



CORPORATE PLAN 2013-2016

MARSHALL AID COMMEMORATION COMMISSION

FOREWORD

In 1953 the British Parliament instituted the Marshall Aid Commemoration Commission Act¹, named in honour of General George C Marshall, as a thank you to the American people for the assistance given to Europe in the aftermath of World War II through the European Recovery Programme - commonly known as the Marshall Plan.

The relationship between the United Kingdom and the United States is not just special but essential according to the Prime Minister and the President of the United States.² At the same the Commission recognises that the demography of the United States and of the United Kingdom has changed dramatically over the last sixty years and it will continue to do so. On current trends by 2050 a majority of US citizens will come from what are now called ethnic minorities. In other words the Commission is clear that we can no longer assume that the verities espoused General Marshall and Sir Winston Churchill can be taken for granted. Now, more than ever, the United Kingdom needs to invest in the future leaders of the United States. The challenges and the opportunity are considerable. The Commission is determined to advance on both fronts.

The structure of the Marshall Scholarships scheme remains intact. There are now eight regional centres based on the Consulates General in Atlanta, Boston, Chicago, Houston, Los Angeles, New York and San Francisco and the British Embassy in Washington DC. The most dramatic change since the inception of the scheme has been the increase in the number of Marshall Scholarships. The number of new awards was increased from twelve to twenty-four in 1960, to thirty in 1973, up to forty Scholarships in 1991 and between 2004 to 2007 up to forty four were awarded. In 2013 34 new awards were offered. The most recent change has been that the Commission decided to offer a limited number of one year awards and the fourth group of these were selected for the 2013 class.

The Marshall Scholarship programme quickly established itself as one of the most prestigious scholarships for young Americans wishing to undertake graduate study for two or three years at universities throughout the United Kingdom. In the sixty years since the programme began, some 1700 American men and women have studied in universities throughout the United Kingdom.

Competition for Marshall Scholarship awards has been intense from the start. In 2013 there were more than 27 applicants for each of the 34 awards on offer, nearly every one of whom was a young American of great accomplishment and exceptional promise.

ENVIRONMENT

The Marshall Commission comprises 10 Commissioners. All of whom are British Citizens. Commissioners have a varied background (including business, diplomacy, academia, law and the civil service). The one thing that they all have in common is that they are all unpaid volunteers. In the United States the Commission relies heavily on the work and interest taken in the Scholarships by the British Ambassador in Washington and the Consuls General across the United States. They are very ably supported by volunteers (all US citizens) who make-up the Regional Selection Committees.

The Commission does not directly employ any staff. It subcontracts the administration to the Association of Commonwealth Universities. That contract is reviewed periodically and also put up for competitive tender.

¹ Marshall Aid Commemoration Act 1953.

² <https://www.gov.uk/government/news/uk-and-us-an-essential-relationship>

The Marshall Commission operates the only Scholarships for US students created by an Act of Parliament and funded substantially by Her Majesty's Government, thus providing unique and valuable access to and links with the British Government, institutions and people. There are a number of other well-regarded Scholarships for Americans to study in the UK, including Fulbright, Gates, and Rhodes. Whereas Rhodes and Gates Scholars are limited to Oxford and Cambridge, Marshall Scholars can attend any British University which enhances both the academic and social experience of the Scholarships. The Public Diplomacy aspect of the Marshall Commission's work is a unique part of our value and we aim to ensure that our strong alumni network, invigorated by the Association of Marshall Scholars, works with us to promote the values of the Commission, the FCO and the Scholarship.

The Commission actively seeks the support of the British Government to maintain the prestige of the Marshall scheme and the investment in future influence which it represents. We warmly welcome the reassurance from the Secretary of State for Foreign and Commonwealth Affairs, who said in a speech in May 2011 that:

“The Foreign and Commonwealth Office must support the UK economy now more than ever while at the same time reducing spending. In such a climate my decision to maintain funding for the Marshalls programme speaks volumes both for the value we place on our most important bilateral relationship, and for our view of the programme as a key tool in maintaining the strength of that relationship for future generations.”

It is important, therefore, that the Government works with the Commission to continue to fund this programme, so that the Marshall Scholarships maintain their competitive edge and the level of funding and of services offered is enhanced.

