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AUDIT COMMITTEE REPORT

Subject: Internal Audit Assignment – Follow-Up Review	**Purpose:** **For Approval** ☒ **For Discussion** ☐ **For Information** ☐
Prepared by: Peter D Smith, Vice Principal – Finance and Corporate Services	**Date:** 09 May 2018

Purpose: To consider the findings of the internal audit Follow-Up Review and approve the management responses and any further actions.

Linked to Strategic Goal 3: Provide a high quality College experience.

Executive Summary:

Attached is the Internal Auditor's report on the Follow-Up Review of previous assignments. The report concludes that: -

"*the College has endeavoured to implement recommendations as far as possible. In areas where recommendations have not been fully implemented, the College are still considering these in line with ongoing business and development.*"

Recommendation: Committee are invited to consider and approve the report and management response, with further actions as necessary.

Previous Committee Approvals: n/a

For publication ☒	**For publication with redactions** ☐	**Not for publication** ☐

Wylie+Bisset
Chartered Accountants, Business & Tax Advisers

Borders College

Internal Audit 2017/18

Follow Up Review

April 2018

Overall Conclusion
Strong

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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 Borders 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.

1 EXECUTIVE SUMMARY

Purpose of Review

The purpose of the review was to assess whether the College has appropriately implemented the internal audit recommendations made in 2016/17 and earlier years. Our review considered whether any issues are outstanding beyond the agreed implementation deadline.

Our review considered all outstanding recommendations to provide the Board, via the Audit Committee, with independent assurance that we are satisfied that these recommendations have been fully implemented by the College and can therefore be removed from the audit action plan.

This assignment is part of the agreed 2017/18 Annual Internal Audit Plan for the College.

Scope of Review

Our objectives for this review were to ensure:

- The College has appropriately implemented any outstanding internal audit recommendations made in prior years.

Our approach to this assignment took the form of discussion with relevant staff, review of documentation and where appropriate sample testing.

1 EXECUTIVE SUMMARY

Conclusion

Overall Conclusion: Strong

We can conclude that the College has endeavoured to implement recommendations as far as possible. In areas where recommendations have not been fully implemented, the College are still considering these in line with ongoing business and development.

Summary of Recommendations

Grading of Recommendations	High	Medium	Low	Total
Appendix A –Partially Implemented Recommendations	-	3	4	7
Appendix B – Superseded Recommendations	-	-	1	1
Appendix C – Fully Implemented Recommendations	-	5	7	12

Implementation of Recommendations

Summary of Implementation					
Audit Area	**Total**	**Not Implemented**	**Partially Implemented**	**Superseded**	**Fully Implemented**
Follow up review (February 2017)	15	-	6	1	8
Risk Management (February 2017)	1	-	-	-	1
Curriculum Planning (February 2017)	1	-	-	-	1
Payroll (March 2017)	1	-	1	-	-
Purchases and Procurement (March 2017)	2	-	-	-	2
Total	**20**	**-**	**7**	**1**	**12**
Percentage of Total	**100%**	**-**	**35%**	**5%**	**60%**

2 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	19 March 2018
Closing meeting	20 April 2018**
Draft report issued	2 May 2018
Receipt of management responses	8 May 2018
Final report issued	9 May 2018
Audit Committee	16 May 2018
No of audit days	2

**The audit fieldwork was delayed due to the sickness of the Audit Senior and rearranged for the first available date.

2 AUDIT ARRANGEMENTS

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

Wylie & Bisset LLP			
Partner	Ross McLauchlan	Partner	ross.mclauchlan@wyliebisset.com
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Borders College			
Key Contact	Pete Smith	Vice Principal - Finance & Corporate Services	psmit@borderscollege.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.

Appendix A

Partially Implemented Recommendations

Partially Implemented Recommendations

Web-filtering Protection (IT Systems, May 2014)

Original Finding
The College currently are not filtering internet traffic on the College guest wireless network. This should filter the likes of pornography and offensive websites if being made available by the College, to protect the College's reputation. Also the College do not fully utilise the Barracuda web filtering solution to block the downloading of dangerous file types on the main production network, this would provide better security to eliminate rogue and infected files from being downloaded and run on the College systems.

Original Recommendation
We recommend the College introduce web filtering on any wireless networks being made available. We also recommend the College utilise the blocking of dangerous file types via the Barracuda web filtering solution.

