

North Carolina Community College System

Audit Findings for Johnston Community College Spring Semester 2008–Spring Semester 2009 Semester

An audit was conducted at Johnston 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 2008 through Spring Semester 2009. 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, two exceptions and two areas of concern were noted and are discussed on the pages that follow.

Exception – Curriculum

During a review of curriculum course offerings, a number of errors were noted which resulted in 1,649 student membership hours incorrectly reported for budget/FTE. The errors are summarized below.

- 23 NCAC 02D .0323 (b)(2) *Reporting of Student Hours in Membership for Curriculum Classes*, states, “Regularly-Scheduled Classes. 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 2008 | CJC 100 01 | Basic Law Enforcement Trng. | 624 |
| Fall 2008 | GRD 151 J1 | Computer Design Basics | 80 |
| Spring 2009 | ACC 269 I1 | Auditing & Assurance Serv. | 48 |

Student membership hours were over-reported for budget/FTE when the number of students in class membership at the 10 percent of the class was miscalculated.

- 23 NCAC 02D .0323 (c)(1) *Reporting of Student Hours in Membership for Curriculum Classes*, states, “Non-Regularly Scheduled Classes. A non-regularly scheduled class may include...(C) a class self-paced in that the student progresses through the instructional materials at the student’s own pace, and can complete the class as soon as the student has successfully met the educational objectives. Classes offered as independent study are generally offered in this manner...(3) Definition of a Student Contact Hour. For non-regularly scheduled classes, student contact hour is defined as actual time of student attendance in a class or lab. 60 minutes shall constitute an hour...(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, and shall not exceed the hours in the approved curriculum program of study compliance document...”

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|-----------------------|-----------------------|
| Fall 2008 | LSG 231 S51 | Landscape Supervision | 8 |
| Fall 2008 | NET 289 S01 | Networking Projects | 29 |

These classes were independent studies; however, accurate attendance records were not maintained through the semester.

- *N.C.G.S. 115D-5(c)*, states, “No course of instruction shall be offered by any community college at State expense or partial State expense to any captive or co-opted group of students, as defined by the State Board of Community Colleges, without prior approval of the State Board of Community Colleges. Approval by the State Board of Community Colleges shall be presumed to constitute approval of both the course and the group served by that institution. The State Board of Community Colleges may delegate to the President the power to make an initial approval, with final approval to be made by the State Board of Community Colleges. A course taught without such approval will not yield any full-time equivalent students, as defined by the State Board of Community Colleges.” Continuing in *(c1)*, “Community colleges shall report full-time equivalent (FTE) student hours for correction education programs on the basis of contact hours rather than student membership hours. No community college shall operate a multi-entry/multi-exit class or program in a prison facility, except for a literacy class or program...”

23 NCAC 02E .0403(a) *Instruction to Captive or Co-opted Groups*, states, “A college shall obtain State Board approval prior to providing instruction to students who are classified captive or co-opted. Captive or co-opted groups of students are defined as inmates in a correctional facility...Approval by the State Board of Community Colleges shall constitute approval of the curriculum program or occupational extension course (s) and the group to be served by the college.”

23 NCAC 02D .0323(c)(4) *Reporting of Student Hours in Membership for Curriculum Classes* states, “Non-Regularly Scheduled Classes. 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...”

For curriculum classes, please note that the guidelines in the Code for reporting instruction to captive or co-opted groups are consistent with the policies governing both the definition of class membership for regularly scheduled classes-[(G.S. 115D-5(c1) and 23 NCAC 2D .0323(b)(1-2)] and the reporting of student contact hours in non-regularly scheduled classes-[(G.S. 115D-5(c1) and 23 NCAC 02D .0323(c)(3-5)]. Membership for non multi-entry/multi-exit classes is defined in 23 NCAC 02D .0323 *Reporting of Student Hours in Membership for Curriculum Classes* (b) Regularly-Scheduled Classes; however contact hours are defined in (c). Student contact hours are reported as defined in (c) Non-Regularly Scheduled Classes (3-5).

Therefore courses offered in a captive or co-opted setting must have a starting and ending date as well as a 10 percent point in regard to student membership, but must be reported as contact hours per the aforementioned references.

