ireland** - by its internal auditors.
- **Science Foundation Ireland** - by DETE's Internal Audit Unit.

These evaluations incorporate an in-depth check on a small number of programmes to comply with the fourth step of the PSC procedure, which are included in this Report. This Report, which assesses DETE's compliance with the Spending Code for expenditure in 2019, fulfils the fifth step of the Quality Assurance process.

The Higher Education Authority (HEA), which administers the Programme for Research in Third Level Institutions (PRTL) on behalf of DETE had been included in previous Quality Assurance Reviews. The current Cycle of PRTL (Cycle 5) was announced in 2010 and involved Exchequer grant expenditure commitments of approximately €190 million. There were a distinct number of projects (18) in receipt of PRTL capital funding under the Cycle 5 programme. It should be noted that Cycle 5 projects were predominantly completed in the period 2011-2015.

In depth audit reports have been conducted on substantially all of these capital projects over the years to date, principally by HEA internal audit. It should be noted that the Programme for Research in Third Level Institutions function was transferred to the Department of Further and Higher Education, Research, Innovation and Science with effect from 1 January 2021. The outstanding balance of €1.5 million to the HEA in respect of reimbursements of PRTL Cycle 5 expenditure incurred will be paid in 2021 from the new Department's budget. Therefore, DETE has no further obligations with regard to this specific funding.

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<sup>8</sup> The Public Spending Code Quality Assurance Process, Department of Public Expenditure and Reform  
<https://www.gov.ie/en/publication/public-spending-code>

## Public Spending Code - Inventory of Projects for 2019

The first step in the process is to draw up an inventory of expenditure being considered, incurred and recently completed. 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 published data regarding grant aid expenditure on their websites. However, in some cases commercial sensitivity prevented such publication. This is expanded upon below.

**Enterprise Ireland** publishes general information on grant aid schemes (application process etc.) on its website<sup>9</sup>. See **Appendix 1** of this report for an inventory of the EI grant recipients and details of its in-depth review for Step 4 of the process.

**IDA Ireland** does not publish details of the recipients of grant aid due to commercial sensitivity concerns. The Agency has, however, provided a full inventory of the grants appraised and approved, by type, for the three years 2017 – 2019 to DETE's Internal Audit Unit. This satisfies Step 1 of the process. IDA Ireland also provided to the Internal Audit Unit detail on the monetary value of the grant expenditure sample which was selected for the in-depth review for Step 4 of the process.

Information on the in-depth review conducted by IDA Ireland's internal auditors is set out in **Appendix 2** of this report. IDA Ireland publishes details of its leading investments in its Annual Reports which are available on its website.<sup>10</sup>

Details of the **Science Foundation Ireland** in-depth check and expenditure inventory is set out in **Appendix 3** of this report. Programme expenditure for SFI is published in its annual reports and its website also contains a list of grant recipients for all of its major funding programmes.<sup>11</sup>

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<sup>9</sup> <https://www.enterprise-ireland.com>

<sup>10</sup> <https://www.idaireland.com>

<sup>11</sup> <https://www.sfi.ie>

## Public Spending Code - Procurements over €10 million

Step 2 of the QA Procedure states “Publish summary information on the website of all procurements in excess of €10m, related to projects in progress or completed in the year under review.” It is also a requirement that DETE should publish details of the website references where its agencies have placed information on procurements over €10 million.

DETE had no procurements in excess of €10m.

**Enterprise Ireland** had one procurement greater than €10m in 2019. It consists of a National and International Media Buying Strategy and is for a four year period with a contract value of between €2m and €4m per annum.

Enterprise Ireland publishes details of all procurements in excess of €2m on its website.<sup>12</sup> However, due to a change of personnel, the task of publishing the procurements in excess of €2m was neglected for a period of time from 2018 onwards. EI will fully update these details on its website in January 2021.

**IDA Ireland** had one procurement in progress in 2019 where the value over the lifetime of the contract/framework exceeded €10 million. The details of this procurement are published on its website.<sup>13</sup>

**Science Foundation Ireland** did not have any procurements in excess of €10 million in 2019.

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<sup>12</sup> <https://enterprise-ireland.com/en/About-Us/Services/Public-spending-code>

<sup>13</sup> <https://www.idaireland.com/corporate-governance>

## **Public Spending Code - Completion of Checklists**

The Quality Assurance process involves the completion of self-assessment checklists by DETE and its agencies. These checklists cover all expenditures, to include both capital and current expenditure projects. No significant issues in relation to compliance with the Spending Code have been identified in any of the completed checklist forms submitted by Enterprise Ireland, IDA Ireland and SFI. Copies of the completed checklists by DETE and the agencies sampled are provided at **Appendix 7**.

## **Public Spending Code - Training**

One of the general obligations listed in Checklist 1 refers to the provision of training on the Public Spending Code to all relevant staff.

A member of the Internal Audit Unit in DETE attended a workshop on the revision of the Public Spending Code in July 2019 and a seminar titled 'Key Tools of the Revised Public Spending Code' in March 2020.

DETE have received confirmation from DPER that work is ongoing with OneLearning with regards to developing an online training programme on the Public Spending Code in 2021.

## **Public Spending Code - Main findings**

Various Quality Assurance checks on 2019 expenditure projects have been undertaken by Internal Auditors in Enterprise Ireland and IDA Ireland and in DETE's Internal Audit Unit for SFI.

Whilst minor issues were identified and discussed with the relevant parties during the review, there were no significant issues of concern arising from any of the Quality Assurance checks undertaken in these agencies.

DETE is reasonably satisfied that the key obligations and provisions set out in the Public Spending Code are being satisfactorily met for grant funding to Enterprise Ireland, IDA Ireland and Science Foundation Ireland based on the sample testing and evaluation carried out by its own Internal Audit Unit and the Internal Auditors engaged by the relevant agencies.

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

## Public Spending Code - Agency level detailed findings

### Enterprise Ireland

Enterprise Ireland is the government organisation responsible for the development and growth of Irish enterprises in world markets. It works in partnership with Irish enterprises to help them start, grow, innovate and win export sales on global markets. In this way, it supports sustainable economic growth, regional development and secure employment. A key priority is the achievement of export sales growth from Irish-owned companies and assistance is geared toward helping Irish companies win international sales. Overall, employment in EI's client companies reached 221,895 in 2019, a net increase of 4,706. During 2019, a total of 16,971 jobs were created in EI supported companies, with two-thirds located in the regions. From a sectoral perspective, the top performers in new jobs in 2019 were Cleantech (9%), Life Sciences (6%), and Fintech (6%).

EI's Internal Auditors obtained the 2019 Inventory listing of current and capital expenditure and randomly selected a sample of projects for in-depth checking in accordance with the recommended sampling sizes in the Public Spending Code. Only grant approvals in excess of €500,000 were included in the population from which the sample was selected for in-depth checking.

The Board of EI has established a robust committee structure for the appraisal and approval of capital grants. DETE is also represented on these investment committees. Details of the grant expenditure thresholds and grant approval procedures are outlined in **Appendix 4**.

EI has completed self-assessment checklists covering capital and current expenditure (**see Appendix 7**).

The Quality Assurance review in respect of EI funding in 2019 concluded that "Generally, the controls evaluated are deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met".

### IDA Ireland

IDA Ireland's main objective is to encourage investment into Ireland by foreign-owned companies as well as maintaining current levels of foreign direct investment and jobs 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 their businesses.

