

Circular 00/29

Funding

Final Funding Unit Return

Summary

This circular requests a return of the total funding units generated by institutions in respect of the 1999-2000 funding allocation, including additional funding, and provides guidance on making this return. Returns are requested from principals and heads of colleges, higher education institutions and external institutions. The Council will use this information to assess each institution's performance against its funding agreement to determine whether any adjustments are required to the funding paid to the institutions for 1999-2000.

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Further information

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Final Funding Unit Return 1999-2000

Introduction

1 In this circular, the Council requests a return of the total funding units generated by institutions with reference to the 1999-2000 funding allocation. This includes additional funds allocated to institutions in respect of: University for Industry (Ufi), ILA Pathfinder Projects (Circular 99/38 only), non-schedule 2 pilot projects (Circular 99/16) and provision of basic skills summer schools. It also provides guidance on how to make the return.

2 The Council will use this information to assess each institution's performance against its funding agreement and to determine whether any adjustments are required to the funding paid to the institution for 1999-2000. Each institution's performance in 1999-2000 may also be taken into account in the 2001-02 funding allocation process.

3 Returns from colleges, higher education (HE) institutions and external institutions are requested by 5 February 2001 together with the audit report requested in Circular 99/43 supplement B (revised January 2000). In Circular 99/43 external auditors are asked to write to the Council if an audited final funding unit claim would not be received by 5 February 2001. This letter should explain the reasons for the delay, the action to be taken and a firm promise date, which should normally be within six weeks of the expected return date.

Background

4 The arrangements for making audited final funding unit returns to the Council in 1999-2000 are set out in Circular 99/43. Each institution is required to provide the Council with an audited final return of funding units for 1999-2000 after the 1999-2000 year end.

Final Return of Funding Units for 1999-2000

Arrangements

5 All institutions are asked to make a final return of funding units for 1999-2000, by completing form FINAL CLAIM 2000 at annex B to this circular. Guidance on completing the form can be found at annex A. You should pass this return to your external auditors and ask them to send it to the Council with their report on the audit of the 1999-2000 final funding unit claim and supporting data for 1999-2000. In order to assist in completing the forms the Council has provided, on the CD containing version 13.3 of the qualification database, a report *Summary of Units by Funding Allocation Type* within the funding program reports database which provides a breakdown of units to match the final claim form. Institutions are asked to send a copy of this report with their final claim. An example of this report is shown in annex D. This should reach the Council by 5 February 2001.

6 Colleges and external institutions are reminded that ISR19 (31 December 2000; 1999-2000) data should be sent by them to the Council for the institution concerned to arrive by 5 February 2001. The final funding unit return for 1999-2000 cannot be processed until ISR19 data have been received and validated by the Council. HE institutions will be sent July HESA data, converted to ISR format by late January or early February 2001. This will enable them to process the data using version 7.2 of the funding program.

7 Institutions should note the guidance on the audit of final funding unit claims set out in Circular 99/43, *Audit of 1998-99 Final Funding Unit Claim and of the 1998-99 Individualised Student Record Data* and the supplements to that circular. Particular attention should be paid to the checks regarding franchising and the guidance set out in Circular 96/06 and Circular 99/37.

8 The Council will compare an institution's final funding unit claim with the number of units generated by processing the institution's ISR19 (31 December 2000; 1999-2000) return, or equivalent data derived from the institution's HESA return, through version 7.2 of the funding program using release 13.3, or any updated version of it, of the qualification database. The qualification database is now regularly updated between releases. Institutions may use any updated version of release 13.3 of the qualification database when preparing their final funding unit return for 1999-2000. The Council expects units generated from ISR19 to be consistent, after taking account of manual adjustments, with the final funding unit claim. To assist institutions, advice on manual adjustments which may be acceptable to the Council are included in supplement D to Circular 99/43, which is available as an electronic document on the Council's website. This will be updated for 1999-2000 in December 2000. Institutions wishing to make manual adjustments which are not included in the table in supplement D to Circular 99/43 should contact the Council's funding and statistics support desk by fax on 024 7686 3249. Updates on manual adjustments will be placed on the Council's website (www.fefc.ac.uk).

Adjustments to payments

9 For the purposes of calculating payments to institutions the Council will calculate the performance of each institution in 1999-2000 as described in Circular 00/16, *Monitoring Growth 1999-2000*, by:

- comparing the institution's total funding units eligible for Council funding with the funded units in its funding agreement
- comparing the number of 16 to 18 year-old full-time students against allocations in this category.