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|----------------------------|---------------------------|
| Fall 2008 | FST P101 P1 | Intro to Baking | 32 |
| Fall 2008 | MAS P110 P1 | Masonry I | 15 |
| Spring 2009 | AHR P114 P1 | Heat Pump Technology | 16 |
| Spring 2009 | COS P113 P1 | Cosmetology Concepts II | 1 |
| Spring 2009 | COS P121 P51 | Manicure/Nail Technology I | 29.5 |

Contact hours were miscalculated in each of the classes listed. In MAS P110 P1, hours were miscalculated (-3 hrs.), and one student dropped prior to the 10% point of the class (-12 hrs.). Total hours excepted for MAS P110 P1 (-15 hrs.).

- 23 NCAC 02E .0604(b) Instructional Service Agreements, states, in pertinent part, “Level Two Instructional Service Agreement. (1) Two or more colleges may jointly offer curriculum courses or continuing education courses by providing a written, level two instructional service agreement under the following conditions:...(B) FTE may be shared between the two participating colleges...(2) The level two instructional agreement shall: (E) Specify the proration of resources and FTE allocated for each college.”

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|-----------------------|---------------------------|
| Spring 2009 | “SSS” Record* | History of Philosophy | 504 |

The college had a Level Two ISA with Sampson Community College and Bladen Community College to offer PHI 210 with the course offered at the other locations. For PHI 210 IHR offered Spring Semester 2009 at Sampson Community College, the college did an “SSS” record for 864 hours when it should have been 432 hours (-432 hrs.). For PHI 210 IH1 offered Spring Semester 2009 at Bladen Community College, the college did an “SSS” record for 144 hours when it should have been 72 hours (-72 hrs.). The hours were incorrectly reported when the college reported 100% rather than 50% of shared budget/FTE for a total of negative 504 hours.

- 23 NCAC 02D .0323(d) *Reporting of Student Hours in Membership for Curriculum Classes*, states, “Skills Laboratory or Computer Tutorial Laboratory. Individualized instructional laboratories are similar to learning laboratories (see 23 NCAC 02D .0324(b)(6)) except the participants are curriculum students. Skills labs or computer tutorial labs are remedial or developmental in nature and intended for students who are experiencing academic difficulty in a particular curriculum course. A skills laboratory instructor shall be qualified in the single-subject area of the skills laboratory. A computer tutorial laboratory coordinator need not be qualified in any of the subject area(s) provided in a computer tutorial laboratory. Student contact hours may be reported for budget/FTE when students are required by their

instructor to attend either of the laboratories for remedial or developmental work and when the skills laboratory instructors or computer tutorial coordinators are paid with curriculum instructional funds.

- (1) Documentation of instructor referral shall be maintained for auditing purposes. Maintain documentation until released by audit.
- (2) Homework assignments shall not be reported for budget/FTE. (See 23 NCAC 2D .0325(a)).
- (3) Calculation of Student Contact Hours for Skills Laboratory or Computer Tutorial Laboratory. For these classes, actual time of class attendance shall be reported; 60 minutes shall constitute an hour. Student hours generated for these types of 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 2008 | ACA 111 CL | Skills Lab | 4.25 |
| Spring 2009 | ACA 111 CL | Skills Lab | 2.25 |

In a review of a sample of student schedules Fall Semester 2008 and Spring Semester 2009, it was noted that students were reported for budget/FTE during scheduled class hours.

- 23 NCAC 02C .0305(c) *Education Services for Minors*, states, in pertinent part, “A high school student, 16 years old or older, based upon policies approved by the local public or private board of education and board of trustees, may be admitted to any curriculum course one hundred level and above or any continuing education course, except adult basic skills, concurrently under the following conditions:… (2) Upon approval of the student’s program by the chief administrative school officer and the president of the college;…(e) Local boards of trustees and local school boards may establish cooperative programs in areas they serve in order to provide college courses to high school students. College credits shall be awarded to those high school students upon successful completion of the courses. Cooperative programs shall be approved, prior to implementation, by the State Board or its designee.”

23 NCAC 02D .0325(a) *Limitation in Reporting Student Membership Hours*, states, in pertinent part, “Student hours shall not be reported for budget/FTE which result from:…(4) Enrollment of high school students not in compliance with 23 NCAC 2C .0301 and 2C .0305.”

