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AUDIT COMMITTEE REPORT

Subject: Internal Audit Assignment – MIS (Management Information Systems)	**Purpose:** **For Approval** ☒ **For Discussion** ☐ **For Information** ☐
Prepared by: H Robertson Vice Principal – Finance & Corporate Services	**Date:** 26 January 2021

Purpose:
To present the findings of the MIS internal audit which was carried out in December 2020.

Linked to Strategic Goal: We will take a leading role in enabling an inclusive, resilient and sustainable Scotland

Executive Summary:

The attached report details the work carried out by the College's internal audit service in testing the effectiveness of procedures for student applications and enrolments. The report confirms a strong overall conclusion with no recommendations and eight areas of good practice.

Recommendation:
Committee consider the findings of the report and approve the auditor's findings.

Previous Committee Approvals:
n/a

For publication ☒	**For publication with redactions** ☐	**Not for publication** ☐

Borders College

Internal Audit 2020-21

MIS
January 2021

Overall Conclusion
Strong

The matters raised in this report came to our attention during 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. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are of greatest risk and significance.

Overview

Purpose of review

The purpose of this review was to ensure that there are appropriate controls in place within the College's MIS Department. This review sought to provide assurance to the Board, via the Audit Committee, that the processes for student applications and enrolments are efficient and effective and that the controls in place are operating as expected.

This assignment forms part of the 2020/21 annual Internal Audit Plan for the College.

Scope of review

Our objectives for this review were to ensure:

➢ The Board of Management and SMT are provided with useful and meaningful information on a timely basis.

➢ Where possible, the student records system is linked to the College's other systems (student funding, finance etc) so that information can be transferred/shared between the systems.

➢ The College has a robust process in place for student applications and enrolments that captures all information required by the Scottish Funding Council.

➢ The MIS Department is in an effective and efficient manner.

➢ Student records are held securely and in accordance with the requirements of the General Data Protection Regulation.

➢ The College has appropriate arrangements in place to ensure that adequate attendance records are maintained.

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

Limitation of scope

There was no limitation of scope.

Background Information

MIS Department

The MIS Department consists of the following members of staff:

➢ The Head of MIS;
➢ The MIS Manager;
➢ The MIS Supervisor; and
➢ 4 MIS Administrators.

Policies & Procedures

The MIS Team has procedures in place regarding student enrolment and withdrawals. The procedures are detailed and contain a step-by-step guide that members of staff can follow when enrolling or withdrawing a student. The Team also has a timetable in place which they follow when undertaking internal checks. i.e., removing students from courses.

Application Forms & Enrolment Process

The College use electronic application forms. To study for a course at the College, the student has to select the desired course online and complete the online application form.

Students must complete the following when applying online:

➢ Must agree and accept the Privacy Policy;
➢ Provide their personal details such as name, address, post code and date of birth. Students must also provide details of an emergency contact and their residency status;
➢ Provide details of their previous education and how the course will be funded etc;
➢ Students must answer the equality and diversity questions; and
➢ Students must provide confirmation by accepting the terms of the Student Agreement.

Enrolments are completed by the students online. In the event the MIS Team receive a hardcopy/paper enrolment, the MIS Team will check to ensure the student details are not already on UNIT-e. If no pre-existing details of the student is located on UNIT-e, the Team will add the students details.

Attendance Registers

There are 2 attendance registers maintained within the College:

➢ Columbus is used to capture the individual student records. This is a front-end reader of UNIT-e. If/when Columbus is updated UNIT-e is automatically updated and vice versa.

➢ Staff Advantage is used by the Course Tutors and Curriculum Leaders - this captures attendance per subject class.

Security Arrangements

Student records are retained securely online in UNIT-e. Access to UNIT-e is restricted to those members of staff who require it as per their job role. In the event a paper enrolment form is received, the details are entered onto UNIT-e and the paper form retained securely in a locked cabinet within the MIS Office. Student records are destroyed after 5 years, this is in line with the GDPR data retention requirements.

Reports to Senior Management

The Head of MIS updates the Strategic Leadership Team (SLT) monthly. These reports are detailed and cover the following areas:

➢ Credits;
➢ KPI's;
➢ Applications; and
➢ Enrolment.

With regards to the content, using the report from December 10, 2020 as an example. The Head of MIS provides KPI's for the following areas:

- Retention;
- Average number of days taken to withdraw students (full time and part time);
- Engagement;
- Re-engagement;
- Students with 2 or more weeks absence; and
- Progression against Assessment Schedules.

Again, referring to December 2020 report, the Head of MIS explained to the SLT that full time retention was currently 94.89%. The report is split into FE (Further Education) and HE (Higher Education). The total overall withdrawal rates have increased by 1.74% since last reported (November 2020).

There has been an improvement regarding the average number of days taken from a student leaving to the record being updated. This timescale was reduced by 8 days.

Overall student engagement has remained at 92%, when focusing on just fulltime students, this number increases to 96%.
As at December 10, 2020, there were 121 students with more than 2 weeks absence. This figure includes those students who were able to provide medical evidence for their absence.

During the same period (December 10, 2020) the College re-engaged with 11 students, 8 students had either withdrawn or transferred.

Links to other Systems
Student information on the College's record system UNIT-e is utilised by the Finance Department. This is primarily to allow the Finance Department to communicate with students regarding course funding etc.

