



Board of Management Audit Committee

Date of Meeting	Wednesday 14 November 2018
Paper No.	AC2-H
Agenda Item	9.4
Subject of Paper	Internal Audit Report – Student Activity Data 2017-18
FOISA Status	Disclosable
Primary Contact	Henderson Loggie
Date of production	October 2018
Action	For Discussion and Decision

Recommendations

The Committee is asked to consider and discuss the report.

1. Purpose of report

The purpose of this review is to provide management and the Audit Committee with assurance on key controls relating to the curriculum and financial plans in place for City of Glasgow College and their alignment with the regional plan for Glasgow and the college student number targets.

2. Context and Discussion

This internal audit of Student Activity Data provides an outline of the objectives, scope, findings. No issues were identified from Internal Audit testing for 2017/18 that required a recommendation for improvement to be made.

The report concluded that, in the opinion of internal audit:

- 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 mis-statement.

A copy of our Audit Certificate is included at Appendix I to this report.

3. Impact and implications

Refer to internal audit report.



City of Glasgow College

2017/18 Student Activity Data

Internal Audit Report No: 2018/09

Draft Issued: 10 October 2018

Final Issued: 12 October 2018

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1. Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 2 August 2018, '2017-18 data return for funding purposes (FES return) and audit guidance for colleges', requested submission by City of Glasgow College ('the College') of the FES return for session 2017/18, which includes the Credits data relating to College activity for the academic year 2017/18.

Guidance on completion of the 2017/18 return was issued by the SFC on 10 May 2017.

The Credits Audit Guidance requests that colleges obtain from their auditors their independent opinion on the accuracy of the FES return.

Scope of Audit

In accordance with the Credits Audit Guidance we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us.

Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Dominant Programme Group (DPG) and dominant Price Group.

Our testing was designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to Credits Audit Guidance and the key areas of risk identified in Annex D.

Audit Staffing

An Audit Director with 25 years' experience in the further and higher education sectors had overall responsibility for the planning, control and conduct of the audit and supervised and reviewed work performed by an Assistant Manager with 13 years experience in the sector.

The quality of audit work undertaken by the firm is enhanced through continuous review of procedures and the implementation of individual training programmes designed to address the needs of each team member.

The total number of audit days was 6½ split 1 day for the Audit Director and 5½ days for the Assistant Manager.

Audit Findings

The points that we would like to bring to your attention have been grouped together under the following headings to aid your consideration of them:

- Introduction;
- Systems and Procedures for Compilation of Returns; and
- Analytical Review.

No issues have been identified from our audit testing for 2017/18 that required a recommendation for improvement to be made.

Conclusion

Our report to SFC was submitted on 10 October 2018 following receipt of the College certificate signed by the Principal. We reported that, 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 mis-statement.

A copy of our Audit Certificate is included at Appendix I to this report.

Acknowledgements

We would like to take this opportunity to thank the staff at City of Glasgow College who helped us during the course of our audit.

2. Main Report

1 Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 2 August 2018 sets out, at Annex D, the key areas of risk in relation to the preparation of the FES return. These are:

- identification of non-fundable activity, both courses and students;
- classification as higher education or further education;
- classification as full-time or other than full-time;
- identification and counting of infill students;
- allocation of Credit values for students on ECDL courses;
- allocation of dominant Price Group code;
- capturing of enrolments and identification and recording of student attendance and withdrawals;
- allocation of Credit values;
- claims for related study;
- recording of fee waivers;
- recording of progress for students on open / distance learning programmes; and
- claims for collaborative provision.

1.1.2 For academic year 2017/18 we established that there had been no significant changes to the systems and procedures used in the compilation of the returns. We then carried out detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily. Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Dominant Programme Group (DPG) and dominant Price Group.

1.1.3 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; the extent of checking undertaken; details of any additional testing carried out as a result of errors found in initial sampling; the external data examined; an indication of analytical review work performed; and the main findings from our audit work. There were no prior year recommendations to be followed-up and there were no adjusted or unadjusted errors found during the course of the audit.