Numbered Memorandum CC99-235 *Computerized Audit Programs*, states, in pertinent part, “Each college should determine its own internal procedures for the use of this software and for internal access by college personnel. Some programs affect only continuing education, some affect only curriculum and others affect both program areas. It is highly recommended that colleges run these programs each semester on a regular basis to identify and correct problems

before they become audit issues. Typically, colleges who routinely run these reports have a much lower incidence of reporting errors that end up being cited as audit exceptions. When colleges run the reports and make corrections, it is required that a copy of the report and documentation of any resulting adjustments be maintained and available for review during the audit.”

Operating Procedures for the Enrollment of High School Students in Community College Courses, states:

II. Concurrent Enrollment

A. Student Eligibility

The NCSBCC’s policy regarding concurrent enrollment, as cited in 23 NCAC 2C. 0305, permits high school students to enroll in a community college course under the following conditions:

1. The student must be at least 16 years of age;
2. The student must be recommended by the chief administrative officer of the high school and approved by the appropriate community college personnel;
3. The chief administrative officer of the high school must certify that the student is taking the equivalent of one-half of a full-time schedule and is making progress toward graduation, *or (in the case of courses offered in the summer) must certify that the student took the equivalent of one-half of a full-time schedule during the preceding year and is making appropriate progress toward graduation (2C.0305 (3)(c));*
4. Enrollment of high school students in any section cannot displace adult college students;
5. Students may be admitted for any semester on a space available basis; and,
6. Students must meet the same prerequisite, co-requisite, and course admission requirements as adult college students.

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|----------------------|-----------------------|
| Spring 2009 | GEL 111 II | Introductory Geology | 80 |
| Spring 2009 | BPR 111 01 | Blueprint Reading | 48 |
| Spring 2009 | WLD 121 01 | GMAW/FCAW Plate | 128 |

Students were enrolled in classes and hours reported for budget/FTE that did not have verification of conditions met for concurrent enrollment.

Recommendation: An audit exception is taken to 1,649 student membership hours reported for budget/FTE for curriculum classes which did not meet reporting criteria outlined in the North Carolina General Statutes, Title 23 of the North Carolina Administrative Code, the Curriculum Procedures Reference Manual, and numbered memoranda. 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 Semester 2009 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> |
|------------------------------|-----------------|--------------------------------|------------------------|-----------------------|
| CJC 100 01 | Fall 2008 | 16,848 | 16,224 | 624 |
| GRD 151 J1 | Fall 2008 | 1,680 | 1,600 | 80 |
| ACC 269 I1 | Spring 2009 | 720 | 672 | 48 |
| LSG 231 S51 | Fall 2008 | 128 | 120 | 8 |
| NET 289 S01 | Fall 2008 | 80 | 51 | 29 |
| FST P101 P1 | Fall 2008 | 1,600 | 1,568 | 32 |
| MAS P110 P1 | Fall 2008 | 4,056 | 4,041 | 15 |
| AHR P114 P1 | Spring 2009 | 1,455 | 1,439 | 16 |
| COS P113 P1 | Spring 2009 | 562 | 561 | 1 |
| COS P121 P51 | Spring 2009 | 2,116 | 2,086.5 | 29.5 |
| “SSS”- PHI 210 | Spring 2009 | 3,499 | 2,995 | 504 |
| ACA 111 CL | Fall 2008 | 1216 | 1211.75 | 4.25 |
| ACA 111 CL | Spring 2009 | 1137 | 1134.75 | 2.25 |
| GEL 111 I1 | Spring 2009 | 5,680 | 5,600 | 80 |
| BPR 111 01 | Spring 2009 | 576 | 528 | 48 |
| WLD 121 01 | Spring 2009 | 1,792 | 1,664 | 128 |
| Total Hours Excepted: | | | | 1,649 |

Exception Two – Continuing Education

During a review of continuing education course offerings, a number of errors were noted which resulted in 2,367.25 student membership hours incorrectly reported for budget/FTE. The errors are summarized below.

- 23 NCAC 02D .0324(a)(2) *Reporting of Student Hours in Membership for Continuing Education Classes*, 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; (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 2008 | CAS 3120 13P | Integrated Software | 672 |
| Fall 2008 | MLS 3209 01U | How to Start Your Own Business | 216 |

There was no class file for these classes, and therefore, no documentation of student payment of the applicable registration fees or attendance prior to the 10 percent point in the class as well as instructional pay. Documentation provided indicated that CAS 3120 13P was also reported for budget/FTE in Summer Semester 2008, which resulted in no class file for Spring Semester 2008, as there was only one class.

