

Board of Management Audit Committee

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Primary Contact	BDO
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Action	For Discussion and Decision

Recommendations

The Committee is asked to consider and discuss the attached report.

City of Glasgow College

MANAGEMENT LETTER

FES Return Audit 2015/16



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REPORT STATUS	
Auditors:	Zahid Hanif
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DISTRIBUTION LIST	
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Audit Committee	

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INTRODUCTION, AUDIT APPROACH AND SCOPE

1. Introduction

- 1.1 A review of the College's FES (further education statistical) data return has been carried out in accordance with the 'Credit Guidance: 2015-16 student activity data guidance for colleges' (SFC/GD/03/2015) issued in May 2015 and the audit guidance for colleges (SFC/GD/16/2016) issued on 12 August 2016.
- 1.2 Our report is based on information supplied by college management and staff and the audit approach outlined below.

2. Audit Approach and Scope

- 2.1 We assessed the overall control environment by considering whether:

- the student data returns have been compiled in accordance with all relevant guidance;
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- the FES return contains no material misstatement.

- 2.2 The purpose of the review was to examine the adequacy of the sub-systems used by the College in relation to the Credit Guidance, the audit guidance and associated guidance to complete the student data returns.

The assessment of the control environment as outlined above was used to determine specific tests and sample sizes.

Our review also sought to address all the risk areas outlined in Annex D of the audit guidance issued on 12 August 2016.

- 2.3 Our fieldwork, which took 8 days to complete, was undertaken by a qualified senior manager and was reviewed by the Director responsible for the assignment. All personnel have previous experience of delivering internal audit assignments to FE Colleges.
- 2.4 Our test samples were selected from full population data sets and were representative of the area under review e.g. sampling across all key modes of attendance.

AUDIT TESTS

A summary of the specific tests, together with sample sizes which were randomly selected, are as follows:

- We reviewed class lists for 20 courses ensuring that all students had in fact attended after the 25% required date (518 students in total).
- A sample of 20 courses, totalling 9,002 Credits (greater 5% of total Credits), was randomly selected based on an initial review of courses by Dominant Programme Group (DPG). The programme codes, the dominant group numbers, and the number of students enrolled on class registers were checked to supporting documentation for reasonableness and accuracy. We also recalculated the individual Credits for each of the 20 courses and agreed the 25% required date as accurate.
- For a range of tests, we traced our sample of students to an enrolment form (or student summary record) to confirm the Credits figure attributable was to a bona fide student of the College.
- We reviewed a sample of 15 withdrawn students to confirm that, for each student, their withdrawal was completed correctly and in a timely manner and that the date of last attendance agreed to the class register. No exceptions were noted. Also, as this was an area where we had previously identified a control weakness in our testing of the 2014/15 SUMs return, (where we found that the date of last attendance on enquirer did not agree with the date of last attendance on the student records system) additional testing was carried out to ensure controls around the recording of student withdrawal dates matched on both systems. No issues were noted.
- We confirmed and reviewed the process in place for Programme design within the College to ensure that controls were operating to correctly classify courses as HE or FE and whether they were FT or PT. We also reviewed a sample of courses to ensure that the correct DPG had been used for each course.
- We reviewed a sample of 15 students (2% of total) qualifying for Extended Learning Support (ELS). Tests were carried out to confirm that none of the programmes have Dominant Group 18 status, and that Personal Learning Support Plans are maintained for all students classified as ELS. In addition, we confirmed that all students attended beyond the required date.
- We reviewed a sample of 11 DPG 18 courses (10% of total) and confirmed that Personal Learning Support Plans were maintained at course level for all students included on these courses and that the students had not been classified as ELS. We also confirmed that all students attended beyond the required date.