IDA Ireland's processes and expenditures are subject to a number of controls and assurances each year. These include an internal control statement by the Chairman, internal audit reports authorised by the audit committee and an annual statutory audit by the Comptroller & Auditor General. In addition, a quality assurance review in respect of IDA Ireland was carried out by its Internal Auditors. The scope of the Internal Audit review encompassed a review of grant aid approval procedures in 2019. The review consisted of an examination of 15 projects (4 in 2017, 5 in 2018, and 6 in 2019). The monetary value of these samples was considered commercially sensitive and was not published but full details, however, were provided to DETE's Internal Audit

Unit. The monetary value of the sample approved for grant aid, represented 10% of the total grant-aided projects approved by IDA Ireland during the 3-year period 2017 to 2019. Please see **Appendix 2** for details on the in-depth check and the inventory of grant approvals.

The review also consisted of an examination of current expenditure projects. To determine the population for review, IDA's Internal Auditors were provided with IDA Ireland Contracts Register showing all current expenditure projects exceeding €500,000 in value. There is a requirement to select a sample which is at least 1% of the total current expenditure projects for the year under review. IDA's Internal Auditors selected sample provided an overall coverage of 47% of the total current expenditure projects exceeding €500,000 in 2019.

IDA Ireland has completed self-assessment checklists covering capital and current expenditure (**see Appendix 7**).

Details of thresholds and approval limits are set out in **Appendix 5**.

The Quality Assurance review in respect of IDA Ireland's funding in 2019 concluded that the Agency complied with the requirements of the Public Spending Code.

### Science Foundation Ireland

Science Foundation Ireland is Ireland's national foundation for investment in research in the areas of science, technology, engineering and mathematics (STEM), which assists in the development and competitiveness of industry, enterprise and employment in Ireland. It also promotes and supports STEM education and engagement to improve awareness and understanding of the value of STEM to society and to support the STEM careers pipeline.

As the benefits associated with the projects selected could not be quantified or valued in a financial context, it was not possible for SFI to prepare a formal cost benefit analysis or a financial analysis. Instead, it carries out a detailed assessment of the costs associated with the proposed projects. As detailed on pages 7-10 of this assessment report, DETE has also conducted a number of agency programme evaluations on RD&I expenditure relevant to SFI.

DETE's Internal Audit Unit undertook an in-depth review of SFI programmes using samples of awards which incurred expenditure in 2019. Details of this review and an inventory of expenditure in SFI in 2019 is shown in **Appendix 3**.

Details of the grant expenditure thresholds and grant approval procedures for SFI are outlined in **Appendix 6**. SFI has completed self-assessment checklists covering capital and current expenditure (**see Appendix 7**).

The Quality Assurance review in respect of SFI expenditure in 2019 concluded that the Agency complied with the requirements of the Public Spending Code.

## APPENDIX 1 EI In-Depth Check and Expenditure Inventory

The 2019 Quality Assurance Review by EI's Internal Auditors involved in-depth checks on a small number of selected projects/programmes. Both Current and Capital Expenditure were reviewed as follows:

### Current:

- Sample selection for Current Projects: €2,495,040
- Total Value of Current Project Inventory: €35,665,097
- % of Current Projects Selected: 7%

### Capital:

- Sample Selection of Capital Projects: €10,589,082
- Total Value of Capital Project Inventory: €194,263,392
- % of Capital Projects selected: 5%

Based on the documentation reviewed, the auditors identified one minor area for improvement. Generally, however, the controls evaluated are deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.

The one area for improvement related to where processes are not formally documented setting out how capital/current projects should be managed and monitored throughout the project lifecycle. Management accepted the recommendation.

The expenditure inventory listed on pages 18 to 24 of this report includes details of grant recipients with approval amounts in excess of €500k that incurred expenditure in 2019.

The inventory of capital and current projects (including grants) are broken down by:

- i. Expenditure being considered
- ii. Expenditure being incurred
- iii. Expenditure that has recently ended

i. Expenditure being considered

New Capital projects (including grants for capital purposes) that were considered during the period in review:

Grant Type	Project No	Project First Approved Date	Approval Amount €
<b>Between €0.5m - €5m</b>			
Environmental	164531	14/02/2019	1,839,616
R&D Revenue	164466	08/03/2019	524,677
Employment	164590	22/03/2019	1,000,000
R&D Revenue	164964	21/06/2019	800,000
Employment	165115	19/07/2019	607,800
R&D Revenue	165118	19/07/2019	596,389
R&D Revenue	165202	07/08/2019	549,926
Employment	165236	16/08/2019	1,102,500
Capital	165363	06/09/2019	590,000
Lean Transform	165361	06/09/2019	713,370
Innovation Partnerships	IP20190889	20/11/2019	649,750
R&D Revenue	166667	29/11/2019	2,871,763
R&D Revenue	166657	29/11/2019	508,799
R&D Revenue	166677	29/11/2019	2,843,847
Employment	166118	29/11/2019	500,288
R&D Revenue	166006	29/11/2019	657,098
R&D Revenue	167664	29/11/2019	557,799
R&D Revenue	167658	29/11/2019	887,740
R&D Revenue	166719	29/11/2019	828,833
R&D Revenue	166702	29/11/2019	1,237,139
R&D Revenue	166660	29/11/2019	1,180,423
R&D Revenue	166711	29/11/2019	1,329,450
R&D Revenue	166708	29/11/2019	1,043,650
R&D Revenue	166672	29/11/2019	679,060
R&D Revenue	166649	29/11/2019	1,831,506
R&D Revenue	166666	29/11/2019	697,343
R&D Revenue	166663	29/11/2019	719,199
R&D Revenue	166669	29/11/2019	1,726,475
Lean Transform	166071	05/12/2019	657,010

R&D Revenue	166170	13/12/2019	529,178
Employment	166013	13/12/2019	560,000
Capital	166485	18/12/2019	679,655
Employment	166492	18/12/2019	842,400
Capital	166762	18/12/2019	804,435
Capital	166765	18/12/2019	1,046,491
Employment	166497	18/12/2019	660,800
Capital	166548	18/12/2019	2,993,517
Capital	166467	18/12/2019	961,465
Employment	166545	18/12/2019	664,372
Employment	166487	18/12/2019	943,767
Capital	166596	18/12/2019	752,000
Capital	166767	18/12/2019	612,600
Capital	166556	18/12/2019	2,160,000
Capital	166495	18/12/2019	2,668,106
Employment	166589	18/12/2019	514,800
Capital	166520	18/12/2019	520,000
Capital	166490	18/12/2019	1,156,165
Capital	166515	18/12/2019	976,360
Capital	166591	18/12/2019	1,246,598
Employment	166517	18/12/2019	710,975
Capital	166510	18/12/2019	1,440,000
Capital	166505	18/12/2019	1,837,800
Capital	166500	18/12/2019	2,804,320
Capital	166473	18/12/2019	2,382,959
R&D Revenue	166052	24/12/2019	507,258
R&D Revenue	164146	16/01/2019	572,274
R&D Revenue	164419	06/03/2019	548,932
Employment	164684	20/03/2019	1,039,870
Pref Shares R & D	165291	06/09/2019	500,000
Capital Environmental	165786	11/09/2019	2,267,287
R&D Revenue	165880	06/11/2019	633,442
R&D Revenue	165972	15/11/2019	752,015
Lean Transform	166149	13/12/2019	506,379
R&D Revenue	164147	16/01/2019	541,674
R&D Revenue	166697	29/11/2019	3,463,625
R&D Revenue	166710	29/11/2019	904,286
R&D Revenue	166679	29/11/2019	2,355,875

<b>Between €5m - €20m</b>			
Capital	165365	21/06/2019	5,750,000
Seed & Venture	165808	21/06/2019	10,000,000
<b>Greater than €20m</b>			
None			