Columbus and Staff Advantage are interfaces of UNIT-e. They allow Course Tutor's to monitor and record student attendance.

Withdrawals
Student attendance is recorded on Columbus. The Course Tutor/Curriculum Learning Manager will update the student status to "withdrawn" on Columbus along with the last date of attendance. Once Columbus is updated, the MIS Department will review records of students who have withdrawn to ensure the correct "last physical date of attendance" has been captured by the Course Tutor/Curriculum Learning Manager. Should this date differ from the actual last date, the MIS Department will update the records.

1 EXECUTIVE SUMMARY

Work Undertaken

As part of our review, the following work was undertaken:

➢ A discussion with key college personnel to establish the current arrangements for MIS.

➢ Evaluating these arrangements to confirm their adequacy.

➢ A review of the security arrangements within the College to ensure student records are held securely and in accordance with the requirements of the General Data Protection Regulation.

➢ A review of documentation to confirm that policies and procedures are in place and that these comply with good practice and guidance from the Scottish Funding Council.

➢ Sample testing to confirm that these procedures are being adhered to by relevant staff.
    o Sample tested 15 online student applications.
    o Sample tested 15 student withdrawals.

Conclusion

Overall conclusion

Overall Conclusion: Strong

We can provide a strong level of assurance that the College has appropriate controls in place within the College's MIS Department and that these are working as expected. This is further highlighted as we have not raised any recommendations for improvement.

Summary of recommendations

Grading of recommendations				
	High	**Medium**	**Low**	**Total**
MIS	0	0	0	0

As can be seen from the above table we raised no recommendations.

Areas of good practice

The following is a list of areas where the College is operating effectively and following good practice.

1.	The Strategic Leadership Team within the College are updated monthly by the Head of MIS. The reports contain Key Performance Indicators (KPI's) for the following areas: ➢ Credits; ➢ Students retained; ➢ Withdrawn students; and ➢ Students engaged. The report also provides a comparison of performance against the previous year.
2.	The College records student information on UNIT-e. This is a central database with interfaces such as Columbus and Staff Advantage. These interfaces allow Course Tutor's and Curriculum Leaders to monitor and record student attendance. UNIT-e is also utilised by the Finance Department. This allows the Finance Department to communicate with students regarding course funding etc.
3.	The roles and responsibilities of the MIS Team are clearly defined within the College.
4.	The College was able to evidence it follows robust withdrawal procedures when processing students who were no longer attending courses.
5.	The College use electronic application forms for the various full time, part time and school link courses. The College was able to evidence once the student had applied online, his/her details are accurately transferred onto the College's database - UNIT-e.

The following is a list of areas where the College is operating effectively and following good practice.	
6.	The MIS Team has robust policies and procedures in place; these documents cover student applications, enrolments and withdrawals. The Team also has a timetable in place which they follow when undertaking internal checks. I.e., removing students from courses.
7.	Student records are retained securely online in UNIT-e. Access to UNIT-e is restricted to those members of staff who require it as per their job role. In line with GDPR data retention requirements, student records are destroyed after 5 years.
8.	Student attendance is maintained electronically. The College has two registers - one details the individual student's attendance record. The other details attendance per subject class. The MIS Department will review and update attendance records to confirm the last date the student attended the College.

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

MIS

Benchmarking				
	High	**Medium**	**Low**	**Total**
Average number of recommendations in similar audits	0	0	2	2
Number of recommendations at Borders College	0	0	0	0

From the table above it can be seen that the College has a lower number of recommendations compared to those colleges it has been benchmarked against.

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	14 December 2020
Closing meeting	18 December 2020
Draft report issued	12 January 2021
Receipt of management responses	25 January 2021
Final report issued	25 January 2021
Audit Committee	4 February 2021
Number of audit days	3

4 KEY PERSONNEL

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

Wylie & Bisset LLP			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Manager	Scott McCready	Internal Audit Manager	scott.mccready@wyliebisset.com
Auditor	Faisal Kayani	Internal Audit Senior	faisal.kayani@wyliebisset.com

Borders College			
Key Contact	Joanne George	Head of MIS	jgeor@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.			

APPENDICES

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.

For each recommendation, we assign a grading either as High, Medium or Low priority depending on 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.

Purpose of review

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➢ The College has appropriate arrangements in place to ensure that adequate attendance records are maintained.

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

Limitation of scope

There is no limitation of scope.

Audit approach

Our approach to the review will be:

➢ Discussion with key college personnel to establish the current arrangement for student records.

➢ Evaluating these arrangements to confirm their adequacy.

➢ Review of documentation to confirm that policies and procedures are in place and that these comply with good practice and guidance from the Scottish Funding Council.

➢ Sample testing to confirm that these procedures are being adhered to by relevant staff.

Potential key risks

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

➢ In the absence of useful, meaningful and timely information, the Board of Management and/or SMT may make decisions based on incorrect, inaccurate or outdated information.

➢ Where systems are not linked, there is an increased need for manual input. This creates duplication of effort and increases the risk of input/processing errors being made.

➢ The College does not have a robust process in place for student applications and enrolments that does not capture all information required by the Scottish Funding Council.

➢   The processes within the MIS Department are inefficient and ineffective.

➢   Unauthorised access to student records may result in the loss or theft of students' personal information.

➢   In the absence of reliable attendance records, the College may be unable to claim funding for its students.