Finding from our 2014/15 Follow up
Our retesting of the guest wireless network found that offensive images could still be accessed. From discussions with the Head of ISLT, we understand that the College are currently utilising the maximum security available on the product used on the guest network. The College has considered the blocking of specific file types however consider that in doing so would impede the teaching of computing courses. The College are satisfied that their web-filtering and anti-malware products would block any infected/dangerous files from being downloaded and run on the College systems.

Finding from our 2015/16 Follow Up
This point is to be investigated further in order to facilitate appropriate filtering for the online services provided to Heriot Watt University who give full academic freedom to their students.

Finding from out 2016/17 Follow Up
The College's Finance and General Purposes Committee has now approved the award of a new ISLT infrastructure to be implemented. A new web-filtering system will be implemented as part of this infrastructure and will applied to all wireless networks.

Recommendation from our 2016/17 Follow Up
We recommend that the web-filtering system is applied to all wireless networks once the new ISLT infrastructure is implemented.

Continued on next page

Partially Implemented Recommendations

Web-filtering Protection (IT Systems, May 2014) (cont'd)			
Ref	**Finding from our 2017/18 Follow Up**	**Grade**	**Recommendation**
1	The College do not currently filter Borders College students internet access via the Eduroam WIFI network. This is due to historical technical limitations where the College was required to use the same network to provide unfiltered internet access to Heriot Watt University students also on campus. ISLT is currently investigating the technical feasibility of separating the filtering policy for the two groups of students on the Eduroam WIFI.	**Medium**	We recommend that the College continue the investigation on the technical feasibility of separating the filtering policy and look to ensure appropriate web filtering is installed.
Management Response			**Responsibility and Implementation Date**
Agreed. Feasibility work is underway and a decision will be taken as to whether a solution is available after completion.			*Responsible Officer:* Head of ISLT *Implementation Date:* 30 June 2018

Partially Implemented Recommendations

Business Impact Analysis (Student Funding Application System, June 2016)

Original Finding
Through discussion with the Student Funding Manager, we identified that there has been no business impact analysis carried out with regard to the Student Funding Online Application System (CAMS). This would determine the consequence of data loss or the system being unavailable for a period of time which would lead to an agreed acceptable downtime and an agreement on how often data should be backed up. During our review the Student Funding Manager queried with the IT department how often the CAMS data is backed up and was informed that this was 1 incremental backup a day. On reflection of this information it was felt that the backup windows should be increased as 1 day was considered unacceptable data loss if there was a need to restore.

Original Recommendation
We recommend that the College carry out a business impact analysis for the CAMS system to ensure there is an agreed backup window and acceptable downtime for the system. We would encourage this analysis to be carried out for all College systems to ensure there is a formal agreement for the prioritisation and backup of services, which would change, depending on the time of the year.

Finding from 2016/17 Follow Up
No work has been carried out since our last review regarding how often the College's key systems should be backed up. The backup window for the CAMS application system is still 1 day which was deemed unacceptable by the Student Funding Manager.

Recommendation from 2016/17 Follow Up
We repeat our original recommendation.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
2	The College has completed the Business Impact Analysis for student funding but has yet to complete a Business Impact Analysis College wide. The interim ISLT Manager is currently carrying this out for all systems within the College.	**Medium**	We recommend that the College ensure the Business Impact Analysis for the College is completed for all College systems.

Management Response	Responsibility and Implementation Date
Agreed. Impact analysis currently underway.	*Responsible Officer:* Head of ISLT *Implementation Date:* 30 June 2018

Partially Implemented Recommendations

IT Systems (Payroll, March 2017)

Original Finding
When a staff member's employment is coming to an end the HR Department have a responsibility to inform the ISLT Department of the employees leaving date. The ISLT Department should be informed prior to their last day of work to ensure that system access is cancelled on this day.

During our review we found that most of the leavers still had access to the College intranet system following their last day of work at the College. From discussions with ISLT we note that this would allow the ex-employee to view the information on the College intranet but they would not be able to alter this information. Currently the HR Department inform the ISLT Department of the employees leaving date following completion of the last payroll run they are on. The HR Department informed us that this was to ensure that the employees still had access to their payslips via the College intranet system. However, following a discussion with the ISLT Department it was stated that staff do not need access to the College's system to access their payslips and this can be done through an external link on the College's website.

There is a risk that confidential information could be accessed by non-staff members.

