



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
Dr. R. Scott Ralls, President

June 10, 2008

Dr. P. Anthony Zeiss, President
Central Piedmont Community College
Post Office Box 35009
Charlotte, NC 28235-5009

Dear Dr. Zeiss:

Enclosed is the final audit report of findings from the recent audit conducted at Central Piedmont Community College. The college response dated May 8, 2008, provided supportive documentation and concurred with these findings. Therefore, there is one audit exception and one area of concern noted for the processes, procedures, classes, and programs reviewed.

Thank you for cooperating with the System Office Audit Services staff during the performance of the audit.

Sincerely,

Fred G. Williams
Executive Vice President

Enclosure

- c: Mr. Ralph Pitts, Chair, Board of Trustees
Ms. Hilda Pinnix-Ragland, Chair, State Board of Community Colleges
Members, State Board of Community Colleges
Dr. R. Scott Ralls, System President
Mr. Leslie W. Merritt, Jr., State Auditor
Ms. Jennifer Haygood, Fiscal Analyst
Mr. David McCoy, State Budget Officer
Community College Presidents
Mr. Michael Moss, Chief Financial Officer, Central Piedmont Community College
System Office Vice Presidents

North Carolina Community College System

Audit Findings for Central Piedmont Community College Spring Semester 2006 - Spring Semester 2007

An audit was conducted at Central Piedmont Community College by the System Office Audit Services staff on the maintenance of records and the reporting of student membership hours as well as certain college procedures for Spring Semester 2006 through Spring Semester 2007. The audit was conducted to review selected class reports for this period. If disagreement exists, the college may appeal the audit findings to the State Board of Community Colleges. This appeal must be submitted in writing within thirty days of receipt of the final audit report. The Board's Accountability and Audit Committee will hear the appeal and make its recommendation to the Board.

The scope of the audit included a pre-audit review of selected records pulled from the Institution Class Reports (ICR), programs, policies, and procedures for the period covered by the audit. Based on the pre-audit review, certain class reports were identified for further study. The following audit tests were conducted regarding the ICRs: (1) a statistically valid sample of attendance records and supporting documentation for student membership hour reporting was reviewed; (2) student registration and student receipt information were reviewed for selected programs; (3) college personnel were interviewed regarding student reporting; (4) certain college reporting procedures and practices were reviewed to assure compliance with the North Carolina Administrative Code; (5) selected program classification reviews and class visits were conducted; and (6) the college's accountability and credibility plan was reviewed.

Class visits are conducted on a random basis throughout the year, and a summary of these visits will be forwarded to the college at the end of the fiscal year. If concerns are noted which result from these visits, the college will be immediately notified. Program reviews/class visits conducted for the current fiscal year to date are listed in Attachment Number Two.

Based on the site review, one audit exception and one area of concern were noted and are discussed below.

EXCEPTION

During a review of continuing education course offerings, a number of errors were noted which resulted in 1,236 student membership hours incorrectly reported for budget/FTE. The errors are summarized below.

- Title 23 NCAC 02D .0324 *Reporting of Student Hours in Membership for Continuing Education Classes* (a)(2) states, in pertinent part, “Definition of Student Membership. A student is considered to be in class membership when the student meets all of the following criteria: (A) Enrolled as evidenced by payment of the applicable registration fees, or obtained a waiver as defined in Paragraph (a) of Rule .0203 of this Subchapter;...”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2006	BAF 3257 002	Securities Processing	54

One student did not pay registration fees for this class.

- Title 23 NCAC 02D .0326 *Budget FTE Funding*, states, in pertinent part, (b) “Any class for which the instructor’s services are provided at no cost or for which the instructional cost is paid totally and directly by an external agency is a “gratis” class. In this situation, the class is reported as self-supporting, and does not generate budget/FTE. If a portion of the class is gratis, student hours shall be prorated accordingly.”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2006	WAT 3116 001	Backflow Preventions	42

Instructional services were provided at no cost.