**New Current expenditure:**

<b>Reference</b>	<b>Project No</b>	<b>Approval Amount €</b>
<b>Between €0.5m - €5m</b>		
2015/024/00/02	Leadership 4 Growth - Education Services Contract 2019-2022	643,050
2019/015/00/00	Award of Media Buying Contract	1,061,090
2016/004/00/01	Awarding of GG4G contract 2 of 3 on single-party Framework agreement	1,130,229
2015/010/00/00	Single party framework for capability development supports for post-investment High Potential Start-Up clients.	854,415
2018/GOV/07/01	Creative and Digital Campaign Services - lot 1	1,530,318
2017/GOV/01/03	Media buying and strategic media advice to support the LEO "Making it Happen" campaign.	3,166,311
2016/022/00/00	The supply of commercially published Business Information /Market Research Databases available electronically	602,341
2016/014/00/00	Extension of contracts of three out of four providers of coordination services to the Mentor Network programme	749,500
2015/020/00/00	Multi-party framework agreement for provision of recruitment services	563,674
2013/044/00/02	Travel Management Framework Agreement	718,196
2016/017/01/00	Single Party Framework-Creative and Digital Services for Enterprise Ireland Marketing and Communications	1,207,530
2017/GOV/01/02	National Framework for Media Strategy, Planning and Buying Services	549,583
2019/NTD/18/00	East Point Land Charges 2019	2,289,113
2019/NTD/05/00	Rental and associated costs for the EI Shannon Office	1,600,133
2019/NTD/04/01	Enterprise Ireland Westpark Shannon 2019	1,793,022
2018/NTD/08/00	Core Annual Support & Maintenance 2019	861,882
2018/NTD/05/00	Oracle Annual Maintenance and Support Renewal 2019	605,979
2018/030/00/00	Single party framework for the provision of Outsourced Integrated Facility Management Services for Enterprise Ireland	1,234,800
2019/006/00/00	Establishment of a multi-party framework	500,000

<b>Between €5m - €20m</b>
None
<b>Greater than €20m</b>
None

## ii. Expenditure being incurred

### Capital Projects

<b>Client Offer</b>	<b>Project No</b>	<b>Payment Amount €</b>
<b>Between €0.5m - €5m</b>		
Innovative HPSU 2014-2020	165398	500,000
Company Development	157373	503,287
Company Expansions including R&D	155469	507,139
Regional Enterprise Development Fund 2017 – 2020	162106	524,688
Incubation Centres	159514	581,156
Regional Enterprise Development Fund 2017 – 2020	162160	591,875
Seed and Venture Capital Investment (2019-2024)	165767	667,931
Company Development	158478	671,517
Company Development	156597	676,800
Innovation Fund Ireland	150719	684,307
Company Development	159381	816,926
Seed & Venture Capital (2007 - 2012)	155052	892,945
Incubation Centres	159515	924,192
Company Development	157369	933,276
Seed & Venture Capital (2007 - 2012)	160994	946,075
Innovation Fund Ireland	156350	974,428
Company Expansions including R&D	154067	1,055,953
Company Development	160831	1,080,046
Seed & Venture Capital Fund 2013 - 2018	160936	1,132,884
Seed & Venture Capital Fund 2013 - 2018	158772	1,200,000

Seed & Venture Capital Fund 2013 - 2018	160215	1,251,045
Innovation Fund Ireland	153621	1,472,583
Innovation Fund Ireland	154635	1,547,639
Seed and Venture Capital Investment (2019-2024)	166080	1,554,246
Company Development	163561	1,560,746
Seed & Venture Capital Fund 2013 - 2018	156603	1,664,014
Company Development	161378	1,722,578
Development Capital Fund	155775	1,806,043
Company Development	163555	1,857,863
Seed & Venture Capital Fund 2013 - 2018	156757	1,937,410
Regional Enterprise Development Fund 2017 – 2020	162519	2,019,033
Seed & Venture Capital Fund 2013 - 2018	159932	2,534,952
Seed & Venture Capital Fund 2013 - 2018	163625	2,577,149
Seed & Venture Capital Fund 2013 - 2018	158382	2,934,736
Development Capital Fund	155154	3,224,513
Company Development	159805	3,487,999
Company Development	162826	3,498,654
Seed & Venture Capital Fund 2013 - 2018	160218	4,008,692
Company Development	162825	4,578,043
Seed & Venture Capital Fund 2013 - 2018	159463	4,789,095
<b>Between €5m - €20m</b>		
Development Capital Fund	155383	5,631,738
<b>Greater than €20m</b>		
None		

## Current Expenditure

Vendor Name	Contract Ref No.	Billed Amount €
<b>Between €0.5m - €5m</b>		
ACCENT FACILITIES SOLUTIONS LTD T/A ACCENT SOLUTIONS	2018/030/00/00	545,224
ATOMIC ADVERTISING LTD	2018/GOV/07/01	829,688
IESE UNIVERSIDAD DE NAVARRA	2015/024/00/02	611,597
MINDSHARE MEDIA IRELAND LTD	2017/GOV/01/03	646,937
MINDSHARE MEDIA IRELAND LTD	2019/015/00/00	684,481
EAST POINT DEVELOPMENT (TWO) LTD	Sole Supplier	2,690,625
<b>Between €5m - €20m</b>		
None		
<b>Greater than €20m</b>		
None		

### iii. Expenditure that has recently ended

#### Capital Projects

Project No.	Type	Project Last Payment Date	Payment Amount €
<b>Between €0.5m - €5m</b>			
159514	Capital	18/06/2019	2,311,988
156597	Capital	09/07/2019	676,800
155471	R&D Revenue	18/09/2019	840,409
164623	Pref Shares	24/09/2019	500,000
IP20150415	Innovation Partnerships	25/10/2019	668,565
160433	R&D Revenue	28/11/2019	554,211
161953	R&D Revenue	11/12/2019	526,000
164254	R&D Revenue	12/12/2019	610,206
163550	Capital Environmental	18/12/2019	3,257,889
165290	Pref Shares R & D	20/12/2019	500,000
<b>Between €5m - €20m</b>			
None			
<b>Greater than €20m</b>			
143255	Seed & Venture	25/04/2019	21,750,000

#### Current Expenditure

Supplier Name	Ref No.	Amount Paid €
<b>Between €0.5m - €5m</b>		
Mindshare Media Ireland Ltd (previously Group M t/a Culverbridge Ltd)	2017/GOV/01/01	4,918,020
Dell Products	2016/GOV/07/01-13	625,166
Ernst & Young	2015/GOV/05/01	502,375
The Continuous Learning Group, Inc. (CLG)	2015/027/00/00	1,949,816
<b>Between €5m - €20m</b>		
None		
<b>Greater than €20m</b>		
None		

## APPENDIX 2 IDA Ireland In-Depth Check and Inventory

IDA Internal Auditors sought details of all grant aid approvals for the period 2017 to 2019 in order to determine the population for the in-depth review. They were provided with a schedule showing all EU grant notifications for grants exceeding €500,000. The inventory prepared of grant aid approvals is considered to be commercially sensitive and is not published in this report. However, the information contained in the inventory was separately provided to the Internal Audit Unit in DETE for verification purposes.

The sample for review was selected randomly in compliance with the most recent version of the Public Spending Code guidelines for a 5% spot check. The sample covered grant categories from each of the three years from 2017 to 2019 and amounted to an average of 10% of total grant funding over this period. Details of the monetary value of the samples selected was provided to Internal Audit Unit in DETE for verification purposes. The sample of grants selected for this review had not been selected for review in prior years. The breakdown of the categories/years selected is as follows:

Grant Type	2017	2018	2019	Total
RD&I	1	2	2	5
Training	1	1	1	3
Capital	1	1	1	3
Employment	1	1	1	3
De Minimus <sup>14</sup>	-	-	1	1
<b>Total</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>15</b>

The annual review conducted by IDA Ireland's Internal Auditors confirmed full compliance with the obligations under the Public Spending Code. The controls evaluated were deemed to be adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met.