Original Recommendation
We recommend that the HR Department notify IT of staff leaving dates before or on the day of a staff member's employment being terminated so the system access can be closed appropriately. If ISLT are notified in advance of the employees last working day, they can program the system to ensure that the employees access is stopped on that day.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
3	The College has implemented the process so that when resignations are received by the HR Department they inform ISLT of the staff members leaving date to ensure that their access to the system is blocked on that day. We completed a sample test of 7 leavers and found that for 3 leavers the email to ISLT was sent after the staff members leaving date and therefore access was not disabled until after the staff members leaving date. We also found that for one staff member the email was sent on the staff members leaving date but access was not disabled until 2 days later. We were not able to confirm the date system access was disabled for 3 staff members as their accounts were deleted. The date of deletion was also after the staff members leaving date.	Medium	We recommend that the College ensure the process is followed and that staff members system access is disabled following the completion of their last working day.

Management Response	Responsibility and Implementation Date
Agreed. Staff will be reminded of the correct procedure.	*Responsible Officer:* Head of HR and Development/Head of ISLT *Implementation Date:* complete

Partially Implemented Recommendations

IT Security Policy (IT Systems – May 2014)

Original Finding
The IT security policy is due to be updated, this should also include sections on third party access and access control and explain in more detail the physical and network security in place to protect the College systems.
Original Recommendation
We recommended the policy is updated to cover the following areas or explain them in more detail; third party access, remote access, access control physical and network security. Alternatively there could be separate policies for each area.
Finding from our 2014/15 Follow Up
The IT Security Policy remains a work in progress. The College has been working on the content of the policies however has still to decide on a suitable structure for the new policy/policies.
Finding from our 2015/16 Follow Up
This policy has not yet been finalised and approved by the Board.
Finding from out 2016/17 Follow Up
Through discussions with the Head of ISLT we were informed that the creation and updating of the current IT Security Policy has been put on hold due to the implementation of a new IT infrastructure being recently approved. The policy will be updated once this implementation is complete.
Recommendation from out 2016/17 Follow Up
We repeat the original recommendation.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
4	The College are currently drafting the new IT Security Policy. This is to be updated to include sections on third party access, access control, physical and network security and GDPR. The College has also underwent a Cyber awareness preassessment and the results of this will be incorporated within the IT Security Policy.	Low	We recommend that the College ensure the new IT Security Policy is completed and implemented.

Management Response	Responsibility and Implementation Date
Agreed. Policy scheduled to be approved at JCCP June 2018**.**	*Responsible Officer:* Head of ISLT *Implementation Date:* 31 July 2018

Partially Implemented Recommendations

Endpoint Control Solution (IT Systems - May 2014)

Original Finding
The current situation in the College is that any user can copy data to removable media such as a USB drive and take this off site.
Original Recommendation
We recommend the College investigate the use of an Endpoint control solution to provide control over data leaving the College network via removable media.
Finding from our Follow Up 2014/15
The College is still investigating whether an Endpoint control solution is a suitable solution.
Recommendation from our Follow Up 2014/15
We repeat our original recommendation.
Finding from our 2015/16 Follow Up
The Head of ISLT has advised that a decision has been made by the College that an endpoint control solution will not be purchased.
This recommendation was treated as Superseded in our last review however, the Audit Committee instructed that the recommendation should be implemented.
Finding from our 2016/17 Follow Up
The Head of ISLT has advised that the College are investigating possible solutions to provide more control over sensitive data being leaked from the network.
Recommendation from our 2016/17 Follow Up
We recommend the College continue to investigate possible solutions and following this implement this to ensure controls are in place.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
5	The Interim Head of ISLT has investigated the possibility of blocking all removable media from the College systems. A report is due to be presented to the May 2018 Committee where a decision will be made on how to progress.	Low	We recommend that following a review of the report provided by the Interim Head of ISLT a decision is made to ensure there are appropriate controls in place over data leaving the College network via removable media.