10 These performance measures, moderated by any tolerance for underperformance against funding agreement as described in paragraphs 35 to 41 of Circular 00/16 will be used to calculate the final funding to be paid to the institution for 1999-2000.

11 David Melville wrote to all institutions on the 25 October 2000 about the timetable for recovery of funds for underperformance in 1999-2000. This timetable is necessary so that the Council has sufficient available funds for institutions delivering expansion for both 16 to 18 years olds and adults in the current college year. This letter included the following guidance:

The Council intends to begin a phased recovery of funds for underachievement in 1999-2000 in January 2001. We propose to calculate likely underachievement and any sums to be recovered on the basis of data from July ISR17 (July 1999) where this is available. The precise detail of what is proposed is in the attached annex. We will recover funds in three equal tranches in January, February and March 2001. This will enable us to use these sums to support the delivery of growth in the current academic year. Any college or institution that anticipates insurmountable cash flow difficulties from the recovery profile should contact their regional finance director as soon as possible.

Obviously, for some institutions estimates of achievement in 1999-2000 will be less than the final outturn as shown on audited final funding unit claims. As audited final funding claims come in we will take account of these and if necessary will change the sums to be recovered.

Further Information

12 Enquiries about this circular may be made by sending a fax, labelled 'Final funding unit return 1999-2000', to the Council's funding and statistics support desk on 024 7686 3249, by email (fundstat.desk@fefc.ac.uk) or by telephoning 024 7686 3224. Enquirers are asked, if possible, to send a fax or email rather than telephoning. This will help give a prompt response to enquiries.



Guidance for Completing Form Final Claim 2000

Calculation of Units

1 Guidance on the calculation of funding units for the 1999-2000 funding allocation is given in Circular 99/07, *Funding Guidance 1999-2000*. The return FINAL CLAIM 2000 is attached at annex B to this circular. Further guidance is provided in Circular 99/43, *Audit of 1998-99 Funding Unit Claim and of the 1998-99 Individualised Student Record Data*.

Supplement B (2000) and supplement E to Circular 99/43 refer to 1999-2000 funding.

2 To assist in completing the forms the Council has provided a report *Summary of Units by Funding Allocation Type* within the funding program reports database that provides a breakdown of units to match the final claim form. Institutions are asked to send a copy of this report with their final claim. If an institution has no claim in a category then the program will not show that element within the report and on the claim form itself an entry of '0' should be recorded.

Allocations

3 The final funding claim should be completed so that the Council can monitor performance against each type of allocation. As in previous years any fundable units which fall outside the earmarked boxes should be claimed in the main allocation box. Claims for additional types of allocation should comply with the additional guidance given by the Council for each type of allocation and relevant circulars for additional allocations have been quoted on the claim form. Further guidance on these additional types of allocation is also available in supplement E to Circular 99/43.

Completing the Form

4 All institutions are asked to indicate on form FINAL CLAIM 2000 the total funding units which they are claiming for the teaching year 1999-2000.

5 Institutions should provide supporting information on form FINAL DIFF 2000 at annex C, explaining any differences between the total units claimed and those generated by processing the institution's December 2000 ISR data through version 7.2 of the funding program, using release 13.3, or any updated version of the qualification database. Any manual adjustments made by the institution should be recorded on form FINAL DIFF 2000. Institutions should record on form FINAL DIFF 2000 the manual adjustment number shown in supplement D to Circular 99/43, which is available as an electronic document on the Council's website. The entries on the FINAL DIFF must then be broken down by type of allocation and entered into the appropriate boxes on the final claim form.

6 Institutions are asked to contact the Council's funding and statistics support desk by fax on 024 7686 3249 before making a manual adjustment for a matter which does not appear on the list included in supplement D to Circular 99/43. They will be given an adjustment number if the manual adjustment is agreed. Information on any agreed additional manual adjustments is shown on the Council's website (www.fefc.ac.uk). Circular 99/43 indicates that the Council expects external auditors to pay particular attention to any such manual adjustments made by institutions.

Funding Program

7 The Council provided version 7.2 of the funding program to help institutions make their in-year and final claims for funding units in 1999-2000. The Council issued a revised reports module for use with version 7.2. It was sent with the CD version 13.3 of the qualification database on 30 November 2000.

