

STATE BOARD OF COMMUNITY COLLEGES
DAVE ACT
Information Request for the NC Community College System

Background:

The North Carolina's Division of Accountability, Value, and Efficiency (DAVE) Act, enacted by Session Law 2025-89, Section 2E.2 charges the Office of the State Auditor (OSA) with evaluating State agencies and examining long-standing vacancies and related fiscal impacts. A description of the information requested from the System Office and from all 58 colleges is provided.

System Office Information

As a State Agency, the System Office provided three key areas of information in response to this request including (1) Agency and Fiscal Operations, (2) Position Vacancies open longer than 6 months and (3) lapse salary expenditures. A description of each request is included below:

(1) Agency and Fiscal Operations

The System Office was requested to provide a narrative that explains how each division utilizes public monies to execute its powers and duties under law. Specifically,

1. *A description of the public monies expended by the division, office, board, or commission;*
2. *Strategic measures used to monitor the fiscal soundness or effectiveness of the division, office, board, or commission;*
 - a. *Include key performance indicators (KPIs) or other metrics that the division, office, board, or commission uses to monitor fiscal soundness.*
 - b. *Include key performance indicators (KPIs) or other metrics that the division, office, board, or commission uses to monitor fiscal effectiveness.*
3. *Any federal or State laws that govern your division, office, board, or commission's operations;*
4. *The effectiveness of any amount spent in achieving the intended purpose of that spending within the division, office, board, or commission; and*
5. *Any other factor(s) demonstrating the fiscal soundness or effectiveness of the division, office, board, or commission*

The System Office provided information for the 5 divisions included in the System Office budget and as shown in the organizational chart. These divisions include the Executive Division, Finance and Business Operations, Technology Solutions, Programs and Student Services, Economic Development.

(2) Position Vacancies

Five (5) positions were identified by the Auditor's office that had been vacant for more than 6 months. Information regarding these vacancies included recruitment attempts, reclassifications, and plans for the position. Of the 5 positions, 1 position was filled at the time of the request, 2 positions were vacant due to the expiration of time limited funding. The remaining 2 positions are being restructured to meet changing needs of the agency.

(3) Lapse Salary:

Lapse Salary refers to salary funds provided for specific positions not expended for salary cost when the position is vacant. Lapse salary is a non-recurring funding source and cannot be used for recurring obligations. Below is a description of the agency's use of lapse salary funds.

The NC Community College System Office uses lapsed salary funds in two primary ways

- 1) cover the full cost of employee benefits and transitional assistance; and
- 2) cover operational needs not funded fully or specifically by the General Assembly.

We have spent our lapsed salary funds about evenly between these two - dependent on the number and amount of employee turnover we experience each year.

- Underfunded costs of employee benefits include the full cost of retirement and longevity costs.
- Employee separation costs such as leave payouts and pension spiking payments.
- Temporary employees to fulfill the duties of vacant positions, and to provide assistance and training for new hires.
- Operational needs not funded fully or specifically by the General Assembly. The System Office has not seen any increases in the typical operating lines since FY2007-08, Examples include travel funds; employee appreciation and wellness activities, leadership academy and other academic assistance; one-time employee costs (moving expenses); and one-time building improvements and capital costs.
- For college funds held at the System Office for statewide needs, we have used unexpended workers compensation budgets to cover statewide IT contracts.

Attachment A: System Office Organizational Chart

Community College Information:

Although the System Office is a state agency, colleges, while state funded are not state agencies and therefore do not have specific positions allocated. The college budget allocated by the System Office and approved by the State Board does not designate a specific number of positions, rather the college determines locally with oversight from the local board of trustees, the best use of funds to meet instructional, administrative and support needs. When positions are not filled, budget funds may be used for part-time support, contractual services, professional development or other services that meet the needs that the vacant position was designed to deliver.

Colleges were asked to provide a narrative to describe how budget funds are used to support local needs. In addition, colleges provided information regarding salary expenditures and vacancy information for vacancies held open more than 6 months.

