



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Dr. R. Scott Ralls, President

August 27, 2008

Dr. Ralph G. Soney, President
Roanoke-Chowan Community College
109 Community College Road
Ahoskie, NC 27910-9522

Dear Dr. Soney:

Enclosed is the final audit report of findings from the recent audit conducted at Roanoke-Chowan Community College. The college response dated August 12, 2008, concurred with these findings. Therefore, there are two audit exceptions 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. Wendy Ruffin-Barnes, 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
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North Carolina Community College System

Audit Findings for Roanoke-Chowan Community College Spring Semester 2006 Semester - Spring Semester 2007 Semester

An audit was conducted at Roanoke-Chowan 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 two exceptions were noted and are discussed below.

Exception Number One

During a review of curriculum class offerings, errors were noted which resulted in 1,895 student membership hours incorrectly reported for budget/FTE. The errors are summarized below.

- Title 23 NCAC 02D .0325 *Limitations in Reporting Student Membership Hours*, states, in pertinent part, (g) "Educational programs offered in a correctional department setting shall report full-time equivalent (FTE) student hours on the basis of contact hours."

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Fall 2006	AHR P111 51	HVACR Electricity	208
Fall 2006	AHR P112 50	Heating Technology	424
Fall 2006	BPR P130 50	Blueprint Reading	22
Fall 2006	BUS P115 51	Business Law I	21
Fall 2006	BUS P137 50	Principles of Management	60
Fall 2006	ECO P151 51	Survey of Economics	12
Fall 2006	MKT P120 51	Principles of Marketing	54

The above classes were offered in a correctional department setting and the hours were reported as membership hours rather than on the basis of contact hours for 16 students in AHR P111 51, 16 students in AHR P112 50, 15 students in BPR P130 50, seven students in BUS P115 51, six students in BUS P137 50, six students in ECO P151 51, and nine students in MKT P120 51.

- Title 23 NCAC 02D .0323 *Reporting of Student Hours in Membership for Curriculum Classes*, states, in pertinent part, (f) Curriculum Student Work Experience and Clinical Practice. (2) Work Experience. (C) “The college shall maintain documentation of all student work experience hours.”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Fall 2006	COE 111 30	Co-op Work Experience I	480
Fall 2006	COE 111 70	Co-op Work Experience I	160

Student membership hours were incorrectly reported for budget/FTE for three students in COE 111 30 and one student in COE 111 70 for whom there was no documentation of student work experience hours.

- 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); (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>
Fall 2006	ACA 111 01	College Student Success	16
Fall 2006	CIS 110 03	Introduction to Computers	64
Fall 2006	EDU 261 30	Early Childhood Admin I	48
Fall 2006	MAT 050 10	Basic Math Skills	240
Fall 2006	MAT 070 01	Introductory Algebra	80
Fall 2006	MAT 141A 01	Math I for Teachers/K-9 Lab	32
Fall 2006	RED 070 01	Essential Reading Skills	80
Spring 2007	ACC 129 60	Individual Income Tax	+64
Spring 2007	CIS 110 71	Introductions to Computers	64
Spring 2007	CJC 121 01	Law Enforcement Operations	48
Spring 2007	EDU 112 90	Early Childhood Credential	32
Spring 2007	OST 131 90	Keyboarding	+48

Student membership hours were incorrectly reported for budget/FTE for one student in ACA 111 01, one student in CIS 110 03, one student in EDU 261 30, three students in MAT 050 10, one student in MAT 070 01, one student in MAT 141A 01, one student in RED 070 01, one student in CIS 110 71, one student in CJC 121 1 and one student in EDU 112 90 who did not attend one or more classes prior to the 10 percent point of class. Student membership hours were incorrectly reported for budget/FTE for one student in ACC 129 60 and one student in OST 131 90 who did attend one or more classes prior to the 10 percent point of the class.

- Title 23 NCAC 02D .0323 *Reporting of Student Hours in Membership for Curriculum Classes*, states, in pertinent part, (c) Non-Regularly Scheduled Classes. (4) "Calculation of Student Contact Hours for Non-Regularly Scheduled Classes. For these classes, actual time of class attendance for each student determined to be in membership shall be reported. Student contact hours for these classes are the sum of all the hours of actual student attendance in a class in a given semester..."

