

Glasgow Clyde College

Education Maintenance Allowance

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 “Educational Maintenance Allowance” for the year ended 31 July 2016.

The audit certificate will be/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	2	3

Prior Year Recommendations	High	Medium	Low	Total
Fully Implemented – Appendix C	-	-	2	2

Conclusion

Overall Conclusion:

We have examined the books and records of Glasgow Clyde College, including evidence of spot checks of five per cent of applications and payments, with a minimum sample size of five students, 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.

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	2	3

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.mclauchlan@wyliebisset.com
Director	Graham Gillespie	Director	graham.gillespie@wyliebisset.com
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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	tbc
No of audit days	3.5 days

Auditors' Report to the Scottish Funding Council for the Period from 01 August 2015 to 31 July 2016

We have examined the books and records of the above College, including evidence of checks of five percent of applications and payments, with a sample size appropriate to the size of the 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 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's conditions and the principles of the Education Maintenance Allowance programme.

We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.

Signature:

Name of Firm: Wylie & Bisset LLP

Date: Date

Attendances			
Ref	Finding	Grade	Recommendation
1	From our review of student attendance confirmation we found that for some class times some registers had no attendance marks recorded. The College had not included these missing marks on the attendance system as potential or actual attendances when calculating the EMA attendance percentage. It was not possible to determine whether or not the students physically attended on these days, therefore the Student Funding Manager took the decision to omit these from the attendance calculation. There is a risk that the students had not attended on the days of the missing marks, which would mean that the students did not have 100% attendance.	Medium	We recommend that lecturing staff are reminded of the importance of fully completing all registers to ensure that students' attendance is accurately recorded.
Management Response			Responsibility & Implementation Date
Lecturing staff will be reminded of the importance of fully completing the class register in order that decisions on a student's award can be based on accurate data.			<p><i>Responsible Officer:</i> Michael Lang (Student Funding Manager)</p> <p><i>Implementation Date:</i> October 2016</p>

Signed Individual Learning Agreements (ILAs)

Ref	Finding	Grade	Recommendation
2	From our review of 13 files for students in receipt of EMA from the College we found that 1 file did not contain the ILA signed by the student. The guidance states that an ILA must be signed by the student and returned to the College before payment can be made.	Low	We recommend that the College ensures that it has a signed ILA form for all students receiving EMA awards prior to any payment being made. Copies of these should be kept in the student's file to provide a transparent audit trail.
Management Response			Responsibility & Implementation Date
The college will ensure the first payment will only be released on receipt of a signed Learning Agreement.			<i>Responsible Officer:</i> Michael Lang (Student Funding Manager) <i>Implementation Date:</i> October 2016

Spot Checks			
Ref	Finding	Grade	Recommendation
3	From our review of the College's EMA Spot Checks it was found that these were carried out during May 2016 by the Student Funding Administrator. The EMA guidance states that spot checks should be undertaken throughout the year and that it is recommended that these checks are carried out by someone from outwith the Student Funding section.	Low	We recommend that for future years the EMA spot checks are undertaken throughout the year. We also recommend that the College considers if there is an available suitable person from outwith the Student Funding team who would be able to undertake these spot checks in future.
Management Response			Responsibility & Implementation Date
The Spot Checks will be carried out on a more regular basis and by a member of the Finance Team rather than Student Funding.			<p><i>Responsible Officer:</i> Michael Lang (Student Funding Manager)</p> <p><i>Implementation Date:</i> January 2017</p>

Fully Implemented

Completeness of EMA Application Forms, 2014/15

Original Finding

From our review of 12 students' EMA application forms we found that 3 of these were not fully completed, with the income sections of these forms being only partially completed.

It should be noted that there was sufficient documentary evidence provided by the student to confirm the household income. We also found one instance where the student's parent had not signed the application form.

Original Recommendation

We recommend that the College staff strive to ensure that the EMA application forms are fully completed, including appropriate signature. Any which are not should be returned to the student for the incomplete sections to be completed.

Ref	Finding from our 2015/16 Audit Work	Grade	Recommendation
1	From our 2015/16 audit work we can confirm that all sections of the EMA forms were fully completed.	Low	No further action required.

Fully Implemented

Learning Agreements, 2013/14

Original Finding

We note that learning agreements at the Langside campus are not currently signed by a representative of the College. The Scottish Governments EMA guidance requires that learning agreements are countersigned by an appropriate representative of the institution.

Original Recommendation

We recommend that the College ensure that learning agreements are signed as appropriate by a College representative.

Findings from our 2014/15 Audit Work

From our review of 12 EMA students we can confirm that the learning agreements for all 3 campuses are not being signed by a representative of the College. The Scottish Governments EMA guidance requires that learning agreements are countersigned by an appropriate representative of the institution.

Recommendation from our 2014/15 Audit Work

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

Ref	Finding from our 2015/16 Audit Work	Grade	Recommendation
2	The College only requires the student to sign the Learning Agreements. The 2015/16 SFC Guidance for EMA requires the Learning Agreements be signed by the student, there is no mention of these being signed by a College Representative. As such the College is adhering to the SFC's guidance.	Low	No further action required.

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