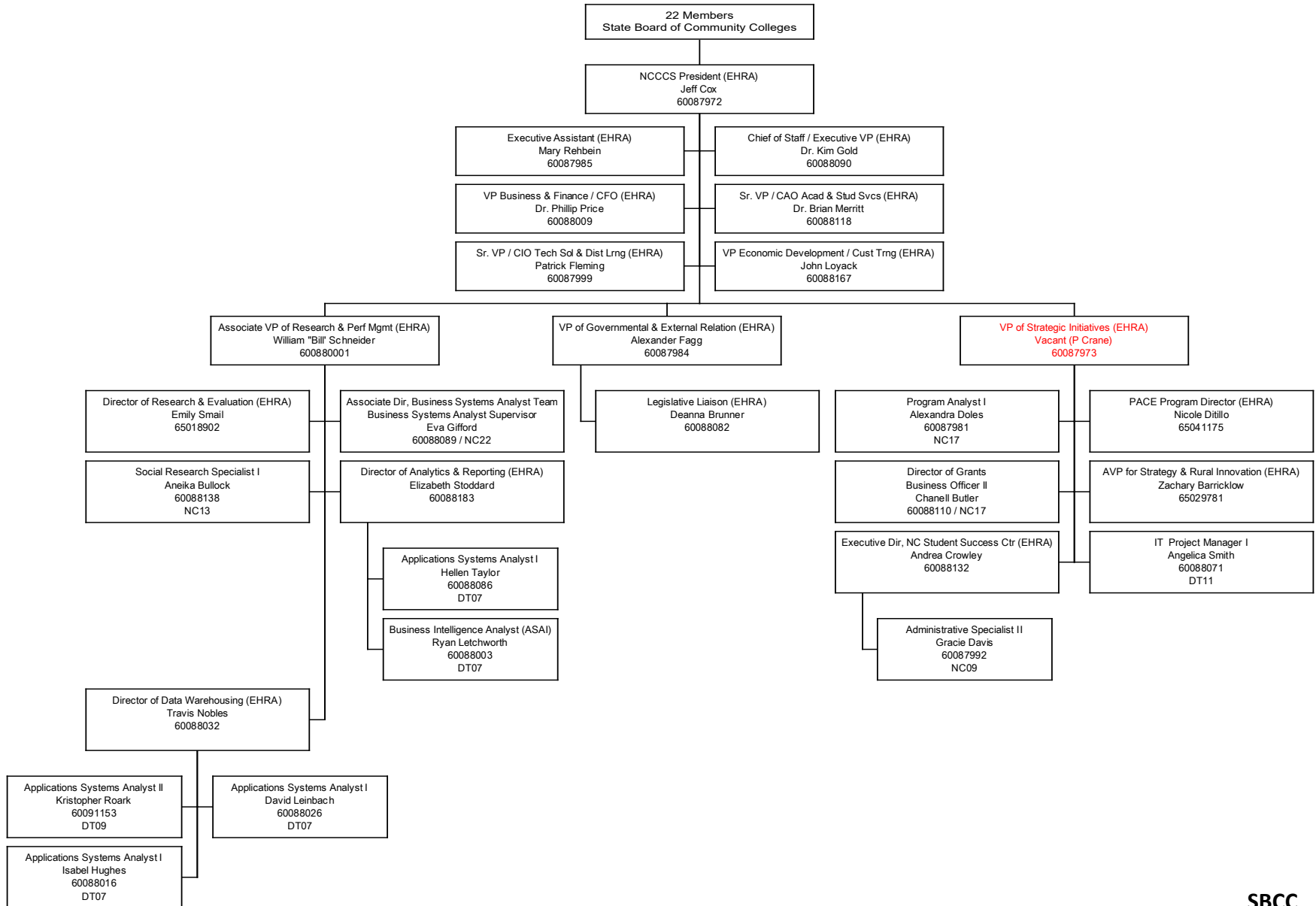
System Office staff worked closely with the State Auditor's office to provide information regarding performance indicators and fiscal effectiveness.