Management Response	Responsibility and Implementation Date
Agreed. A solution has been sourced, this would require approximately 15 days consultancy and £20k to implement. It will be considered as part of the resource allocations for 2018-19.	*Responsible Officer:* Head of ISLT *Implementation Date:* 31 July 2018

Partially Implemented Recommendations

Online Applications (MIS Department, March 2016)

Original Finding
Online applications are only available for full time and some part time courses. BDU, certain part time, school and evening courses cannot be applied for online. For courses with no online application, students go straight to enrolment. Enrolment without pre-application may lead to inefficiency as staff do not have pre-entered information available from the application and must then enter this manually.
Original Recommendation
We recommend that the College consider introducing an online application process for all courses on offer.
Finding from our 2016/17 Follow Up
This recommendation has not been implemented as yet. The College has stated that they are awaiting the announcement of the Scottish Funding Council's funding allocations which is due to be announced in Spring 2017.
Recommendation from our 2016/17 Follow Up
We repeat our original recommendation.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
6	The College are currently trialling online applications for schools following this the information will be reviewed. The Head of MIS noted that she submitted a further resource request to apply for funds to develop online applications for all areas within the College which the Vice Principal Finance & Corporate Services for the 2018/19 budget.	Low	We recommend that the College review the success of the schools trial and look to implemented online applications for all courses on offer.

Management Response	Responsibility and Implementation Date
Agreed. This will require resource of approximately £40k to implement and will be considered for 2018-19.	*Responsible Officer:* Head of MIS *Implementation Date:* 31 July 2018

Partially Implemented Recommendations

Self-Evaluation (Corporate Governance, January 2016)

Original Finding
We note that there is currently no annual self-evaluation carried out by the Chair of the Board or Chairs of the individual sub-committees. This means that the performance of the Board and Committee chairs' is not assessed and as such it is difficult to assess whether the Chairs are effective in their roles.

Original Recommendation
We recommend that the Chair of the Board and Chairs of each sub-committee complete a self-evaluation on an annual basis. The evaluation should normally be led by the Vice Chair of the Board/Committee.

Finding from our 2016/17 Follow Up
This remains a work in progress. A questionnaire has been created by the College and is currently in draft form.

Recommendation from our 2016/17 Follow Up
We recommend that the College implement an annual self review of the Chairs of the Regional Board and Committees once the questionnaire has been approved.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
7	The Clerk to the Board is currently completing a review through the Sub level Evaluation Report 2016/17 & Enhancement Plan for 2017/18. It is expected that the final version of the report will go to the Regional Board in June 2018 for approval.	Low	We recommend that following the approval of the Sub Level Evaluation Report 2016/17 & enhancement Plan 2017/18 that there are annual self evaluations of the Board completed.

Management Response	Responsibility and Implementation Date
Agreed. Following approval by Board in June 2018, annual self-evaluation will be implemented.	*Responsible Officer:* Board Secretary *Implementation Date:* 31 July 2018

Appendix B

Superseded Recommendations

Superseded Recommendations

Student Certification (MIS Department, March 2016)

Original Finding
The Unit E system used by MIS is not set up to link automatically with the systems used by all awarding bodies to allow entries and results to be processed electronically. There is duplication of work involved in the certification of non-SQA students as these need to be manually re-keyed into the system of the other awarding bodies. SQA results are currently automatically updated from the Unit-e system.
Original Recommendation
We recommend that the College explore the possibility of setting up the Unit-e system to allow electronic transfer of files with all awarding bodies.
Finding from out 2016/17 Follow Up
This has been discussed but no work has yet been started on this as Capita (Unit-e software vendor) are re-writing a part of the UNIT-e system which may address this. A new revised date has been set by the College, following feedback from SQA on their system timescales.
Recommendation from our 2016/17 Follow Up
We repeat our original recommendation.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
1	The recommendation is linked to the A2C project (Awarding body to Centre) which has yet to be finalised nationwide. Where possible the College now upload electronic data to awarding bodies such as SQA and NCFE. The College note that this is an ongoing project and is unlikely to be completed in the near future and have met the recommendation as far as possible.	Low	We ask the Audit Committee to confirm that it is satisfied with the action taken and that the point can be removed from the action plan.