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<sup>14</sup> While the De Minimus grants are below €0.5 million and not required to be considered for a quality assurance review; as per the Public Spending Code, IDA's Internal Auditors selected a sample of one De Minimus grant to test operating effectiveness of internal controls on a sample of all grant types.

## APPENDIX 3 SFI In-Depth Check and Inventory

The 2019 Quality Assurance review in respect of Science Foundation Ireland was undertaken by staff in the Internal Audit Unit in DETE. As part of the Quality Assurance procedure, in-depth examination checks were conducted on projects that were completed during 2019.

IAU selected expenditure associated with the fit-out of SFI new headquarters for sampling; in addition to five individual grant payments. The total value of the cases selected amounted to €11.8 million or 7.84% of the total value of individual grant payments in excess of €500,000 in the year. A weighted sample was used for the in-depth examination of grant awards to ensure the sample contained Award Programmes that received a high level of funding as well as awards that received a lower level of funding, as follows:

Proposal ID	Payment amount in 2019	Project Lifetime Award	Programme	Grantee
N/A	€6.2 million	€7.1 million	Fitout costs for SFI new HQ	Various contractors
12/RC/2289	€5.2 million	€57.7 million	Phase 2 SFI Research Centre funding	National University of Ireland Galway
13/YI/12601	€106,464	€1 million	President of Ireland Awards	Trinity College Dublin
TRA/2011/15	€183,891	€0.5 million	Translational Research Awards	Health Research Board
18/RTE/03	€70,000	€0.6 million	SFI / RTE joint Initiative	RTE
15/BIAP/3185	(€19,102)	€0.5 million	Pfizer Biotherapeutics Innovation Award	Royal College of Surgeons in Ireland

Checks were conducted based on reports and other documentation relating to each award or expenditure value. This included access to proposals on the SFI Award Application and Tracking System as well as access to relevant internal documentation, as required.

<b>Grant Payments &amp; Commitments by Programme - 2018</b>		
SFI - 2019 Payments by Programme	Full list in Annual Report 2019 Page 90	€ 188,285,000
SFI – 2019 Grant Commitments by Programme	Full list in Annual Report 2019 Page 91	€ 448,510,000

Science Foundation Ireland's Annual Report 2019 can be accessed on its website.<sup>15</sup>

The Quality Assurance in-depth review conducted by DETE's Internal Audit Unit in respect of the SFI awards programmes concluded that Science Foundation Ireland complied with the requirements of the Public Spending Code.

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<sup>15</sup> <https://www.sfi.ie/research-news/publications/annual-reports>

## APPENDIX 4 EI Grant expenditure thresholds/approval limits

It should be noted that Enterprise Ireland functions, including 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 EI is provided for in legislation.
2. All administrative decisions of EI are made by either the Board of EI, 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).
3. All decisions by the EI 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.
5. The EI Board sign off on the Statement on Internal Control annually.
6. The C&AG audits the annual accounts of Enterprise Ireland annually.
7. EI produces an annual report which is laid before the Houses of the Oireachtas through the Minister for the Department of Enterprise, Trade and Employment, in line with its legislation and with public financial management guidelines and protocol.
8. Strong corporate governance practices and policies are in place and EI has been awarded the SWIFT 3000 standard for Corporate Governance since 2011.
9. EI Board and senior managers are generally aware of the statutory parameters within which their powers are exercised and may seek advice from EI'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. EI has the practice of evaluating its major funding schemes either using internal or external evaluators. A number of these evaluations have been published in recent years.

## 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 Management Approvals Committee (MAC)** - The MAC is a sub-committee of the Investment Committee.
- iv. 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, with a maximum grant of €15,000 per job.
- v. Funding for the Capital Investment Initiative is in the form of a capital grant. The minimum grant available is €20,000 and the maximum grant is €250,000.
- vi. Funding for the suite of Exploring Opportunities grants are funded up to a cumulative maximum of €150,000 for any one client over a 12 month rolling period.
- vii. **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.

### Line Management Approval Powers

The Board delegates to the Chief Executive, who may in turn delegate to; 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, Grant Applications or the Manager of the 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.

### Enterprise Ireland Board

Funding recommendations higher than the thresholds permitted at Committee level must be approved by the EI Board. In general, all cases where a proposed EI investment package exceeds €7.5 million (in cumulative funding) 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 > €1m) apply whereby grant approvals in relation to certain forms of Technology Acquisition Grants must be brought to the attention of Government.

## APPENDIX 5 IDA Grant expenditure thresholds/approval limits

### Controls Environment

The Board of IDA Ireland 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 IDA Ireland's 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.

IDA Ireland 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 revised 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 Grant Approval Limits**

IDA Ireland Board can approve grants over €900,000 up to €7.5 million. The grant amount of €7.5 million is defined as the aggregate of all previous grants approved within each grant type - not the aggregate of all grants approved for the company. For example, the Board can approve aggregate grants for RD&I up to €7.5 million before Government approval is needed. If there is a previous Government approval for aggregate RD&I grants greater than €7.5 million, then the previous approval turns the clock back to zero and additional RD&I grants can be approved up to another €7.5 million before Government approval is again needed.

In addition to the above limits, the total amount of monies to be paid in respect of the following; Capital grants; Grants for fixed assets leased; Employment and Shares cannot exceed €15 million in aggregate without obtaining Government approval.

To further strengthen its procedures, the Board established a Management Investment Committee, chaired by the Chief Executive Officer of IDA Ireland. 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 €900,000.

## APPENDIX 6 SFI Grant expenditure thresholds/approval limits

The following Thresholds approval limits are in place at Science Foundation Ireland for the purposes of approval of Capital Grant proposals.

**The SFI Executive Committee** has delegated power to approve project capital grant proposals up to the maximum levels of Direct Costs set out in the table below:

<b>Project Length</b>	<b>Maximum Level</b>
Over 60 months	€1,500,000
49- 60 months	€1,250,000
37 – 48 months	€1,000,000
25 – 36 months	€750,000
13 – 24 months	€500,000
Up to 12 months	€250,000

The SFI Board approves that the **SFI Grant Approval Committee** is delegated the power to approve research capital grant proposals for awards exceeding €1,500,000 and Direct Costs to a maximum level of €8,000,000.

The **SFI Board** approves all Capital grant proposals above the value of €8,000,000 for Direct Costs.

## APPENDIX 7 Checklists – Department and Agencies

Name of Body	Which checklists provided
Department of Enterprise, Trade and Employment	Checklist 1
Enterprise Ireland	Checklists 1 to 7
IDA Ireland	Checklists 1 to 7
SFI	Checklists 1 to 7

### Scoring Mechanism for checklists

	Self-Assessment Ratings	
	Scoring Mechanism	
A compliance rating of 1–3 is used	1	Scope for significant improvements
	2	Compliant but with some improvement necessary
	3	Broadly compliant

## Department of Enterprise, Trade and Employment – Checklist 1

To be completed in respect of general obligations not specific to individual projects / programmes.