2. Systems and Procedures for Compilation of Returns

2.1 Introduction

2.1.1 Detailed testing at the year-end Credits audit included two main tests on courses and individual students.

2.1.2 The following tests were carried out for a sample of 15 courses selected from the UNIT-e student records system:

- a) Ensured that the course met the criteria for fundable activity set out in the Credits guidance;
- b) Where applicable, ensured that the course met the definition of further or higher education set out in the Credits guidance;
- c) Ensured that courses recorded as full-time met the definition for full-time set out in the Credits guidance;
- d) Checked the student total for a programme against course / class lists or course / class register. Checked calculation of the required date and ensured that students who had withdrawn prior to this date had been excluded from the Credits count; and
- e) Checked allocation of Credits to courses in accordance with the Credits guidance.

2.1.3 For a total of 78 students selected from the above courses the following tests were carried out, where applicable:

- a) Ensured that the student met the criteria for fundable activity set out in the Credits guidance;
- b) Checked back to signed enrolment forms, or electronic equivalent, for the 2017/18 academic year;
- c) For infill courses, ensured that Credits were allocated according to the modules attended by individual students rather than by the default value for the courses being infilled;
- d) Checked to student attendance records and, for withdrawals (including a further sample of 15 full-time students who withdrew within two weeks after the Credits qualifying date), checked that the withdrawal date noted on the system was the last date of physical attendance; and
- e) For students following courses of open and distance learning vouched to study plan etc. and ensured that required criteria was met.

2.1.4 The following tests were carried out by reviewing records for all College courses:

- a) Confirmed that there were no claims for more than one full-time enrolment per student for 2017/18 and ensured that Credits had not been claimed in respect of courses that were related in respect of subject area, unless progression could be clearly established;
- b) Confirmed that there were no claims for overseas students and students enrolled on full cost recovery commercial courses; and
- c) Confirmed that Credits had not been claimed for distance learning students resident outwith Scotland.

2. Systems and Procedures for Compilation of Returns (Continued)

2.1 Introduction (Continued)

- 2.1.5 In relation to European Social Funds (ESF), for a sample of 10 students selected from the College's ESF funded programmes testing was carried out on the College's systems for administering the additional funding, in line with conditions of grant. This included:
- a) reviewing the eligibility of students flagged for ESF Credits;
 - b) ensuring that supporting documentation was held for ESF students, including: a completed enrolment form; a completed participant form; proof of nationality; proof of permanent residence; and appropriate notification issued to the student; and
 - c) ensuring that Credits are only claimed for completed modules.
- 2.1.6 We reviewed the systems for recording fee waiver entitlement and carried out an analytical review to ensure the accuracy of the fee waiver element of the FES return. For a random sample of five part-time students we confirmed that College staff had verified the entitlement to benefit.
- 2.1.7 It was confirmed by the Head of Student Data and Research that the College is not involved in any collaborative provision for which it is claiming credits and no such courses were identified during our audit testing. No further work was therefore required in this area.
- 2.1.8 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors.
- 2.1.9 From our review and testing of the systems and procedures used in the compilation of the returns, we concluded that overall, they were adequate to minimise risk in the areas identified in Annex D of the Credits Audit Guidance and were working satisfactorily as described to us.
- 2.1.10 The remainder of this report discusses issues identified during our review of the 2017/18 student activity data.

2.2 Maximum Credits Claim per Student

- 2.2.1 Since 2016/17 a new process has been in place for agreeing the number of Credits claimed for programmes above 18 Credits for further education or 15 Credits for higher education, known as 'one plus' activity. The guidance states that if the total one plus activity is over 2.5% of the total volume of Credits allocated to the college (or the region for multi-college regions) by the SFC then an application must be made to the SFC to approve delivery of these courses at the higher credit value. Courses where industry requires a higher level of engagement are excluded from this calculation.
- 2.2.2 The final FES summary report highlights 2,373 instances where student Credits were above 15 for a full-time higher education course and 149 instances where student Credits were above 18 for a full-time further education course. The College's total one plus activity was calculated by the College as 2.7% of the target delivery, which is above the 2.5% threshold. The final regional position had still to be confirmed at the date of this report.

