NORTH CAROLINA COMMUNITY COLLEGE SYSTEM  
James C. Williamson, Ph.D.  
President  

July 26, 2016  

Dr. Jeffrey A. Cox, President  
Wilkes Community College  
Post Office Box 120  
Wilkesboro, NC 28697  

Dear Dr. Cox:  

Enclosed is the final report of findings from the Compliance Review conducted fiscal year 2015-2016 at Wilkes Community College pursuant to North Carolina General Statute 115D-5(m). The college response dated July 14, 2016, concurred with the preliminary compliance finding. Therefore, a minimal material finding is noted in the area of continuing education for the processes, procedures, classes, and programs reviewed.  

For tracking purposes, please send an email to wardt@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) Compliance Services staff during the performance of the Compliance Review.  

Sincerely,  

Bryan W. Jenkins, CPA  
Executive Director of Accountability & State Board Affairs  

Attachment  
c: Richard B. Johnston, Jr., Chair, Wilkes CC Board of Trustees  
Beth Wood, NC State Auditor  
Jennifer Haygood, Executive Vice President & Chief Financial Officer/Chief of Staff  
Elizabeth C. Self, Director of Accountability & Compliance Training
North Carolina Community College System

Compliance Review Final Report for Wilkes Community College
Review Conducted: Fiscal Year 2015-2016

METHODOLOGY

A compliance review was conducted at Wilkes Community College by the North Carolina Community College System (NCCCS) Compliance Services staff to ensure the data used to allocate State funds across community colleges were reported accurately for the 2014-2015 reporting period. The review was conducted on a selected sample of the data relevant to this period.

If disagreement exists, the college may appeal the compliance review 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 Compliance Review Final 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 Compliance Review to be conducted fiscal year 2015-2016 are outlined in Numbered Memorandum CC15-036 Compliance Services Update and Review Procedures. The scope of the compliance review includes, but is not limited to, the major components noted in CC15-036. Based on the various reviews conducted as outlined in CC15-036, additional information may be requested for clarification or to provide a clearly defined way to ensure compliance with North Carolina General Statute § 115D-5 and Title 1 of the State Board of Community Colleges Code.

FINDINGS SUMMARY

Based on the site review, a minimal material finding was noted in the area of continuing education and is discussed on the pages that follow.
FINAL COMPLIANCE REVIEW FINDINGS

CONTINUING EDUCATION

In the review of continuing education records, the information provided below details a minimal material finding with non-compliant hours reported for budget FTE exceeding 1% of the total number of hours pulled in the continuing education sample of classes reviewed, but under the threshold of 5% for a material finding which warrants a reversion of funds.

FINDING: Reporting Continuing Education Class Hours for Budget FTE
In a review of CJC 3952 014 In-Service Simulator offered Summer Semester 2014, it was found student membership hours were reported incorrectly. The class was scheduled for 40 hours (eight hours x five days) with 70 students marked as enrolled on the first day of the five-day class, and 2,800 hours were reported for budget FTE initially. In addition, all of the students received a law enforcement officer’s fee waiver of $70 for the course. Inconsistencies in the class documentation made it difficult to determine whether this was a regularly-scheduled class or a non-regularly scheduled class. In discussions with college staff, it was determined that each student only attended one eight-hour day during the week per the daily sign-in sheets instead of the 40 hours per student reported. Based on the class documentation and discussions with college staff, this class was a non-regularly scheduled class and should have been reported as contact hours with a maximum of eight hours per student reported for budget FTE rather than the forty membership hours reported.

REFERENCE
1G SBCCC 200.94 Reporting of Student Hours in Membership for Continuing Education Classes
See Appendix I, References.

RECOMMENDATION: College staff should make certain internal controls are in place to ensure continuing education courses are set up and scheduled correctly, and the correct number of student contact hours are reported for classes per the references in Title 1 of the State Board of Community Colleges Code listed in Appendix I. Since the total class hours in the finding are less than 5% of the total continuing education class hours pulled in the sample, no financial reversion is required. Staff should review the aforementioned references to ensure the appropriate number of class hours are reported for budget FTE.

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

Submitted By: Anne O. Miller, Compliance Examiner
Dates of Compliance Review: January 26 – February 18, 2016
Continuing Education

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

(a) Regularly Scheduled Classes.

(1) Definition of Regularly Scheduled Class. A class is considered to be regularly scheduled if it meets all of the following criteria:

(A) Assigned definite beginning and ending time;
(B) Specific predetermined days and time the class meets;
(C) Specific schedule is included on the Institution Master Schedule or other official college documents;
(D) Class hours are assigned consistent with State Board approval and official college documents; and
(E) Identified class time and dates are the same for all students registered for the class excluding clinical or work experience:
   (i) Classes which have a regularly scheduled lecture section and a non-regularly scheduled laboratory section will satisfy the criteria. The census date (10% point) shall be determined from the regularly scheduled portion of the class. Verification of student participation in the laboratory section of the class shall be available for review; or
   (ii) A student is considered absent if that student did not attend during the specified times or days the class was scheduled to meet.

(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 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.
Wilkes Community College
APPENDIX I
Reference

(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.

(b) Non-Regularly Scheduled Classes.

(1) Definition of Non-Regularly Scheduled Class. A non-regularly scheduled class may include any or all of the following:

(A) A class where a definitive beginning and ending time is not determined;

(B) A class offered in a learning laboratory type setting (see Subparagraph (b)(6) of this Rule for definition of learning laboratory);

(C) A self-paced class where the student progresses through the instructional materials at the student's own pace, and can complete the courses as soon as the student has successfully met the educational objectives. Classes offered as independent study are generally offered in this manner;

(D) A class in which a student may enroll during the initial college registration period or in which a student may be permitted to enroll at any time during the semester; or

(E) Any class not meeting all criteria for a regularly scheduled class as shown in Subparagraph (a)(1) of this Rule, is considered to be a non-regularly scheduled class for reporting purposes. Note classes defined as non-traditional (see Paragraph (c) of this Rule) which are identified as a separate student hour reporting category are not subject to the provisions in Paragraph (b) of this Rule.

(2) Definition of Student Membership. A student is considered to be in class membership when the student meets 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 1E SBCCC 400.99; and

(B) Attended one or more classes.

(3) Definition of Student Contact Hour. A student contact hour is one hour of student attendance in a class for which the student is in membership as defined in Subparagraph (b)(2) of this Rule. Sixty 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. 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.
Wilkes Community College
APPENDIX I
Reference

(5) Maintenance of Records of Student Contact 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 and Disposition Schedule for Institutions in the Community College System. Student membership hours shall be summarized in the Institution Class Report and certified by the president or designee.