	General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating 1 - 3	Discussion/Action Required
1.1	Does the Department ensure, on an ongoing basis, that appropriate people within the Department, and in its agencies, are aware of their requirements of the Public Spending Code (incl. through training)?	1	DETE's IAU attended a workshop on the revision of the PSC in July 2019 and a seminar titled 'Key Tools of the Revised Public Spending Code' in March 2020.  IAU made regular contact with DPER in regard to provision of training. DPER advised that they are working with on developing an online training programme on the Public Spending Code. DPER hope to introduce this in 2021.
1.2	Has internal training on the Public Spending Code been provided to relevant staff?	1	No. As set out above.
1.3	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	
1.4	Has the Department in its role as Sanctioning Authority satisfied itself that the agencies that it funds comply with the Public Spending Code?	3	Yes. This Quality Assurance Report is evidence of this work.
1.5	Have recommendations from previous Quality Assurance exercises (incl. old Spot-Checks) been disseminated, where appropriate, within the Department and to agencies?	n/a	No recommendations received in past three years from DPER.
1.6	Have recommendations from previous Quality Assurance exercises been acted upon?	n/a	No recommendations received in past three years from DPER.

1.7	Has an annual Public Spending Code Quality Assurance Report been submitted to and certified by the Department's Accounting Officer and published on the Department's website?	3	Yes, Quality Assurance Reports for the years 2013 – 2018 have been certified by DETE's Accounting Officer and published on DETE's website. This is the seventh such report.
1.8	Was the required sample of projects/programmes subjected to in-depth checking as per Step 4 of the QA process?	3	Yes, as outlined in the Quality Assurance Report and in the reports from the agencies.
1.9	Is there a process in place to plan for ex post evaluations?	3	Yes. See pages 6-8 of this report for Agency Programme Evaluations.
1.10	How many formal evaluations have been completed in the year under review? Have they been published in a timely manner?	3	Two noted in 2019, which were published in a timely manner.

## Enterprise Ireland – Checklist 1

### Checklist 1 – To be completed in respect of general obligations not specific to individual projects/programmes.

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	3	Yes – the Code may not be specifically mentioned but the requirements are.
1.2	Has internal training on the Public Spending Code been provided to relevant staff?	3	Internal training on the requirements have although the Code may not be specifically mentioned.
1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	3	Specific guidelines are available for all spending and comply with the Code.
1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	3	Grants are approved on the basis that funds provided constitute good value for money and the approval process is thorough.
1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	3	Yes. All findings are reported at the Audit and Risk Committee and actioned promptly.
1.6	Have recommendations from previous QA reports been acted upon?	3	Yes
1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Approving Authorities Accounting Officer and published on the Approving Authorities website?	N/A	Report submitted to DETE.
1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes
1.9	Is there a process in place to plan for ex post evaluations?	3	Yes

1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	3	Two formal evaluations were undertaken by DETE of Enterprise Ireland programme and supports during 2020. These were: Evaluation of RD&I Evaluation of DTIF. Both are due for publication before year end.
1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	3	Final reports presented to Management team of Enterprise Ireland. Actions are taken arising from these presentations.
1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	3	Recommendations from evaluations are built into ongoing reviews of programmes/supports.

## Enterprise Ireland – Checklist 2

**Checklist 2 – To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration in the year under review and prior to January 2020.**

	<b>Capital Expenditure being Considered – Appraisal and Approval</b>	<b>Self-Assessed Compliance Rating 1 - 3</b>	<b>Comment/Action Required</b>
2.1	Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes – capital projects are subjected to detailed preliminary appraisal and are reviewed for approval by the Investment Committee/Board.
2.2	Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Yes- robust appraisal is conducted for all capital projects guided by a detailed application form and proposal template.
2.3	Was a CBA/CEA completed for all projects exceeding €20m?	N/A	No projects exceeded a value of €20m.
2.4	Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	All capital projects are subject to an in-depth appraisal prior to approval.
2.5	Was an Approval in Principle granted by the Approving Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Yes – for all significant projects pre approval is required.
2.6	If a CBA/CEA was required was it submitted to the relevant Vote Section in DPER for their views?	N/A	No CBA/CEA required.
2.7	Were the NDFA consulted for projects costing more than €20m?	N/A	No projects exceeded a value of €20m.
2.8	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?	3	Yes
2.9	Was approval granted to proceed to tender?	3	Yes

2.10	Were procurement rules complied with?	3	Yes, all projects over €25k are procured with the guidance of our procurement team.
2.11	Were State Aid rules checked for all supports?	3	Yes – this is a standard part of the proposal and assessment process.
2.12	Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	3	Yes
2.13	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date?	3	Yes
2.14	Have steps been put in place to gather performance indicator data?	3	Yes – each project manager is responsible for gathering KPIs for their projects.

## Enterprise Ireland – Checklist 3

**Checklist 3 - To be completed in respect of new current expenditure proposals under consideration in the year under review.**

	Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
3.1	Were objectives clearly set out?	3	Yes
3.2	Are objectives measurable in quantitative terms?	3	Yes
3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	3	Yes
3.4	Was an appropriate appraisal method used?	3	Yes
3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	N/A	No such projects.
3.6	Did the business case include a section on piloting?	3	Where relevant.
3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	N/A	No such projects.
3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	3	Yes, where relevant.
3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	N/A	No project applicable.
3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	3	For larger projects this is standard.
3.11	Was the required approval granted?	3	Yes
3.12	Has a sunset clause been set?	3	Yes
3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	Yes
3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	3	Yes – this is standard in all tenders.
3.15	Have steps been put in place to gather performance indicator data?	3	Yes – each project manager ensures that KPIs are in place and appropriate data gathered.

## Enterprise Ireland – Checklist 4

**Checklist 4 – To be completed in respect of capital projects/programmes & capital grants schemes incurring expenditure in the year under review and prior to January 2020.**

	Incurring Capital Expenditure	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
4.1	Was a contract signed and was it in line with the Approval in Principle?	3	Yes – a signed Letter of Offer is required for all capital projects.
4.2	Did management boards/steering committees meet regularly as agreed?	3	Yes
4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3	Yes – a Development Advisor or dedicated program manager co-ordinates.
4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	Yes
4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes
4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Yes – time extensions are considered by committee and may be granted in exceptional circumstances.
4.7	Did budgets have to be adjusted?	3	No
4.8	Were decisions on changes to budgets / time schedules made promptly?	3	Yes
4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	3	No
4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	N/A	N/A
4.11	If costs increased was approval received from the Approving Authority?	N/A	Costs did not increase.
4.12	Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	N/A	No

## Enterprise Ireland – Checklist 5

**Checklist 5 - To be completed in respect of current expenditure programmes incurring expenditure (over €500k) in the year under review.**

	Incurring Current Expenditure	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
5.1	Are there clear objectives for all areas of current expenditure?	3	Yes
5.2	Are outputs well defined?	3	Yes
5.3	Are outputs quantified on a regular basis?	3	Yes
5.4	Is there a method for monitoring efficiency on an ongoing basis?	3	Yes
5.5	Are outcomes well defined?	3	Yes
5.6	Are outcomes quantified on a regular basis?	3	Yes, through regular meetings with Project Manager.
5.7	Are unit costings compiled for performance monitoring?	3	Yes, where relevant.
5.8	Are other data compiled to monitor performance?	3	Yes, where relevant.
5.9	Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes, mostly through formal scheduled reviews.
5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	3	Ongoing discussions with DETE and our policy team on schedules of evaluations and methodologies to be used.

