



Internal Audit 2008/09

**Internal Audit of Programme
Approval Procedures**

Final Report

September 2009

Final distribution:

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Introduction and Scope

Each year the University introduces new programmes and courses to add to the existing academic portfolio and attract new students. These new programmes and courses must be subject to a rigorous process of review and scrutiny prior to being approved and made available to prospective students. The scope of this review was to assess the controls over the review and approvals process undertaken at Faculty level and centrally by the Programme Approval Groups of the Academic Standards Committee.

The main objective of the audit was to provide management and the Audit Committee with an assessment of the processes and controls around the design and approval of new academic programmes.

The control objectives were to assess whether:

- There is a clear and consistent escalation and approval process for new programme proposals;
- Policies and procedures are widely communicated and supported by effective systems;
- There is evidence of appropriate market research and resource calculations completed prior to programme approval;
- The efficiency of new programmes is maximised, considering for example any opportunities to merge programmes or re-use modules;
- There is a process for consistent and independent academic challenge to be applied to proposed new programmes;
- There is an effective process to consider and approve the suspension/withdrawal of programmes; and
- There are opportunities for knowledge and good practice sharing across Faculties, including lessons learned from any post implementation reviews

Our approach involved discussions with Senate Office staff to understand and assess central processes and identify a sample of new programmes and withdrawals for review.

A sample of programmes was selected and testing performed by discussion and review of documentation to assess whether key risks had been addressed and policies applied.

The programmes selected for review are detailed below:

Programme Name	Faculty
Master of Research (MRes) Biomedical Sciences (Biotechnology)	Biomedical and Life Sciences
Bachelor of Science (BSc) Accounting and Statistics	Information and Mathematical Sciences
MRes Virology	Veterinary Medicine
MEd Inclusive Education: Research, Policy and Practice	Education
Certificate in Film Journalism	Arts

Background

Approximately 40 new programmes commence each year at the University. Each new programme is subject to an approval process involving Faculty level reviews and approval from the Faculty Board of Studies or Higher Degrees Committee. The programmes are then scrutinised by the central Academic Standards Committee (ASC) and subgroups of the committee known as Programme Approval Groups (PAGs) before being noted by Senate and subsequently rolled out. A timeline including the key steps in the programme approvals process is included at Appendix B.

A large number of the new programmes introduced each year are as a result of amendments to existing programmes. This can increase the efficiency of the process by reusing existing modules and reducing the time necessary to have the new programmes fully scrutinised and rolled out. New courses are often added to create a new programme in reaction to a shift in demand from employers or potential students. Responsibility for identifying new programme ideas, conducting sufficient market research and preparing the necessary supporting documentation lies with academic departments.

The following documents should be produced for all new programme proposals:

- Programme Specification;
- Programme Proposal and Proposal Support Document;
- Consultation Forms with feedback from students and employers; and
- Budget Plan.

The above documents are reviewed by the appropriate Faculty's Board of Studies or Higher Degrees Committee. Subsequently, the Programme Specification and Proposal Support Document are provided to the appropriate PAG along with the minute from the meeting of the Board of Studies or the Higher Degrees Committee to evidence its review and approval.

Previously, Senate took responsibility for ensuring that all documentation was completed and submitted for review, however changes to the programme approval procedures in 2004 and 2006 shifted most of this responsibility to the Faculties.

The PAGs are comprised of members of the ASC, and these are established each year to perform the initial central review of all new programmes. Each PAG is assigned specific Faculties by the ASC, and the PAGs review the programmes from these Faculties. A report is then prepared by the PAGs and submitted to the meeting of the ASC, who take the final decision on the approval before the Faculties are able to formally introduce the new programme to students.

Suspensions and withdrawals

Suspensions and withdrawals are dealt with at Faculty level and are not reviewed by the PAGs or the ASC. A departmental proposal is submitted to the Board of Studies or the Higher Degrees Committee who review and approve the proposal before this is reported to Senate along with a brief report on the case for the withdrawal. The programme is then withdrawn and removed from the relevant systems.

Knowledge and Good Practice Sharing

New programmes from the Faculty of Physical Sciences, FBLS and FIMS are considered by one combined Board of Studies. New programmes from all other Faculties are considered independently by the relevant Faculty Board of Studies. Although the procedures set out key requirements of the approvals process, these do not dictate the way in which a Faculty is required to conduct their own review and scrutiny prior to referral to the ASC. As a result, there is a degree of variation in the way this is carried out across the Faculties.

