NUMBERED MEMO CC23-027

TO: Community College Presidents

FROM: Dr. Kimberly Gold, Chief of Staff

SUBJECT: FY 2023-24 Compliance Services Updates and Review Procedures

DATE: July 26, 2023

The information listed below outlines the major components of the reviews to be conducted during FY 2023-24. This numbered memo supersedes numbered memo CC22-036, which included procedures for FY 2022-23.

Attachment A provides a listing of colleges scheduled for a compliance review in FY 2023-24. Attachment B provides detailed procedures which will be followed during the FY 2023-24 review cycle.

Compliance examiners function in a coaching, consultative, and proactive manner. Examiners are available to assist college staff with implementation of the laws, policies, procedures, guidelines, and reporting requirements as they apply to the compliance review process. If you have any questions regarding the compliance review process, please feel free to contact your compliance examiner, the Director of Compliance Services, Amanda Tolar, tolara@nccommunitycolleges.edu, or the Chief of Staff, Dr. Kimberly Gold, goldk@nccommunitycolleges.edu. We look forward to working with colleges as we strive to meet the educational, workforce, and economic development needs of our communities and the State of North Carolina.

e-copy: Community College Chief Academic Officers
           Community College Continuing Education Officers
           Community College Continuing Education Registrars
           Community College Registrars
           Community College Student Development Administrators
           Compliance Examiners

ATTACHMENT A

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
FY 2023-24 Colleges due for Compliance Reviews

The colleges scheduled for a compliance review in FY 2023-24 are listed below. If a college voluntarily requests a review, it will be conducted subject to the availability of resources.

Asheville-Buncombe Technical Community College
Beaufort County Community College
Cape Fear Community College
Carteret Community College
Central Carolina Community College
Central Piedmont Community College
Cleveland Community College
Coastal Carolina Community College
Craven Community College
Davidson-Davie Community College
Durham Technical Community College
Edgecombe Community College
Fayetteville Technical Community College
Forsyth Technical Community College
Gaston College
Haywood Community College
Isothermal Community College
Mitchell Community College
Montgomery Community College
Pitt Community College
Randolph Community College
Rockingham Community College
Sampson Community College
Sandhills Community College
Southwestern Community College
Stanly Community College
Surry Community College
Western Piedmont Community College
Wilkes Community College

<u>**ATTACHMENT B**</u>

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
FY 2023-24 Compliance Review Procedures

The information listed below outlines the major components of compliance reviews to be conducted during FY 2023-24.

Compliance Review Process
I. **Administration**
   A. Verification of discussion/approvals of the previous compliance review by the local board of trustees as included in meeting minutes.
   B. Documentation of the most current Continuing Education Accountability and Integrity Plan to include a copy of local board minutes showing local board approval. The documentation is used to confirm the college has an approved plan.
   C. Documentation supporting the college class visitation plan as outlined in the Continuing Education Accountability and Integrity Plan.

   <u>**Administration Reference**</u>
   1D SBCCC 300.4 Program Management

II. **Curriculum**
   A. Records Review. A statistically valid Institution Class Report (ICR) records sample is identified to conduct a compliance review of the following areas:
      i. Class records are reviewed to ensure class hours reported for budget FTE are accurate. Class records are reviewed to ensure that classes are scheduled based on the class hours listed in the Combined Course Library (CCL). Class hours reported for regular budget FTE must meet reporting requirements.
      ii. Class schedules are verified to ensure consistency with class hours reported for regular budget FTE and reporting periods.

   B. Curriculum Basic Skills Plus.
      i. Classes are reviewed to ensure tuition fee waivers have been appropriately applied for students enrolled or payment has been made via an alternate method. The classes are also reviewed to verify the criteria for enrolling Basic Skills (College and Career Readiness) students are met, i.e., provide employability skills, etc.
      ii. Documentation is reviewed to ensure students enrolled in Curriculum Basic Skills Plus classes were also enrolled in the Basic Skills Component which includes courses in College and Career Readiness. These class rosters will be required in addition to those requested in the curriculum sample provided.
      iii. Class rosters are reviewed to ensure there are no class time overlaps between curriculum classes and BSP courses.

