



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

May 21, 2008

Dr. Donald Cameron, President  
Guilford Technical Community College  
Post Office Box 309  
Jamestown, NC 27282

Dear Dr. Cameron:

Enclosed is the final audit report of findings from the recent audit conducted at Guilford Technical Community College. The college response dated March 20, 2008, provided supportive documentation which was incorporated into the report. Therefore, there is one audit exception 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: Ms. Shirley Frye, 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  
Ms. Rae Marie Smith, Chief Financial Officer, Guilford Technical Community  
College  
System Office Vice Presidents

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MAILING ADDRESS: 5001 MAIL SERVICE CENTER ~ RALEIGH, NC 27699-5001

Street Address: 200 West Jones ~ Raleigh, NC 27603-1379 ~ 919-807-7100 ~ Fax 919-807-7166  
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## **North Carolina Community College System**

### **Audit Findings for Guilford Technical Community College Spring Semester 2006 - Spring Semester 2007**

An audit was conducted at Guilford Technical 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 exception was noted and is discussed below.

#### **EXCEPTION**

During a review of curriculum course offerings, an error was noted which resulted in 624 student membership hours incorrectly reported for budget/FTE. The error is summarized below:

- GS 115D-5(b) states, in pertinent part, "...the State Board of Community Colleges may provide by general and uniform regulations for waiver of tuition and registration fees for...training courses for volunteer firemen, local fire department personnel, volunteer rescue and lifesaving department personnel, local rescue and lifesaving department personnel...."

GS 115B-1. *Definitions*, states, in pertinent part, “The following definitions apply in this Chapter: (1) Employer. - The State of North Carolina and its departments, agencies, and institutions; or a county, city, town, or other political subdivision of the State... (3) Law enforcement officer. – An employee or volunteer of an employer who possesses the power of arrest, who has taken the law enforcement oath administered under the authority of the State as prescribed by GS 11-11, and who is certified as a law enforcement officer under the provisions of Chapter 17C of the General Statutes or certified as a deputy sheriff under the provisions of Chapter 17E of the General Statutes. “Law Enforcement officer” also means the sheriff of the county.”

GS 74C-3(a)(6) – *Private protective services profession defined*, states, in pertinent part, “Security guard and patrol profession. - Any person, firm, association, or corporation that provides a security guard on a contractual basis for another person, firm, association, or corporation for a fee or other valuable consideration and performs one or more of the following functions:...”

GS 74E-6 (c) – *Oaths, powers, and authority of company police officers.*, states, in pertinent part, “(b) Categories, - The following three distinct classifications of company police officers are established:...(3) Special Police Officers - All company police officers not designated as a campus police officer or railroad police officer. (c) All Company Police – Company police officers, while in the performance of their duties of employment, have the same powers as municipal and county police officers to make arrests for both felonies and misdemeanors and to charge for infractions on any of the following: (1) Real property owned by or in the possession and control of their employer. (2) Real property owned by or in the possession and control of a person who has contracted with the employer to provide on-site company police security personnel services for the property. (3) Any other real property while in continuous and immediate pursuit of a person for an offense committed upon property described in subdivisions (1) or (2) of this subsection...”

GS 74E-8 *Minimum standards for company police officers*, states, in pertinent part, “Applicants for commission as a company police officer and a commissioned company police officer must meet and maintain the same minimum preemployment and in-service standards as are required for State law enforcement officers by the North Carolina Criminal Justice Education and Training Standards Commission, and must meet and maintain any other preemployment and in-service requirements set by the Attorney General.”

Title 23 NCAC 02D .0323 *Reporting of Student Hours in Membership for Curriculum Classes*, states, in pertinent part, “(b) Regularly-Scheduled Classes. (2) A student shall be considered to be in class membership when the student meets all of the following criteria: (A) enrolled as evidenced by payment of the applicable tuition and fees, or obtained a waiver as defined in G.S. 115D-5(b)...”

Title 23 NCAC 02D .0202 *Tuition and Fees for Curriculum Programs*, states, in pertinent part, “(a)(7) Tuition Waivers: (C) Basic Law Enforcement Training Program (BLET) for law enforcement officers. All law enforcement officers employed by a municipal, county, state, or federal law enforcement agency when taking courses in a state-mandated BLET training program, are exempt from tuition payment. Also, trainees shall be exempt from the BLET class tuition if a letter of sponsorship from a state, county, or municipal law enforcement agency is on file at the college.”