Appendix C

Fully Implemented Recommendations

Fully Implemented Recommendations

PIN Codes Smart Devices (IT Systems – May 2014)

Original Finding
The College do not force the use of PIN codes on smart devices such as smart phones or tablets that connect to the College network.
Original Recommendation
We recommend the College ensure smart devices are connected with security PIN codes. There are a number of ways to do this, most commonly this is enforced through smart devices connecting to the Exchange server which can be configured to require a PIN code before connections are allowed.
Finding from our Follow Up 2014/15
With the development of the 'Bring Your Own Device' scheme, the College are still in the process of considering how this recommendation would be implemented in practice.
Recommendation from our Follow Up 2014/15
We repeat our original recommendation.
Finding from our 2015/16 Follow Up
The Head of ISLT advised that the College are not planning on implementing PIN codes as part of security. This recommendation was treated as Superseded in our last review however, the Audit Committee instructed that the recommendation should be implemented.
Finding from our 2016/17 Follow Up
The Head of ISLT advised that they were in the process of phoning all staff with a College mobile phone to instruct them to enforce a PIN code. We advised the Head of ISLT that PIN codes can be forced on mobile devices via the College's email server. We were informed that the College will now look to do this as soon as possible.
Recommendation from out 2016/17 Follow Up
We repeat our original recommendation.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
1	The College set a policy within Microsoft exchange which forced any device connecting to the College network to set up a PIN code.	Medium	No further action required.

Fully Implemented Recommendations

Estates Strategy (Estates Management, January 2015)

Original Finding
Through our review we identified that the College does not have a formally documented Estates Strategy. From our discussions with the Director of Finance & Estates we understand that the College are in the process of finalising the direction in which they intend to follow prior to finalising an Estates Strategy.
Original Recommendation
We recommend that the College finalise the direction in which they intend to move and formally document their Estates Strategy.
Finding from our 2015/16 Follow Up
The preparation of the Estates Strategy has been put on hold in order for it to be produced in conjunction with the College's new Corporate Plan.
Recommendation from our 2015/16 Follow Up
We repeat the original recommendation.
Finding from out 2016/17 Follow Up
The Estates Strategy is now in early draft stage. The College has set a new revised date of June 2017.
Recommendation from our 2016/17 Follow Up
We recommend the College review and issue the draft Estates Strategy.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
2	The Estates Strategy has now been completed and was approved by the Board on the 7th December 2017.	Medium	No further action required.

Fully Implemented Recommendations

Course Information (MIS Department, March 2016)

Original Finding
Information on curriculum content received by the MIS team from each faculty often varies in format and is at times delayed or slow. The mix of information received makes it very difficult for the MIS department to build the information on the system quickly and the delays in receiving the information required slows the process down. As a result, at times the curriculum may not be built in time for enrolment. Rushing of the process also increases the likelihood of human error.
Original Recommendation
We recommend that the College develops a standard information entry tool to be used by all faculties.
Finding from out 2016/17 Follow Up
This tool is in the early stages of testing and still to be shared with Faculty Heads. Therefore, we have treated this recommendation as being partially implemented.
Recommendation from out 2016/17 Follow Up
We recommend that the College implement the entry tool once testing is completed and satisfactory.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
3	The Head of MIS has developed a Tools for Reporting Service Report that Faculty Heads and MIS use for the updating of course information onto the Unit-e system.	Medium	No further action required.

Fully Implemented Recommendations

Timetable Planning Software (Curriculum Planning, February 2017)

Original Finding
During the curriculum planning process, the Heads of Faculties are required to complete timetables for courses and staff allocation. This is a very onerous and time consuming task and as the curriculum plan could change several times, this task may be required to be completed several times.

From our review we found that timetables between faculties are initially being completed on different Microsoft office applications, these being Microsoft word (used by Head of Faculty for Care and Access) and Microsoft excel (used by Head of Faculty for Construction, Engineering and Land Based). Following this the Microsoft excel document is required to be changed to Microsoft word for the MIS department resulting in duplication of work.

We note that the College are currently looking at software that would allow the timetables to be completed electronically. This would save time, standardise timetables and eliminate the duplication of work.

There is the risk of duplication of work and that the College are not using the most efficient way available to complete the timetables.

Original Recommendation
We recommend that the College look to implement the timetabling planning software currently being reviewed.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
4	The College implemented CELCAT to use as a timetabling system.	Medium	No further action required.

Fully Implemented Recommendations

Monitoring of supplier performance (Purchases & Procurement, March 2017)

Original Finding
The College enter into contracts with suppliers and agree a set of requirements which are expected to be met. These include the agreed delivery timescales and other KPIs which are expected to be met.
From our testing we found that the College does not monitor the performance of contractors. We note that the management of suppliers to ensure the College is receiving value for money and a good performance from suppliers is part of the Procurement Officers job description. However, as the Procurement Officer has only been in the role since November 2016 and has been subject to training and other procurement tasks this has not taken place. We do note that from discussions with the Head of Finance & Procurement that the College are aware of this and that the College will take steps to carry this out.