Systems

Two systems are currently in place for managing programme information: the Central Course Information Management System (CCIMS), and Programme Information Project (PIP). CCIMS was the original system used to record all course and programme approvals. However the PIP system, designed by Computing Services, is currently being piloted in the Faculty of Physical Sciences, FBLS, FIMS and LBSS in sessions 2007-08 and 2008-09. It is planned that this will be used by all Faculties in session 2009-10. PIP is based on a workflow system which allows the Faculties to submit documentation electronically to the Senate for review, and where changes are required the documents can be returned electronically to Faculties.

Summary of Key Findings

Our conclusion is that there is a clear process and satisfactory controls over the review and scrutiny of new programmes by the Faculties and centrally by the Academic Standards Committee before these are approved and made available for student applications. However, a number of findings were identified around the application of this process within Faculties, where responsibility lies for ensuring that all procedural requirements are carried out by the academic staff proposing new programmes. In addition, some process improvements were identified, including where the review processes vary across the Faculties, and around the overall timing of the approvals cycle, which impacts on the student enrolments to the programmes in the first year.

A summary of our findings and recommendations is as follows:

- A number of discrepancies were noted around the consultations carried out for new programmes to explore the appetite for the proposal among a variety of different groups including students and employers. Evidence of consultations was not always on file, negative feedback was sometimes not addressed and some consultation exercises included very few participants. Only programmes where adequate consultations have been conducted in the prescribed form should be given approval to be submitted to the PAGs. *(Recommendation 1)*
- A number of instances were noted of missing documentation, including lack of evidence of consultations, budget plans, and signed copies of the programme proposals. The importance of the documentation should be communicated to Faculties and only programmes with a complete file should be considered for approval. *(Recommendation 2)*
- There was no evidence of a formal budget calculation with all expected income and costs for 3 of the 5 programmes reviewed. The Vice Principal (Strategy & Resources), in consultation with the Finance Office and academic departments as appropriate, should compile a budget template for the Faculties to complete for all new programmes, and the importance of this stage of the process should be communicated to relevant staff. *(Recommendation 3)*
- The current timing of the approvals cycle does not allow Faculties sufficient time to market new programmes to prospective students in order to reach adequate levels of enrolments by the start of the new academic year. A second cycle was recently introduced to provide the option for Faculties to submit proposals in Semester One, however this has not received any submissions and initial discussions suggest the timing may not be suitable for academic departments. The overall timing of the approvals cycle should be further reviewed through consultation and a decision should be made about the value of running programmes where there is a low student uptake in the first year. *(Recommendation 4)*
- A number of variations were noted in the way Faculties perform the initial review of new programme proposals prior to referral to the PAGs, in particular around the level of authorisation and review. Management should consider identifying and communicating areas of good practice or introducing a standardised approach. *(Recommendation 5)*
- Courses and programmes which have been withdrawn from the curriculum are not actively removed from the CCIMS and PIP systems. Management should introduce a process where details of all withdrawn courses and programmes are provided to a member of staff at the Faculties who will remove these from the relevant system. *(Recommendation 6)*

To assist management in using our reports, we categorise each of our recommendations according to their level of priority as summarised in the table below. Detailed classification of findings is shown at Appendix A. A summary of the number and priority of recommendations is provided below, and the detailed recommendations can be found in our Action Plan section overleaf:

Priority	Control Weakness (CW)	Process Improvement (PI)	Total
1 – Major	-	-	-
2 – Moderate	3	1	4
3 – Minor	-	2	2
Total	3	3	6

