

## **Board of Management Audit & Assurance Committee**

<b>Date of Meeting</b>	<b>Tuesday 24 November 2020</b>
<b>Paper No.</b>	<b>AAC2-F</b>
<b>Agenda Item</b>	<b>5.5.1</b>
<b>Subject of Paper</b>	<b>Internal Audit Report – 2019-20 Student Activity Data</b>
<b>FOISA Status</b>	<b>Disclosable</b>
<b>Primary Contact</b>	<b>Henderson Loggie</b>
<b>Date of production</b>	<b>November 2020</b>
<b>Action</b>	<b>For Discussion and Decision</b>

### **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 and Assurance 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.

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 Internal Audit testing they provided reasonable assurance that the FES return contains no material mis-statement.

## **3. Impact and implications**

Refer to internal audit report.



# City of Glasgow College

## 2019/20 Student Activity Data

**Internal Audit Report No: 2020/12**

**Draft issued: 5 November 2020**

**Final issued: 17 November 2020**

Now, for tomorrow



# Contents

		Page No.
<b>Section 1</b>	<b>Management Summary</b>	
	<ul style="list-style-type: none"><li>• Introduction</li><li>• Scope of Audit</li><li>• Audit Staffing</li><li>• Audit Findings</li><li>• Conclusion</li><li>• Acknowledgements</li></ul>	 1 1 1 2 2 2
<b>Section 2</b>	<b>Main Report</b>	
	<ul style="list-style-type: none"><li>• Introduction</li><li>• Systems and Procedures for Compilation of Returns</li><li>• Analytical Review</li></ul>	 3 4 - 5 5
<b>Appendices</b>		
<b>Appendix I</b>	<b>Copy of Audit Certificate</b>	<b>6</b>
<b>Appendix II</b>	<b>Summary of Adjusted and Unadjusted Errors</b>	<b>7</b>
<b>Appendix III</b>	<b>Price Group Analytical Review 2018/19 and 2019/20 – Figures</b>	<b>8</b>
<b>Appendix IV</b>	<b>Price Group Analytical Review 2015/16 to 2019/20 – Graph</b>	<b>9</b>



# Management Summary

## Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 16 July 2020, '*2019-20 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 2019/20, which includes the Credits data relating to College activity for the academic year 2019/20.

Guidance on completion of the 2019/20 return was issued by the SFC on 3 July 2019.

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 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 27 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 a Manager with 15-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 6, split 1 day for the Audit Director and 5 days for the Manager.

## 2019/20 Student Activity Data

### 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
- Analytical Review

No issues have been identified from our audit testing for 2019/20 that required a recommendation for improvement to be made.

### Conclusion

Our report was submitted to the SFC on 14 October 2020. 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 misstatement.

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 the College who helped us during our audit visit.



# Main Report

## 1. Introduction

### 1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 16 July 2020 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 Price Group code;
- capturing of enrolments and identification and recording of student withdrawals;
- allocation of Credit values;
- claims for related study;
- recording of fee waivers;
- recording of progress for students on open / distance learning programmes;
- claims for non-accredited work experience / placement; and
- claims for collaborative provision.

1.1.2 For academic year 2019/20 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 Price Group.

1.1.3 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; an indication of analytical review work performed; 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; and the main findings from our audit work. As requested by the guidance, the report also includes a summary of adjusted and unadjusted errors found during the course of the audit.

## 2019/20 Student Activity Data

### 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 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 as 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 is in accordance with the Credits guidance.
- 2.1.3 For a total of 72 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 2019/20 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;
  - e) For students following courses of open / distance and work-based learning vouched to study plan etc. and ensured that required criteria was met; and
  - f) For students undertaking work experience ensured that the Credits value had been calculated in line with the Credits guidance.
- 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 2019/20 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.
- 2.1.5 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) reviewed the eligibility of students flagged for ESF Credits;
  - b) ensured that supporting documentation was held for ESF students, including: 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.



## 2019/20 Student Activity Data

### 2. Systems and Procedures for Compilation of Returns (continued)

#### 2.1 Introduction (continued)

- 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 10 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 that the College is not involved in any collaborative provision 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 2019/20 student activity data.

