NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
Dr. R. Scott Ralls, President

January 22, 2014

Dr. Barbara Parker, President
Haywood Community College
185 Freedlander Drive
Clyde, NC 28721

Dear Dr. Parker:

Enclosed is the final audit report of findings from the education program audit conducted fiscal year 2013-2014 at Haywood Community College pursuant to North Carolina General Statute 115D-5(m). The college response dated January 15, 2014, concurred with these findings. Therefore, a Curriculum concern with one finding and a Continuing Education concern with one finding were 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: Richard Lanning, Chair, Haywood 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 Haywood 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 Haywood 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 Curriculum concern with one finding and a Continuing Education concern with one finding were noted and are discussed on the pages that follow.
CURRICULUM CONCERN

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

Finding: In a review of the sample of Curriculum records requested, it was found that student membership hours were not consistently and appropriately reported for budget/FTE Summer Semester 2012. Hours were over-reported because hours were under-scheduled and not in compliance with the Combined Course Library. The number of hours over-reported in regard to this finding did not meet the threshold for an audit exception and, regardless, are not subject to exception because they were reported for the Summer term. Because this same issue was found across semesters in the previous year’s audit review, this finding is included as a concern in this year’s audit report.

Reference

1G SBCCC 200.93(a) Reporting of Student Hours in Membership for Curriculum Classes, states, “(a) Academic Semester. The academic semester for all credit courses shall be designed so that all classes may be scheduled to include the number of instructional hours shown in the college catalog and the approved curriculum program of study compliance document and reported for FTE purposes (1D SBCCC 400.95(a) and 1H SBCCC 200.87(a)(3)). Instructional hours include scheduled class and laboratory sessions as well as examination sessions. Length of semesters or courses may vary as long as credit hours are assigned consistent with 1G SBCCC 100.1 and as long as membership hours are reported consistent with the other provisions of this Rule. Also, note 1G SBCCC 200.99 which identifies the reporting periods for submission of Institution Class Reports.”

1D SBCCC 400.97(1)(c) Course and Standards for Curriculum Programs, states, in pertinent part, “(1) Combined Course Library Curriculum Courses. (c) 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: College 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 2013 and make any necessary adjustments.
CONTINUING EDUCATION CONCERN

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

**Finding:** In conducting the review of Continuing Education records, it was found that for Spring, Summer, and Fall Semesters 2012, online classes reviewed with hours reported for budget/FTE met the definition of non-traditional delivery method classes, but were reported as non-regularly scheduled classes utilizing contact hours. Documentation of actual time in class attendance was not available to support the contact hours reported for the students enrolled.

**Reference**

1G SBCCC 200.94(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.”

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

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

**SUBMITTED BY:** Connie Holland McKinney  **AUDIT DATES:** October 14-30, 2013
ATTACHMENT I

Haywood 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>BUS 110</td>
<td>01</td>
<td>J. Weatherford</td>
<td>Main Campus</td>
<td>10/24/13</td>
<td>16</td>
<td>16</td>
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<tr>
<td>CTS 285</td>
<td>01</td>
<td>R. Virgo</td>
<td>Main Campus</td>
<td>10/24/13</td>
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<td>OST 181</td>
<td>01</td>
<td>L. Caldwell</td>
<td>Main Campus</td>
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Total Curriculum Class Visits/Program Reviews to Date: 3

CONTINUING EDUCATION AND LITERACY

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<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>CAS 3060</td>
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<td>M. Shell</td>
<td>Waynesville Police Department</td>
<td>10/24/13</td>
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<td>CSP 4000</td>
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<td>J. Crowell</td>
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<td>10/25/13</td>
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<tr>
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<td>Main Campus</td>
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</tbody>
</table>

*1 – Class was cancelled. Staff was aware.
*2 – Instructor cancelled class for the day due to a medical emergency; staff was aware.

Total Continuing Education Class and Literacy Visits/Program Reviews to Date: 8