

Glasgow Clyde College

Student Support Funds

2015/16

October 2016

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The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.

This report has been prepared solely for Glasgow Clyde College's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.

We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Even sound systems of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.

Introduction

This report has been prepared following the conclusion of our audit of the “Student Support Funds” for the year ended 31 July 2016.

The audit certificate was submitted to the Scottish Funding Council (SFC) by 14 October 2016.

Summary of Recommendations

Current Year Recommendations	High	Medium	Low	Total
Appendix B	-	1	3	4

Prior Year Recommendations	High	Medium	Low	Total
Fully Implemented (<i>Appendix C</i>)	-	1	3	4

Conclusion

Overall Conclusion:

We have examined the books and records of Glasgow Clyde College and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records. We also report that, in our opinion, the College used these funds in accordance with the guidance issued by the SFC. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.

Summary of Income & Expenditure

The table below provides a summary of the income and expenditure for each of the funds and provides detail of any expected clawbacks:

	SFC				SAAS
	Bursary	Discretionary	Childcare	Total	HE Discretionary
Income	6,641,000	1,026,457	1,355,000	9,022,457	291,830
Expenditure	(6,768,000)	(1,026,457)	(1,228,000)	(9,022,457)	(288,266)
Transfers/Virements	127,000	0	(127,000)	0	0
Clawback/(Overspend)	0	0	0	0	3,564

2 BENCHMARKING

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the year ending 31 July 2015.

Benchmarking	High	Medium	Low	Total
Average no. recommendations in similar audits	0	0	0	0
Recommendations at Glasgow Clyde College	0	1	3	4

As can be seen from the above table, the College has a higher number of recommendations in comparison to the colleges it has been benchmarked against.

3 AUDIT ARRANGEMENTS

We detail below our staff who undertook the review together with the organisation staff we spoke to during our review.

Wylie & Bisset LLP			
Partner	Ross McLauchlan	Partner	ross.mclacuhlan@wyliebisset.com
Director	Graham Gillespie	Director	graham.gillespie@wyliebisset.com
Manager	Stephen Pringle	Senior Internal Audit Manager	stephen.pringle@wyliebisset.com
Auditor	Audrey Cowan	Internal Auditor Supervisor	audrey.cowan@wyliebisset.com

Glasgow Clyde College			
Key Contact	Michael Lang	Student Funding Manager	MLang@glasgowclyde.ac.uk

Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.

3 AUDIT ARRANGEMENTS

The table below details the dates of our fieldwork and the reporting of the audit area under review.

Audit Stage	Date
Fieldwork start	5 September 2016
Closing meeting	9 September 2016
Draft report issued	5 October 2016
Receipt of management responses	17 October 2016
Final report issued	18 October 2016
Audit Committee	7 December 2016
No of audit days	3 days

A SUMMARY OF RETURNS

Scottish Funding Council Return

Bursary Student Numbers & Expenditure								
	Students u18		Parentally Supported		Self Supporting		EMA	
	Students	£	Students	£	Students	£	Students	£
Maintenance Allowances	1	1,256	1,220	2,967,040	644	1,938,505	4	5,623
Residence Costs	0	0	0	0	0	0	0	0
Dependents Allowance	0	0	0	0	0	0	0	0
Study Expenses Allowance	599	102,049	1,159	184,010	802	132,522	0	0
Travel Expenses Allowance	602	234,960	727	307,414	1,148	435,299	0	0
Alternative Travel Allowance	0	0	0	0	0	0	0	0
Additional Support Needs Allowance	88	113,833	107	197,474	93	147,662	0	0
Total Numbers & Spend	1290	452,098	3,213	3,655,938	2,687	2,653,988	4	5,623

Total Bursary Funds Spent in 2015/16	£6,767,647
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Scottish Funding Council Return

Discretionary Fund & Childcare Fund Expenditure						
	Discretionary Fund		Childcare Fund		Total	
	Students	£	Students	£	Students	£
At FE Level	1,250	1,026,457	306	877,352	1,077	1,903,809
At HE Level			116	350,330	116	350,330

Auditors' Report

We have examined the books and records of the above college and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records. We also report that, in our opinion, the college used these funds in accordance with the Scottish Funding Council conditions. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.

Principal's Signature:

Auditors' Name: Wylie & Bisset LLP

Auditors' Signature: Wylie & Bisset LLP

Date of Signature: October 2016

SAAS Return

HE Discretionary Fund			
	Undergraduate Discretionary Fund £	Postgraduate Discretionary Fund £	Total £
Total funds available for disbursement	291,830	0	291,830
Funds disbursed	288,266	0	288,266
Funds to be returned to SAAS	3,564	0	3,564

Auditors' Report

We have examined the books and records of the above institution and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out above is in agreement with the underlying records and in our opinion is in accordance with the relative statutory requirements. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate, and that an interest bearing account or accounts was in operation for the Funds which are separate from the Institution's account.