As there is no monitoring of the performance of contractors there is the risk that the College are not receiving the performance levels set out in the contract agreement.

Original Recommendation
We recommend that the College monitor the performance of contracted suppliers to ensure they are receiving the level of service set out in the terms of the contract.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
5	The Procurement Officer manages the process for supplier management activity and has created documentation that states the frequency of the monitoring requirements.	Medium	No further action required.

Fully Implemented Recommendations

Raising Purchase Orders (Financial Controls - April 2013)

Original Finding
Our review found that the lecturers of the College do not all have access to the PECOS system. Instead the raising of orders is processed by a designated requisitioner for each department. We found that there was no consistent method for lecturers to request purchase orders are raised in PECOS which could lead to lecturers spending time looking up items on suppliers websites/catalogues and either emailing or verbally discussing the order with the designated requisitioner. This process is not really providing the College with the time savings it had hoped to achieve.
Original Recommendation
We recommend that all lecturers are provided with access to the PECOS system. This will allow the lecturer to select the item they wish from the PECOS catalogue and raise the order immediately thus reducing time spent reviewing and discussing orders with requisitioners.
Finding from our Follow Up 2013/14
The College have recently undertaken a trial where access to the PECOS system was provided to lecturers in one of the College's faculties. The results of the trial are currently being assessed. The College will then make a decision on whether access should be rolled out to all lecturers.
Recommendation from our Follow Up 2013/14
We recommend that the College complete their assessment of the trial and make a decision on which members of staff should be provided with access to the PECOS system.
Finding from Follow Up 2014/15
The assessment of the trial was completed and a decision was made that PECOS should be rolled out college wide. Roll out however has been delayed due to the departure of the College's Procurement Officer in January 2015.
Recommendation from Follow Up 2014/15
We recommend that once a new Procurement Officer has been appointed, the College roll out PECOS college wide.
Finding from our 2015/16 Follow Up
The rollout of access to the PECOS system is an on-going process. There has been an increase in the lecturers access but this has not as yet been rolled out college wide.
Finding from out 2016/17 Follow Up
The phased implementation of the PECOS system throughout the College continues.
Recommendation from out 2016/17 Follow Up
We recommend that the College continue with the phased implementation to ensure this is implemented College wide.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
6	The PECOS system is now fully implemented throughout the College.	Low	No further action required.

Fully Implemented Recommendations

Manual Systems (Staff Utilisation, March 2015)

Original Finding
Through our review we found that the current processes in place for the creation of the College's timetables are somewhat manual and time consuming. The Heads of Faculty currently prepare the timetables for their own faculty and we found that the approaches taken in building the timetables are not consistent across the College. We consider that the current processes employed in creating the timetables involves a considerable amount of duplication of effort in order to provide the various support departments with the information they require.
We do note that the College are currently in the process of evaluating its timetabling processes and have set up two consultation groups - one to look at the timetabling process to see where improvements can be made and one to consider the requirements for an automated timetabling system.
Original Recommendation
We recommend that the College seek to streamline the timetabling processes and roll out a less onerous and consistent approach across the College.
Finding from our 2015/16 Follow Up
The process for preparing timetables has been altered in that the faculty heads now begin with the same template, however after discussion with Vice Principal Curriculum it seems that any amendments to timetables are still extremely time consuming, therefore more work must be done in order to streamline this process.
Finding from our 2016/17 Follow Up
We were informed by the College that systems have been explored and are currently testing a system from Celcat but are awaiting the Scottish Funding Council allocation which is due in Spring 2017.
Recommendation from out 2016/17 Follow Up
We repeat the original recommendation.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
7	The College implemented CELCAT to use as a timetabling system. This has streamlined the timetabling process.	Low	No further action required.

Fully Implemented Recommendations

Conflicts of Interest (Corporate Governance, January 2016)

Original Finding
Through our review we found that there are two student members of the Board of Management for whom a registers of interest form is not held.
Original Recommendation
We recommend that register of interest forms are completed on an annual basis by all board members, including staff and student members.
Finding from our 2016/17 Follow Up
The Register of Interests document which is published on the College website, does not contain the interests of the 2 student members of the Board of Management and the interest of the new Principal.
Recommendation from out 2016/17 Follow Up
We recommend that the College ensure that registers of interests are obtained for all Board of Management members. We also recommend that the document is updated on the website.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
8	Register of Interests have been received for all Board members and are listed on the College Website.	Low	No further action required.