The Commission's funding is drawn from the overall amount awarded to the Public Diplomacy Team and therefore the Commission must compete for the necessary funding annually. Approximately 85% of the scheme's costs are direct costs linked to the Scholars and their studies in the UK, including tuition, research costs, travel, and subsistence. These costs have increased, and will continue to do so, substantially, and are largely outside the control of the Commission. In recent years, the level of funding from the FCO has not met the full annual estimated costs of the Marshall scheme. Given these factors the provision of a flat-cash Grant-in-Aid represents a reduction in real terms of funds available annually for Scholarships. The Commission has compensated for this in part by applying reserves against our expenditure, by recruiting more universities and other bodies to offer 'partnership Scholarships'. However given the level of reserves held by the Commission this is only sustainable in the short term. We are actively managing the risk that these responses might pose to the reputation and prestige of the scheme by directing more of the volunteer resource from the Commission towards managing relationships and communications with partnership organisations, Marshall Alumni and other stakeholders, including the Regional Selection Committees, prospective Scholars and their advisers.

It is anticipated that the environment within which the Commission will operate in the next three years will continue to change, in particular within the universities. Indications are that throughout the university sector tuition fees may increase rapidly and certainly above the rate of inflation. In addition the ever changing immigration rules for students coming to UK is likely to increase costs for the Commission. More generally it may have an impact on the attraction of the UK as a place to study.

The Commission is also aware that maintenance rates for Scholars, through stipends and other allowances, compare unfavourably with those of other funders (e.g the Research Councils) and other Scholarships. There is evidence that some Scholars experience hardship due to the level of funds available. This could damage the public diplomacy benefits of the Scholarships, with those individual Scholars, their peers and alumni and others who hear about the situation.

The stipend rate has traditionally been recommended by DFID, under delegated authority from HMT. Whilst in most years, the figure is obtained by applying a pre-agreed formula of student costs, every decade the wider basis through which stipends are set is reviewed. The Marshall Commission has requested that this review take place in 2014

The Commission attaches the highest importance to securing sufficient funding from the Government to maintain a high quality Scholarship programme without further reducing the number of awards offered or limiting the opportunities available to the Scholars. Increasing the level of funding will ensure that the Commission is able to fulfil its objectives and continue its activities which provide value for money for Government in terms of public diplomacy.

VISION

The Marshall Aid Commemoration Commission's mission is to strengthen UK-US relations and to promote British influence in the United States by providing Marshall Scholarships to young Americans who will become the leaders, opinion formers and decision makers of tomorrow. We look for the best and brightest based on three criteria (set out on our website) academic merit, leadership and ambassadorial potential. Given our success in the past we have every confidence that in 2015, as today, the 'Marshall' will continue to be a brand with a high reputation, and a high profile.

The core funding for the Scholarships is provided by the FCO through Grant-in-Aid and we do not doubt that this will still be so in 2016 given the importance of Britain's relations with the United States.

As a result of initiatives by the Commission we have external partners who contribute an additional resource worth over £500,000 per year. These partners include over 30 of the UK's leading research-intensive universities and colleges; two key agencies in the US, the Environmental Protection Agency and the National Institutes of Health; and the US-based Annenberg Foundation. By 2016 the Commission intends that the proportion of total resource coming from external sources will rise from 20% to 25-30%. This will include an endowment set up by the Association of Marshall Scholars (AMS) to fund Marshall Scholarships.

Marshall Alumni are a valuable resource for the UK in the US. They help to advance the UK's policy agenda; they strengthen the Embassy and the Consulates' political and business outreach; and they give British officials in the US access to high-level relationships and policy thinking. A vigorous alumni association, the AMS, works effectively with the British Embassy and Consulates in the US to give structure and focus to alumni activity.

The Commission can demonstrate that Marshall Scholarship alumni occupy senior and influential positions in all professional fields, including the Supreme Court bench, the White House and Congress, the State Department, and major universities. One Marshall alumna is an Associate Supreme Court Justice whilst another is currently the US Deputy Secretary of State and to date at least ten Marshall Alumni have served in the Obama administration including the current White House Legislative Affairs Director. As well as being prominent in public affairs and policy making, Marshalls are particularly strong as innovators in science and business, communicators in print journalism and other media, and as educational leaders. Currently, for example, distinguished alumni include four Pulitzer Prize winners and a Nobel Laureate in Chemistry.