AUDIT TESTS (cont'd)

- We reviewed, in full, courses which spanned the academic year to confirm the College had deferred until next year all Credits for courses spanning 2015/16 to 2016/17.
- We identified that there were 15 ECDL courses undertaken during 2015/16 (for which Credits were claimed). We tested 2 courses (10% of total) and confirmed Credits had been calculated correctly and that they did not exceed the maximum allowable Credits for ECDL-related provision.
- We reviewed a sample of 9 Infill students (5% of total) to confirm that Credits were only claimed for students that had attended past the required date, were properly enrolled and were eligible to claim Credits under Infill.
- We reviewed a sample of 15 Infill students (1% of total Infill students where a completed fee waiver form is required) to ensure that a College fee waiver form was completed and authorised and appropriately backed up by supporting documentation. We also tested to confirm a student summary record and evidence of attendance existed (past the required date) and that students were enrolled on eligible courses. We also tested the Credits data to confirm that only one FT fee is recorded per student in the academic year.
- We reviewed the procedures in place which ensure that Credits claimed for additional part-time related study were justified. For a sample of students (with high Credit claims) we obtained explanations for their additional study. We confirmed that only one FT course had been claimed for these students and in all cases the explanations obtained for the additional study were reasonable and justified.
- We reviewed a sample of 15 part time students to assess their eligibility. This was done by tracing to an enrolment form (or student summary record). We also agreed our sample to class registers to confirm that these students also passed the 25% required date.
- We reviewed a sample of 11 ESOL courses (10% of total) to confirm that the Credits claimed were accurate. We then selected 1 student from each course to confirm that the student was properly enrolled in the college and attended past the required date.
- We discussed with College personnel to establish whether any collaborative provision had been undertaken by the College during 2015/16. We confirmed that there were no collaborative programmes during the current audit period.

AUDIT TESTS (cont'd)

- We identified that there were 14 open / distance learning courses delivered during the year that attracted Credits. We tested a sample of 3 courses (20% of total) and confirmed that a mechanism was in place to track and record student participation and progress on these courses. We also confirmed Credits had been correctly calculated for these courses and that a student summary record was in place for all enrolled students.
- We reviewed administration procedures in place for managing European Social Fund (ESF) claims. For a sample of 10 ESF students we confirmed that they had met the relevant eligibility criteria, an enrolment and participant form had been completed, and a process was in place to track student destination at the 4-week and 6-week points. We also obtained BACS evidence to confirm funds had been correctly disbursed to students.

We have made no recommendations in this year's audit. We can also confirm that there were no adjusted errors as a result of our review.

ANALYTICAL REVIEW

A brief summary of the analytical review work undertaken is as follows:

- We compared the student numbers per mode of attendance with prior years, investigating any significant fluctuations with College staff; and
- We obtained the fee waiver figures per category of fee waiver and compared these with previous year's figures, investigating any significant fluctuations with College staff.

Note: Due to the reporting change from SUMs to Credits it was not possible to carry out a meaningful analytical review of Credits per DPG for 2015/16.

ANALYTICAL REVIEW(cont'd)

The final 2015/16 FES return submitted to SFC by the College matched the figures we reviewed. The College's Credits (excl. ELS and ESF related activity) target set by SFC was **164,595**. Actual Credits included within the College's FES return are **165,886**, which is (0.78%) over the target.

<i>Fundable Student Headcounts</i>			
<i>Student Numbers</i>	<i>2015/16</i>	<i>2014/15</i>	<i>2013/14</i>
<i>Head Count</i>			
HEFT	6,239	5,783	5,689
HEPT	734	741	700
FEFT	2,600	2,396	2,365
FEPT	<u>5,753</u>	<u>4,452</u>	<u>4,672</u>
	<u>15,326</u>	<u>13,372</u>	<u>13,426</u>

Fundable student numbers have increased by 1,954 in comparison with last year. The main area of increase is within the further education part-time category (interestingly, this area showed the greatest decrease last year). The primary reason for the fluctuation is due to changes in courses offered by the College.

ANALYTICAL REVIEW (cont'd)

All Student Enrolments			
Student Numbers	2015/16	2014/15	2013/14
<i>Enrolments</i>			
HEFT	6,761	6,348	6,270
HEPT	3,185	2,996	3,097
FEFT	2,667	2,450	2,505
FEPT	<u>15,999</u>	<u>12,872</u>	<u>13,831</u>
	<u>28,612</u>	<u>24,666</u>	<u>25,703</u>

There has been an increase of approximately 16% in the number of student enrolments during the year which is mainly due to the rise in the number of part-time courses offered as a result of a review of the course curriculum.