#### 2.2 Distance Learning

- 2.2.1 For one distance learning programme, EIS Diploma in Employment Law, we identified one student from a sample of five who had enrolled in 2019/20 but had not started the programme. Discussion with the Head of Student Data noted that students on the course have up to two years to complete. The identified student had started the programme in 2020/21 and therefore it was agreed to remove the Credits (5.25) from the 2019/20 claim. We performed a further check on two additional students and confirmed that both students had completed the programme. A full review of all students on the programme was conducted by the College and no further issues were identified.

### 3. Analytical Review

- 3.1 The analytical review by Price Group, included at Appendix III of this report, showed a significant variance in Price Group 2. This was discussed with College management. The explanations we received provided us with additional assurance that the Credits claim does not contain material errors:
- In general, the inclusion of the full-time Higher Education Guidance Unit and One Plus relaxed rules have contributed to the overall Credits increase. In all areas for block 3, COVID restrictions contributed to a decrease in Credits; and
  - Price Group 2: overall increase of 1,899 Credits (2.5%). Other part-time day (Mode of Attendance (MOA) 8) increased by 1,219 Credits, which was partly offset by Part-time day release (MOA 7) and Evening (MOA 9) having a decrease of 980 Credits. The main Increase was in full-time Credits.

## Appendix I – Copy of Audit Certificate

CITY572/DA/STI

City of Glasgow College  
190 Cathedral Street  
Glasgow  
G4 0RF

14 October 2020

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 3 July 2019 and updated guidance relating to 'one plus' activity and which has been confirmed as being free from material misstatement by the College's Principal in his Certificate dated 13 October 2020. We conducted our audit in accordance with guidance contained in the 2019-20 audit guidance for colleges and updated guidance relating to 'one plus' activity. 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.

Stuart Inglis  
Director  
For and on behalf of MHA Henderson Loggie  
Chartered Accountants  
Dundee Office  
stuart.inglis@hlca.co.uk

14 October 2020

Date FES returned: 6 October 2020

MHA Henderson Loggie is a trading name of Henderson Loggie LLP

## Appendix II – Summary of Adjusted and Unadjusted Errors

Report Para	Error identified	Adjusted/unadjusted	Approx. Value
2.2.1	Credits incorrectly claimed for one distance learning student who had not started the programme	Adjusted	-5.25 Credits

College Funded Target 2019/20                      180,150 Credits

The above target figure includes 171,098 core Credits and 9,052 ESF Credits.

Final claimed 2019/20                                      182,702 Credits (including 10,052 ESF Credits)