The Commission will also continue to demonstrate the value of the British Government's investment in Marshall Scholarships through the achievements and the impact of Marshall Alumni in the US, and their continued willingness to engage with the UK and its representatives.

From the moment they apply for a Marshall award, Scholars are encouraged to engage with British government, institutions and culture. The majority of Scholars take courses of study relevant to FCO strategic priorities. In the UK we introduce them to the work of government, to professional networks and to cultural bodies. This lays the foundation for long-lasting transatlantic ties.

PRIORITIES

To strengthen the cultural, economic, trade, personal and historic ties between the US and the UK by using the Scholarships to:

- select some of the future leaders of the United States so that some of the “best and brightest” have a deep knowledge of and respect for the United Kingdom.
- identify and enable intellectually distinguished young Americans from all disciplines and walks of life to study at a diverse range of universities in the UK. Each year, we aim to award up to 40 Scholarships.
- help Scholars gain an understanding and appreciation of contemporary Britain.
- motivate Scholars to act as ambassadors from America to the UK and vice versa throughout their lives thus enhancing public diplomacy efforts between the two nations and ensuring that the Marshall scheme remains a high-return, low-risk investment for Government.
- raise the profile of the UK, especially its academic and research capabilities, in the US, particularly among its young people.
- contribute to the advancement of knowledge in science, technology, the humanities, social sciences and the creative arts at Britain’s centres of academic excellence.

To do this we will:

- ensure that the Scholarship programme remains fit-for-purpose, particularly by continuing to address the Commission's review of the US-based selection process of the programme, and by working closely with the FCO to ensure the Marshall scheme supports FCO public diplomacy objectives.
- develop our communication activities to further strengthen the Marshall ‘brand’ and to continue to attract future leaders.
- increase the prestige of Marshall Scholarships and our ability to award our target number of scholarships through partnerships with the NIH, EPA and UK Universities.
- maintain a strong, active, and effective Marshall alumni network in the US and in the UK.
- identify new and developing existing opportunities for Scholars and alumni to act as ambassadors, such as the Marshall Scholar Speaker’s Programme, internships, and involvement in UK-based charities and professional networks.
- work with the devolved Assemblies and Parliaments to increase the profile of the Marshall Commission throughout the UK.

- continue to develop appropriate use of IT and to exploit the use of IT for efficient communication.
- ensure that funds are deployed efficiently and effectively in support of the above objectives, and are monitored and evaluated carefully to maximise value for money.

OUTCOMES

As examples of the kinds of outcomes we continue to expect from these priority goals. The following are those outcomes achieved in 2013.

To identify and enable intellectually distinguished young Americans from all disciplines and walks of life to study at a diverse range of universities in the UK. Each year, we aim to award up to 40 Scholarships.

The Marshall Scholarship requires every applicant to have a minimum of a 3.7 GPA (the equivalent of a first class degree) from a US University. The average graduating GPA in the US is between 3.0-3.3³ and so the applicants have already demonstrated they are intellectually and academically above average.

307 different universities endorsed applicants for the Marshall Scholarship in 2013. These universities represented 46 States and in addition applications were received from universities in the District of Columbia and Puerto Rico. The selected Scholars were from 18 different States and the District of Columbia.

32% of the applicants graduated from state universities, 52% from private universities and service academies and 16% from Ivy League universities. Of the selected Scholars 35% graduated from state universities, 47% from private universities and service academies and 18% from the Ivy League universities.⁴

34 new Scholars were selected to start in 2013. The Scholars represented 31 different United States universities and colleges, an increase on 2012. Three institutions appeared in the list for the first time – Abilene Christian University, John Jay College of Criminal Justice CUNY, and Montana State University

At the start of the academic year 2013/2014, 73 Marshall Scholars were in residence at British universities. This number was made up of six 2012 Scholars, all of whom were completing a third year, 33 2012 Scholars and another 34 Scholars who had taken up their awards in 2013. Five of the 2013 Scholars held the One Year Marshall Scholarship. The group comprised 48 men and 25 women.