The System Office provided Sound Fiscal Management reports consistent with State Board Code 1A SBCCC 200.4 for each college as received by the State Board as part of the reelection of college presidents. A list of selected dashboards was provided to the State Auditor to provide insight into key performance indicators.

Attachment: Selected Dashboard links

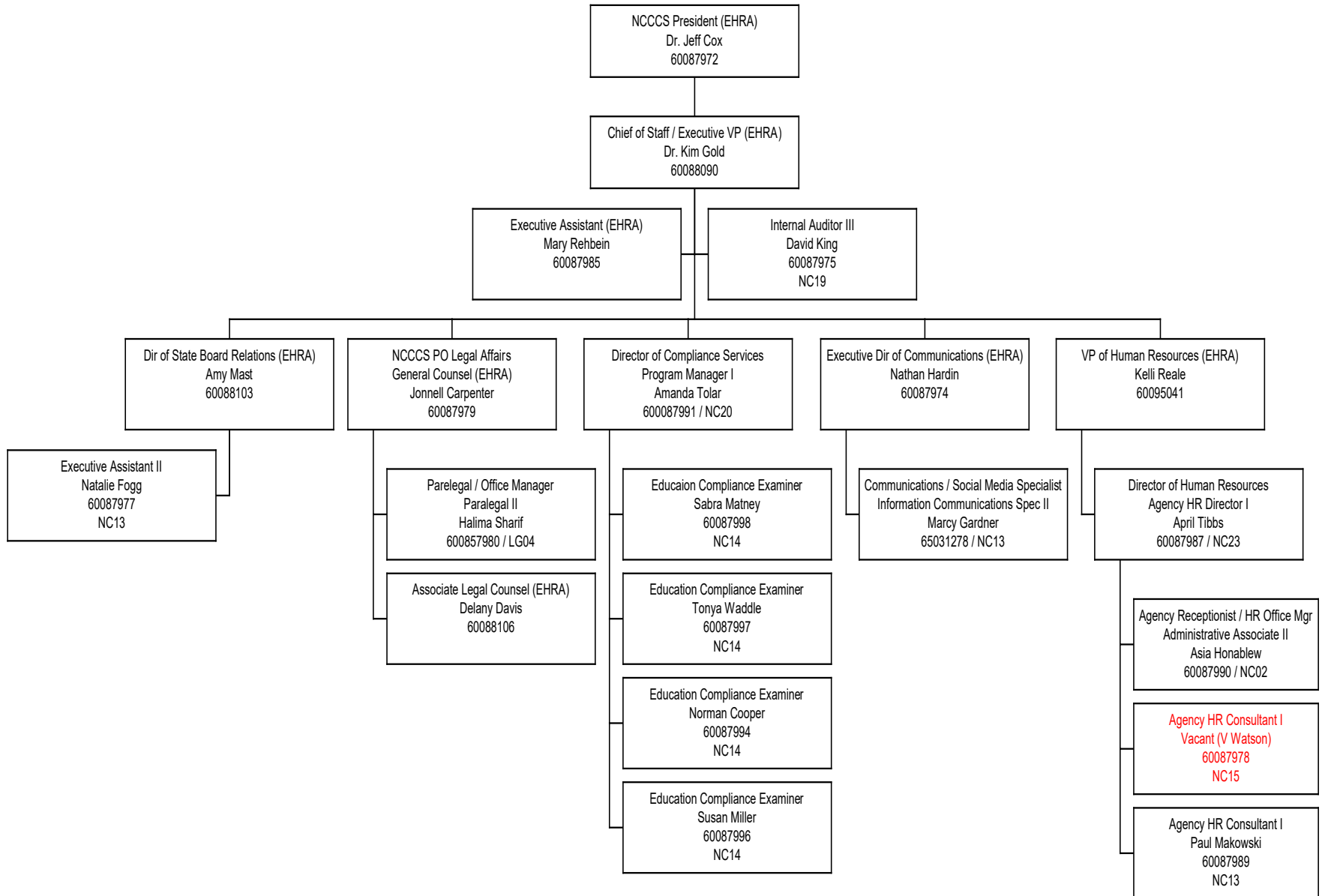
EXECUTIVE DIVISION A

Attachment 07A



EXECUTIVE DIVISION B