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|----------------------------|-----------------------|
| Summer 2008 | FLI 3710 05U | Conversational Spanish III | 150 |
| Fall 2008 | COM 3709 02F | Sign Language | 30 |

Student membership hours were incorrectly reported for budget/FTE for students who attended the class after the ten percent point of the class.

- 23 NCAC 02C .0305(c) *Education Services for Minors*, states, in pertinent part, “A high school student, 16 years old or older, based upon policies approved by the local public or private board of education and board of trustees, may be admitted to any curriculum course one hundred level and above or any continuing education course, except adult basic skills, concurrently under the following conditions:
 - (1) Upon recommendation of the chief administrative school officer and approval of the president of the college;
 - (2) Upon approval of the student's program by the chief administrative school officer and the president of the college; and
 - (3) Upon certification by the Chief Administrative School Officer that the student is taking the equivalent of one-half of a full-time schedule and is making progress toward graduation.”

23 NCAC 02D .0325(a) *Limitation in Reporting Student Membership Hours*, states, in pertinent part, “Student hours shall not be reported for budget/FTE which result from:...(4) Enrollment of high school students not in compliance with 23 NCAC 2C .0301 and 2C .0305.”

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|---------------------|-----------------------|
| Spring 2008 | FIP 3400 05P | Hazmat Refresher | 9 |
| Summer 2008 | EMS 3025 85P | Medical Responder | 180 |
| Fall 2008 | EPT 4400 02F | NIMS ICS 400 | 12 |
| Fall 2008 | FIP 3313 02F * | Fire Control I & II | 24 |

ISSUE 1: During the review of class records, students under 18 years of age were enrolled in the classes noted and hours reported for budget/FTE when there was no verification of conditions met for concurrent enrollment.

- A second issue related to concurrent enrollment was found when the Underage Students – Continuing Education – XPAO report was reviewed. The aforementioned references for Issue 1 are also applicable to Issue 2. Additionally, CC99-235 applies and follows:

CC99-235 *Computerized Audit Programs*, states, in pertinent part, “Each college should determine its own internal procedures for the use of this software and for internal access by college personnel. Some programs affect only continuing education, some affect only curriculum, and others affect both program areas. It is highly recommended that colleges run these programs each semester on a regular basis to identify and correct problems before they become audit issues. Typically, colleges who routinely run these reports have a much lower incidence of reporting errors that end up being cited as audit exceptions. When colleges run the reports and make corrections, it is required that a copy of the report and documentation of any resulting adjustments be maintained and available for review during the audit.”

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|---------------------------|-----------------------|
| Fall 2008 | EMS 3102 09F | CPR Instructor | 16 |
| Fall 2008 | PHM 3250 401F | Pharmacy Assistant | 36 |
| Fall 2008 | PHM 3250 04F | Pharmacy Assistant | 36 |
| Fall 2008 | FIP 3303 02F | Fire Alarms and Comm. | 12 |
| Fall 2008 | FIP 3321 04F | Fire Prevention Pub. Ed. | 12 |
| Fall 2008 | FIP 3400 04F | Service Testing Refresher | 3 |
| Fall 2008 | EMS 3060 73F | EMS Topics | 8 |
| Fall 2008 | EMS 3060 75F | Bloodborne Pathogens | 3 |
| Fall 2008 | EPT 4400 02F | NIMS ICS-400 | 12 |
| Fall 2008 | EMS 3060 75F | Bloodborne Pathogens | 3 |
| Fall 2008 | EPT 4400 02F | NIMS ICS-400 | 12 |
| Fall 2008 | FIP 3313 02F * | Fire Control | 24 |

| | | | |
|-----------|--------------|-----------------------|----|
| Fall 2008 | FIP 3610 01F | Into. to Firefighting | 12 |
| Fall 2008 | FIP 3611 04F | Basic Pump Operations | 15 |

ISSUE 2: In a review of the XPAO, it was noted that students under 18 years of age were enrolled and hours reported for budget/FTE when conditions for concurrent enrollment were not met. Additionally, staff did not review the report prior to the audit review.

- 23 NCAC 02D .0324(c)(2) *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, “Classes Identified as Extension Non-Traditional Delivery. For those classes identified as non-traditional delivery, student attendance in class or in an orientation session, submission of a written assignment or a submission of examination is the basis for the determination of class membership at the 10 percent point of the class...”