Numbered memorandum CC89-031, *Waiver of Fees for Firefighting, Law Enforcement and Emergency Services Personnel*, states, in pertinent part, “Chapter 115D-5(b) authorizes the State Board of Community Colleges to waive tuition and fees for “local” firefighting, law enforcement, rescue and lifesaving personnel...”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Fall 2006	CJC 100 64	Basic Law Enforcement Training	624

Student was fee waived inappropriately. The student was sponsored by Lankford Protective Services, Inc., a company police department, which does not meet the requirements set forth in the North Carolina General Statutes, North Carolina Administrative Code, and numbered memorandum to be fee waived, and hours were reported for budget/FTE.

**Recommendation:** An audit exception is taken to 624 student membership hours reported for budget/FTE which did not meet reporting criteria outlined in North Carolina General Statutes, Title 23 of the North Carolina Administrative Code, and numbered memorandum. 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 classes cited are listed below:

**CURRICULUM**

<b><u>Course Number</u></b>	<b><u>Semester</u></b>	<b><u>Original Hours Reported</u></b>	<b><u>Corrected Hours</u></b>	<b><u>Hours Excepted</u></b>
Fall 2006	CJC 100 64	7,488	6,864	<u>624</u>
<b>Total Hours Excepted:</b>				<b>624</b>

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

SUBMITTED BY: Amanda K. Tolar  
Audit Dates: January 14 – February 1, 2008

**ATTACHMENT NUMBER ONE**

**Guilford Technical Community College  
Financial Adjustment  
FY 2006 - 2007**

A total of 624 curriculum hours were cited that require a financial adjustment:

**FTE Calculation Worksheet**

Curriculum \$ Value \$4,746.30

**Curriculum**

<b>Hours</b>	<b>/ 512 =</b>	<b>Curriculum FTE</b>	<b>Curriculum Value</b>	<b>Sub-Total Reversion</b>
624	/ 512 =	1.22	\$4,746.30	<u>\$5,790.49</u>

**25% Penalty Calculation**

<b>Hours</b>	<b>X 25% =</b>	<b>Curriculum Hours</b>	<b>/ 512 =</b>	<b>Curriculum FTE</b>	<b>Curriculum Value</b>	<b>Sub-Total Penalty</b>
624	X 25% =	156	/ 512 =	.30	\$4,746.30	<u>\$1,423.89</u>

<b>Sub-Total Reversion</b>	<b>\$5,790.49</b>
<b>Sub-Total Penalty</b>	<b>\$1,423.89</b>
<b>Total</b>	<b><u>\$7,214.38</u></b>

The college should submit Form 104 to the System Office for \$7,214 to resolve the exception.

## ATTACHMENT NUMBER TWO

### Guilford Technical 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 132 01	R. Baker	Main Campus	1/23/08	-	-	*1
AUB 122 81	J. Baker	Main Campus	1/23/08	13	13	
BIO 165 80	M. Hess	Main Campus	1/23/08	48	<u>45</u>	
<b>Total CURRICULUM Class Visits/Program Reviews to Date:</b>					3	

#### 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>	
BSP 2000	D. Jordan	Guilford Cty Jail	1/29/08	10	6	
BSP 2000	P. Ekpen	Day Reporting Ctr.	1/29/08	16	7	
BSP 2000	V. Gilliland	High Point Campus	1/29/08	14	12	
BSP 2000	S. Kroohs	Main Campus	1/18/08	9	3	
CAS 4104	M. Shoaf	Wendover Campus	1/18/08	6	5	
CJC 3941	Maynard	Main Campus	1/18/08	14	14	
ELN 4121	D. Cohen	Main Campus	1/23/08	-	-	*1
MKT 4410	L. Kimmon	Main Campus	1/23/08	-	-	*2
MED 3030	Not listed	Main Campus	1/23/08	-	-	*3
NUR 3001	J. Payne	Main Campus	1/23/08	-	-	*4
<b>Total CONTINUING EDUCATION Class Visits/Program Reviews to Date:</b>					10	

\*1 Class was not being held. No note on door.

\*2 Class was not being held. No note on door. Night staff member stated that the class dates had been changed and the students notified.

\*3 Class was not being held. No note on door.

\*4 Class was not being held. No note on door. Night staff member stated that the class dates had been changed and the students notified.