Detailed Recommendations and Action Plan

#	Finding & Significance	Risk / Opportunity	Recommendations	Management Response
Adequacy of consultations (CW-2)				
1	<p>Consultations should be undertaken with students, external consultants, and, as appropriate, employers and internal University services for all new programmes. This provides an independent opinion on the proposal, and may identify opportunities to enhance the proposition. Guidance is provided by the Senate Office on the nature of feedback that should be sought. Forms reporting the outcome of these consultations must be completed, although there is no requirement to submit these to the PAGs.</p> <p>A number of discrepancies were noted around the consultations carried out for the new programmes reviewed. These include:</p> <ul style="list-style-type: none"> ▪ There were no proformas for student or external consultations for four of the five new programmes, to evidence that a thorough consultation had been conducted. In these cases, there was a short email conversation between the programme proposer and the external party. ▪ Only one new programme targeted more junior students in line with the guidance document; ▪ For two new programmes, consultations involved only two students each; ▪ Negative student feedback was obtained for one programme, however no additional consultation was performed; ▪ An external examiner had concerns around one new programme proposal, however there was no evidence that further information had been provided or changes made to the programme specification to address these concerns. 	<p>There is risk that without a constructive and independent challenge of new programme proposals, potential weaknesses and issues may not be identified and resolved before the programme is rolled out.</p> <p>Without input from prospective students, there is a risk that new programmes are introduced for which there is limited or no demand.</p>	<p>Consultations should be performed in accordance with the guidance provided for all new programmes. The output obtained from this process should be used to develop or amend the programme proposal as required.</p> <p>The Boards of Studies at each Faculty should ensure that only programmes with adequate consultations in the prescribed form are given approval to be submitted to the PAGs.</p> <p>Programme Approval Groups may wish to perform spot checks on a sample of new programme documentation each year, to ensure this is compiled as required</p>	<p>Mgmt Comments: Agreed</p> <p>Timeframe: Semester 1, 2009-10</p> <p>Responsibility: Assistant Director of SO as Clerk to ASC.</p>

Detailed Recommendations and Action Plan

#	Finding & Significance	Risk / Opportunity	Recommendations	Management Response
Missing approvals documentation (CW-2)				
2	<p>Specific documentation is required to be compiled for all new programmes. This includes a formal programme specification and support document, and is required for the review and scrutiny both at Faculty level and by the PAGs and ASC, in order to determine if the programme should be formally approved and rolled out.</p> <p>A review of the approval files for a sample of new programmes reviewed in the 2008/09 approvals cycle highlighted the following discrepancies:</p> <ul style="list-style-type: none"> ▪ Consultation proformas with feedback from students and external consultants were only on file for one of the five programme files reviewed. ▪ There was no budget income and expenditure plan for three of the five programme files reviewed. ▪ One of the Board of Studies minutes with evidence of the final Faculty approval was not found to be on file. <p>The Faculties are not required to submit the consultation proformas or budget plans to the PAGs and ASC. These are for Faculty review purposes only.</p>	<p>Without a complete set of documentation, the Board of Studies, PAGS, and ASC may not be able to perform a robust review and make an informed decision on the approval of new programmes.</p>	<p>All required documentation should be completed for all new programmes for review.</p> <p>The Boards of Studies should ensure that only programmes with all required documentation are given approval to be submitted to the PAGs.</p> <p>Members of the Senate Office, on behalf of PAGs, may wish to perform spot checks on a sample of new programme documentation each year, to ensure that this has been compiled as required.</p>	<p>Mgmt Comments:</p> <p>Agreed</p> <p>Timeframe:</p> <p>Semester 1, 2009-10</p> <p>Responsibility</p> <p>Assistant Director of SO as Clerk to ASC.</p>

Detailed Recommendations and Action Plan

#	Finding & Significance	Risk / Opportunity	Recommendations	Management Response
Completion of budget plans (CW-2)				
3	<p>A review of new programme documentation highlighted that there was no evidence of a formal budget document with all expected income and costs for three of the five programmes. The remaining two Faculties prepared a document detailing the forecast student fees along with the expected costs. These were the MEd Inclusive Education: Research, Policy and Practice, and the Certificate in Film Journalism.</p> <p>Discussions with staff however highlighted that the financial implications of any new programme may be a point of discussion between the Dean and programme proposer, or at the Board of Studies or Higher Degrees Committee. This may not always be documented.</p>	<p>Without a documented assessment of expected fee income and expected costs, it may not be possible to make an informed decision on the financial viability of a new programme.</p>	<p>The Vice Principal (Strategy & Resources) should prepare a budget template with key headings for income and costs, which should be completed by the Faculty as part of the new programme proposal. This may require input from Finance, Registry and academic departments to ensure all key headings are considered and included.</p> <p>Budgets should be subject to review by the Faculty (and independently if required) prior to submission to the PAGs.</p>	<p>Mgmt Comments:</p> <p>A template will be prepared and a process introduced to have these reviewed, either independently (by VP Strategy & Resources) or by the Faculty prior to submission to the Board of Studies.</p> <p>Timeframe:</p> <p>December 2009</p> <p>Responsibility:</p> <p>Vice Principal (Strategy & Resources).</p>