Numbered Memorandum CC04-109 *Clarification of Reporting and Documenting Student Membership Hours for Distance Education Courses and Course Orientation*, states, in pertinent part, “It is the college’s responsibility to monitor student progress and provide documentation for audit purposes that students counted in membership attended a session or completed an assignment prior to or at the 10 percent point of the class, regardless of which method is used to determine the 10 percent census point. It must be clear what method was used to compute the 10 percent point. Documentation of class membership in distance education courses should provide a record of student participation similar to that provided by the class attendance documents for traditional delivery classes. This documentation may be maintained electronically, such as a record of emails between students and the instructor, or may be a hard copy, such as an instructor maintained attendance or student contact record. In either case, the documentation must be certified by the instructor or college staff responsible for the course and must be available for audit review.”

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|----------------------------|-----------------------|
| Spring 2008 | OSC 3643 34P | Comp. Skills for Workplace | 24 |
| Fall 2008 | CAS 3050 32F | Intro To Excel 2003 | 120 |
| Fall 2008 | EDU 3200 33F | Intro to Teaching ESL | 72 |

Students enrolled in these distance learning classes did not attend one or more classes held prior to or at the 10 percent point in the class.

- 23 NCAC 02D .0324(b)(4) *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, “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 CC04-109 *Clarification of Reporting and Documenting Student Membership Hours for Distance Education Courses and Course Orientation*, states, in pertinent part, “It is the college’s responsibility to monitor student progress and provide documentation for audit purposes that students counted in membership attended a session or completed an assignment prior to or at the 10% point of the class, regardless of which method is used to determine the 10% census point. It must be clear what method was used to compute the 10% point. Documentation of class membership in distance education courses should provide a record of student participation similar to that provided by the class attendance documents for traditional delivery classes. This documentation may be maintained electronically, such as a record of emails between students and the instructor, or may be a hard copy, such as an instructor maintained attendance or student contact record. In either case, the documentation must be certified by the instructor or college staff responsible for the course and must be available for audit review.”

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|--------------------------------|-----------------------|
| Fall 2008 | EDU 3200 32F | Diff. Instruction in Classroom | 24 |

This online class was scheduled as a contact hour class, but there was no documentation of actual time attended.

- *N.C.G.S. 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...”

23 NCAC 02D .0203(a)(5) *Fees for Extension Programs*, states, in pertinent part, “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).”

23 NCAC 02D .0324(a)(2) *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, “Regularly Scheduled Classes. 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...”

Numbered memorandum CC08-010 *Tuition and Fee Waivers Clarification*, states, in pertinent part, “It is very important that this information be distributed to all appropriate staff to ensure that only individuals authorized by North Carolina General Statute or North Carolina Administrative Code are granted waivers. There are many college staff currently using unofficial correspondences (memos, emails, workshop handouts) as documentation/approval to grant waivers, especially to groups not specifically mentioned in

statute or code. If the interpretation given in those correspondences conflicts with the policies referenced in the above documents, then those correspondences are no longer valid.

Lastly, any new request for tuition and fees waivers for groups not currently authorized by statute or code must be requested directly to the General Assembly by the respective group.”

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 2008 | EMS 3060 62F | CPR Refresher | 3 |

One student enrolled was a member of the National Guard and was fee waived inappropriately for this class. Only “local” Emergency Services Personnel are fee waived.

- 23 NCAC 02D .0324(a)(3) *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, “Regularly Scheduled Classes. Student Membership Hour...Colleges shall not report more hours per student than the number of hours specified in the instructor’s contract.”

23 NCAC 02D .0326 (b) *Budget FTE Funding*, states, in pertinent part, “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> |
|----------------------|----------------------|---------------------|-----------------------|
| Fall 2008 | ISC 3200 02F | Bioworks | 152 |

Hours were reported for budget/FTE for which there was no instructor pay.

- 23 NCAC 02D .0324(a)(3) *Reporting of Student Hours in Membership for Continuing Education Classes*, states, in pertinent part, “Regularly Scheduled Classes. Student Membership Hour. A student membership hour is one hour of scheduled class or laboratory for which the student is enrolled. A college shall provide a minimum of 50 minutes of instruction for each scheduled class hour. A college shall not report more hours per student than the number of class hours scheduled in official college documents...”