The distribution of the awards was as follows: 25 at the University of London (six each at University College London and King's College London; five at the London School of Economics and Political Science; four at the School of Oriental and African Studies; four at the London School of Hygiene and Tropical Medicine; one each at the Central School of Speech and Drama, Goldsmiths, Queen Mary, University of London and the School of Oriental and African Studies); 22 at the University of Oxford; 13 at the University of Cambridge; three at Imperial College London; two at Guildhall School of Music and Drama and one each at the Glasgow School of Art and the Universities of East Anglia, Edinburgh, Liverpool, Sheffield, St Andrews, Sussex and Warwick.

³ Grading in American Colleges and Universities by Stuart Rojstaczer & Christopher Healy — March 04, 2010

⁴ Marshall Scholarships 2013 Competition Statistical Report <http://www.marshallscholarship.org/about/statistics>

18 Scholars pursued courses in Science and Engineering, including Mathematics, and 55 in the Arts and Social Sciences. The range of individual subjects studied in the year under review was higher than last year. The subject breakdown was as follows:

Science, Engineering and Mathematics

Advanced Chemical Engineering	1
Astrophysics	1
Biomedical Engineering	1
Biomedical Research	1
Biomedical Sciences	1
Chemistry	1
Earth Science	1
Epidemiology	1
Genetics	1
Genomic Medicine and Statistics	1
Haematology	1
Infectious Disease Epidemiology	1
Mathematics (Part III)	1
Medical Electronics and Physics	1
Mega Infrastructure Planning Appraisal and Delivery	1
Space Science and Space Engineering (Space Tech)	1
Statistics: Mathematical Genetics	1
Theoretical Physics	1
Total	18

Arts and Social Sciences

Archaeology	1
Child Development and Education	1
Composition	1
Conflict, Security & Development	2
Conservation Leadership	1
Creative Practice	1
Creative Writing	1
Digital Culture and Society	1
Economic and Social History	1
Economic Policy	1
Economics	4
English	1
Evidence-Based Social Intervention	1
Global Health and Development	1
Global Politics	1
International Law	1
International Political Economy	2
International Public Policy	1
International Relations	2
International Security Studies (ISS)	1
Israeli Studies	1

Law	1
Law and Finance	1
Medicine, Science and Society	1
Modern British and European History	2
Modern Middle Eastern Studies	1
Multi-Disciplinary Gender Studies	1
Music Theatre	1
Performance (Advanced Instrumental Studies)	1
Philosophy	2
Philosophy and Public Policy	1
Politics (Comparative Government)	1
Postcolonial Culture and Global Policy	1
Public Health	7
Public Policy	2
Research Methods (Social Policy & Sociology)	2
Science, Technology and Society	1
Theology and Religious Studies	1
War Studies	1
Total	55

To help Scholars gain an understanding and appreciation of contemporary Britain

On 11 January 2013 a group of Scholars were invited to 10 Downing Street for a briefing from members of the Number 10 Policy Unit.

The MACC Commissioners hosted the annual Dinner given in honour of Marshall Scholars who were completing their awards on 13 May 2013 at the Stationers' Hall, London. The special guest and principal speaker at the Dinner was the Rt Hon Hugo Swire MP, Minister of State at the Foreign and Commonwealth Office.

After their arrival in the UK, the 2013 Scholars were taken on a tour of the Houses of Parliament as part of their induction week. The tour was arranged through the offices of the British-American Parliamentary Group and Scholars met with a member of the Group, Rt Hon John Spellar, MP, for a 'Question and Answer' session. A visit to the US Embassy was arranged very kindly by Minister-Counselor for Public Affairs, Mr Thomas Leary and the Scholars were welcomed to the United Kingdom by US Ambassador Matthew Barzun.

The Scholars met with Ms Sara Everett, Deputy Head of the Public Diplomacy and Strategic Campaigns Group Mr Edward Dallas, Deputy Head, North America Department FCO and Mr Francis Campbell, Head of the Policy Unit FCO. MACC Commissioners joined Scholars at a Reception held in the FCO's Durbar Court, hosted by Sir Simon Fraser, Permanent Under Secretary FCO.

