Dr. Randy Parker, President  
Guilford Technical Community College  
Post Office Box 309  
Jamestown, NC  27282

Dear Dr. Parker:

Enclosed is the final audit report of a finding from the education program audit conducted fiscal year 2013-2014 at Guilford Technical Community College pursuant to North Carolina General Statute 115D-5(m). The college response dated August 14, 2014, concurred with this finding. Therefore, a Continuing Education concern with two findings was noted for the processes, procedures, classes, and programs reviewed.

For tracking purposes, please send an email to gardnerm@nccommunitycolleges.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:  Jarvis Harris, Chair, Guilford TCC 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 Guilford Technical Community College
Audit Conducted: Fiscal Year 2013-2014
Records Reviewed: Spring Semester 2012-Spring Semester 2013

AUDIT METHODOLOGY

An education program audit was conducted at Guilford Technical 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 2012 through Spring Semester 2013. 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 to be conducted during the 2013-2014 fiscal year are outlined in Numbered Memorandum CC13-018, Program Audit Procedures FY 2013-2014. The scope of the program audit review includes, but is not limited to, the major components noted in CC13-018. Based on the various audit reviews conducted as outlined in CC13-018, additional information may 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 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 is notified. Program reviews/class visits conducted for the current fiscal year are listed in Attachment I, Summary of Class Visits Conducted FY 2013-2014.

FINDINGS SUMMARY

Based on the site review, a Continuing Education concern with two findings was noted and is discussed on the pages that follow.
FINAL AUDIT FINDINGS

CONTINUING EDUCATION CONCERN

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

Finding One: In a review of Continuing Education course offerings, it was found that for two classes reviewed class hours were incorrectly reported for budget/FTE when the paid instructional hours were less than the class hours reported per student.

References

1G SBCCC 200.94 Reporting of Student Hours in Membership for Continuing Education Classes, states:

(a) Regularly Scheduled Classes.
   (3) Student Membership Hour...A college shall not report more hours per student than the number of class hours scheduled in official college documents. Colleges shall not report more hours per student than the number of hours specified in the instructor's contract.

1G SBCCC 100.99 Budget FTE Funding, states:

(b) 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.

Finding Two: In a review of Continuing Education course offerings, it was found that one class reviewed Fall Semester 2012 with hours reported for budget/FTE was canceled, and the class hours were reported for budget/FTE.

Reference

1G SBCCC 200.94 Reporting of Student Hours in Membership for Continuing Education Classes, states:

(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:
Guilford Technical Community College
FY 2013-14 Audit Findings
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(A) Enrolled as evidenced by payment of the applicable registration fees, or obtained a waiver as defined in Paragraph (a) of Rule 1E SBCCC 400.99.

(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.

(3) 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. Colleges shall not report more hours per student than the number of hours specified in the instructor's contract.

(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.

(5) Maintenance of Records of Student Membership Hours. Accurate attendance records shall be maintained for each class. Attendance records shall be signed by the instructor or lead instructor, verifying their accuracy, and shall be maintained by the college until released from all audits as provided in the Public Records Retention & Disposition Schedule for Institutions in the Community College System. Student membership hours shall be summarized in the Institution's Class Report and certified by the president or designee.

Recommendation: College staff should take the necessary steps to familiarize themselves with the aforementioned references to ensure the appropriate number of class hours are reported for budget/FTE. Staff should review all class records with hours reported for budget/FTE since Fall Semester 2012 and make any necessary adjustments which can be made based on the three semester grace period.

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

SUBMITTED BY: Anne O. Miller
AUDIT DATES: May 27 – June 13, 2014
ATTACHMENT I

Guilford Technical Community College
Summary of Class Visits Conducted FY 2013-2014

CURRICULUM

<table>
<thead>
<tr>
<th>Course Prefix and Number</th>
<th>Section</th>
<th>Instructor</th>
<th>Location</th>
<th>Date of Visit</th>
<th>Students Enrolled</th>
<th>Attendance at Time of Visit</th>
<th>Notes if Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIO 166</td>
<td>FGT01</td>
<td>A. Jordan</td>
<td>Greensboro Campus</td>
<td>4/24/14</td>
<td>16</td>
<td>14</td>
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<tr>
<td>COS 116</td>
<td>FJT01</td>
<td>M. Boswell</td>
<td>Main/Jamestown Campus</td>
<td>5/27/14</td>
<td>32</td>
<td>-</td>
<td>*1</td>
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<tr>
<td>MUS 214</td>
<td>FHT02</td>
<td>R. Tremmel</td>
<td>High Point Campus</td>
<td>5/27/14</td>
<td>12</td>
<td>9</td>
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*1 – There was a note on door that class dismissed early due to a funeral. Time was made up with outside assignment.

Total Curriculum Class Visits/Program Reviews to Date: 3

CONTINUING EDUCATION AND LITERACY

<table>
<thead>
<tr>
<th>Course Prefix and Number</th>
<th>Section</th>
<th>Instructor</th>
<th>Location</th>
<th>Date of Visit</th>
<th>Students Enrolled</th>
<th>Attendance at Time of Visit</th>
<th>Notes if Applicable</th>
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<td>AHS 200C-R3</td>
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<td>Vandalia Presbyterian Church</td>
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<td>CJC 3941</td>
<td>061</td>
<td>V.L. Gaddy</td>
<td>Main/Jamestown Campus</td>
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<tr>
<td>FIP 3711</td>
<td>114</td>
<td>F. Hall IV</td>
<td>Pinecroft-Sedgefield Fire Dept.</td>
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<tr>
<td>FIP 5600</td>
<td>820</td>
<td>D. Reeves</td>
<td>Main/Jamestown Campus</td>
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<td>21</td>
<td>-</td>
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<tr>
<td>FLI 3717</td>
<td>Q4</td>
<td>K. Briles</td>
<td>Greensboro Campus</td>
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<td>7</td>
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<tr>
<td>HRD 3005</td>
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<td>S. Tatum</td>
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<td>HQ48</td>
<td>M. Parlier</td>
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<td>Y. Simrel</td>
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<td>-</td>
<td>*2</td>
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</tbody>
</table>

*1 – Class was on a field trip at time of visit.
*2 – No one was in room. Auditor was informed by college staff that class was on break at time of visit.

Total Continuing Education Class and Literacy Visits/Program Reviews to Date: 10