



**NORTH CAROLINA COMMUNITY COLLEGE SYSTEM**

*H. Martin Lancaster, President*

April 7, 2008

Dr. Sharon Morrissey, President  
Richmond Community College  
P.O. Box 1189  
Hamlet, NC 28345

Dear Dr. Morrissey:

Enclosed is the final audit report of findings from the recent audit conducted at Richmond Community College. There was one audit exception noted for the classes and programs reviewed. The college response dated February 12, 2008, concurred with these findings. 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: Mr. Hugh A. Lee, Chair, Board of Trustees
- Ms. Hilda Pinnix-Ragland, Chair, State Board of Community Colleges
- Members, State Board of Community Colleges
- Mr. H. Martin Lancaster, System President
- Mr. Leslie W. Merritt, Jr., State Auditor
- Ms. Jennifer Haygood, Fiscal Analyst
- Mr. David McCoy, State Budget Officer
- Community College Presidents
- Dr. Dale McInnis, Richmond Community College, Chief Financial Officer
- System Office Vice Presidents

## **North Carolina Community College System**

### **Audit Findings for Richmond Community College Spring Semester 2006 – Spring Semester 2007**

An audit was conducted at Richmond 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 Policy 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, there was one audit exception noted and is discussed below.

#### **EXCEPTION**

During a review of curriculum class offerings, errors were noted resulting in 528 student membership hours incorrectly reported for budget/FTE. The errors are summarized below.

- Title 23 NCAC 02D .0323 *Reporting of Student Hours in Membership for Curriculum Classes (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)). (C) The college shall maintain documentation of all student work experience hours.”

*Curriculum Procedures Reference Manual, Section 20, Cooperative Education, Curriculum Restrictions, (20-5)*, states, in pertinent part, “...Students in the following academic codes **may not** participate in co-op courses...Associate in General Education Student (A10300) ...”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Fall 2006	COE 121TA	Co-op Work Experience	160
Spring 2007	COE 111 ECE	Co-op Work Experience	320

Student membership hours were incorrectly reported for two students (one in COE 121 TA and one in COE 111 ECE) due to non-maintenance of documentation of all student work experience hours. Additionally, one student enrolled in COE 111 ECE was coded in a non-approved program of study (A10300).

- Title 23 NCAC 02D .0323 *Reporting of Student Hours in Membership for Curriculum Classes (b) Regularly-Scheduled Classes* states, in pertinent part, “(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); (B) attended one or more classes prior to or on the 10 percent point in the class; (C) has not withdrawn or dropped the class prior to or on the 10 percent point.”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2007	CJC 255-01	Issues in Criminal Justice App	48

Student membership hours were incorrectly reported for one student who never attended the class.

**RECOMMENDATION:** An audit exception is taken to 528 student membership hours reported for budget/FTE which 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 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>
COE 121-TA	Fall 2006	960	800	160
COE 111-ECE	Spring 2007	3,360	3,040	320
CJC 255-01	Spring 2007	480	432	<u>48</u>
<b>Total Hours Excepted:</b>				528

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

SUBMITTED BY: Elizabeth C. Self  
Audit Dates: November 26 - December 12, 2007

**ATTACHMENT NUMBER ONE**

**Richmond Community College  
Financial Adjustment  
FY 2006 - 2007**

A total of 528 curriculum hours were cited that require a financial adjustment:

**FTE Calculation Worksheet**

Curriculum \$ Value \$4,746.30

Curriculum

Hours	/ 512 =	Curriculum FTE	Curriculum Value	Sub-Total Reversion
528	/ 512 =	1.03	\$4,746.30	\$4,888.69

**25% Penalty Calculation**

Hours	X 25% =	Curriculum Hours	/ 512 =	Curriculum FTE	Curriculum Value	Sub-Total Penalty
528	X 25% =	132	/ 512 =	.26	\$4,746.30	\$1,234.04

Sub-Total Reversion	\$4,888.69
Sub-Total Penalty	\$1,234.04
<b>Total</b>	<b><u>\$6,122.73</u></b>

The college should submit Form 104 to the System Office for \$6,123 to resolve the exception.

**ATTACHMENT NUMBER TWO**  
**Richmond Community College**  
**SUMMARY OF CLASS VISITS FOR FY 2007 – 2008**

**CURRICULUM**

<b><u>Course Prefix and Number</u></b>	<b><u>Instructor</u></b>	<b><u>Location</u></b>	<b><u>Date of Visit</u></b>	<b><u>Students Enrolled</u></b>	<b><u>Attendance at Time of Visit</u></b>
ACC 120-1E	Davis	Lee Bldg	12/3/07	11	8
EDU 285-H1E	Sellers	Lee Bldg	12/3/07	-	- *1
ELC 112-1E	Treadaway	Fort 314	12/3/07	15	15
FST P104-01	Auman	MCI	11/19/07	-	- *2
<b>Total CURRICULUM Class Visits/Program Reviews to Date:</b>					<b>4</b>

\*1 Hybrid class: not scheduled for classroom meeting at time of visit.

\*2 Class cancelled. Documentation available to support cancellation.

**CONTINUING EDUCATION**

<b><u>Course Prefix and Number</u></b>	<b><u>Instructor</u></b>	<b><u>Location</u></b>	<b><u>Date of Visit</u></b>	<b><u>Students Enrolled</u></b>	<b><u>Attendance at Time of Visit</u></b>
BSP 2000	Morgan	James Bldg	11/19/07	48	11
BSP 2000	Robinson	SCCI	9/13/07	14	11
BSP 2000	Singleton	LRC	11/19/07	13	5
BSP 2000	Clark	MCI	11/19/07	35	13
ELC 3119	Levinson	SCCI	9/13/07	20	19
HEA 3021	Moody	Purcell Bldg	9/24/07	3	3
HRD 3006	Knotts	DeWitt Bldg	12/06/07	12	7
NUR 3241	Nielsen	Purcell Bldg	9/24/07	3	3
OSC P3602	Holmes	MCI	11/19/07	15	13
PLU 3024	Woods	SCCI	9/13/07	13	7
<b>Total CONTINUING EDUCATION Class Visits/Program Reviews to Date:</b>					<b>10</b>