Attachment 07A

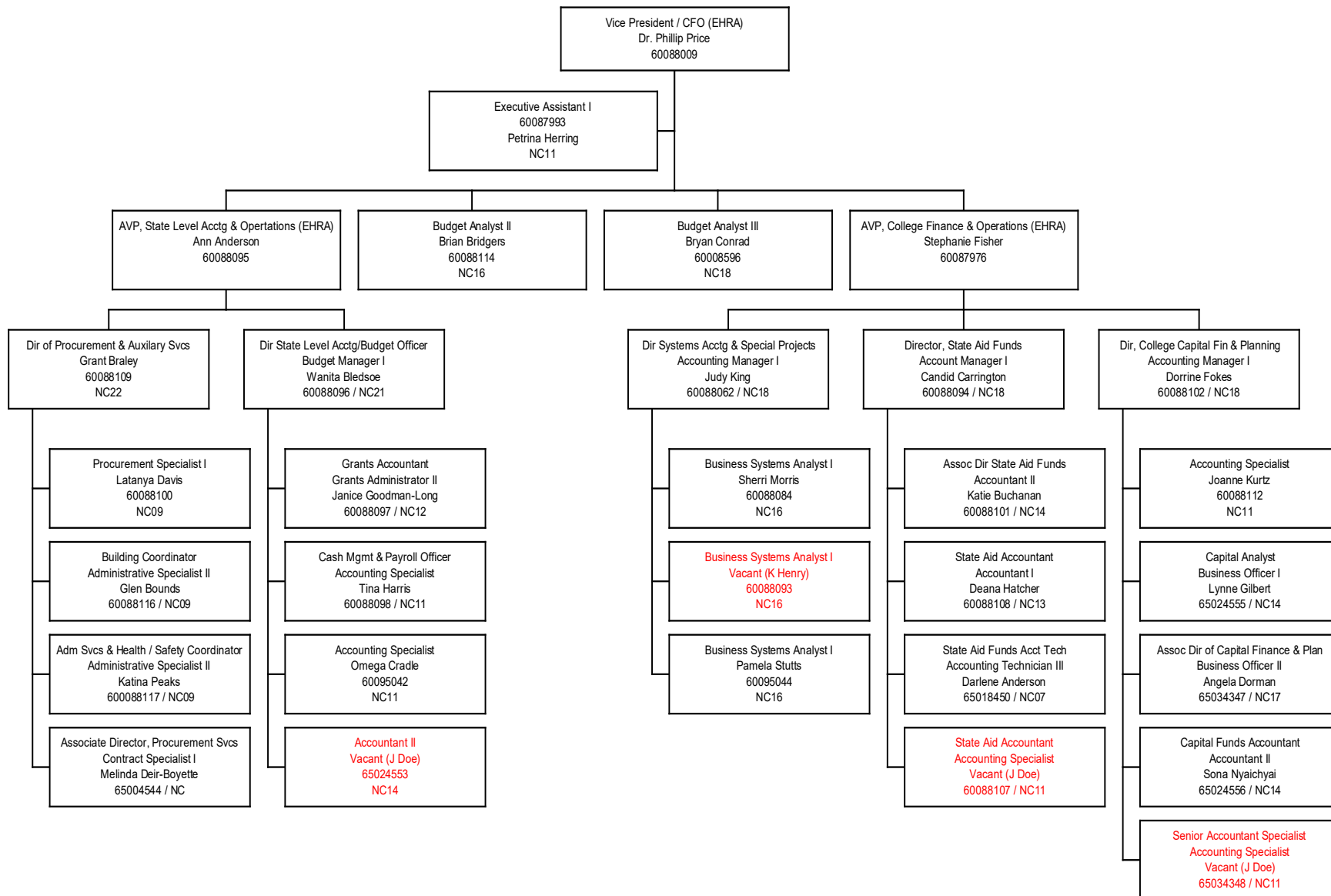


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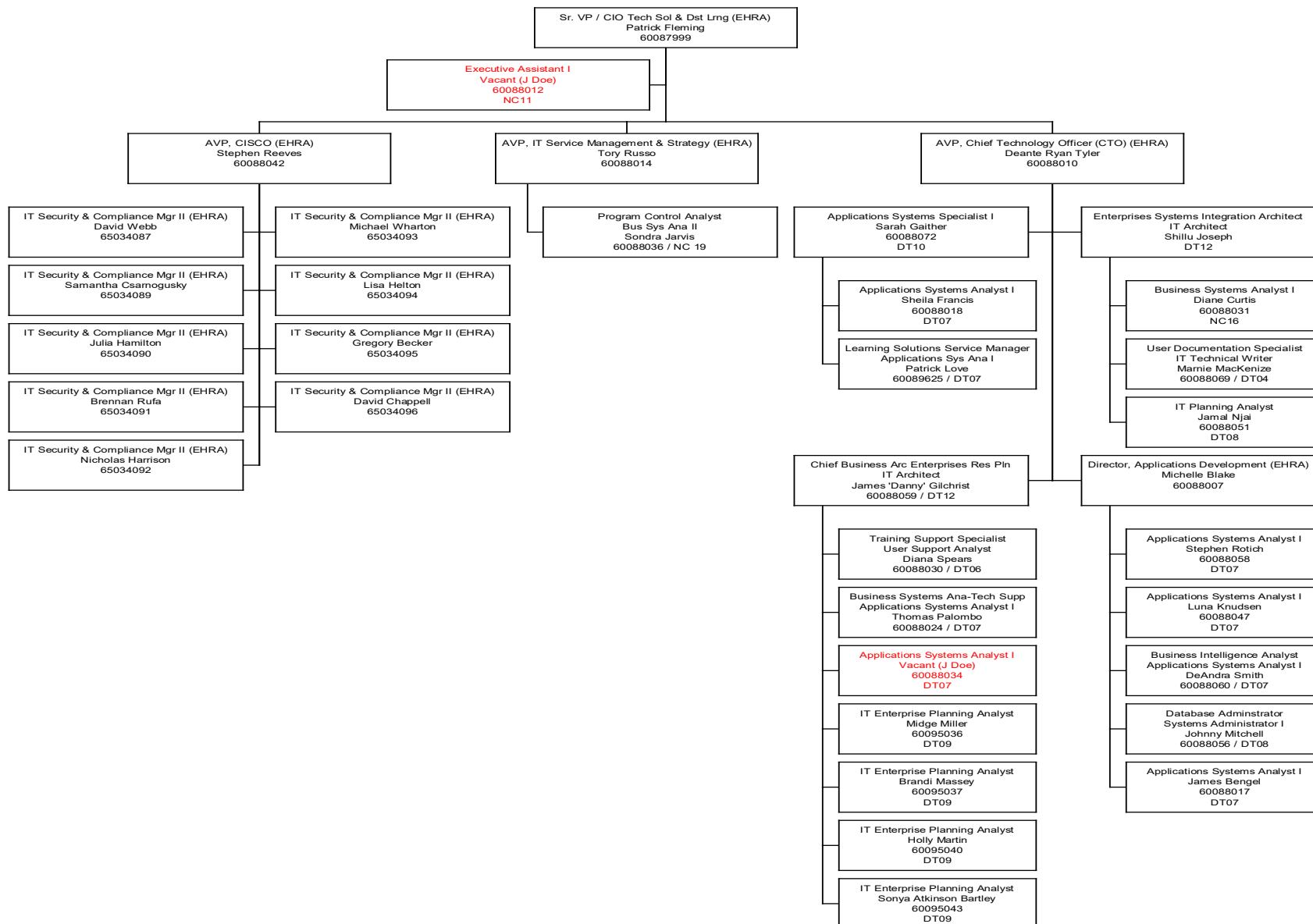
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FINANCE & OPERATIONS DIVISION