## Enterprise Ireland – Checklist 6

**Checklist 6 - To be completed in respect of capital projects/programmes that completed during the year & capital grant schemes discontinued in the year under review and prior to January 2020.**

	Capital Expenditure Recently Completed	Self-Assessed Compliance Rating 1 - 3	Comment/Action Required
6.1	How many post project reviews were completed in the year under review?	3	The capital projects are all grant related with the exception of one Seed and Venture Capital Contract. Grant Projects are reviewed as standard before payment. Seed & Venture Capital reviews are presented to the Board of EI.
6.2	Was a post project review completed for all projects/programmes exceeding €20m?	N/A	None
6.3	Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?	N/A	None
6.4	Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% of all other projects adhered to?	3	Yes
6.5	If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	N/A	All complete.
6.6	Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Approving Authority? (Or other relevant bodies)	3	Yes – DETE is represented on the EI Board for Seed & Venture Capital reviews and large grant project reviews.
6.7	Were changes made to practices in light of lessons learned from post-project reviews?	3	Yes – where relevant.
6.8	Were project reviews carried out by staffing resources independent of project implementation?	3	Yes

## Enterprise Ireland – Checklist 7

**Checklist 7 - To be completed in respect of current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued.**

	<b>Current Expenditure that (i) reached the end of its planned timeframe or (ii) was discontinued</b>	<b>Self-Assessed Compliance Rating 1 - 3</b>	<b>Comment/Action Required</b>
7.1	Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	2	It is standard practice for the contract manager to review the effectiveness of their contract when it is complete. These reviews are not always documented.
7.2	Did those reviews reach conclusions on whether the programmes were efficient?	3	Yes
7.3	Did those reviews reach conclusions on whether the programmes were effective?	3	Yes
7.4	Have the conclusions reached been taken into account in related areas of expenditure?	3	Yes
7.5	Were any programmes discontinued following a review of a current expenditure programme?	N/A	No – there is a continuing need for the services provided.
7.6	Were reviews carried out by staffing resources independent of project implementation?	2	No – this would be standard practice for some contracts but not all e.g. Internal Audit outsourcing would be reviewed by the CFO with the program manager.
7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	3	Yes, the learnings would be built into the tenders for subsequent contracts. In all cases the contracts are for continuing services.

## IDA Ireland – Checklist 1

To be completed in respect of general obligations not specific to individual projects/programmes.

	General Obligations not specific to individual projects/programmes	Self-Assessed Compliance Rating: 1–3	Comment/Action Required
1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	2	All appropriate people are aware – The CFO, Compliance manager and the Secretary to the Board.
1.2	Has internal training on the Public Spending Code been provided to relevant staff?	1	No, but DETE are making enquiries with DPER regarding the provision of such training in 2021.
1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	3	Yes – as it applies to relevant capital grant awards.
1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	N/A	IDA Ireland is not an Approving Authority.
1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	3	Yes.
1.6	Have recommendations from previous QA reports been acted upon?	3	Yes.
1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Approving Authorities Accounting Officer and published on the Approving Authorities website?	N/A	IDA Ireland is not an Approving Authority.
1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	Yes – a sample of at least 5% was subjected to in-depth checking in 2019.
1.9	Is there a process in place to plan for ex post evaluations?	N/A	
1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	N/A	
1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	N/A	
1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	N/A	

## IDA Ireland – Checklist 2

To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration in the year under review and prior to January 2020.

	Capital Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
2.1	Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes – all grant approvals >5M go to the Management Investment Committee and the Board.
2.2	Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	See above.
2.3	Was a CBA/CEA completed for all projects exceeding €20m?	N/A	No projects in excess of €20M.
2.4	Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes – see above.
2.5	Was an Approval in Principle granted by the Approving Authority for all projects before they entered the planning and design phase (e.g. procurement)?	N/A	Not an Approving Authority.
2.6	If a CBA/CEA was required was it submitted to the relevant Vote Section in DPER for their views?	N/A	No projects in excess of €20M.
2.7	Were the NDFA consulted for projects costing more than €20m?	N/A	No projects in excess of €20M.
2.8	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	Checklist relates to grant approvals.
2.9	Was approval granted to proceed to tender?	N/A	Same as above.
2.10	Were procurement rules complied with?	N/A	Same as above.
2.11	Were State Aid rules checked for all supports?	3	Yes
2.12	Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	N/A	
2.13	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date?	3	Yes – set out in grant agreement with grantee.
2.14	Have steps been put in place to gather performance indicator data?	3	Yes

### IDA Ireland – Checklist 3

To be completed in respect of new current expenditure under consideration in the year of review.

	Current Expenditure being considered - Appraisal and Approval	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
3.1	Were objectives clearly set out?	3	Yes, in Invitation to tender (ITT).
3.2	Are objectives measurable in quantitative terms?	3	Yes
3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	N/A	Payments in accordance with budget approved by Executive Committee/Board.
3.4	Was an appropriate appraisal method used?	3	All valid tenders received are reviewed by an evaluation panel and scored on the pre-defined evaluation criteria included in the ITT.
3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	N/A	There are no current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.6	Did the business case include a section on piloting?	N/A	There are no current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	N/A	There are no current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	N/A	There are no current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	N/A	There are no current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.

3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	N/A	There are no current expenditure projects/programmes exceeding €20m or with an annual spend of €5m over 4 years.
3.11	Was the required approval granted?	3	Yes – approved at appropriate IDA Committee/Board.
3.12	Has a sunset clause been set?	N/A	Contracts for goods and services are for a specified period.
3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	Yes
3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	3	Yes – set out in signed contract.
3.15	Have steps been put in place to gather performance indicator data?	3	Many contracts extending for more than 12 months include a performance review clause.

## IDA Ireland - Checklist 4

To be completed in respect of capital projects/programmes & capital grants schemes incurring expenditure in the year under review and prior to January 2020.

	Incurring Capital Expenditure	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
4.1	Was a contract signed and was it in line with the Approval in Principle?	3	Yes.
4.2	Did management boards/steering committees meet regularly as agreed?	3	The Global HQ Fit out project was reviewed regularly at both the Executive Committee and the Board.  This is not relevant to grant payments as these are paid in arrears.
4.3	Were programme co-ordinators appointed to co-ordinate implementation?	3	A Global HQ Project Manager was appointed to co-ordinate the implementation of the project. This role reported to the Executive Committee and IDA Ireland Board.
4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	The Global HQ Project Manager role with responsibility for delivery of the Global HQ project was PO level.
4.5	Were monitoring reports prepared regularly, showing implementation against plan, budget, timescales and quality?	3	Yes – these were prepared and circulated to the Executive Committee and Board.
4.6	Did projects/programmes/grant schemes keep within their financial budget and time schedule?	3	Yes

4.7	Did budgets have to be adjusted?	3	There was no increased adjustment any at stage to the initial budgetary ask for the Global HQ Project. Any adjustments that occurred during the lifecycle of the project reflected revised downward budgetary forecasts across key budgetary line items e.g. fit out, IT, professional services etc. The Global HQ project was delivered within budget.
4.8	Were decisions on changes to budgets / time schedules made promptly?	3	Yes, there were monthly and quarterly updates to the Property Committee of the Board and the Board of IDA respectively on the project programme (timelines) and budgets.
4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	3	No
4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	N/A	
4.11	If costs increased was approval received from the Approving Authority?	N/A	
4.12	Were any projects/programmes/grant schemes terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment?	3	No projects, programmes or grant schemes were terminated because of deviations from the plan, the budget or because circumstances in the environment changed the need for the investment.

## IDA Ireland – Checklist 5

To be completed in respect of current expenditure (over €500k) programmes incurring expenditure in the year under review.