Work with the devolved Assemblies and Parliaments to increase the profile of the Marshall Commission throughout the UK.

In 2013 the Scholars travelled to Wales for a three day trip hosted by the Welsh Assembly. The Chair of the MACC, Dr Hughes, Commissioner, Professor Dendy, the Assistant Secretary and the Programme administrator accompanied the Scholars.

The Scholars heard the First Minister of Wales, Carwyn Jones, speak about the formation of Welsh identity; he discussed the etymological tensions between the English word “Welsh,” the Germanic root of which connotes “foreigner,” and the Welsh word “Cymry,” which indicates “people from a common land,” as well as the important roles that rugby and the Welsh language play in Welsh self-identification today. He gave forthright views about the future for Wales. Change was good and Wales would embrace it.

The Heads of International Relations, Intergovernmental Relations, and Constitutional Affairs briefed Scholars on the contentious history of Welsh governance from the 1536 Act of Union annexing Wales to England to the 1998 and 2006 Government of Wales Acts granting power back to Wales; they spoke about the logistics and future challenges of Welsh devolution and the inter-governmental relations between Wales and the United Kingdom. Economic Advisor Thomas Nicholls explained the work of the Silk Commission in reviewing the devolution of fiscal powers. Such considerations strengthened Scholars’ understanding of the web of relations within the UK and of the stakes involved in Scotland’s upcoming referendum year.

The trip exposed Scholars to national efforts both to bolster respect for Welsh heritage, particularly the Welsh language, and to embark on novel cultural and scientific projects for the future. At Cardiff University, Scholars received a lesson in Welsh. Professor Sioned Davies drew Scholars’ attention to linguistic controversies, such as the spatial hierarchies of English and Welsh on street signs, and explained her project to create an app that would render medieval manuscripts more accessible to readers. Professor Roger A. Falconer presented his cutting-edge work on the hydro-environmental impact of a barrage across the Severn estuary.

To motivate Scholars to act as ambassadors from America to the UK and vice versa throughout their lives thus enhancing public diplomacy efforts between the two nations and ensuring that the Marshall scheme remains a high-return, low-risk investment for Government.

Through the Marshall Scholar Speakers Programme Scholars have spoken at the University of Hull, the University of Surrey and Ulster University. They have spoken on topics ranging from the Role of the Presidency in the USA to educational quality assurance and data management in the developing world.

The Marshall Military Scholars have also participated in and spoken at events organised by the University of Southampton Thunderer Squadron.

In addition the Scholars work with Castlehaven Community Association to create and teach after school educational modules. These modules aim to supplement the education of London’s disadvantaged youth (ages 13-19).

The strength of on-going ties to the UK was clearly demonstrated in a 2012 survey of Marshall Alumni which provided clear evidence that most alumni maintained strong professional and social ties to the UK. Some 17% indicated they had quite/very strong links with the British Government. Among those with very strong links, in addition to the US Deputy Secretary of State, was the recently appointed Director of the Nuffield Foundation in the UK (also recipient of an MBE in 2008 and the British Academy President’s medal in 2011); the Managing Director (and founder) of Glason Sciences Ltd, which provides advice to governments and other stakeholders on nuclear

power and waste management; a policy planning staffer for the Secretary of State; and the former director of cyber security at the White House (in the Obama Administration).⁵

To raise the profile of the UK, especially its academic and research capabilities, in the US, particularly among its young people.

The Commission organised the opportunity for representatives of the Marshall Partnership Universities to attend the biannual National Association of Fellowship Advisors (NAFA) Conference in the USA. Twelve British Universities attended. The aim of this was to raise the advisors' awareness of British Universities. NAFA members are the advisors who work with students who wish to apply for Marshall Scholarships as well as all of the other scholarships available to study in the UK. All of the universities visited were Marshall Partners and each hosted the advisors and gave them a flavour of their institution. It is hoped that by encouraging NAFA members to meet with representatives of British universities they will be able to better advise their scholarship applicants on where the best places in the UK are to study.