8 All institutions returning the ISR data for 1999-2000 are asked to use these data with version 7.2 of the funding program and release 13.3, or any updated version of the qualification database to calculate their final total of funding units. External auditors have been asked to use the same versions of the software when checking institutions' final funding unit returns.

9 For all colleges and external institutions, the 1999-2000 audit of student numbers is based on the individualised student record (ISR). All HE institutions make a similar return of student records to HESA, from which a return equivalent to ISR is derived and given to the Council. The Council will provide HE institutions with a report from the funding program generated from data returned by them to HESA.

Declaration

10 All claim forms should be signed by the principal or the head of the institution, or, in the case of HE institutions, by the person with equivalent responsibility for further education in the institution. Institutions and external auditors are reminded that the claim forms returned by the external auditor to the Council should contain an original signature, not a photocopy or facsimile.

FINAL CLAIM 2000

(Reference Circular 00/29)

All institutions receiving funding from the Council for 1999-2000 are asked to complete and forward this form to their auditors with a request that the auditors return it in its original form, together with form FINAL DIFF 2000 and their audit report, to Lee Wilson in the funding claims team at the Council's Coventry office no later than 5 February 2001.

Name of FEFC-funded institution

FEFC code

Sponsoring college
(for external institutions)

All institutions are asked to complete this section. The report *Summary of Units by Funding Allocation Type* from the funding program reports database provides the necessary information to complete the table. Institutions are asked to send a copy of this report with their final claim. Where institutions are making manual adjustments the Council requires these to be broken down by type of allocation.

Type of allocation	ISR total units as per <i>Summary of Units by Funding Allocation Type</i>	Manual adjustment total (from FINAL DIFF)	Total unit claim
Main allocation (Supported by Council funding)			
University for Industry (Ufi) Claimed by recipient college only	_____	_____	_____
Basic Skills School 1999	_____	_____	_____
ILA pilot 1999-2000 (Circular 99/38) Claimed by recipient colleges only	_____	_____	_____
ILA national framework (Circular 00/08) – summer 2000 only	_____	_____	_____
Basic Skills School 2000	_____	_____	_____
Non-schedule 2 project funding (Circular 99/16)	_____	_____	_____
Total overall claim	_____	_____	_____

THE FURTHER EDUCATION FUNDING COUNCIL

Cheylesmore House
Quinton Road
Coventry CV1 2WT

Telephone 024 7686 3000
Fax 024 7686 3100

Section titles	ISR unit claim (1999-2000) (total should match ISR total in box 2 on FINAL DIFF 2000)
	<hr/> Manual adjustment unit claim (total should match manual adjustment total in box 1 on FINAL DIFF 2000)
	<hr/> Total Unit Claim (total should match total units claimed in box 3 on FINAL DIFF 2000)

This declaration must be made by the head of the institution (or in the case of HE institutions, the person with responsibility for further education in the institution).

Declaration I certify that, to the best of my knowledge, the funding units claimed above have been calculated from data correctly extracted from the institution's records, which accurately reflect enrolments during 1999-2000, in accordance with the guidance and definitions set out in Circular 99/07, *Funding Guidance 1999-2000* and other relevant guidance. **I also certify that to the best of my knowledge, the funding unit claim is free from misstatement, whether caused by fraud or other irregularity or error and also complies with the audit guidance given in Circular 99/43 and its supplements.** This form must be signed by the head of the institution.

Signature (*head of institution*)

Name (*please print*)

Position

Date _____ / _____ / _____

FINAL DIFF 2000

(Reference Circular 00/29)

All institutions receiving funding from the Council for 1999-2000 are asked to complete and forward this form to their external auditors with a request that the auditors return it in its original form, together with form FINAL CLAIM 2000 and their audit report, to Lee Wilson in the funding claims team at the Council's Coventry office by 5 February 2001.

Institutions should use this form to record the reason(s) for the difference between the final claim and the units generated by processing the December 2000 ISR return through version 7.2 of the funding program using release 13.3, or any updated version of the qualifications database. A list of acceptable manual adjustments, and their numbers, is given in supplement D to Circular 99/43, which is available as an electronic document on the Council's website (www.fefc.ac.uk).