Detailed Recommendations and Action Plan

#	Finding & Significance	Risk / Opportunity	Recommendations	Management Response
Timing of programme approvals cycle (PI-2)				
4	<p>The main programme approvals cycle concludes with final approval from the Academic Standards Committee in May each year. Newly approved programmes are then actively marketed to attract students for the first year of the programme commencing in the Autumn of the same year. Prior to this marketing, the programmes are included in the University prospectus with a caveat that they will only run subject to approval of Senate.</p> <p>The enrolments figures for the first year of the programmes selected for this review highlighted that there were between zero and two students enrolled in four out of the five programmes. The target for these programmes was approximately 10 students as these were mostly Masters programmes.</p> <p>All new programme approvals are processed in the same cycle. A second approvals cycle was introduced however this has received no programme proposals. Discussions with staff at the Faculties highlighted that this second cycle at the start of the academic year was not suitable due to time pressures on academic staff and it was not practical to compile the required documentation at this time.</p>	<p>The timing of the approvals cycle does not allow sufficient time for the Faculties to generate interest in the new programmes in order to commence these in the same year as the approval.</p> <p>A low number of enrolments may result in the Faculty bearing significant costs for the required resources of the programme.</p>	<p>The current timing of the programme approvals cycle should be further reviewed to establish whether the semester one option is a suitable alternative for academic departments. Consideration should also be given to any further changes to the process which would align with the academic calendar and provide as much opportunity as possible to market new programmes.</p> <p>If the current timing of the approvals cannot be changed, Faculties should consider whether it is viable to run new programmes in the new academic year where there is a low uptake of students. This may be done on a case by case basis, or a decision may be taken to defer the start of all new programmes until the next academic year.</p>	<p>Mgmt Comments:</p> <p>We accept this with the comments that marketing is not dependent on Senate approval and that while the approval process takes 3 to 4 months to complete and provision in place for two approval cycles per session, it is difficult to see how those provisions might be improved.</p> <p>Timeframe:</p> <p>Semester 1, 2009-10</p> <p>Responsibility</p> <p>Assistant Director of SO as Clerk to ASC.</p>

Detailed Recommendations and Action Plan

#	Finding & Significance	Risk / Opportunity	Recommendations	Management Response
Variations in the Faculty review process (PI-3)				
5	<p>Faculties perform the initial stage of review for all new programme proposals. This includes a review of the documentation defined in the procedures, and ultimately approval from the Faculty Board of Studies of Higher Degrees Committee.</p> <p>Discussions with key contacts at the Faculties identified a number of variations in the way each Faculty conduct their reviews. These are:</p> <ul style="list-style-type: none"> ▪ The Faculty of Education replicate the 2-stage process adopted by the Senate. Scrutiny Groups perform an initial detailed review and make recommendations to the Board of Studies, as is done from the PAGs to the ASC. ▪ The Faculty of Veterinary medicine require a proposal for new programmes to be made to the Dean before any work is performed around consultations and programme specifications. The Faculty Management Group also notes all new programme proposals. ▪ The Faculty of Arts require a formal business case to be prepared, including resource requirements and a justification for the new programme. This is reviewed by the Board of Studies. 	<p>There is an opportunity to standardise the review process across the Faculties, to ensure that the level of scrutiny and standard of new programme proposals across the University is consistent.</p>	<p>The Senate Office should consider the current review processes carried out by Faculties and report to ASC which should decide whether these should be standardised.</p> <p>Areas of good practice should be identified, and a number of required stages in the review process defined and communicated to staff, along with any stages of the process deemed unnecessary. This may include adopting the 2-stage process used in the Faculty of Education to perform an initial detailed review to be reported to the Faculty Board of Studies. The business case prepared by the Faculty of Arts could be submitted to this initial stage of the process for discussion and review.</p> <p>The revised requirements should be documented in the approval procedures.</p>	<p>Mgmt Comments:</p> <p>Agreed</p> <p>Timeframe:</p> <p>Semester 2, 2009-10</p> <p>Responsibility:</p> <p>Assistant Director of SO as Clerk to ASC.</p>