ANALYTICAL REVIEW (cont'd)

Fee Waiver Claim	2015/16 (£)	2014/15 (£)	2013/14 (£)
Full time non advanced	2,219,616	1,952,496	2,029,104
Income support	50,788	50,188	80,687
Low income with no benefits	239,230	276,859	329,540
Island Authority fee waiver	0	0	0
Cost borne by college	32,720	7,476	4,402
Incapacity benefit	1,503	761	296
Severe disablement allowance	369	854	338
Housing benefit	18,675	14,389	4,469
Special needs (DPG 18) students	264,382	306,480	304,443
Carers allowance	1,695	1,410	2,746
Disability living allowance	8,856	9,856	7,972
Pension credit	3,329	3,725	2,461
Working tax credit	43,927	47,669	22,459
Old FT criteria	209,134	310,269	143,961
School pupils	51,575	35,174	52,635
Attendance allowance	795	0	0
Income based jobseekers allowance	103,035	74,206	39,019
Employment and support allowance	16,286	19,921	12,872
Student in care	0	0	0
Asylum seeker or spouse or child of an asylum seeker	114,827	129,243	108,978
Contributory employment and support allowance (ESA)	<u>973</u>	<u>2,544</u>	<u>2,090</u>
	<u>3,381,715</u>	<u>3,243,520</u>	<u>3,148,472</u>
Total (excl. cost borne by college and over claims)	<u>3,303,764</u>	<u>3,205,919</u>	<u>3,135,154</u>

ANALYTICAL REVIEW (cont'd)

There has been an overall increase in fee waiver (excluding cost borne by college and over claims) of approximately 3%.

There has been an increase of nearly 14% (£267k) in fee waivers for full-time non-advanced which is primarily due to an increase in FEFT enrolments. There has been an increase (£25k) in fee waiver cost borne by college due an increase in the number of Credits delivered on Worldskill's course programmes. Fee waiver housing benefit has also increased by nearly 30% (£4k); this was attributed to an increase in ESOL provision and a change in enrolment profile. Fee waiver for school pupils increased by over 46% (£16k) due to an increase in volume of school pupil activity.

There were also decreases in fee waiver for other categories such as 'low income' (14%, £38k), 'income related employment and support allowance' (18%, £4k) and 'asylum seeker or spouse or child of an asylum seeker' (11%, £14k).

Categories fluctuate as a result of the type of student enrolled at the College and, as such, it is not unreasonable for the totals within the individual categories to vary from year to year.


CONCLUSION AND ACKNOWLEDGMENT

Conclusion

The College's systems and procedures were found to be sufficiently adequate to promote the accurate collection and recording of data in respect of the FES and fee waiver returns.

Acknowledgement

We wish to thank the College staff for their co-operation and assistance throughout this review.



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AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF MANAGEMENT OF CITY OF GLASGOW COLLEGE

We have audited the FES return which has been prepared by City of Glasgow College under the 'Credits' Guidance issued 19 May 2015 and which has been confirmed as being free from material misstatement by the college's Principal in his Certificate dated 12th October 2016.

We conducted our audit in accordance with guidance contained in the 2015-16 audit guidance for colleges. The audit included an examination of the procedures and controls relevant to the collection and recording of student data. We evaluated the adequacy of these controls in ensuring the accuracy of the data. It also included examination, on a test basis, of evidence relevant to the figures recorded in the student data returns. We obtained sufficient evidence to give us reasonable assurance that the returns are free from material misstatement.

In our opinion:

- The student data returns have been compiled in accordance with all relevant guidance;
- Adequate procedures are in place to ensure the accurate collection and recording of the data; and
- On the basis of our testing we can provide reasonable assurance that the FES return contains no material misstatement.

Signature	
Date	26 th October 2016
Name of audit firm	BDO UK LLP
Contact name	Ruth Ireland
Contact telephone number	0141 249 8476
Date FES returned	13 th October 2016