

STATE BOARD OF COMMUNITY COLLEGES

**Findings Included in Education Program Audit Reports
for Audits Conducted FY 2014-2015**

Request: The State Board is asked to approve an amendment to the FY 2014-15 Program Audit Procedures that clarifies that audit findings will only include direct violations of the General Statutes or the State Board of Community Colleges Code (SBCCC). Issues identified by auditors that pose potential risk, but for which the SBCCC is ambiguous or rules have not yet been adopted, will be documented in a management letter to the college president. Such issues will also be forwarded to the Executive Vice President, who will in turn request the appropriate System Office division to recommend clarifying SBCCC language.

Background: S.L. 2013-360, Section 10.15(c) established the Program Audit Study Committee to “determine how program audit procedures may be streamlined to minimize the administrative burden on the institutions being audited...” The Committee directed System Office staff to conduct six regional Accountability Listening Sessions to obtain feedback from colleges. During its review of the findings of these sessions, the Committee has agreed that many of the concerns voiced about program audits are actually a reflection of concerns about the SBCCC.

Rationale: The Program Audit Study Committee has found that the SBCCC needs to be updated to reflect evolving instructional delivery methods, operational practices, and General Statute changes. The Accountability Listening Sessions and conversations conducted during FY 2013-14 audits revealed that colleges often have a rational basis for what they are doing, but there is uncertainty about the appropriateness of the practice because the SBCCC is ambiguous or lacks a rule addressing the specific situation. The proposed amendment to the FY 2014-15 Program Audit procedures would provide a common understanding of how such situations will be handled until such time as the State Board Code is updated.

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