Fully Implemented Recommendations

Feedback Survey (Student Funding Application System, June 2016)

Original Finding
Through our review of the College's Learner Feedback Survey, we noted that the percentage of good feedback from students has dropped from 67% in 2014/15 to 44% in 2015/16, when answering the statement "It was easy to apply for a Bursary/EMA". However, it was noted that the majority of the comments left by students were not relevant to the online application system, for example there were complaints over there being too much information to provide, which is not a fault of the system. In discussion with the Student Funding Manager, it was explained that the department had also noted this and had stated that they were looking into the use of an online survey function, such as Survey Monkey, which would be specific to the online application system only. The departments thinking was to present this survey at the end of the application submission process.
Original Recommendation
We recommend that the College continue with plans to produce a survey that is specific to the online application system to get relevant feedback to make any necessary tweaks or improvements.
Original Management Response
We are currently considering the questions to be included in an online survey, a link to which will be included in the email issued on submission of an application. For the current academic year we will issue a separate email to students who have already submitted their application. This should ensure the responses are particular to the CAMS application system and not the policy surrounding processing of awards.
Finding from our 2016/17 Follow Up
The College are planning to encompass an automatic survey request following submission of the funding application. This is being developed and implemented for new applications for 2017 onwards. A new revised date of 31 May 2017 has been set by the College.
Recommendation from our 2016/17 Follow Up
We recommend that the College finalise the development and implementation of the feedback survey.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
9	An applications users survey was embedded into the 2017/18 funding application process.	Low	No further action required.

Fully Implemented Recommendations

Data Retention (Student Funding Application System, June 2016)

Original Finding
During our review we enquired whether the online application system was configured in line with data retention regulations and/or policies. We noted that there was no retention guidance in place for student applications.
Original Recommendation
We recommend that the College investigate what the retention requirements and regulations are for student funding applications and ensure that the application system is configured in line with these requirements.
Finding from our 2016/17 Follow Up
The College have drafted a policy and this is under review by the Senior Management Team.
Recommendation from our 2016/17 Follow Up
We recommend that the Policy is implemented and approved at the next Regional Board meeting.

Ref	Finding from our 2016/17 Follow Up	Grade	Recommendation
10	The College have now completed a data retention schedule for the Student Funding Application System.	Low	No further action required

Fully Implemented Recommendations

Staff Risk Management Training (Risk Management, February 2017)

Original Finding
Risk management training should be given to staff to ensure they are alert and can identify risks and report any to management.

From our review we found that the only staff members who have received risk management training are Senior Management. From discussions with the Vice Principal of Finance & Resources we were informed that there is a plan to ensure staff receive some risk management training.

There is the risk that staff are not aware of the current risks faced by the College, particularly risks within their areas of responsibility or how to identify potential risks and the escalation process once risks have been identified.

Original Recommendation
We recommend that the College continue with the plan to provide risk management training to all staff members.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
11	Risk Management training was provided to the Senior Leadership Team in May 2017. Risk Management has also been rolled out to faculty and department meetings for the development of departmental enhancement plans and self evaluations.	Low	No further action required.

Fully Implemented Recommendations

Hunter System (Purchases & Procurement, March 2017)

Original Finding
The College is currently working on a Master Supplier List that also records contract information with suppliers. The College also use the Hunter Register of Contracts system to record contract details.

During our review we found that the Hunter Register of Contracts was not up to date and that there were several contracts missing from this. We note that the College are aware of this and plan to update this following the completion of the Master Supplier List.

There is the risk that the Hunter System does not contain accurate information and is used by staff monitoring the contracts.

Original Recommendation
We recommend that the College complete an exercise to ensure that the Hunter Register of Contracts is updated.

Ref	Finding from our 2017/18 Follow Up	Grade	Recommendation
12	The Hunter System has now been updated.	Low	No further action required.

D GRADING STRUCTURE

For each area of review we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

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

Audit Approach

Our approach to the review will be:

- Review outstanding recommendations and gain audit evidence to ensure that these have been addressed by the College.

Potential Key Risks

The potential key risks associated with the area under review are:

- The College does not address the areas of concern which may significantly affect its ability to continue to operate.