3. Analytical Review

3.1 The analytical review by DPG for the current year, included at Appendix III of this report, showed significant variances in DPG 4, 7, 10, 14 and 15. Analytical review by dominant Price Group at Appendix II also showed a significant variance in Price Group 2. These were discussed with College management. The explanations we received provided us with additional assurance that the Credits claim does not contain material errors:

- DPG 4 Computers, software & information – there was an increase due to additional programmes delivered in 2017/18 in order to target regional and national priority areas. This is reflected within the increase in Price Group 2 activity;
- DPG 7 Engineering – there was an increase due to additional programmes delivered in 2017/18 in order to target regional and national priority areas;
- DPG 10 Personal development & self-help – there was a reduction in credits mainly due to a change in World Skills course planning structure in 2017/18 where only 200 credits were delivered. These were assigned to the most appropriate DPG based on subject areas, with only 27.5 credits assigned to DPG 10. In 2016/17, 582 credits were delivered under DPG 10;
- DPG 14 Social studies & languages – there was an increase due to additional programmes delivered in 2017/18 in order to target regional and national priority areas. This is reflected within the increase in Price Group 2 activity; and
- DPG 15 Social work – there was an increase due to additional programmes delivered in 2017/18 in order to target regional and national priority areas. This is reflected within the increase in Price Group 2 activity.

Appendix I – Copy of Audit Certificate

si/C572

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

10 October 2018

Dear Sirs

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 10 May 2017 and which has been confirmed as being free from material mis-statement by the College's Principal in his Certificate dated 8 October 2018. We conducted our audit in accordance with guidance contained in the 2017-18 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 mis-statement.

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 mis-statement.

Yours faithfully

Henderson Loggie

Date:

10 October 2018

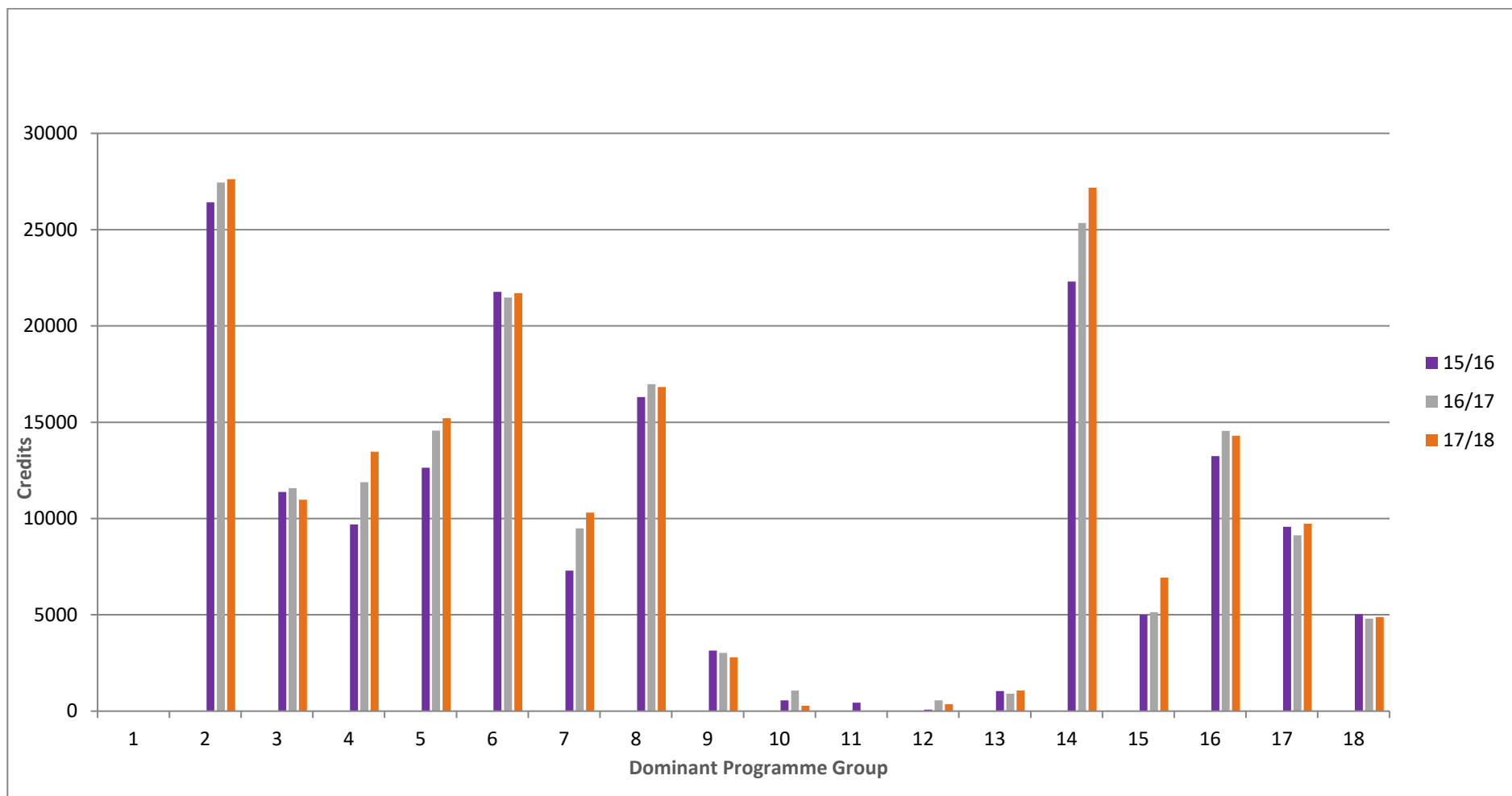
Appendix II – Price Group Analytical Review 2016/17 and 2017/18