To contribute to the advancement of knowledge in science, technology, the humanities, social sciences and the creative arts at Britain's centres of academic excellence.

In academic year 2013/2014 Marshall Scholars attended Twenty one different British universities and studied a wide range of subjects. Eighteen Scholars were reading for degrees in science/engineering; 40 Scholars were reading for degrees in the social sciences; 11 were reading for degrees in the humanities and 4 were reading for degrees in the creative and performing arts. Sixteen of these Scholars were reading for doctoral degrees, 4 were reading for research masters degrees and the rest were reading for taught masters degrees.

SCENARIOS

The Commission will continue to identify efficiency savings wherever possible, for example by striving to maintain our already low administrative costs (both in the UK and the US) for the efficient and cost-effective running of the scheme, negotiating tuition fee rates where applicable, negotiating the cheapest air fares for Scholars, etc. The increasing use of IT – particularly the online application form, which was designed specifically for the Marshall Commission - has resulted in significant savings in terms of staff time, printing costs, postage and overall efficiency in the application process, and we plan to build on these savings. In addition, making other materials available on the internet has helped to streamline the administration of the scheme and has made all our materials more easily available, thus saving time and money and increasing our outreach.

The Commission is required by Government to indicate what action it would take if it were to receive a 10% increase to the Grant-in-Aid in any given financial year. In that event consideration would be given to using the resultant resources in the following ways:

- to sustain and increase the number of Scholarships at a level commensurate with the quality and prestige of the programme⁶
- to enhance the maintenance given to Scholars, through stipends and other allowances, to safeguard the attractiveness of the Scholarship;
- to fund additional third-year extensions;
- to increase publicity and invest in additional follow-up activities;
- to fund additional annual events promoting public diplomacy efforts for the Marshall Scholars including conferences and colloquia.

⁵ Report on the 2012 Marshall Scholarships Evaluation Jay Kubler.

⁶ The current Government approved administrative regulations state that up to 40 Scholarships should be offered.

(The extra work associated with the above would result in some increased administrative costs.)

If the Commission were to suffer a 10% reduction to the Grant-in-Aid in any given financial year, consideration would be given to the following proposals:

- to reduce the total number of Marshall Scholarships awarded⁷ which would be considerably more than 10% since annual funding supports what is essentially a two year Scholarship programme;
- to reduce the number of third-year extensions awarded where these are not paid for by our partner universities;
- to cut the wider external activities (only 3% of costs), but with a considerable impact in reducing the cultural experience of Scholars and possibly their interest in an Ambassadorial role.

The implication of a cut in funding, and hence in the number of Scholarships awarded, would be to reduce the impact of the programme in both the US and the UK. In the longer term, this would harm the capacity of the Marshall alumni network to engage with leaders, policy-makers and decision-makers in the US and the UK, at times when both countries confront global issues. In addition in a period where the Association of Marshall Scholars are launching a major fundraising campaign any reduction in Government funding would be counterproductive for the AMS in seeking to raise up to \$5 million in the next 12 months.

In order to maintain and develop the objectives and purpose of the Marshall programme the Commission has sought various funding agreements. To date, the Commission has confirmed arrangements for third year funding with the Universities of Nottingham (1), Oxford (up to 3) and St Andrews (1), and LSE (up to 2). These arrangements will help cover anticipated funding gaps.

The Commission also has partnership agreements with the US National Institutes of Health (NIH), and the US Environmental Protection Agency (EPA); to further help cover anticipated funding gaps for doctoral studies.

The Commission has sought to reduce costs and to expand the number of UK Universities that Marshall Scholars attend by creating partnerships with a series of outstanding UK Institutions it has agreed partnership funded Scholarships with University of Birmingham, University of Bristol, Cardiff University, Corpus Christi College, Oxford, Courtauld Institute of Art, University of Dundee (College of Life Sciences), Durham University, University of East Anglia, University of Edinburgh, University of Glasgow, Gonville and Caius College Cambridge, Guildhall School of Music and Drama, Imperial College London, Keele University, University of Kent, King's College Cambridge, King's College London, University of Leeds, University of Liverpool, Merton College Oxford, New College Oxford, Newcastle University, University of Nottingham, Nuffield College Oxford, Oriel College Oxford, Queen Mary University London, Queen's University Belfast, University of Reading, Royal Academy of Music, Royal Holloway London, Royal Northern College of Music, St John's College Cambridge, University of Sheffield, Somerville College, Oxford, University of Southampton, University of Surrey, University of Sussex, Trinity College, Oxford, University College London, University of Warwick and Wolfson College, Oxford.

