



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Dr. R. Scott Ralls, President

May 26, 2009

Dr. P. Anthony Zeiss, President
Central Piedmont Community College
P.O. 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 pursuant to NC General Statute 115D-5(m). The college response dated May 6, 2009, provided supportive documentation which was incorporated into the report. Therefore, there is one 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,

Kennon D. Briggs
Executive Vice President and Chief of Staff

Enclosure

- c: Mr. Ralph A. 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
- Ms. Beth Wood, State Auditor
- Ms. Andrea Poole, Fiscal Analyst
- Mr. Charles Perusse, State Budget Officer
- Community College Presidents
- Mr. Michael Moss, Central Piedmont Community College, Chief Financial Officer
- System Office Vice Presidents

North Carolina Community College System

Audit Findings for Central Piedmont Community College Spring Semester 2007 - Spring Semester 2008

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 2007 through Spring Semester 2008. 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 during the period of review but may be conducted at other times if necessary. If concerns are noted which result from these visits, the college will be 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 continuing education course offerings and requested documentation, a number of errors were noted which resulted in 2,544 student membership hours incorrectly reported for budget/FTE. The errors are summarized below.

- 23 NCAC 02D .0324 *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, (a)(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.”

CONTINUING EDUCATION

<u>Contract Number</u>	<u>Course Number and Course Name</u>	<u>Semester</u>	<u>Original Hours Reported</u>	<u>Corrected Hours</u>	<u>Hours Excepted</u>
PRE7000	OSC 3603 Office Clerk I	Spring 2007	2,544	0	<u>2,544</u>
Total Hours Excepted:					2,544

There was no class file for the class, and therefore, no documentation of enrollment, attendance, registration fee payment, or instructional payment. The class was also reported for budget/FTE in Summer Semester 2007.

Recommendation: An audit exception is taken to 2,544 student membership hours reported for budget/FTE 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 reference 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 Semester 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 24 – April 15, 2009

ATTACHMENT NUMBER ONE

**Central Piedmont Community College
Financial Adjustment
FY 2007 - 2008**

A total of 2,544 Continuing Education hours were cited that require a financial adjustment:

FTE Calculation Worksheet

Continuing Education \$ Value \$4,249.46

Continuing Education

Hours	/ 688 =	Continuing Education FTE	Continuing Education Value	Sub-Total Reversion
2,544	/ 688 =	3.70	\$4,249.46	<u>\$15,723.00</u>

Sub-Total Reversion	\$15,723.00
Sub-Total Penalty	\$0.00
Total	<u>\$15,723.00</u>

The college should submit Form 104 to the System Office for \$15,723.00 to resolve the exception.

ATTACHMENT NUMBER TWO

Central Piedmont Community College SUMMARY OF CLASS VISITS FOR FY 2008 – 2009

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>
BIO 110 21	E. Lawrence	North Campus	4/8/09	26	22
BIO 130 01	S. Diegmann	Central Campus	4/8/09	23	14
CJC 100 01	R. Carter	North Campus	4/8/09	19	15
Total CURRICULUM Class Visits/Program Reviews to Date:					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>
APP 3614	J. Schumm	Harper Campus	4/8/09	9	8
BSP 2000	L. Hailey	Central Campus	4/8/09	16	9
BSP 2000	K. Sawyer	Central Campus	4/8/09	29	22
BSP 2000	L. Beam	Harper Campus	4/8/09	185	7
BSP 2000	J. Wicker	Harris Campus	4/8/09	62	10
BSP 2000	J. Uzzell	Central Campus	4/8/09	14	10
FIP 3402	S. Nantz	CFD Training Acad.	4/8/09	18	17
FIP 3402	D. Brown	CFD Training Acad.	4/8/09	17	16
OSC 3608	J. McGee	Central Campus	4/8/09	21	11
SEF 3001	J. Byrum	North Campus	4/8/09	17	17
Total CONTINUING EDUCATION Class Visits/Program Reviews to Date:					10