**Less:**

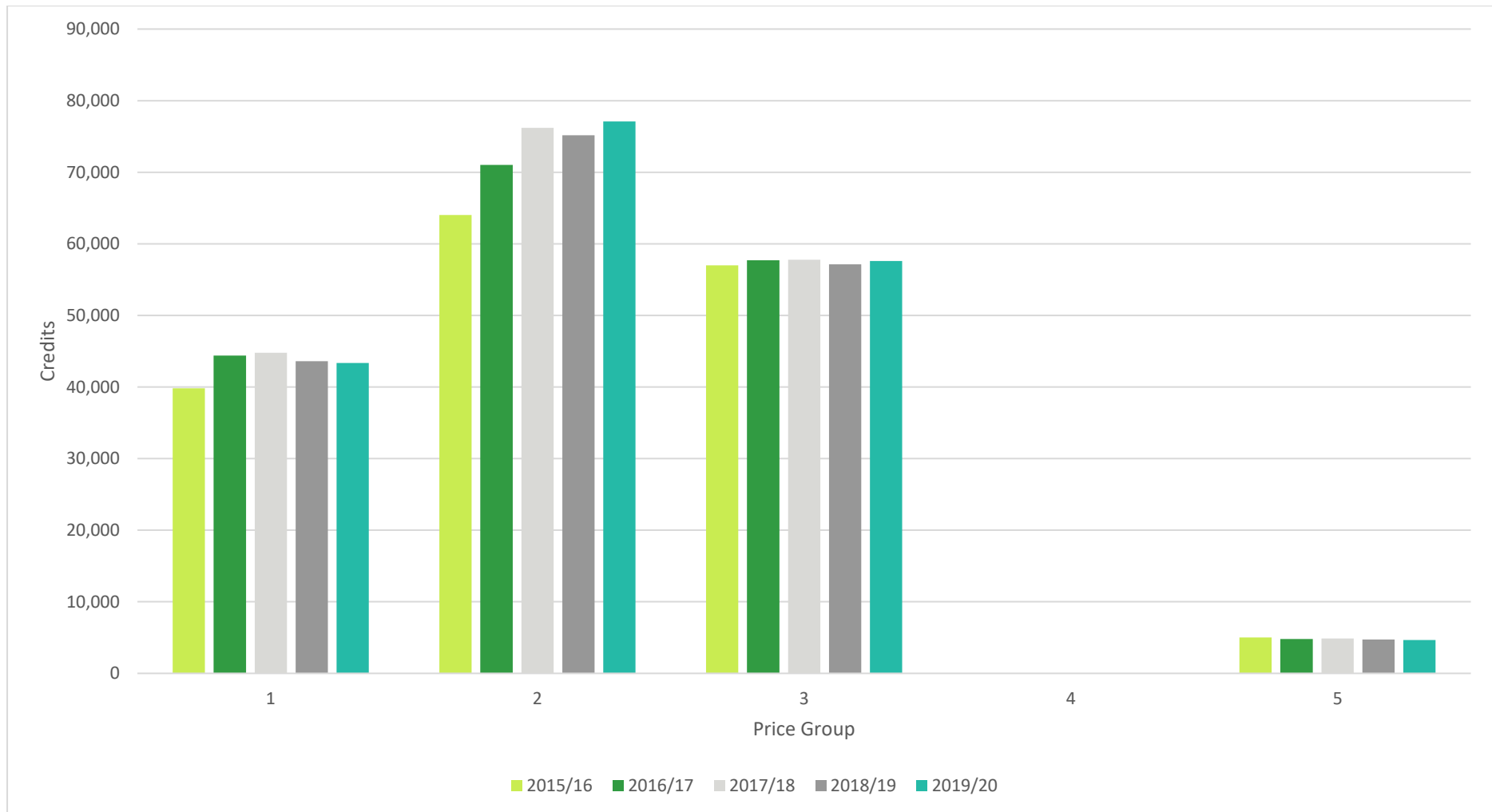
One student subsequently assessed by the SFC as not eligible (based on a Northern Ireland pre-study home postcode)                                      (18.5) Credits

**Final adjusted claim for 2019/20                      182,684 Credits**

## Appendix III – Price Group Analytical Review 2018/19 and 2019/20 – Figures

Price Group	2018/2019		2019/2020		Variance	Variance
	Credits		Credits		Credits	%
1	43,614		43,358		(256)	(0.6)
2	75,180		77,079		1,899	2.5
3	57,154		57,598		444	0.8
4	3		0		(3)	(100)
5	4,741		4,649		(92)	(1.9)
	<b>180,692</b>		<b>182,684</b>		<b>1,992</b>	<b>1.1</b>

## Appendix IV – Price Group Analytical Review 2015/16 to 2019/20 – Graph



### **Aberdeen**

45 Queen's Road  
Aberdeen  
AB15 4ZN

**T:** 01224 322100

### **Dundee**

The Vision Building  
20 Greenmarket  
Dundee  
DD1 4QB

**T:** 01382 200055

### **Edinburgh**

Ground Floor  
11-15 Thistle Street  
Edinburgh  
EH2 1DF

**T:** 0131 226 0200

### **Glasgow**

100 West George Street  
Glasgow  
G2 1PP

**T:** 0141 471 9870

MHA Henderson Loggie is a trading name of Henderson Loggie LLP, which is a limited liability partnership registered in Scotland with registered number SO301630 and is a member of MHA, an independent member of Baker Tilly International Ltd, the members of which are separate and independent legal entities