The Commission also received an endowment of \$1 million from the Annenberg Foundation to fund one additional Scholarship bi-annually from 2007.

FINANCIAL PLAN

⁷ The Commission has stated that the minimum number of Scholarships that could be offered without damaging the prestige and reputation of the Scholarships is 30.

The 2013-2016 Triennium

The decision in Government to fund programme budgets on an annual basis has made life much more complicated for the Commission in trying to look forward over a three planning period. Also annual funding from the FCO quite naturally is predicated on the Government's financial year. But the Commission has to provide funding for Scholars on the rather different timetable of academic years. The dissonance between one year funding from the FCO for two year Scholarships further heightens the risks faced by the Commission. For these reasons the Commission needs to keep a level of reserves to mitigate these uncertainties.

Estimates for maintaining the Marshall Scholarship scheme at the current level for the 2013-2016 triennium are shown below:

FY 2013-2014	£2,000,000 ⁸
FY 2014-2015	£2,000,000 ⁹
FY 2015-2016	£2,080,000 (<i>estimate figure @ 4% increase</i>)

It should be emphasised that the Marshall Commission spends over 85% of the Grant-in-Aid on direct Scholar costs which are outside of the control of the Commission.

During FY 2013-2014, the Grant-in-Aid was requested in tranches from the FCO as follows:

<u>Period of need</u>	<u>Amount to be requested</u> ¹⁰
April/May/June 2013	£400,000
July/August/September 2013	£400,000
October/November/December 2013	£700,000
January/February 2014	£350,000
March 2014	£ 50,000 ¹¹

During FY 2014-15 it is anticipated that the Grant-in-Aid will be requested in tranches in similar amounts to those requested in 2013/14.

The Commission will continue to identify efficiency savings wherever possible, for example by striving to maintain our already low administrative costs (both in the UK and the US) for the efficient and cost-effective running of the scheme, negotiating tuition fee rates where applicable, negotiating the cheapest air fares for Scholars, etc.

1. Background: Financial Year 2012-2013

MACC received financial support from HM Government in the form of £2m Grant-in-Aid for the financial year 12/13 (compared to £1.9m in 11/12), as indicated in the annual allocation letters. This sum covered MACC's expenditure in 12/13 of £1,963,695

The Scheme has attracted three third party funders. The British Schools and Universities Foundation donated £25,000; the Annenberg Foundation donated £18,361 from an endowment held by the Association of Commonwealth Universities; and the US Environmental Protection

⁸ Funds already allocated and claimed.

⁹ Funds allocated but not claimed.

¹⁰ Additional expenditure will be incurred during FY 2012-2013 by the British Embassy and 7 Consulates-General responsible for administering the Marshall Scholarship programme in the US, and this will be deducted direct from the Grant-in-Aid at source on a monthly basis.

¹¹ This figure will be adjusting according to the amount claimed by the British Embassy and 7 Consulates-General.

Agency donated £49,707. These donations fund additional Marshall Scholarships. Funds remain from other donors in previous years

Thirty six new Scholarships were awarded for study beginning in October 2012 so that the total number of Scholars that received support from the Commission during the 2012/2013 academic session was 73. This figure includes Scholars who were receiving full or partial third-year support from the Commission and Scholars receiving funding through our partnership Scholarships.

The Scholars were funded as follows:

42 Marshall Scholars were fully funded by the MACC.

Two Scholars, who are members of the US Military, were fully funded but only received 50% of the stipend as agreed with the US Military academies.

Two Scholars were fully funded by an external body, one by the British Schools and Universities Fund (BSUF) and one by the Annenberg Foundation.

