

MINUTES
ACCOUNTABILITY AND AUDIT COMMITTEE
STATE BOARD OF COMMUNITY COLLEGES
SEPTEMBER 15, 2016

MEMBERS PRESENT:

Jerry Vaughan
Lisa Estep
Jimmie Ford*

Samuel Powell
Darrell Saunders
Candler Willis

Scott Shook

*attended via telephone

SYSTEM OFFICE STAFF AND OTHERS:

Jennifer Haygood
Elizabeth Self

Bryan Jenkins

CALL TO ORDER

Mr. Jerry Vaughan called the meeting to order at 3:00 p.m. in the AW North Conference Room of the Caswell Building.

ETHICS AWARENESS AND IDENTIFICATION OF CONFLICTS OF INTEREST

Mr. Vaughan read the Ethics Awareness and Conflict of Interest Statement and asked if there were any known conflicts. None were noted.

APPROVAL OF THE AGENDA

Mr. Vaughan requested a motion to approve the September 15, 2016 meeting agenda. Dr. Saunders moved to approve, Dr. Powell seconded, and the committee approved the agenda without change.

APPROVAL OF THE MINUTES

Mr. Vaughan requested a motion to approve the August 18, 2016 minutes. Representative Ford moved to approve, Ms. Estep seconded, and the minutes were approved by the committee as presented.

FOR INFORMATION

Update on Audit Concerns (Discussion)

Mr. Jenkins gave a brief overview on the concerns discussed at the last committee meeting. There were concerns about Martin Community College and South Piedmont Community College. Chairman Shook formed a task force to inquire about the issues. The task force members are made up of Linwood Powell, George Fouts, Jennifer Haygood, Bryan Jenkins, and Lisa Estep.

After discussion, it was recommended the motion from the August meeting be amended to offer more flexibility to the task force.

Mr. Jenkins reviewed the concerns that caused the board to choose to take action. Mr. Shook spoke about visiting the school and the items of concern.

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South Piedmont was included in the original motion. There will be inquiries but no visit from the task force at this time. Ms. Estep asked the option of making a visit to South Piedmont be kept open.

Representative Ford asked if there has been anything in the media about the issues at Martin Community College. Chairman Shook said there have been questions, but nothing has come out at this time.

Chairman Shook made the following motion to amend the motion from the August meeting –

To assess Martin Community College’s ability to maintain prescribed standards of administration and instruction, I move that the State Board of Community Colleges direct System Office staff or other representatives to obtain and Martin Community College to provide, any information related to: 1) the most recent financial audit; 2) employee turnover; 3) spending issues; 4) procurement; 5) organizational structure; 6) local board governance; 7) strategies to rectify any deficiencies in items 1 through 6 above and direct System Office staff or other representatives to inquire of and obtain information from South Piedmont Community College related to financial audit findings and the planned response to address said findings

Dr. Saunders seconded the motion. The committee approved via voice vote

Mr. Jenkins provided the information to the committee about North Carolina General Statute 115D-6.

Mr. Vaughan asked if the Board has been in this situation with a college in the past. Mr. Jenkins stated, to his knowledge, this is the first time a State Board Task Force has been appointed.

Mr. Jenkins said that the visit should occur the week of September 26th.

Mr. Jenkins presented the general statute about the frequency of financial audits. Ms. Estep expressed support for the idea of adding language allowing the board to ask for more frequency. Ms. Haygood said that the issue will be put on the legislative agenda.

NEW BUSINESS/ADJOURNMENT

Hearing no new business Mr. Vaughan, asked for a motion to adjourn and the committee approved to adjourn the meeting at 4:01 p.m. via voice vote.

Respectfully submitted,
Bryan Jenkins, Recording Secretary