Appointed Auditor: Wylie & Bisset LLP

Date: October 2016

Partner's Contribution Calculation

Ref	Finding	Grade	Recommendation
1	During our review of 5 students in receipt of bursary funding we found that one student's award was reduced by the partner's contribution. On recalculating the partner's contribution we found that this appeared to have been calculated incorrectly by the bursary system. The Student Funding Manager was informed of this and on investigating this further found that the system had reduced the dependant children's allowance to 40 weeks, which is not correct. As a result of this, potentially all awards which have dependant children and partner's contribution could have been calculated wrongly by the system. This could result in the students receiving less funding than they should have been awarded.	Medium	We recommend that the Student Funding Manager consults the software provider to rectify this apparent issues with the system. We also recommend that the Student Funding Manager ensures that the 2016/17 partner's contributions have been calculated correctly.
Management Response		Responsibility & Implementation Date	
Our software company are currently investigating the issue and intend to send through an update to ensure the contribution on all awards for 2016/17 have been calculated as per the policy guidelines.		<i>Responsible Officer:</i> Michael Lang (Student Funding Manager) <i>Implementation Date:</i> October 2016	

FE Discretionary Funds - Applications

Ref	Finding	Grade	Recommendation
2	From our review of 5 students included within the FE discretionary funds we found that one had not completed a FE Discretionary fund application. The student in question was on an ESOL course and had received a bus pass prior to their bursary/EMA application being assessed.	Low	We recommend that all students who receive funds or in-kind funds from the Discretionary fund are required to complete an application form prior to the support being provided.
Management Response			Responsibility & Implementation Date
The College will ensure all students receiving a Bus Pass rather than the Bursary travel expenses will complete an application form prior to the first issue.			<i>Responsible Officer:</i> Michael Lang (Student Funding Manager) <i>Implementation Date:</i> November 2016

FE Childcare – Supporting Evidence

Ref	Finding	Grade	Recommendation
3	From our review of 5 students in receipt of FE childcare we found that for one student there was no evidence in support of household income or the child's birth certificate on file. In this instance the childcare provider's confirmation of the weekly costs for the student's child was on file. The student was a part time student who withdrew from the course before it finished.	Low	We recommend that care be taken to ensure that supporting documentation has been received and filed prior to any award being granted.
Management Response			Responsibility & Implementation Date
Child's Birth Certificate and Household Income have been set as mandatory checklist items on the online application form.			<p><i>Responsible Officer:</i> Michael Lang (Student Funding Manager)</p> <p><i>Implementation Date:</i> October 2016</p>

FE Childcare – Eligible Courses			
Ref	Finding	Grade	Recommendation
4	From our review of 5 students in receipt of FE childcare awards we found that one of these appeared to be on a higher education course. The course title stated that the course was SCFQ Level 8, which is equivalent to higher education. The Student Funding Manager is investigating this at present to find out if this is a higher education course.	Low	We recommend that the Student Funding Manager investigates this with the College Head of MIS to confirm whether or not this is a further education course and thus the student will be entitled to the FE Childcare award. Going forward care should be taken to ensure that all courses are correctly recorded as either further or higher education.
Management Response			Responsibility & Implementation Date
Clarification has been sought from the Director of Faculty to establish the correct level of the course. The Cost of Course form will be updated for Session 17/18 to request the SCQF Level from departments.			<p><i>Responsible Officer:</i> <i>Michael Lang (Student Funding Manager) + Academic Director of Faculty</i></p> <p><i>Implementation Date:</i> October 2016</p>

Fully Implemented

Study Expenses, 2014/15

Original Finding

From our review of how the College allocates its study costs we were advised by the College that the study costs are taken as a total figure and split across the total number of students in the class. This does not take into account whether these students are eligible or not. This could therefore result in an over claim of student expenses.

Original Recommendation

We recommend that the College reconsiders the way in which it allocates its study costs to better reflect the actual study costs for bursary students only.

Ref	Finding from our 2015/16 Audit Work	Grade	Recommendation
1	From our review of the study expenses being claimed for 2015/16 we can confirm that the College allocates these on the basis of students who are in receipt of a bursary award.	Medium	No further action required.

Fully Implemented

Bursary Application Forms

Original Finding

From our review of 10 bursary applications we found that these were not always fully completed with some sections, such as household income etc, being left blank or only partially completed.

Original Recommendation

We recommend that the College ensures that the bursary application forms are fully completed prior to processing. If sections are left blank the College should request that the student completes these with the required information prior to processing of the application.

Ref	Finding from our 2015/16 Audit Work	Grade	Recommendation
2	The applications process was done on-line for 2015/16 with the student not able to complete the application process until all section were completed.	Low	No further action required.

Fully Implemented

Discretionary Funds – Acceptance Forms, 2014/15

Original Finding

From our sample testing of students receiving discretionary funding we found that one of the acceptance forms had not been signed by a representative of the College.

Original Recommendation

We recommend that care be taken to ensure the acceptance forms are signed by a representative of the College.

Ref	Finding from our 2015/16 Audit Work	Grade	Recommendation
3	From our 2015/16 audit work we can confirm that from our sample of students tested all acceptance forms were appropriately signed.	Low	No further action required.

Fully Implemented

Discretionary Funds – Student Award Exceeding Maximum Permitted (Cardonald Campus) – 2013/14

Original Finding

Through our sample testing of HE Discretionary awards at the Cardonald Campus we identified one student who had been paid £4,147.20. This exceeds the maximum £4,000 allowed by SAAS.

Original Recommendation

We recommend that the College ensure that no individual student is awarded discretionary funds exceeding the maximum allowed by the SFC or SAAS.

Finding from 2014/15 Audit Work

From our sample testing of HE Discretionary awards we found that one student had been paid £4,043. 15, which exceeds the maximum of £4,000 allowed by SAAS.

Recommendation from 2014/15 Audit work

We have treated this as not implemented. We reiterate our original recommendation.

Ref	Finding from our 2015/16 Audit Work	Grade	Recommendation
4	From our review of the total award amounts allocated to individual students for HE Discretionary funds we can confirm that none exceeded the maximum of £4,000 allowed by SAAS.	Low	No further action required.

D GRADING STRUCTURE

For each recommendation we make we assign a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Classification
High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by senior management of the College as a matter of urgency
Medium	Significant issue or weakness which should be addressed by the College as soon as possible
Low	Minor issue or weakness reported where management may wish to consider our recommendation