Price Group	2016/2017 Credits	2017/2018 Credits	Credits Variance	% Variance
1	44,403	44,785	382	0.86
2	71,039	76,214	5,175	7.28
3	57,722	57,787	65	0.11
4	0	12	12	-
5	4,807	4,883	76	1.58
	<u>177,971</u>	<u>183,681</u>	<u>5,710</u>	<u>3.21</u>

Appendix III – DPG Analytical Review 2016/17 and 2017/18 - Figures

		<u>2016/2017</u>	<u>2017/2018</u>	<u>Credits</u>	<u>%</u>
Dom Gp		Credits	Credits	Variance	Variance
1	Agriculture & horticulture	0	12	12	-
2	Business & management	27,445	27,626	181	0.66
3	Food technology & catering	11,581	10,983	(598)	(5.16)
4	Computers, software & information	11,884	13,471	1,587	13.35
5	Construction	14,564	15,207	643	4.41
6	Creative arts & design	21,473	21,701	228	1.06
7	Engineering	9,494	10,304	810	8.53
8	Health & related studies	16,972	16,831	(141)	(0.83)
9	Minerals, materials & fabrics	3,030	2,792	(238)	(7.85)
10	Personal development & self help	1,075	277	(798)	(74.23)
11	Printing	11	12	1	9.09
12	Science & maths	560	361	(199)	(35.54)
13	Secretarial / office & sales work	914	1,070	156	17.07
14	Social studies & languages	25,341	27,182	1,841	7.26
15	Social work	5,139	6,934	1,795	34.93
16	Sport & leisure	14,555	14,305	(250)	(1.72)
17	Transport, services & vehicle engineering	9,126	9,730	604	6.62
18	Special programmes	4,807	4,883	76	1.58
Totals (excluding ELS)		<u>177,971</u>	<u>183,681</u>	<u>5,710</u>	<u>3.21</u>
Total Funded Target			183,290		
- including ESF Target Activity of			11,296		
Actual ESF Activity			11,378		

Appendix IV – DPG Analytical Review 2015/16 to 2017/18 - Graph



05 October 2018

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD
FAO Kenny Wilson

Dear Mr Wilson

City of Glasgow College FES return for Session 2017/18.

I attach a signed copy of the College certificate (Annex A) for the FES 2017/18 exercise in respect of City of Glasgow College.

I confirm that the Student Support information matches the audited Bursary return and that I accept the information in the SFC PI Reports.

Yours Sincerely



Paul GK Little
Principal and Chief Executive



College certificate

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

I confirm that the FES return contains details of all Credits claimed in respect of fundable programmes relating to college activity in AY 2017-18. I also confirm that I am satisfied that the information supplied in the FES return is free from material misstatement. I confirm that the figures include, where appropriate, any adjustments identified from our auditors' review. The total number of Credits claimed is as follows:

Baseline Credits target (excludes ESF target)	ESF Credits target (where applicable)	Total Credits funding claimed – Baseline + ESF (where applicable)
171,994	11,296	172,303 + 11,378 = 183,681

College name: **City of Glasgow College**

College Principal's signature: _____

Date: _____

8.10.18

Please return your completed form to:

Kenny Wilson, Senior Policy/Analysis Officer, Funding Policy, Scottish Funding Council, Apex 2, 97 Haymarket Terrace, Edinburgh, EH12 5HD by **5 October 2018**.