- Title 23 NCAC 02D .0325 *Limitation in Reporting Student Membership Hours*, states, in pertinent part, (e) “Self-supporting classes shall not be reported for regular budget purposes (those classes supported by student fees or a class in which instruction is provided gratis); all recreational extension classes fall in this category.”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Fall 2006	RLS 3501	Real Estate	1,140

This class was set up and paid for by students as a self-supporting class, but reported for regular budget purposes.

Recommendation: An audit exception is taken to 1,236 student membership hours for students who did not meet reporting criteria outlined in Title 23 of the North Carolina Administrative Code. Staff should take the necessary steps to familiarize themselves with the aforementioned references to ensure the appropriate number of student membership hours are reported for budget/FTE.

Staff should review all records reported for student membership hours for budget/FTE since Fall 2006 and make any necessary adjustments.

The classes cited are listed below:

CONTINUING EDUCATION

<u>Contract Number</u>	<u>Course Number</u>	<u>Semester</u>	<u>Original Hours Reported</u>	<u>Corrected Hours</u>	<u>Hours Excepted</u>
002	BAF 3257	Spring 2006	702	648	54
001	WAT 3116	Spring 2006	42	0	42
REX 7115	RLS 3501	Fall 2006	1,140	0	<u>1,140</u>
Total Hours Excepted:					1,236

In addition to the audit exception, one area of concern was noted and is discussed below.

CONCERN

Students enrolled in the Medical Office Administrative program (A25310) participated in cooperative education work experiences with companies where they were already employed. The students' job descriptions and MLOs did not discuss the development of new skills nor meet the requirement that the work activity was appropriate to the curriculum.

- Title 23 NCAC 01A .0101 *Definitions*, states, in pertinent part, "(1) Credit Hours: (e) Credit of one semester hour is awarded for each 160 hours of "work experience" such as cooperative education, practicums, and internships. Work experience involves the development of job skills by providing the student with employment that is directly related to, and coordinated with, the educational program. Student activity in work experience is planned and coordinated by a college representative, and the employer is responsible for the control and supervision of the student on the job."

Title 23 NCAC 02D .0323(f)(2) *Work Experience*, states, in pertinent part, (B) “These classes shall be specified in the approved curriculum of the college consistent with the applicable curriculum standard (see 23 NCAC 02E .0204(3)(a)(ii)(D)).”

Curriculum Procedures Reference Manual Section 20-1, *Cooperative Education (Work Experience)*, states, in pertinent part, “EDUCATIONAL PHILOSOPHY OF COOPERATIVE EDUCATION. Co-op is an educational plan that integrates classroom learning with supervised work experience in an employment situation directly related to the education program of a student. Generally, students alternate study and work periods or work part-time while enrolled in college. The primary objective is to provide the student with the best possible preparation for employment...The essential criterion of a cooperative education program is for the work experience component to be considered an integral part of the total educational process...and...MEASURABLE LEARNING OBJECTIVES (MLO’s) During the orientation between the employer and the student, there must be agreement on Measurable Learning Objectives (MLOs) for the work period. The MLOs must be directly related to the student’s classroom studies and enhance the student’s creative, problem-solving, and technical skills, as well as personal improvement...If a student receives a co-op opportunity with their current employer, in order to ensure the student is being exposed to new skills in the current workplace, MLOs must be developed to measure development of new skills...and CO-OP FOR THE EMPLOYED STUDENT A student may already be employed and would like to earn academic credit while working for that same employer. This should be permitted only in limited situations where there are assurances the student’s co-op experience will complement the classroom experience, and that the co-op experience will be different from those the student/employee has already experienced. The college should follow all procedures for establishing an existing job as a co-op experience so that position meets all requirements for an effective, co-op learning experience. In this instance the college must:

- a. verify with the employer that the student’s work level will increase as his/her skill level increases, and
- b. verify that the requirements of the curriculum are appropriate to the work activity.

