

MINUTES
Accountability and Audit Committee
State Board of Community Colleges
January 19, 2017

ACCOUNTABILITY AND AUDIT COMMITTEE MEMBERS PRESENT:

Jimmie Ford, Chair	Lisa Estep	Scott Shook
Jerry Vaughan, Vice-Chair	Samuel Powell	
Breeden Blackwell	Darrell Saunders	

Absent: Candler Willis

OTHERS IN ATTENDANCE:

Jimmie Williamson	Bryan Jenkins	Lawrence Rouse
Lisa Chapman	Jennifer Haygood	(James Sprunt CC)
Elizabeth Grovenstein	Sondra Jarvis	
Maureen Little	Margaret Robertson	
Chreatha Alston	Dale McInnis (Richmond CC)	

WELCOME AND ETHICS STATEMENT

Representative Ford called the meeting to order at 3:06 p.m. in the Dr. W. Dallas Herring State Board Room. Chairman Shook read the Ethics Awareness and Conflict of Interest Statement and asked if there were any known conflicts. None were noted.

APPROVAL OF THE AGENDA

Representative Ford requested a motion to approve the January 19, 2017 meeting agenda. Dr. Blackwell moved to approve, Dr. Saunders seconded, and the committee approved the agenda without change.

APPROVAL OF THE MINUTES

Representative Ford requested a motion to approve the November 17, 2016 minutes. Dr. Blackwell moved to approve, Mr. Vaughan seconded, and the minutes were approved by the committee as presented.

FOR INFORMATION

Wayne Community College Investigative Audit (Attachment AUD 1)

Mr. Jenkins reviewed the audit report issued in December by the Office of the State Auditor (OSA). Mr. Jenkins shared OSA received a hotline tip pertaining to concerns at Wayne Community College in early fall. The gentleman conducting the audit requested a meeting with Ms. Haygood to discuss how the System calculates FTE. Ms. Haygood asked Mr. Jenkins and Dr. Chapman to also participate in the meeting. During the meeting, the investigator shared information about the hotline call and the investigation he was conducting at Wayne Community College.

The investigation resulted in discovering that an instructor in the Turfgrass Management curriculum was awarding credit to a student without the student doing the coursework. This student works as an employee at Wayne Community College. Over a 12-month period, Wayne Community College awarded the employee 28 course credit hours without evidence of class attendance. There is no evidence the

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college employee took any quizzes, exams, tests, or participated in any projects. The college employee was not listed on the course grade sheets. In addition, the college employee did not purchase textbooks for four of the five classes that required textbooks.

The recommendations from OSA:

- Wayne Community College should repay the United States Department of Education \$5,775
- Wayne Community College should repay the North Carolina Community College System \$3,770
- Wayne Community College should consider disciplinary action against the instructor and college employee

President Thomas Walker responded via letter on behalf of the college. The letter stated the college would act on the recommendations. Disciplinary action was taken in accordance with the college's procedural manual. Mr. Jenkins stated that Dr. Walker has only been at the college since September 2016. Ms. Estep requested the System Office ask for the details of the actions taken. Mr. Vaughan stated he would like to know if both employees were disciplined.

The Accountability and Audit Committee has instructed staff to reach out to the president of Wayne Community College to gather details about the actions taken and report to the committee next month.

Dr. Blackwell made a motion to request information from President Walker at Wayne Community College. Ms. Estep seconded the motion and the committee approved via voice vote.

Update on Martin Community College

As of Thursday, January 19, 2017. Since the meeting on December 20, 2016, state funds were withheld from the President's Salary. At its most recent meeting, the Martin Community College Board of Trustees meeting, Dr. Britt has been moved to Special Assistant to the Acting President. The request has been made for the State Board to approve Dr. Brian Bush as acting president. Chair Jacqueline Gilliam will be at the Board meeting Friday, January 20, 2017 to address the State Board.

Chairman Shook said that the County Commissioners passed a motion to withhold salary or severance out of county funds to support the State Board action. Currently the Martin Community College Board of Trustees have appointed a committee to identify a candidate for interim president. No BOT meeting is scheduled until March which does not align with the commitment to meet monthly. The committee agreed to address remaining questions with the BOT Chair when she attends the SBCC meeting. There is change in leadership to move forward, but there are still issues at the college. Ms. Estep stated there seems to be a lack of urgency. The committee feels a change within the Board of Trustees could prove helpful as the college moves forward.

Representative Ford voiced concern about Dr. Britt having access to the campus when she isn't being paid.

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The committee discussed Martin CC's upcoming SACS review. President Williamson stated he will speak to SACS to make a case for delaying the accreditation review while the college is trying to "right the ship" if so desired by Martin CC. Chairman Shook asked Dr. Chapman how long it could take for the college to be stable from a SACS perspective. Dr. Chapman said that it could take a minimum of two years. President Rouse agreed that it would take two years if everything is going well and the Board of Trustees is actively involved. President Williamson stated finance and governance are two important areas in the SACS accreditation review. McInnis and Rouse reviewed areas of concern which could lead to sanctions.

NEW BUSINESS

ADJOURNMENT

Representative Ford, asked for a motion to adjourn. Mr. Shook moved to adjourn, Dr. Blackwell seconded. and the committee agreed at 3:42 p.m. via voice vote.

Respectfully submitted,
Sondra Jarvis, Recording Secretary