THE FURTHER EDUCATION FUNDING COUNCIL

Cheylesmore House
 Quinton Road
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 Telephone 024 7686 3000
 Fax 024 7686 3100

 Name of FEFC-funded institution

 FEFC code

 Sponsoring college
(for external institutions)

<i>Manual adjustment number (see supplement D to Circular 99/43)*</i>	<i>Description</i>	<i>Students affected (No.)</i>	<i>Difference (Funding units)</i>

- 1 Total unit difference arising from manual adjustments
-
- 2 Total units calculated using version 7.2 of the funding program, ISR19 (31 December 2000; 1999-2000) and release 13.3, or any updated version of the Qualifications database
-
- 3 Total units shown on form FINAL CLAIM 2000 (total of entries at 1 and 2)

* available as an electronic document on the Council's website (www.fefc.ac.uk)

Example of Summary of Units by Funding Allocation Type

Year: 1999-2000

Institution: CASBR Casterbridge College

Live Data? Yes

Filters: Qual. Aim user defined field 1 like (All) Student user defined field 1 like (All)

Qual. Aim user defined field 2 like (All) Student user defined field 2 like (All)

Council Funding Type: All qualification aims

Type of Category: Supported by Council Funding

Period	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
1	56.00	28.00	0.00	0.00	0.00	0.00	0.00	84.00
2	0.00	28.00	0.00	0.00	0.00	0.00	0.00	28.00
3	0.00	28.00	0.00	0.00	0.00	0.00	0.00	28.00
	56.00	84.00	0.00	0.00	0.00	0.00	0.00	140.00

Type of Category: Supported by Council Funding: University for Industry (Ufi)

Period	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
1	8.00	4.00	0.00	0.00	0.00	0.00	0.00	12.00
2	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
3	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
	8.00	12.00	0.00	0.00	0.00	0.00	0.00	20.00

Type of Category: Supported by Council Funding: Basic Skills School 1999

Period	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
1	8.00	4.00	0.00	0.00	0.00	0.00	0.00	12.00
2	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
3	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
	8.00	12.00	0.00	0.00	0.00	0.00	0.00	20.00

Type of Category: Supported by Council Funding: ILA pilot 1999-2000

Period	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
1	8.00	4.00	0.00	0.00	0.00	0.00	0.00	12.00
2	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
3	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
	8.00	12.00	0.00	0.00	0.00	0.00	0.00	20.00

Funding Program Database Version 7.2.0 [1999-2000] Qualifications Database Version: 13.1 28/04/2000 Last Import Date: 23/11/2000
 c:\fund72\fund72.mdb Automatic Update Version: 0000 28/04/2000 Last Amendment Date: 23/11/2000
 Printed: 16:51:50 on 23/11/2000 Manual Update Version: 0000 28/04/2000 Page 1 of 2

Summary of Units by Funding Allocation Type

Year: 1999-2000

Institution: CASBR Casterbridge College

Live Data? Yes

Filters: Qual. Aim user defined field 1 like (All) Student user defined field 1 like (All)

Qual. Aim user defined field 2 like (All) Student user defined field 2 like (All)

Council Funding Type: All qualification aims

Type of Category: Supported by Council Funding: ILA national framework (summer 2000 only)

Period	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
1	8.00	4.00	0.00	0.00	0.00	0.00	0.00	12.00
2	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
3	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
	8.00	12.00	0.00	0.00	0.00	0.00	0.00	20.00

Type of Category: Supported by Council Funding: Basic Skills Summer Schools 2000

Period	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
1	8.00	4.00	0.00	0.00	0.00	0.00	0.00	12.00
2	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
3	0.00	4.00	0.00	0.00	0.00	0.00	0.00	4.00
	8.00	12.00	0.00	0.00	0.00	0.00	0.00	20.00

Type of Category: Non-schedule 2 Project Funding

Period	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
1	96.00	48.00	0.00	0.00	0.00	0.00	0.00	144.00
2	0.00	48.00	0.00	0.00	0.00	0.00	0.00	48.00
3	0.00	48.00	0.00	0.00	0.00	0.00	0.00	48.00
	96.00	144.00	0.00	0.00	0.00	0.00	0.00	240.00

Report Totals:	Entry	On- Programme	Achievement	Fee Remission	Childcare Support	Widening Participation	Additional Support	Total Units
	192.00	288.00	0.00	0.00	0.00	0.00	0.00	480.00

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