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|------------------------|---------------------------|
| Fall 2008 | RLS 3704 01F | Contracts and Closings | 10 |

Class was scheduled and held for 29 hours, but reported for 30 hours.

- Numbered Memorandum CC98-362 *Clarification of Continuing Education Topics*, states, in pertinent part, “Offered below for your information and review are clarifications of two continuing education topics which periodically arise. The two topics are discussed below:
 - A. Questions often develop regarding individual student schedule overlaps for continuing education classes reported on a membership hour basis. The basis for membership hour reporting is the assumption that students are scheduled to attend all class meetings and therefore hours may be reported for the entire class if the student is in membership at the census date. The reporting of students in membership in two or more classes when any portion of the respective schedules for the classes overlap traditionally has not been allowed. In this situation, most colleges have reported a given student in only one class when overlaps occurred; however some colleges have manually deducted the hours in overlap if the student had otherwise completed course requirements. Obviously, there is a need for consistency for reporting student hours in this situation.

Most scheduling overlaps occur in classes involving certification such as Emergency Medical Services (EMS), Fire, and Law Enforcement where students may meet course certification requirements even though one or more class dates overlap.

This issue has been reviewed by System Office staff with the North Carolina Community College Adult Education Association and a position has been developed. When continuing education course schedule overlaps are identified involving regularly scheduled classes in ***Emergency Medical Services, Fire, and Law Enforcement***, the college may utilize either of the following methods for reporting student membership hours. When overlaps occur which do not involve these groups of classes, the college must utilize option one. The two options are discussed below:

1. A student enrolls in two continuing education classes which have a portion(s) of the scheduled classes which have “overlaps”. The college counts the student as being in membership in only one class. The college determines the class in which the student is counted in membership and hours are reported for the entire class if the student is in membership at the census date; or
2. Similar situation as noted in (1) above except overlap situation occurs for Emergency Medical Services, Fire, and Law Enforcement classes. In this situation, the college counts the student as being in membership in two or more overlapping classes, and deducts the hours which actually overlap. This is accomplished by initially reporting

the student in the overlapping classes and then making an adjustment to the hours reported. If this option is selected, the college must keep detailed records to indicate that an adjustment was made to the hours reported. The adjustment should also be noted on the class attendance record. The college is responsible for documenting that students have met course requirements if questions arise concerning certification or transcript accuracy.

Colleges are reminded that every attempt should be made to avoid registering students for classes which overlap. Occupational extension classes that are a scheduled on a membership hour basis are designed for all students meeting the same dates and same schedule. In order to avoid conflict situations, coordinating in scheduling between directors is necessary so that course schedules which create scheduling overlap may be adjusted to prevent course overlap situations. Software is available which identifies course scheduling overlaps...”

CC99-235 *Computerized Audit Programs* as quoted on Page 9 is also applicable to this finding.

| <u>Semester/Term</u> | <u>Course Number</u> | <u>Course Title</u> | <u>Hours Excepted</u> |
|----------------------|----------------------|----------------------------|-----------------------|
| Fall 2008 | FIP 3106 04F | Personal Protective Equip. | 3 |
| Fall 2008 | CJC 5001 02F | Digital Photo | 1.25 |
| Fall 2008 | FIP 5506 01F | RT General Insp. | 3 |
| Fall 2008 | FIP 3303 01F | Fire Alarms & Comm. | 3 |
| Fall 2008 | CAS 3080 03F | Quickbooks Pro 2007 | 14 |
| Fall 2008 | NUR 3240 01F | Nursing Asst. Level 1 | 160 |
| Fall 2008 | NUR 3240 02F | Nursing Asst. Level 1 | 320 |

The Student Course Overlap for Curriculum and Continuing Education – XPAQ had not been reviewed with hours adjusted by staff. It was noted that students were enrolled in and hours reported for budget/FTE for all scheduled hours for the listed occupational extension classes when the scheduled hours overlapped with the scheduled hours for curriculum/continuing education classes in which the students were also enrolled and reported for budget/FTE for all hours scheduled.