C. Curriculum Skills Labs are reviewed to ensure the lab hours are reported consistent with State Board of Community Colleges Code. Instructor referrals, student schedules, and student time in/out records must be available for review.

D. Curriculum Student Work Experience (WBL) documentation is reviewed to include a completed student workbook which must include timesheets.

E. Career and College Promise (CCP) student records are reviewed to include pathway approvals and documentation that students were coded correctly and enrolled in approved classes.

F. Computerized (XPA) Reports* are reviewed:
   i. Cooperative Education (WBL) or XPAA
   ii. Student Course Overlap for Curriculum and Continuing Education or XPAQ
   iii. Underage Students – Curriculum or XPAU

   *The reports provided to Compliance Services staff are those reviewed by college staff during the applicable semester.

G. Criminal Justice Basic Law Enforcement Training (BLET) certification classes are reviewed to ensure hours reported are consistent with the CCL, and the tuition or fee waiver is applied properly. Pre-delivery approvals and post-delivery reports, final class calendars, and Student Course Completion Records must be included with the original documentation provided for review.

H. Captive Co-opted Programs and Courses are reviewed to ensure that State Board of Community Colleges approval has been obtained for all programs of study offered to captive co-opted groups. Documentation of payment of tuition is required.

I. Instructional Service Agreements (ISAs) are reviewed to ensure the division of FTE (if any) has been made based on the terms of the approved agreement, and each participating college reports the applicable portion of class hours.

J. Additional reviews may be conducted as warranted by previous findings, high risk areas noted, college staff requests, concerns received, etc. If there seems to be a reason for the compliance review to go beyond the normal scope, the rationale for doing so will be discussed with the appropriate System Office Staff, Director of Compliance Services, and the college president.

Curriculum References
G.S. 115D-5(c)(c1)
1D SBCCC 200.95 Education Services for Minors
1D SBCCC 400.7 Instructional Service Agreements
1D SBCCC 400.10(e)(6) Work-Based Learning [Curriculum]

1D SBCCC 400.11 Education Services through Career and College Promise
[Curriculum]
1D SBCCC 700.98 Instruction to Captive or Co-opted Groups
1E SBCCC 800.2 General Provisions
1G SBCCC 200.93 Reporting of Student Hours in Membership for Curriculum Classes
Basic Skills Plus Implementation Guide
Curriculum Procedures Reference Manual

Note: Listed references are not all inclusive.

III. Continuing Education and College and Career Readiness

A. Records Review. A statistically valid Institution Class Report (ICR) records sample is identified to conduct a compliance review of the following areas:
   i. A sample of classes for review includes all program and course areas of Continuing Education as well as a sample of College and Career Readiness courses.
   ii. Class records are reviewed to ensure class hours reported for regular budget FTE are accurate. Class records are also reviewed to ensure scheduled hours do not exceed the hours listed in the CCL. Class hours reported for regular budget FTE must meet reporting requirements.
   iii. Documentation of instructor payment and/or third-party payment is reviewed to verify payment is consistent with class hours reported for regular budget FTE. When class instructor contract modifications occur, they need to be documented, appropriately authorized, and provided for review.
   iv. Class documentation is reviewed to ensure applicable registration fees have been collected or fee waivers have been granted appropriately.

B. Continuing Education Basic Skills Plus.
   i. Classes are reviewed to ensure tuition fee waivers have been appropriately applied for students enrolled or payment has been made via an alternate method. The classes are also reviewed to verify the criteria for enrolling Basic Skills (College and Career Readiness) students are met, i.e., provide employability skills, etc.
   ii. Documentation is reviewed to ensure students enrolled in Continuing Education Basic Skills Plus classes were also enrolled in the Basic Skills Component which includes courses in College and Career Readiness. These class rosters will be required in addition to those requested in the continuing education sample provided.
   iii. Class rosters are reviewed to ensure there are no class time overlaps between Continuing Education classes and BSP courses.

