May 6, 2016

Dr. Deborah Lamm, President  
Edgecombe Community College  
2009 West Wilson Street  
Tarboro, NC 27886

Dear Dr. Lamm:

Enclosed is the final report of findings from the Compliance Review conducted fiscal year 2015-2016 at Edgecombe Community College pursuant to North Carolina General Statute 115D-5(m). The college response dated February 18, 2016, concurred with this finding. Therefore, a material finding was 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: Wick Baker, Chair, Edgecombe CC Board of Trustees  
Beth Wood, NC State Auditor  
Jennifer Haygood, Executive Vice President & Chief Financial Officer  
Elizabeth C. Self, Director of Accountability & Compliance Training
North Carolina Community College System

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

METHODOLOGY

A compliance review was conducted at Edgecombe 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 Service 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 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 a review of the continuing education records, the following material finding was identified. The related classes included in the finding are listed in the Summary of Findings of the Compliance Review, Attachment A.

FINDING: Non-Regularly Scheduled Contact Hours Reported as Membership Hours

For two continuing education EMS classes reviewed, hours were reported as regularly scheduled membership hours when the classes were actually non-regularly scheduled contact hours per 1G SBCCC 200.94 (see Appendix 1).

- EMS 3031 22668, Paramedic Initial-Clinical, was offered Spring Semester 2014, and an accurate attendance record was not properly maintained, as there was no documentation of actual time of students' attendance in the clinical provided for compliance review. Documentation provided for review included a Grade Roster and an Hours Report. The Grade Roster showed twenty (20) students enrolled, and twenty (20) students were reported for budget FTE. The Hours Report showed fifteen (15) students enrolled.
  - Of the twenty (20) students reported for budget FTE, five (5) students were not listed on the Hours Report provided for review, and they were never in attendance (-3,290 hours).
  - Of the twenty (20) students reported for budget FTE, seven (7) students were listed on both the Grade Roster and Hours Report, but no hours of attendance were noted for them on the Hours Report (-4,606 hours).
  - Per the information provided on the Hours Report, eight (8) students with class hours reported did not attend all of the 658 class hours reported for budget FTE per student. Given the class was non-regularly scheduled per the definition in 1G SBCCC 200.94(b)(1), actual time in class attendance (contact hours) should have been reported (see IG SBCCC 200.94(b)(4)). Therefore, only those hours noted on the Hours Report are appropriate to report for budget FTE (-1,159.2 hours).
- For EMS 3045 27984, EMT Intermediate, was offered Fall Semester 2014, and appropriate attendance records were available to support class contact hours reported for budget FTE for all but two (2) of the students enrolled in the class with hours reported (-192 hours).
REFERENCE
1G SBCCC 200.94(a)(b)(1-5) Reporting of Student Hours in Membership for Continuing Education Classes
See Appendix I, Reference.

RECOMMENDATION: College staff creating classes in Colleague should review the process in place for completing the Continuing Education Part-time Contract Planning Sheet used by staff for setting up classes to ensure there is clarity regarding the creation of regularly scheduled and non-regularly scheduled classes so that the information on class documentation is accurate and easily understood by all employees involved in the process. Staff and instructors should participate in training for the purpose of understanding the various types of classes offered by the college, how the classes are set up, and the process for reporting the class hours for budget FTE in order to prevent future material findings associated with insufficient or unclear documentation.

Total Continuing Education Hours Cited: 9,247.2

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

Submitted By: Nicole J. Wood, Compliance Examiner
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.
Edgecombe Community College
APPENDIX I
References

(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.

(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.
ATTACHMENT B
Edgecombe Community College
FTE Reversion Summary
Compliance Review Conducted: FY 2015-2016

CONTINUING EDUCATION: A total of 9247.2 Continuing Education hours were cited that require a financial adjustment.

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TOTAL CONTINUING EDUCATION TIER 1A, 1B, 2 & 3 $66,448.00

TOTAL FTE REVERSION *

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*Due to the amount of the required reversion of funds, please contact NC Community College System College Accounting and Operations to discuss installments for the reversion. The college is granted flexibility in determining the amount of installments paid as long as the full amount is paid in full by June 30, 2017. Brian Bridgers, Director of State Aid Funds, can be reached at bridgersb@nccommunitycolleges.edu or by telephone at (919) 807-7070, and/or Debbie Batten, Associate Director State Aid Funds, can be reached at battenb@nccommunitycolleges.edu or by telephone at (919) 807-7079. The review exception reversion will be posted to decrease the college’s available budget according to the agreed upon terms.