Recommendation: An audit exception is taken to 2,367.25 student membership hours reported for budget/FTE for continuing education classes which did not meet reporting criteria outlined in the North Carolina General Statutes, Title 23 of the North Carolina Administrative Code, and Numbered Memoranda. 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 Semester 2008 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> |
|-------------------------------|-----------------------------|------------------------|---------------------------------------|-------------------------------|------------------------------|
| 13P | CAS 3120 | Spring 2008 | 672 | 0 | 672 |
| 01U | MLS 3209 | Fall 2008 | 216 | 0 | 216 |
| 05U | FLI 3710 | Summer 2008 | 240 | 90 | 150 |
| 02F | COM 3709 | Fall 2008 | 180 | 150 | 30 |
| 05P | FIP 3400 | Spring 2008 | 216 | 207 | 9 |
| 85P | EMS 3025 | Summer 2008 | 720 | 540 | 180 |
| 02F | EPT 4400 | Fall 2008 | 348 | 336 | 12 |
| 02F | FIP 3313* | Fall 2008 | 336 | 312 | 24 |
| 09F | EMS 3102 | Fall 2008 | 256 | 240 | 16 |
| 01F | PHM 3250 | Fall 2008 | 396 | 360 | 36 |
| 04F | PHM 3250 | Fall 2008 | 396 | 360 | 36 |
| 02F | FIP 3303 | Fall 2008 | 216 | 204 | 12 |
| 04F | FIP 3321 | Fall 2008 | 120 | 108 | 12 |
| 04F | FIP 3400 | Fall 2008 | 45 | 42 | 3 |
| 73F | EMS 3060 | Fall 2008 | 104 | 96 | 8 |
| 75F | EMS 3060 | Fall 2008 | 72 | 69 | 3 |
| 02F | EPT 4400 | Fall 2008 | 348 | 336 | 12 |
| 01F | FIP 3610 | Fall 2008 | 156 | 144 | 12 |
| 04F | FIP 3611 | Fall 2008 | 150 | 135 | 15 |
| 34P | OSC 3643 | Spring 2008 | 72 | 48 | 24 |
| 32F | CAS 3050 | Fall 2008 | 120 | 0 | 120 |
| 33F | EDU 3200 | Fall 2008 | 192 | 120 | 72 |
| 32F | EDU 3200 | Fall 2008 | 24 | 0 | 24 |
| 62F | EMS 3060 | Fall 2008 | 36 | 33 | 3 |
| 02F | ISC 3200 | Fall 2008 | 2,584 | 2,432 | 152 |
| 01F | RLS 3704 | Fall 2008 | 300 | 290 | 10 |
| 04F | FIP 3106 | Fall 2008 | 168 | 165 | 3 |
| 02F | CJC 5001 | Fall 2008 | 128 | 126.75 | 1.25 |
| 01F | FIP 5506 | Fall 2008 | 144 | 141 | 3 |
| 01F | FIP 3303 | Fall 2008 | 180 | 177 | 3 |
| 03F | CAS 3080 | Fall 2008 | 84 | 70 | 14 |
| 01F | NUR 3240 | Fall 2008 | 2,400 | 2,240 | 160 |
| 02F | NUR 3240 | Fall 2008 | 3,040 | 2,720 | <u>320</u> |

*FIP 3313 02F (Fall 2008) listed in two separate findings-24 hours excepted.

Total Hours Excepted: 2,367.25

In addition, there were two preliminary areas of concern that merit the college's attention and are discussed below:

Concern One-Curriculum

During the review of curriculum class records, it was noted that hours scheduled for Huskins classes and classes held at captive co-opted sites were not assigned consistent with the college catalog and curriculum standard requirements as listed in the Combined Course Library.

23 NCAC 02D .0323(b)(1) *Reporting of Student Hours in Membership for Curriculum Classes*, states, in pertinent part "Regularly Scheduled Classes. A class is regularly scheduled if... (D) class hours are assigned consistent with college catalog and curriculum standard requirements..."

23 NCAC 02E .0204(1)(c) *Courses and Standards for Curriculum Programs*, states, in pertinent part, "A college shall use the course information (prefix; number; title; classroom, laboratory, clinical, and work experience contact hours; credit hours; prerequisites and corequisites; and course description) as listed in the Combined Course Library."

Recommendation: Staff should take the necessary steps to familiarize themselves with the aforementioned references to ensure that hours scheduled for all curriculum classes are assigned consistent with the college catalog and curriculum standard requirements as listed in the Combined Course Library.

Concern Two – Continuing Education

In a review of continuing education class records, it was noted that an EMS 3031 RN to Paramedic Bridge class was offered to nurses who intend to "bridge" to a paramedic certification. The class was offered under the incorrect Master Course List (MCL) course number and the course outline provided by staff did not include the required pieces noted below.