These requirements continue as the co-op student takes co-op classes; the MLOs for each experience should be varied and should increase the student’s skill level. Complete the Measurable Learning Objectives (Placed With Current Employer) Worksheet (see Attachment 9). It must be signed by the student, the employer, and the faculty coordinator (or co-op director).”

Recommendation: An audit concern is taken for students who did not meet reporting criteria outlined in Title 23 of the North Carolina Administrative Code and the Curriculum Procedures Reference Manual. Staff should take the necessary steps to familiarize themselves with the aforementioned references to ensure the appropriate number of student membership hours are reported for budget/FTE.

Staff should review all records reported for student membership hours for budget/FTE since Spring 2007 and make any necessary adjustments.

The cooperation of the president and staff during the course of the audit was appreciated.

SUBMITTED BY: Elizabeth C. Self and Amanda K. Tolar
Audit Dates: March 5 – April 1, 2008

ATTACHMENT NUMBER ONE

**Central Piedmont Community College
Financial Adjustment
FY 2006 - 2007**

A total of 1,236 Continuing Education hours were cited that require a financial adjustment:

FTE Calculation Worksheet

Continuing Education \$ Value \$4,133.06

Continuing Education

Hours	/ 688 =	Extension FTE	Extension Value	Sub-Total Reversion
1,236	/ 688 =	1.80	\$4,133.06	<u>\$7,439.51</u>

25% Penalty Calculation

Hours	X 25% =	Extension Hours	/ 688 =	Extension FTE	Extension Value	Sub-Total Penalty
1,236	X 25% =	309	/ 688 =	.45	\$4,133.06	<u>\$1,859.88</u>

Sub-Total Reversion \$ 7,439.51
 Sub-Total Penalty \$ 1,859.88
 Total \$9,299.39

The college should submit Form 104 to the System Office for \$9,299 to resolve the exception.

ATTACHMENT NUMBER TWO

Central Piedmont Community College SUMMARY OF CLASS VISITS FOR FY 2007 – 2008

CURRICULUM

<u>Course Prefix and Number</u>	<u>Instructor</u>	<u>Location</u>	<u>Date of Visit</u>	<u>Students Enrolled</u>	<u>Attendance at Time of Visit</u>
ART 131 04	B. Owens	Levine Campus	3/27/08	20	13
DRA 111 25	M. Currin	Levine Campus	3/27/08	28	10
MUS 110 23	S. McLeod	Levine Campus	3/27/08	-	- *1
WEB 115 10	R. Konecny	Levine Campus	3/27/08	12	6
Total CURRICULUM Class Visits/Program Reviews to Date:					4

*1 Class was not meeting. Staff was notified and the class had an online component.

CONTINUING EDUCATION

<u>Course Prefix and Number</u>	<u>Instructor</u>	<u>Location</u>	<u>Date of Visit</u>	<u>Students Enrolled</u>	<u>Attendance at Time of Visit</u>
AUX 7245 01	R. Hargette	Levine Campus	3/27/08	9	9
BSP 2000	C. Simmons	Central Jail	3/27/08	6	6
BSP 2000 45620	T. Richards	Central Jail	3/27/08	15	11
BSP 2000 45725	Y. Mohammad	Spector Jail	3/27/08	71	9
BSP 2000 600115	O. Floyd	Spector Jail	3/27/08	49	7
DPT 8030	S. Delux	Levine Campus	3/27/08	3	3
FIP 7311 49667	D. McIntosh	Davidson Fire Dept.	3/27/08	11	11
FIP 8811 46860	Wratch	Fire/Police Academy	3/27/08	-	- *1
HRD 6016	C. Brown	Camp Green	3/27/08	16	16
NUX 7501	M. Smith	Levine Campus	3/27/08	-	- *2
Total CONTINUING EDUCATION Class Visits/Program Reviews to Date:					10

*1 Class was not meeting.

*2 Class was released to work on the students' online component. A note was on the door.