



City of Cork Vocational Education Committee

Opening Statement to the Public Accounts Committee

Thursday 09 February, 2012

I am not proud to be present here today. The City of Cork VEC takes pride in conducting its business to the highest ethical, reporting and accounting standards and its compliance with the regulatory and statutory requirements applicable to a public body. In this instance the VEC failed to live up to these standards.

However, I take particular solace from the concluding remark in the C&AG's Report "*A positive feature of the events is that once the matters came to light the governance organs took appropriate steps to investigate and began a process to address the shortcomings.*"

Enrolment Issues:

The misreporting of enrolment figures were identified following an investigation by the VEC executive. The VEC Audit Committee, the Department of Education and Skills, the Internal Auditor, the Office of the Comptroller and Auditor General were all informed of the inaccurate returns by the VEC executive.

As CEO I deeply regret this situation occurred. I am fully aware that the allocation of teaching resources and funding is dependent on accurate and timely returns. The VEC has had a reduction in its teacher allocation imposed by the Department, and an attendant reduction in the financial allocation to the scheme that reflects the over-reporting identified by the VEC's investigation and the CAG's audit of the returns.

Steps have been taken to ensure the accuracy of the returns in future. Amongst other steps taken, the VEC has developed and implemented an online application and enrolment management system for its three main PLC colleges. It has introduced spot checks to ensure that the computerised return corresponds with roll book entries and the reality on the ground.

Procurement Issues:

The procurement problem was highlighted by the Internal Auditor and investigated by him, in conjunction with senior VEC staff. The City of Cork VEC places considerable emphasis on compliance with regulations and has always given the utmost cooperation to Internal and C&AG Auditors to ensure that it maintains high standards of financial propriety and regulation.

The investigations brought to light weaknesses in the systems, reinforcing the need for vigilance and strict compliance with procurement regulations. The Committee has taken steps to ensure that there will not be a re-occurrence. It has continued with the development of its online Purchase Order System and is insisting that all orders, invoices, payments and receipts are made using this electronic system.

As the C&AG has recorded, the VEC took appropriate disciplinary action in respect of the matters in his report. It was one of the first times that disciplinary action was taken against the staff of any VEC under Circular Letter 59/2009.

I now place myself at the Committee's disposal to answer any questions you might have.

T. Owens

Chief Executive Officer

02 February, 2012