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Fall 2006	ACA 111 05	College Student Success	112
Spring 2007	COE 111 01	Co-op Work Experience I	+298

ACA 111 05 was offered as an independent study class, and hours were incorrectly reported as membership hours (16 hours per student) for 11 students. Student contact hours were incorrectly reported for budget/FTE for two students in COE 111 01.

- Title 23 NCAC 02D .0323 *Reporting of Student Hours in Membership for Curriculum Classes*, states, in pertinent part, (b) Regularly-Scheduled Classes. (5) “Maintenance of Records of Student Membership Hours....Accurate attendance records shall be maintained for each class through the 10 percent point of the class.”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Fall 2006	PED 120 90	Walking for Fitness	48

There were no attendance records available for review for 48 hours reported for PED 120 90.

Recommendation: An audit exception is taken to 1,895 student membership hours reported for budget/FTE for curriculum classes which 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 Spring 2007 and make any necessary adjustments.

The classes cited are listed below:

CURRICULUM

<u>Course Number</u>	<u>Semester</u>	<u>Original Hours Reported</u>	<u>Corrected Hours</u>	<u>Hours Excepted</u>
AHR P111 51	Fall 2006	1024	816	208
AHR P112 50	Fall 2006	1728	1304	424
BPR P130 50	Fall 2006	720	698	22
BUS P115 51	Fall 2006	336	315	21
BUS P137 50	Fall 2006	288	228	60
ECO P151 51	Fall 2006	288	276	12
MKT P120 51	Fall 2006	432	378	54
COE 111 30	Fall 2006	960	480	480

CURRICULUM (continued)

<u>Course Number</u>	<u>Semester</u>	<u>Original Hours Reported</u>	<u>Corrected Hours</u>	<u>Hours Excepted</u>
COE 111 70	Fall 2006	320	160	160
ACA 111 01	Fall 2006	272	256	16
CIS 110 03	Fall 2006	1344	1280	64
EDU 261 30	Fall 2006	384	336	48
MAT 050 10	Fall 2006	1360	1120	240
MAT 070 01	Fall 2006	1680	1600	80
MAT 141A 01	Fall 2006	128	96	32
RED 070 01	Fall 2006	880	800	80
ACC 129 60	Spring 2007	704	768	+64
CIS 110 71	Spring 2007	896	832	64
CJC 121 01	Spring 2007	816	768	48
EDU 112 90	Spring 2007	128	96	32
OST 131 90	Spring 2007	192	240	+48
ACA 111 05	Fall 2006	176	64	112
COE 111 01	Spring 2007	22	320	+298
PED 120 90	Fall 2006	48	0	<u>48</u>
Total Hours Excepted:				1,895

Exception Number Two

During a review of continuing education class offerings, errors were noted which resulted in 1,088 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*, states, in pertinent part, (b) Non-Regularly Scheduled Classes. (4) "Calculation of Student Contact Hours for Non-Regularly Scheduled Classes. For these classes, actual time of class attendance for each student determined to be in membership shall be reported. Sixty minutes shall constitute an hour. Student contact hours for these classes are the sum of all the hours of actual student attendance in a class in a given semester."

- Numbered Memorandum CC-95-267 *Applying The Continuing Education Master Course List*, states, in pertinent part, "...A college may offer a course for the maximum number of hours or any appropriate number of hours less than the maximum listed in the MCL, provided the following conditions exist:
 - The course being offered must fall within the parameters (course description, hours and prefix/number) of the State Board approved course;....."

The course description of *HRD 3002, Employability Lab*, in the *NCCCS Master Course List*, states, in pertinent part, "Membership hours are counted on a contact hour basis."

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Summer 2006	HRD 3002	Employability Skills Lab	+27
Fall 2006	HRD 3002	Employability Skills Lab	44
Fall 2006	HRD 3002	Employability Skills Lab	438

Student membership hours were incorrectly reported for seven students in HRD 3002 (610864), six students in HRD 3002 (611178), and ten students in HRD 3002 (611284) when the hours were reported as membership hours rather than on a contact hour basis.