Detailed Recommendations and Action Plan

#	Finding & Significance	Risk / Opportunity	Recommendations	Management Response
Programme withdrawals (PI-3)				
6	<p>Discussions with staff across a number of Faculties highlighted that courses and programmes which have been terminated are not always actively removed from the CCIMS and PIP systems.</p> <p>It is acknowledged that withdrawn courses and programmes are removed from the University website and the course catalogue. However details of the course or programme may still be available in the Faculty, which could generate interest from students. Students may also be aware of the course or programme from their time at the University.</p>	<p>There is a risk that a student may attempt to apply or may enrol in a course or programme which remains on the system after it has been withdrawn. The student would then be informed that this choice was not available, which may have an impact on other academic selections.</p>	<p>Staff across the Faculties should be informed of the need to actively remove courses and programmes which have been withdrawn.</p> <p>Responsibility should be assigned for this task, and the staff responsible should be provided full details of all withdrawn courses and programmes in order that these can be removed on a timely basis.</p>	<p>Mgmt Comments: Agreed</p> <p>Timeframe: Semester 1, 2009-10</p> <p>Responsibility: Assistant Director of SO as Clerk to ASC</p>

Statement of Responsibility

We take responsibility for this report which is prepared on the basis of the limitations set out below.

The matters raised in this report are only those which came to our attention during the course of our internal audit work and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. Recommendations for improvements should be assessed by you for their full impact before they are implemented. The performance of internal audit work is not and should not be taken as a substitute for management's responsibilities for the application of sound management practices. We emphasise that the responsibility for a sound system of internal controls and the prevention and detection of fraud and other irregularities rests with management and work performed by internal audit should not be relied upon to identify all strengths and weaknesses in internal controls, nor relied upon to identify all circumstances of fraud or irregularity. Auditors, in conducting their work, are required to have regards to the possibility of fraud or irregularities. Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas as identified by management as being of greatest risk and significance and as such we rely on management to provide us full access to their accounting records and transactions for the purposes of our audit work and to ensure the authenticity of these documents. Effective and timely implementation of our recommendations by management is important for the maintenance of a reliable internal control system.

Deloitte LLP

Glasgow

September 2009

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Appendix A – Classification of Findings

To assist management and ensure consistency over the grading of recommendations, the following classification structure is used. All recommendations are graded by risk priority 1-3 and by Control Weakness (CW) or Process Improvement (PI) to reflect the nature of the recommendation.

	1	2	3
Risk Rating	Major	Moderate	Minor
Financial	Exposure to financial loss greater than £500k Potential financial impact across numerous systems and departments	Exposure to financial loss greater than £100k Potential financial loss which would significantly affect the process under review	Exposure to financial loss greater than £10k Isolated areas of potential financial loss or opportunity identified for increased efficiency
Reputation	Adverse publicity in local or national media (greater than 3 days) Negative impact on relationships with partners and stakeholders, including staff and students Regulatory or contractual breaches incurring fines or penalties Criminal or civil proceedings	Adverse publicity at a local level or towards a specific group Staff and student morale adversely affected Minor regulatory breach	Reputational damage limited to the effect of rumours within the University Minor effect on staff and student morale Isolated regulatory breach
Operational	Significant over-runs against planned projects or actions resulting in a failure to fully achieve objectives Poor standards of quality and efficiency achieved Loss of service for more than 3 days	Moderate over-runs against planned projects or actions at a Faculty/ departmental level Acceptable quality standards not wholly achieved Loss of service for 1-3 days	Minor project plan over-runs Identified areas where quality could be improved Minor service interruption in isolated areas or for less than 1 day
Staff	Non-delivery of key objectives or critical errors likely due to lack of staff or incompetent staff Disciplinary action against personnel	Late delivery of key objectives or moderate errors due to limited staff resource or a need for training	Minor errors or delays observed
Expected timescale for agreed action to commence	Immediate (1-2 months)	Short term (3-9 months)	Practical (9 months +)
Expected management action	Review current risks and controls and take remedial action to reduce risk to acceptable levels	Review current risks and controls and implement all recommendations to reduce risk to acceptable levels	Implement additional controls as recommended by Internal Audit

Appendix B – Timeline of the new programme approvals process

Below is a timeline which includes the key steps in the main programme approvals cycle (a further Semester One cycle was introduced in 2008 which runs from September to December):