	Incurring Current Expenditure	Self-Assessed Compliance Rating: 1 -3	Comment/Action Required
5.1	Are there clear objectives for all areas of current expenditure?	3	Yes. All expenditure >€500k is approved at the appropriate IDA Committee. The Committee document sets out clear objectives. In advance of this the budget is approved at the appropriate level.
5.2	Are outputs well defined?	3	Yes
5.3	Are outputs quantified on a regular basis?	3	Yes, where appropriate.
5.4	Is there a method for monitoring efficiency on an ongoing basis?	3	Yes, including performance reviews where appropriate.
5.5	Are outcomes well defined?	3	Yes, in the contract.
5.6	Are outcomes quantified on a regular basis?	3	Yes, in the contract
5.7	Are unit costings compiled for performance monitoring?	N/A	
5.8	Are other data compiled to monitor performance?	N/A	
5.9	Is there a method for monitoring effectiveness on an ongoing basis?	3	Yes including performance reviews, where appropriate.
5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	N/A	

## IDA Ireland - Checklist 6

To be completed in respect of capital projects/programmes that completed during the year & capital grant schemes discontinued in the year under review and prior to January 2020.

	Capital Expenditure Completed	Self-Assessed Compliance Rating: 1 - 3	Comment/Action Required
6.1	How many post project reviews were completed in the year under review?	N/A	No capital projects or programmes were discontinued in 2019.
6.2	Was a post project review completed for all projects/programmes exceeding €20m?	N/A	There were no projects/programmes exceeding €20m completed.
6.3	Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?	N/A	No capital grant schemes were completed/ discontinued where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?
6.4	Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% of all other projects adhered to?	N/A	No capital grant schemes or projects were completed or discontinued.
6.5	If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	N/A	No capital grant schemes or projects were completed or discontinued.
6.6	Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Approving Authority? (Or other relevant bodies)	N/A	No capital grant schemes or projects were completed or discontinued.
6.7	Were changes made to practices in light of lessons learned from post-project reviews?	N/A	No capital grant schemes or projects were completed or discontinued.
6.8	Were project reviews carried out by staffing resources independent of project implementation?	N/A	No capital grant schemes or projects were completed or discontinued.

## IDA Ireland - Checklist 7

To be completed in respect of current expenditure programmes that reached the end of their planned timeframe during the year or were discontinued.

	<b>Current Expenditure that (i) reached the end of its planned timeframe or (ii) Was discontinued</b>	<b>Self-Assessed Compliance Rating: 1 - 3</b>	<b>Comment/Action Required</b>
7.1	Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	N/A	No current expenditure programmes reached the end of their planned timeframe during the year or were discontinued.
7.2	Did those reviews reach conclusions on whether the programmes were efficient?	N/A	
7.3	Did those reviews reach conclusions on whether the programmes were effective?	N/A	
7.4	Have the conclusions reached been taken into account in related areas of expenditure?	N/A	
7.5	Were any programmes discontinued following a review of a current expenditure programme?	N/A	
7.6	Were reviews carried out by staffing resources independent of project implementation?	N/A	
7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	N/A	

## Science Foundation Ireland – Checklist 1

To be completed in respect of general obligations not specific to individual projects/programmes.

	General Obligations not specific to individual projects/programmes.	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 1.1	Does the organisation ensure, on an ongoing basis, that appropriate people within the organisation and its agencies are aware of their requirements under the Public Spending Code (incl. through training)?	n/a	It was not deemed necessary due to the type of capital expenditure at SFI i.e. Capital grants.
Q 1.2	Has internal training on the Public Spending Code been provided to relevant staff?	n/a	It was not deemed necessary due to the type of capital expenditure at SFI i.e. Capital grants.
Q 1.3	Has the Public Spending Code been adapted for the type of project/programme that your organisation is responsible for, i.e., have adapted sectoral guidelines been developed?	n/a	SFI has introduced detailed procedures for the whole life cycle of grant awards covered by its Standard Operating Procedures.
Q 1.4	Has the organisation in its role as Approving Authority satisfied itself that agencies that it funds comply with the Public Spending Code?	n/a	
Q 1.5	Have recommendations from previous QA reports (incl. spot checks) been disseminated, where appropriate, within the organisation and to agencies?	n/a	No recommendations from prior reports.
Q 1.6	Have recommendations from previous QA reports been acted upon?	n/a	No recommendations from prior years.
Q 1.7	Has an annual Public Spending Code QA report been submitted to and certified by the Approving Authorities, Accounting Officer and published on the Approving Authorities website?	n/a	Conducted by DETE.
Q 1.8	Was the required sample of projects/programmes subjected to in-depth checking as per step 4 of the QAP?	3	IAU in DETE carry out this exercise in respect of SFI.
Q 1.9	Is there a process in place to plan for ex post evaluations?	n/a	No ex post evaluations for grants – only research centres, as appropriate.
Q 1.10	How many formal evaluations were completed in the year under review? Have they been published in a timely manner?	n/a	
Q 1.11	Is there a process in place to follow up on the recommendations of previous evaluations?	n/a	
Q 1.12	How have the recommendations of reviews and ex post evaluations informed resource allocation decisions?	n/a	No ex post evaluations for grants – only research centres, as appropriate.

## Science Foundation Ireland – Checklist 2

To be completed in respect of capital projects/programmes & capital grant schemes that were under consideration in the year under review and prior to January 2020.

	Capital Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 2.1	Was a preliminary appraisal undertaken for all projects > €5m?	3	Yes, covered by external peer review process and internal/Board sign-off - Documented in the Standard Operating Procedures for SFI.
Q 2.2	Was an appropriate appraisal method used in respect of capital projects or capital programmes/grant schemes?	3	Each grant scheme application is reviewed by Expert Peer review prior to Approval/Declination of the Application.
Q 2.3	Was a CBA/CEA completed for all projects exceeding €20m?	3	All research proposals are externally peer reviewed and there is a stringent evaluation process – including for the large Research Centre awards which would exceed €20m.
Q 2.4	Was the appraisal process commenced at an early stage to facilitate decision making? (i.e. prior to the decision)	3	Yes see 2.3 All research Proposals are approved by Executive Committee or Board as appropriate.
Q 2.5	Was an Approval in Principle granted by the Approving Authority for all projects before they entered the planning and design phase (e.g. procurement)?	3	Yes, covered by approval of annual grants budget.
Q 2.6	If a CBA/CEA was required was it submitted to the relevant Vote Section in DPER for their views?	n/a	
Q 2.7	Were the NDFA consulted for projects costing more than €20m?	n/a	
Q 2.8	Were all projects that went forward for tender in line with the Approval in Principle and if not	n/a	The tender process referred to in Q2.8 is not applicable for the

	was the detailed appraisal revisited and a fresh Approval in Principle granted?		research grants awarded by SFI.
Q 2.9	Was approval granted to proceed to tender?	n/a	
Q 2.10	Were procurement rules complied with?	n/a	
Q 2.11	Were State Aid rules checked for all supports?	1	While SFI has clauses in all letters of Offer for industry related awards stating the need to comply with State Aid rules; detailed checklists had not been prepared on a project basis. However, SFI has started to develop checklists for all awards issued with potential state Aid and follow up checklists once the collaborations with industry are up and running. State Aid checklists will be completed where appropriate once industry collaboration agreements have been signed.
Q 2.12	Were the tenders received in line with the Approval in Principle in terms of cost and what is expected to be delivered?	n/a	
Q 2.13	Were performance indicators specified for each project/programme which will allow for a robust evaluation at a later date?	n/a	Each year Annual Scientific Reports are submitted to SFI and twice yearly Financial reports are submitted to SFI.
Q 2.14	Have steps been put in place to gather performance indicator data?	n/a	See above.

### Science Foundation Ireland – Checklist 3

To be completed in respect of new current expenditure under consideration in the year under review.