- Title 23 NCAC 02D .0324 *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, (b) Non-Regularly Scheduled Classes. (4) "Calculation of Student Contact Hours for Non-Regularly Scheduled Classes. For these classes, actual time of class attendance for each student determined to be in membership shall be reported. Sixty minutes shall constitute an hour. Student contact hours for these classes are the sum of all the hours of actual student attendance in a class in a given semester."

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2006	HRD 3002	Employability Skills Lab	+14
Summer 2006	CAR P3108	Carpentry	12
Summer 2006	HRD 3002	Employability Skills Lab	+3
Fall 2006	CAR P3108	Carpentry	12
Fall 2006	CAR P3124	Residential Framing	18

Student membership hours were incorrectly reported for 15 students in HRD 3002 (610777), nine students in CAR P3108 (510454), 21 students in HRD 3002 (610987), five students in CAR P3108 (611020), and 11 students in CAR P3124 when the contact hours were calculated incorrectly.

- Title 23 NCAC 02D .0324 *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, (a) Regularly Scheduled Classes. (2) “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; (B) Attended one or more classes held prior to or on the 10 percent point in the class; and (C) Has not withdrawn or dropped the class prior to or on the 10 percent point of the class.”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2006	FIP 4728	Special Topics in Fire/Rescue	12
Spring 2006	NUR 3240	Nurse Aide Level I	167
Fall 2006	CAS 3010	Introduction to Keyboarding	60

Student membership hours were incorrectly reported for budget/FTE for two students in FIP 4728, one student in NUR 3240, and two students in CAS 3010 who did not attend one or more classes prior to or on the 10 percent point of class.

- Title 23 NCAC 02D .0324 *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, (a) Regularly Scheduled Classes. (2) “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; (B) Attended one or more classes held prior to or on the 10 percent point in the class; and (C) Has not withdrawn or dropped the class prior to or on the 10 percent point of the class”....(a) Regularly Scheduled Classes. (3) “Student Membership Hour....Colleges shall not report more hours per student than the number of hours specified in the instructor’s contract.”

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2006	HRD 3005	Introduction to Computers	207

Student membership hours were incorrectly reported for two students who did not attend one or more classes prior to or on the 10 percent point of class and seven students who were reported for 21 more hours than the number of hours specified in the instructor's contract.

- Title 23 NCAC 02D .0203 *Fees for Extension Programs*, states, in pertinent part, (a) Registration fees for Non-Curriculum Extension Instruction. (5) Registration Fee Waivers: (A) "Special Extension Training Programs. No registration fees shall be charged students enrolling for special extension training programs that directly relate to job performance set forth in G.S. 115D-5(b)."

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2006	EMS 3044	EMT-Basic	157

Student membership hours were incorrectly reported for one student who was inappropriately fee waived for the class.

- Title 23 NCAC 02D .0324 *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, (a) Regularly Scheduled Classes. (4) "Calculation of Student Membership Hours for Regularly Scheduled Classes. Student membership hours are obtained by multiplying the number of students in membership at the 10 percent point in the class by the total number of hours the class is scheduled to meet as stated in official college documents."

<u>Semester/Term</u>	<u>Course Number</u>	<u>Course Title</u>	<u>Hours Excepted</u>
Spring 2006	FIP 3303	Fire Alarms/Communications	14
Fall 2006	FIP 3316	Emergency Medical Care I&II	+9

Student membership hours were incorrectly reported for 14 students in FIP 3303 and nine students in FIP 3316 when the number of hours reported were not consistent with the scheduled class hours stated in official college documents.

