



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Dr. R. Scott Ralls, President

September 25, 2013

Dr. Ronald K. Lingle, President
Coastal Carolina Community College
444 Western Boulevard
Jacksonville, NC 28546-6899

Dear Dr. Lingle:

Enclosed is the final audit report of findings from the fiscal year 2012-2013 education program audit conducted at Coastal Carolina Community College pursuant to North Carolina General Statute 115D-5(m). The college response dated August 29, 2013, concurred with these findings. A Curriculum concern with one finding and a Continuing Education concern with two findings are noted for the processes, procedures, classes, and programs reviewed.

For tracking purposes, please send an email to gardnerm@ncccommunitycolleges.edu upon receipt of this report to confirm the report has been received.

Thank you for cooperating with the North Carolina Community College System (NCCCS) Audit Services staff during the performance of the audit.

Sincerely,

Jennifer Haygood
Executive Vice President for Operations,
Chief Financial Officer

Enclosure

c: Bundage H. Guy, Chair, Coastal Carolina CC Board of Trustees
Elizabeth Self, Executive Director, NCCCS Audit Services
ec: Beth Wood, NC State Auditor

North Carolina Community College System

Final Audit Report for Coastal Carolina Community College

Audit Conducted: Fiscal Year 2012-2013

Records Reviewed: Spring Semester 2011-Spring Semester 2012

AUDIT METHODOLOGY

An education program audit was conducted at Coastal Carolina Community College by the North Carolina Community College System (NCCCS) Audit Services staff on the maintenance of records and the reporting of student membership hours as well as certain college procedures for Spring Semester 2011 through Spring Semester 2012. 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 (SBCC). The request to appeal and grounds for appealing the report findings 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 State Board.

The major components of the annual education program audits conducted during the 2012-2013 fiscal year are outlined in Numbered Memorandum CC12-021, *Program Audit Procedures FY 2012-2013*. The scope of the program audit reviews included, but was not limited to, the major components noted in CC12-021. Based on the various audit reviews conducted as outlined in CC12-021, additional information could be requested for clarification or to provide a clearly defined audit trail to ensure compliance with North Carolina General Statute 115D-5 and the State Board of Community Colleges Code (formerly the North Carolina Administrative Code).

Class visits were conducted on a random basis during the period of review but may be conducted at other times if necessary. If concerns were noted which resulted from these visits, the college was notified. Program reviews/class visits conducted are listed in the Summary of Class Visits Conducted FY 2012-2013, Attachment I.

FINDINGS SUMMARY

Based on the site review, a Curriculum concern with one finding and a Continuing Education concern with two findings were noted and are discussed on the pages that follow.

FINAL AUDIT FINDINGS

CURRICULUM CONCERN

In a review of Curriculum records, the following area of concern was identified.

Finding: In conducting the Curriculum Skills Lab Review, students' schedules from Fall Semester 2011 and Spring Semester 2012 were reviewed, and it was noted that student contact hours reported for budget/FTE overlapped with the students' scheduled class hours.

Reference

23 SBCCC 02D .0323(d) Reporting of Student Hours in Membership for Curriculum Classes states, in pertinent part, "Skills Laboratory or Computer Tutorial Laboratory. Individualized instructional laboratories are similar to learning laboratories (see 23 SBCCC 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 SBCCC 02D .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."

Recommendation: College 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 Spring Semester 2012 and make any necessary adjustments.

In response to the college's preliminary audit report, the college requested further guidance concerning how to determine the overlap of Curriculum Skills Lab contact hours with students' scheduled class hours. In response to this request, the Executive Director of Audit Services

spoke to Dr. David Heatherly, Executive Vice President, and followed up the conversation with an email providing the resource(s) for obtaining a methodology for identifying an overlap of Curriculum Skills Lab contact hours with students' scheduled class hours.

CONTINUING EDUCATION CONCERN

In a review of Continuing Education records, the following areas of concern were identified.

Finding One: In reviewing attendance records for online classes, it was found that online classes met the definition of non-traditional delivery, but class hours were reported as non-regularly scheduled contact hours. Documentation of actual time in class attendance was not available to support the contact hours reported for the students enrolled.

Reference

23 SBCCC 02D .0324(b)(4), (c)(1-2) 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... (c) Classes Identified as Extension Non-Traditional Delivery. (1) Definition. Due to the methodology by which instruction is delivered, non-traditional delivery classes are not consistent with the definitions of regularly scheduled or non-regularly scheduled classes described in this Rule. Non-traditional delivery classes are defined as those classes which are offered through media such as internet, telecourses, videocassette, and other electronic media excluding classes offered via the North Carolina Information Highway. (2) 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. Student membership hours in such classes shall be calculated by multiplying the number of students in membership, as defined in the prior sentence, times the number of instructional hours delivered which are determined as follows: (A) Determine the number of hours of instruction delivered via non-traditional delivery; and (B) Add the number of hours of class meetings."

Finding Two: In a review of the Continuing Education records, it was found that hours were reported for budget/FTE for which there was no instructor pay.

Reference

23 SBCCC 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."

Recommendation: College 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 2011 and make any necessary adjustments.

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

SUBMITTED BY: Nina Taylor
Audit Dates: May 6-June 28, 2013

Coastal Carolina Community College

Summary of Class Visits Conducted FY 2012-2013

Course Prefix and Number	Section	Instructor	Location	Date of Visit	Students Enrolled	Attendance at Time of Visit	Notes if Applicable.
BIO 168L	01	R. Ehni	Main Campus	6/20/13	20	19	
MAT 140	02	S. Au	Main Campus	6/20/13	11	10	
PSY 150	06	S. Carpenter	Main Campus	6/20/13	18	16	
Total Curriculum Class Visits/Program Reviews to Date: 3							

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