

MINUTES
State Board of Community Colleges
FINANCE COMMITTEE
Thursday, December 16, 2021 –2:30 p.m.
Dr. Lee Barnes, Chair

motion was unanimously approved.

FOR ACTION

NC Career Coach Program Data Collection (Attachment FC 01)

Ms. Grovenstein reviewed the item. The NC Career Coach program has a data need and reporting requirement set by the Legislature. Colleges were given the opportunity to make a request if they needed an additional data collection tool. Three colleges requested the tool (Brunswick CC, Carteret CC, McDowell CC).

The committee had no questions or concerns.

Mr. Looney motioned for approval; Dr. Carraway second the motion. The Committee approved NC Career Coach Program Data Collection (Attachment FC 01).

Contract Amendment to Support Rural College Broadband Access (Attachment FC 02) [CA]

Ms. Grovenstein reviewed the item. This item is an amendment to an existing contract providing assistance to twenty colleges for rural college broadband access with the help of external entities such as The Friday Institute through North Carolina State University. This amendment will expand the contract due to recent Legislative budget allocated additional funds through federal funding to continue funding The Friday Institute's support in the new round of funding for an additional twenty-five colleges.

Chairman Sullivan asked if a byproduct of working with The Friday Institute will address any colleges that may not be included in the current cohort. Mr. Fleming stated that The Friday Institute presented a ranking of the 58 colleges and based on the data from the original effort, forty-five colleges meet the requirements to be identified as "rural" so twenty-five colleges do remain in need of assessment and funding.

Dr. Carraway motioned for approval; Mr. Looney second the motion. The Committee approved Contract Amendment to Support Rural College Broadband Access (Attachment FC 02).

Allocation for Food and Nutrition Services Employment and Training Program Grant (Attachment FC 03) [CA]

Ms. Grovenstein reviewed the item. This allocation is in partnership with the Department of Health and Human Services who oversees this program. Part of the federal program requirements is that recipients also receive employment and training assistance. Fifteen colleges currently receive federal funding to participate and provide an Educator Navigator that works with these individuals to connect them to education and training. This items to request the program be expanded to include Rowan-Cabarrus Community College.

Mrs. Whitford asked if there is a barrier preventing all the colleges from participating. One

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requirement is that the local Department of Social Services (DSS) must agree to participate and partner with the college. Ms. Bell noted that the local DSS identifies and assesses student eligibility for the program, and this can be a challenge as some offices do not have the resources to support the program. The System Office will be working with the county commissioners on running a program that has a SNAP module at locations like the NCWorks offices to assist in processing student eligibility.

Mr. Holder asked what the typical allotment of funds above what the colleges currently receive for this program. Colleges will take on the Education Navigator salaries, which varies college by college, but they can receive a 50% reimbursement for those funds. The United States Department of Agriculture has also given scholarship dollars for the program, but those funds are not guaranteed every year and the college and local entities would be responsible for them. Colleges can receive a 50% reimbursement for those as well. Ms. Grovenstein noted that the limiting factor is at the local county DSS office level even though colleges are extremely supportive of implementing the program. Ms. Bell noted that when the program started, they were asked what resources they had to support the different aspects of this program such as childcare, transportation, and scholarships. Some counties felt they couldn't meet the need for those factors at the time, but the System Office is now informing interested counties that providing the names of those eligible will suffice so we expect more counties to participate in the future.

Ms. Grovenstein stated that this item will return to the Board when the current round of funding expires, and staff can provide information on the status and progress of this program at that time.

Ms. West motioned for approval; Dr. Carraway second the motion. The Committee approved Allocation for Food and Nutrition Services Employment and Training Program Grant (Attachment FC 03).

Allocation for State Fiscal Recovery Fund Bonuses (Attachment FC 04)

Ms. Grovenstein reviewed the item. These funds were appropriated in the recent budget and this request is to approve delegation to the System President. The System Office is waiting on data from the colleges on how many staff are eligible and the dollar amount they are eligible for according to the budget requirements.

The Committee expressed their support and gratitude that all permanent staff employed on December 1, 2021, are eligible for this bonus no matter the funding source. Ms. Grovenstein noted that these bonuses are coming from federal funds which allows for the unique situation for all permanent staff to receive these bonuses.

Chairman Sullivan motioned for approval; Mrs. Whitford second the motion. The Committee approved Allocation for State Fiscal Recovery Fund Bonuses (Attachment FC 04).

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Authorization of Legislative Salary Increase (Attachment FC 05)

Ms. Grovenstein reviewed the item. This item authorizes colleges to implement the Legislative mandated salary increase and follow guidance issued by the System Office by the January payroll deadline.

The committee had no questions or concerns.

Ms. West motioned for approval; Dr. Carraway second the motion. The Committee approved Allocation of Legislative Salary Increase (Attachment FC 05).

Construction and Property – December 2021 (Attachment FC 06) [CA]

Ms. Grovenstein reviewed the requested construction and property items.

Chairman Sullivan motioned for approval; Dr. Carraway second the motion. The Committee approved Construction and Property – December 2021. (Attachment FC 06).

For Information

Estimated Receipts – November 2021 (Attachment FC 07)

Ms. Grovenstein reviewed FC 07.

Ms. Grovenstein and the Committee discussed the item.

NC Connect Bond Report – November 30, 2021 (Attachment FC 08)

Ms. Grovenstein reviewed FC 08.

Ms. Grovenstein and the Committee discussed the item.

NEW BUSINESS

Dr. Carraway asked a follow-up question to the Lunch and Learn session with the State Auditor Office on whether there was an internal audit function for the community colleges. There is not a requirement. Dr. Carraway followed asking if there may be a need for that and if there could be some sort of contract vehicle for internal auditing. There was a Council of Internal Audit several years ago that required internal audit functions within State government with funds and resources provided to State agencies to conduct internal audits. But this did not apply to the community colleges. The Office of State Budget does have staff to provide internal audit resources to smaller State agencies. These resources do not exist for the community colleges and funding would be a concern. Some colleges may have local internal audit functions, but discussions would have to be held on resources and funding.

Mrs. Whitford noted the restructuring and redesign of the FTE audit system had a wide variety of staff to discuss how FTE was being calculated as it was found that they were calculated differently, particularly among the online courses. She raised the fact that there were issues in 2013-2014 when

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this audit system was reviewed and that this may need to be revisited.

Dr. Barnes thanked both commenters and noted that funds and funding resources need to be considered to protect the interests of the Community College System.

Mr. Nath asked if it would be reasonable to establish an audit office within the System Office to provide those services to the colleges. Ms. Grovenstein stated that that could be a legislative recommendation for funding and resources. She also noted that the System Office does have a Compliance Services in response to Mrs. Whitford’s comment. Those staff review FTE but there are no services that perform the other aspects of auditing the committee discussed.

President Stith reminded the committee that there is an organizational review starting in 2022 to ensure the System Office is properly aligned and resourced and discussed the goals of that review as well as the goal and purpose of the Compliance Review team as they support the community colleges.

Dr. Poarch noted that compliance reviews are critical to assist colleges and EAGLE is also being used at the colleges as an internal control process that the business offices employ every year to mitigate risks. Dr. Barnes followed that the internal audit function is critical and highly respected in the university system.

ADJOURNMENT

Dr. Barnes motioned the meeting was adjourned at 3:42 p.m.

Respectfully Submitted,

Alex Doles,
Recording Secretary