	Current Expenditure being Considered – Appraisal and Approval	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 3.1	Were objectives clearly set out?	3	Yes – covered in annual approved non-payroll budget /allocation.
Q 3.2	Are objectives measurable in quantitative terms?	3	For each year's budget process each department seeking budget approval for non-payroll current expenditure prepares a justification/business case for large projects. All approvals in excess of €50,000 must be approved by the Executive Committee.
Q 3.3	Was a business case, incorporating financial and economic appraisal, prepared for new current expenditure proposals?	n/a	There were no Business cases prepared in 2019 for large current expenditure proposals.
Q 3.4	Was an appropriate appraisal method used?	n/a	
Q 3.5	Was an economic appraisal completed for all projects/programmes exceeding €20m or an annual spend of €5m over 4 years?	n/a	
Q 3.6	Did the business case include a section on piloting?	n/a	
Q 3.7	Were pilots undertaken for new current spending proposals involving total expenditure of at least €20m over the proposed duration of the programme and a minimum annual expenditure of €5m?	n/a	
Q 3.8	Have the methodology and data collection requirements for the pilot been agreed at the outset of the scheme?	n/a	
Q 3.9	Was the pilot formally evaluated and submitted for approval to the relevant Vote Section in DPER?	n/a	
Q 3.10	Has an assessment of likely demand for the new scheme/scheme extension been estimated based on empirical evidence?	n/a	

Q 3.11	Was the required approval granted?	n/a	
Q 3.12	Has a sunset clause been set?	n/a	
Q 3.13	If outsourcing was involved were both EU and National procurement rules complied with?	3	SFI comply with the OGP framework procedures / use eTenders for large procurements.
Q 3.14	Were performance indicators specified for each new current expenditure proposal or expansion of existing current expenditure programme which will allow for a robust evaluation at a later date?	n/a	
Q 3.15	Have steps been put in place to gather performance indicator data?	n/a	

## Science Foundation Ireland – Checklist 4

To be completed in respect of capital projects/programmes & capital grants schemes incurring expenditure in the year under review and prior to January 2020.

	Incurring Capital Expenditure	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 4.1	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.
Q 4.2	Did management boards/steering committees meet regularly as agreed?	3	All awards made are approved by the SFI Executive. SFI Board approves awards > €20m.
Q 4.3	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 RB and the awards “go Live.”
Q 4.4	Were project managers, responsible for delivery, appointed and were the project managers at a suitably senior level for the scale of the project?	3	All awards have SFI Scientific Programme Managers assigned to each award.
Q 4.5	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.
Q 4.6	Did projects/programmes/grant schemes keep within their financial budget and 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).
Q 4.7	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.

Q 4.8	Were decisions on changes to budgets / time schedules made promptly?	3	Yes
Q 4.9	Did circumstances ever warrant questioning the viability of the project/programme/grant scheme and the business case incl. CBA/CEA? (exceeding budget, lack of progress, changes in the environment, new evidence, etc.)	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 could be made to terminate the award.
Q 4.10	If circumstances did warrant questioning the viability of a project/programme/grant scheme was the project subjected to adequate examination?	3	Yes, see above.
Q 4.11	If costs increased was approval received from the Approving Authority?	n/a	The original approved amount for an award cannot be exceeded. 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.
Q 4.12	Were any projects/programmes/grant schemes 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 e.g. if the Investigator left the country – which has not happened frequently to date in SFI.

## Science Foundation Ireland – Checklist 5

To be completed in respect of current expenditure programmes incurring expenditure in the year under review.

	Incurring Current Expenditure	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 5.1	Are there clear objectives for all areas of current expenditure?	3	Yes, they would be set out as part of the approval process – memo to individual Director or to the Executive committee depending on level of expenditure. All expenditure requests > €50k are approved by the Executive Committee.
Q 5.2	Are outputs well defined?	3	Yes, as part of the approval process see Q5.1 above.
Q 5.3	Are outputs quantified on a regular basis?	3	The heads of departments would regularly review the outputs of the service received and would deal directly with the supplier of that service.
Q 5.4	Is there a method for monitoring efficiency on an ongoing basis?	3	Monthly management accounts are maintained by SFI – variances are explained and distributed to the Executive & Board.
Q 5.5	Are outcomes well defined?	3	Yes, reports on meetings held and emails between Finance and Heads of Department.
Q 5.6	Are outcomes quantified on a regular basis?	3	On a monthly basis.
Q 5.7	Are unit costings compiled for performance monitoring?	n/a	
Q 5.8	Are other data compiled to monitor performance?	n/a	
Q 5.9	Is there a method for monitoring effectiveness on an ongoing basis?	3	Monthly management accounts with report on ytd budget variances to Executive.
Q 5.10	Has the organisation engaged in any other 'evaluation proofing' of programmes/projects?	3	The Strategy Department has from time to time initiated external reviews of specific programmes i.e. last review undertaken of the SFI Discover Programme was undertaken in 2018.

## Science Foundation Ireland – Checklist 6

To be completed in respect of capital projects/programmes that completed during the year & capital grant schemes discontinued in the year under review and prior to January 2020.

	Capital Expenditure Recently Completed	Self-Assessed Compliance Rating 1 – 3	Comment/Action Required
Q 6.1	How many post project reviews were completed in the year under review?	3	A Post Audit / Year 6 review was undertaken in 2019 for the 2012 Research Centres which expired in 2019.
Q 6.2	Was a post project review completed for all projects/programmes exceeding €20m?	3	Yes, Research Centres 6 year evaluation reviews happened in 2019.
Q 6.3	Was a post project review completed for all capital grant schemes where the scheme both (1) had an annual value in excess of €30m and (2) where scheme duration was five years or more?	3	Yes, Research Centres 6 year evaluation reviews happened in 2019.
Q 6.4	Aside from projects over €20m and grant schemes over €30m, was the requirement to review 5% of all other projects adhered to?	3	Site visits are carried out for all multi-year awards once during the life of the award. We do not undertake post project review for these individual awards.
Q 6.5	If sufficient time has not elapsed to allow for a proper assessment, has a post project review been scheduled for a future date?	n/a	
Q 6.6	Were lessons learned from post-project reviews disseminated within the Sponsoring Agency and to the Approving Authority? (Or other relevant bodies)	3	<p>During the closeout of any set of reviews (project), we conduct a lessons learnt session whereby we identify improvements that can be incorporated into future Centre review processes.</p> <p>We also solicit feedback from the experts that participate on our panels and their comments also feed into the lessons learnt session.</p>

Q 6.7	Were changes made to practices in light of lessons learned from post-project reviews?	3	We take on board suggested improvements following a cycle of site reviews for the 2012 Research Centres - An example of a key change to a review process made following a set of reviews was that the 4 year site reviews of the 2013 Research Centres were extended by 1 day such that the reviews took place over 3 days. The extension facilitates the completion of the consensus report by the panel while together on site on the third day.
Q 6.8	Were project reviews carried out by staffing resources independent of project implementation?	3	All post project reviews were carried out by external expert reviewers in the research area who were all based overseas.

## Science Foundation Ireland – Checklist 7

To be completed in respect of 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
Q 7.1	Were reviews carried out of current expenditure programmes that matured during the year or were discontinued?	n/a	Most of the current expenditure in SFI relates to either Programmes Management costs which happen every year or for IT or accommodation costs which are contracted for. SFI cannot identify major current expenditure programmes that were discontinued during the year.
Q 7.2	Did those reviews reach conclusions on whether the programmes were efficient?	n/a	
Q 7.3	Did those reviews reach conclusions on whether the programmes were effective?	n/a	
Q 7.4	Have the conclusions reached been taken into account in related areas of expenditure?	n/a	
Q 7.5	Were any programmes discontinued following a review of a current expenditure programme?	n/a	
Q 7.6	Were reviews carried out by staffing resources independent of project implementation?	n/a	
Q 7.7	Were changes made to the organisation's practices in light of lessons learned from reviews?	n/a	