- Course plan
- Course description
- Instructional objectives
- Course length in hours
- Evaluation of training objectives

Numbered Memorandum CC95-267 *Applying the Continuing Education Master Course List*, states, in pertinent part, "A college may offer a course for the maximum number or any appropriate number of hours less than the maximum listed in the MCL, provided the following conditions exist:

- 1) The course being offered must fall within the parameters (course description, hours and prefix/number) of the State board approved course;

- 2) The college has on file an appropriate instructional plan for the course the college intends to offer and the plan includes a course outline with the course objectives and the method(s) by which student mastery of the occupational skills will be verified;...”

Recommendation: It is recommended that staff contact the Director of Continuing Education at the North Carolina Community College System to discuss designing a class for the purpose intended while following the applicable rules and guidelines for classes reported for budget/FTE in the North Carolina Community College System.

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 since Spring Semester 2008.

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

SUBMITTED BY: Ms. Elizabeth C. Self
Ms. Connie H. McKinney
Ms. Amanda K. Tolar

Audit Dates: January 22 – February 15, 2010

ATTACHMENT NUMBER ONE

**Johnston Community College
Financial Adjustment
FTE Calculation Worksheet
FY 2009-2010**

CURRICULUM: A total of 1,649 curriculum hours were cited that require a financial adjustment:

| Hours | / 512 = | Curriculum FTE | Curriculum Value | Total Curriculum Reversion |
|-------|---------|----------------|------------------|----------------------------|
| 1,649 | / 512 = | 3.22 | \$4,917.35 | \$15,833.87 |

The college should submit Form 104 to the System Office for **\$15,834.00** to resolve the exception.

CONTINUING EDUCATION: A total of 2,367.25 Continuing Education hours were cited that require a financial adjustment:

| Hours | / 688 = | Continuing Education FTE | Continuing Education Value | Total Continuing Education Reversion |
|----------|---------|--------------------------|----------------------------|--------------------------------------|
| 2,367.25 | / 688 = | 3.44 | \$4,255.64 | \$14,639.40 |

The college should submit Form 104 to the System Office for **\$14,639.00** to resolve the exception.

TOTAL FTE REVERSION TO BE SUBMITTED ON FORM 104

| | |
|--|--------------------|
| Curriculum Reversion | \$15,834.00 |
| Continuing Education Reversion | 14,639.00 |
| Literacy (Basic Skills) Reversion | .00 |
| TOTAL REVERSION | \$30,473.00 |

ATTACHMENT NUMBER TWO

**Johnston Community College
SUMMARY OF CLASS VISITS FOR FY 2009 – 2010**

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 240 01 | M. Hudson | Main Campus | 1/22/10 | 16 | 13 |
| CJC 100 01 | K. Alexander | Main Campus | 1/22/10 | 24 | 23 |
| WLD 115 01 | C. Gregory | Main Campus | 1/22/10 | 10 | <u>8</u> |
| 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> |
|---|--------------------------|------------------------|---------------------------------|-------------------------------------|---|
| CAS 3070 | - | Main Campus | 1/22/10 | - | - *1 |
| CSP 4000 | M. Hernandez | Cleveland Campus | 2/3/10 | 7 | 6 |
| FLI 3710 | - | Work Force Dev. Ctr. | 2/3/10 | - | - *1 |
| ISC 3200 | M. Davenport | Work Force Dev. Ctr. | 2/3/10 | 20 | 20 |
| MLA 3022 | J. Bradley | Public Safety Ctr. | 2/3/10 | 14 | 14 |
| MLS 3874 | R. Thomas | Work Force Dev. Ctr. | 1/22/10 | 11 | 11 |
| NUR 3235 | P. Wessinger | Cleveland Campus | 2/3/10 | 8 | 7 |
| NUR 3240 | B. Garner | Public Safety Ctr. | 1/22/10 | 16 | 15 |
| OSC 3603 | - | Main Campus | 2/3/10 | - | - *1 |
| RLS 3700 | G. Britt | Work Force Dev. Ctr. | 2/3/10 | 12 | <u>12</u> |
| Total CONTINUING EDUCATION Class Visits/Program Reviews to Date: | | | | | 10 |

*1 – Class cancelled. Staff aware.