Recommendation: An audit exception is taken to 1,088 student membership hours reported for budget/FTE for continuing education classes which did not meet reporting criteria outlined in *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 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>
0610864	HRD 3002	Summer 2006	126	153	+27
0611178	HRD 3002	Fall 2006	96	52	44
0611284	HRD 3002	Fall 2006	684	246	438
0610777	HRD 3002	Spring 2006	44	58	+14
0510454	CAR P3108	Summer 2006	792	780	12
0610987	HRD 3002	Summer 2006	68	71	+3
0611020	CAR P3108	Fall 2006	408	396	12
0611021	CAR P3124	Fall 2006	714	696	18
0610682	FIP 4728	Spring 2006	102	90	12
0610630	NUR 3240	Spring 2006	2839	2672	167
0611290	CAS 3010	Fall 2006	120	60	60
0610668	HRD 3005	Spring 2006	270	63	207
0510468	EMS 3044	Spring 2006	2669	2512	157
0610857	FIP 3303	Spring 2006	210	196	14
0611245	FIP 3316	Fall 2006	135	144	+9
Total Hours Excepted:					1,088

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

SUBMITTED BY: Anne O. Miller
Audit Dates: May 5, May 22 - June 4, 2008

ATTACHMENT NUMBER ONE

**Roanoke-Chowan Community College
Financial Adjustment
FY 2006 - 2007**

A total of 1,895 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
1,895	/ 512 =	3.70	\$4,746.30	<u>\$17,561.31</u>

25% Penalty Calculation

Hours	X 25% =	Curriculum Hours	/ 512 =	Curriculum FTE	Curriculum Value	Sub-Total Penalty
1,895	X 25% =	473.75	/ 512 =	0.93	\$4,746.30	<u>\$4,414.06</u>

Sub-Total Reversion	\$17,561.31
Sub-Total Penalty	\$4,414.06
Total	<u>\$21,975.37</u>

See next page for total reversion.

ATTACHMENT NUMBER ONE (Continued)

**Roanoke-Chowan Community College
Financial Adjustment
FY 2006 - 2007**

A total of 1,088 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
1,088	/ 688 =	1.58	\$4,133.06	<u>\$6,530.23</u>

25% Penalty Calculation

Hours	X 25% =	Extension Hours	/ 688 =	Extension FTE	Extension Value	Sub-Total Penalty
1,088	X 25% =	272.00	/ 688 =	0.40	\$4,133.06	<u>\$1,653.22</u>

Sub-Total Reversion	\$6,530.23
Sub-Total Penalty	\$1,653.22
Total	<u>\$8,183.45</u>

Total reversion:

Curriculum	\$21,975
Continuing Education	<u>8,183</u>
Total	<u>\$30,158</u>

The college should submit Form 104 to the System Office for **\$30,158** to resolve the exception.

ATTACHMENT NUMBER TWO

Roanoke-Chowan 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>
AHR 110 N1	J. Mulder	Main Campus	4/2/08	2	2
CST 241 MP21	J. Messer	Odom Correctional	5/1/08	11	11
EDU 151 IS1	D. Outlaw	Main Campus	4/2/08	1	0
PLU 150 P1	P. Deloatch	Odom Correctional	5/1/08	-	- *1
REL 212 K2	J. Dutton, Jr	NE Christian Acdmy	4/2/08	14	8
WLD 115 N1	Z. Vinson	Main Campus	4/2/08	4	<u>0</u>
Total CURRICULUM Class Visits/Program Reviews to Date:					6

*1 Class cancelled due to instructor illness.

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>
AHR P3131	J. Mulder	Rivers Correctional	5/1/08	28	11
BSP 2000	T. Marry	Murfressboro Head Start	4/2/08	21	5
BSP 2000	J. Reed	RL Vann School	4/2/08	-	- *1
BSP 2000	J. Williams	Winton Day Reporting	4/2/08	13	2
BSP P2000	J. Farrow, Jr.	Odom Correctional	5/1/08	13	12
BSP P2000	H. Lee	Odom Correctional	5/1/08	9	6
EMS 3044B	A. Marczyszyn	Main Campus	4/2/08	-	- *2
MED 3030A	D. Tusey	Internet/Online	4/2/08	4	-
Total CONTINUING EDUCATION Class Visits/Program Reviews to Date:					8

*1 Class stopped meeting at the end of February according to college staff.

*2 Due to low enrollment, student transferred to another class. Class ended 3/31/08 according to college staff.