Twenty five Scholars were jointly funded on Partnership Scholarships:

- one Scholar supported on the Caius Marshall Scholarship;
- one Scholar supported on the Glasgow Marshall Scholarship;
- one Scholar supported on the Guildhall Marshall Scholarship;
- three Scholars supported on the Imperial Marshall Scholarship;
- one Scholar supported on the King's College Cambridge Marshall Scholarship;
- one Scholar supported on the King's College London Marshall Scholarship;
- one Scholar supported on the Leeds Marshall Scholarship;
- three Scholars supported on the New College Marshall Scholarship;
- one Scholar supported on the Nottingham Marshall Scholarship;
- two Scholars supported on the Nuffield Marshall Scholarship;
- one Scholar supported on the Oriel Marshall Scholarship;
- one Scholar supported on the Queen Mary Marshall Scholarship;
- one Scholar supported on the Royal Academy of Music Marshall Scholarship;
- one Scholar supported on the Somerville Janet Watson Marshall Scholarship;
- one Scholar supported on the St John's College Cambridge Marshall Scholarship;
- one Scholar supported on the Trinity College Oxford Marshall Scholarship;
- one Scholar supported on the UCL Marshall Scholarship;
- one Scholar supported on the UEA Marshall Scholarship;
- one Scholar supported on the Warwick Marshall Scholarship;
- one Scholar supported on the Wolfson College Oxford Marshall Scholarship.

One further Scholar was fully funded under third year funding agreements with the University of Oxford and another under the third year funding agreements with the University of Cambridge.

A further three Scholars were funded for further study beyond the three years, one for Imperial College London and one for Harvard University and one for UCLA in the USA under the agreement with the EPA.

The Grant-in-Aid for 2012/2013 was utilised as follows:

	FY 2012/13	FY 2011/12	FY 2010/11	FY 2009/2010	FY 2008/2009	FY 2007/2008
Scholars' stipends, book allowances, travel allowances and tuition fees	£1,692,882 (83%)	£1,465,935 (79.1%)	£1,681,142 (85.2%)	£1,772,086 (84%)	£1,916,124 (87%)	£1,956,364 (86%)
Travel and subsistence for Scholars, candidates to interviews and Selection Committees	£56,842 (2.9%)	£67,171 (3.6%)	£48,458 (2.5%)	£53,215 (2.5%)	£50,772 (2.3%)	£88,740 (4%)
Building UK/US relations ¹²	£18,504 (0.9%)	£46,818 ¹³ (3.2%)	£10,207 ¹⁴ (0.5%)	£40,894 (1.9%)	£32,879 (1.5%)	£24,579 (1.1%)
Administration Fee to the ACU inclusive of VAT	£197,003 (10%) ¹⁵	£196,582 (10.6%)	£185,493 (9.4%)	£181,546 (8.6%)	£177,098 (8%)	£171,503 (7%)
Recoverables: ¹⁶	(4.1%)	(4%) ¹⁷	(2.4%)	(3%)	(1.7%)	(1.9%)
Postage, telephone, fax	£7,393	£2,603	£5,426	£5,538	£3,899	£3,750
Printing and Stationery	£4,377	£12,267	£8,653	£10,877	£8,385	£17,418
Audit Fee	£4,000	£4,500	£4,500	£4,700	£4,600	£4,700
Commission travel & training	£13,174	£21,298	£16,230	£22,428	£13,643	£16,810
Misc.	£4,244	£4,075	£2,386	£2,253	£7,212	£1,447
Alumni Development	£0	£5,024	£0	£51.61	£0	£9,462
IT (Development)	£28,276	£26,976	£10,916	£16,910	£0	£0
Infrastructure development	£0	£0	£0	£0	£0	£-10,000

¹² Includes Devolved Government events and Marshall Plus

¹³ Due to the timing of Easter two devolved government trips were paid for in 2011/12

¹⁴ Due to the timing of Easter no devolved government trip was paid for 2010/2011

¹⁵ Administrative costs set by contract. VAT rate has increased from 15% in 2008 to 20% in 2011.

¹⁶ For the efficient operational running of the scheme, virement between heads of recoverable expenditure may sometimes be necessary. Break down of recoverables is italicised.

¹⁷ New contract for Secretariat devolved costs for the operations for the Online Application to the Commission.