C. Continuing Education Student Work Experience (WBL) documentation is reviewed to include a completed student workbook which must include timesheets. Instructor payment and student registration payment is also verified.

D. Career and College Promise (CCP) student records are reviewed to include pathway approvals and documentation that students enrolled in approved classes met eligibility requirements. Class records will also be reviewed to ensure students are eligible for the applicable fee waiver, if applied, and are coded correctly for participation in the program.

E. Computerized (XPA) Reports* are reviewed:
   i.   Student Course Overlap for Curriculum and Continuing Education or XPAQ
   ii. Underage Students – Continuing Education or XPAO

   *The reports provided to Compliance Services staff are those reviewed by college staff during the applicable semester.

F. Criminal Justice Basic Law Enforcement Training (BLET) certification classes are reviewed to ensure hours reported are consistent with the CCL, and the registration fee waiver is applied properly. Pre-delivery approvals and post-delivery reports, final class calendars, and Student Course Completion Records must be included with the original documentation provided for review.

G. Captive Co-opted programs and courses are reviewed to ensure that State Board of Community Colleges approval has been obtained for all classes offered to captive co-opted groups. Documentation of payment of registration fees is required.

H. Instructional Service Agreements (ISAs) are reviewed to ensure the division of FTE (if any) has been made based on the terms of the agreement, and each participating college reports the applicable portion of class hours.

I. Additional reviews may be conducted as warranted by previous findings, high risk areas noted, college staff requests, concerns received, etc. If there seems to be a reason for the compliance review to go beyond the normal scope, the rationale for doing so will be discussed with the appropriate System Office Staff, Director of Compliance Services, and the college president.

Continuing Education and College and Career Readiness References
G.S. 115D-5(c)(c1)
1D SBCCC 200.95 Education Services for Minors
1D SBCCC 300.4 Program Management (c) Services for Minors [Continuing
        Education]
1D SBCCC 300.6 Instructional Service Agreements
1D SBCCC 300.10 Work-Based Learning

1D SBCCC 700.98 Instruction to Captive or Co-opted Groups
1E SBCCC 800.2 General Provisions
1G SBCCC 200.94 Reporting of Student Hours in Membership for Continuing
   Education Course Sections
Basic Skills Plus Implementation Guide
Curriculum Procedures Reference Manual, Sections 6, 14 and 20
NCCC College and Career Readiness Assessment Manual

Note: Listed references are not all inclusive.

IV. Post-Compliance Review

Findings noted in the compliance review report will be finalized after the compliance review documentation and report have been reviewed by the appropriate System Office Staff and the Director of Compliance Services. A copy of the compliance report will then be electronically sent to the college president. Compliance review findings will only include direct violations of the General Statutes or the State Board Relations of Community Colleges Code (SBCCC). Areas identified by compliance examiners that pose potential risk will be documented in a coaching letter to the college president. Such areas will also be copied to the appropriate System Office program area for recommendations.

The college has 30 days from receipt of the preliminary compliance report to respond in writing when findings are noted. Extensions may be granted to allow a college additional time to develop a response when warranted and with a written request from the college president. When submitting the written response to the Chief of Staff, the college president may request a conference with the Chief of Staff to present pertinent information regarding the finding(s). Any additional, pertinent information provided by college staff should be different documentation than provided in the initial compliance review. For example, the class attendance record, verification of payment, instructor contract, etc. provided for the reporting of the class hours for regular budget FTE at the time of the compliance review cannot be replaced by secondary documentation of the same nature, or in other words, attendance record "B." It is expected that, at the time of the compliance review, accurate and final documentation which was used when the class hours were reported for regular budget FTE via the ICR is provided. If the college provides additional, different documentation, time must be allowed for a secondary compliance review.

When all information has been reviewed and a conclusion reached, a final compliance report will be developed and forwarded to the college president. Upon receipt of the final compliance report, if there is continued disagreement regarding the findings by the college, a written appeal may be made to the State Board of Community Colleges (SBCC). This written appeal must be submitted within 30 days of receipt of the final compliance review report. The SBCC Accountability and Audit Committee will review the appeal and make its recommendation to the SBCC.