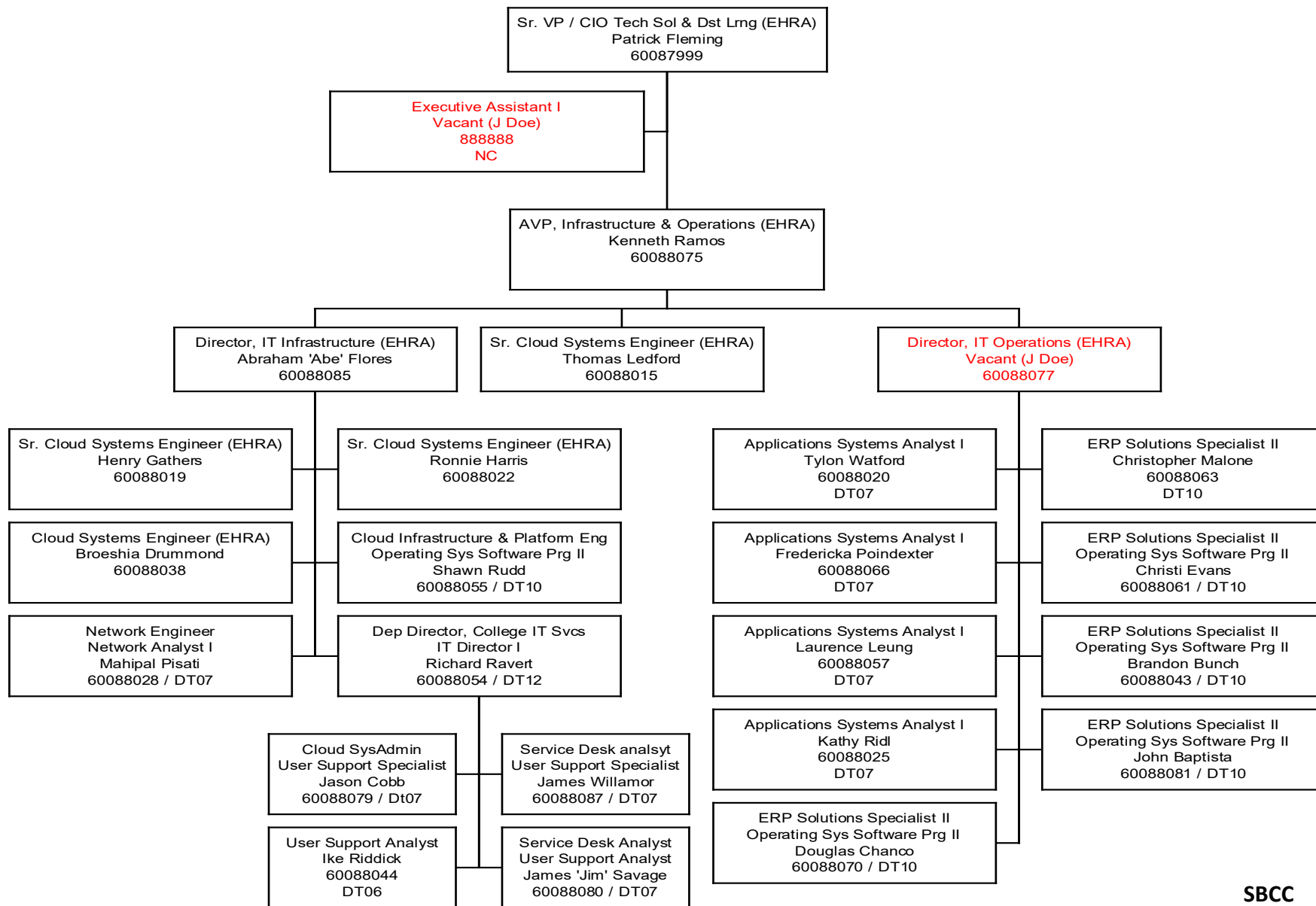
Attachment 07A



TECHNOLOGY SOLUTIONS & DISTANCE LEARNING DIVISION A

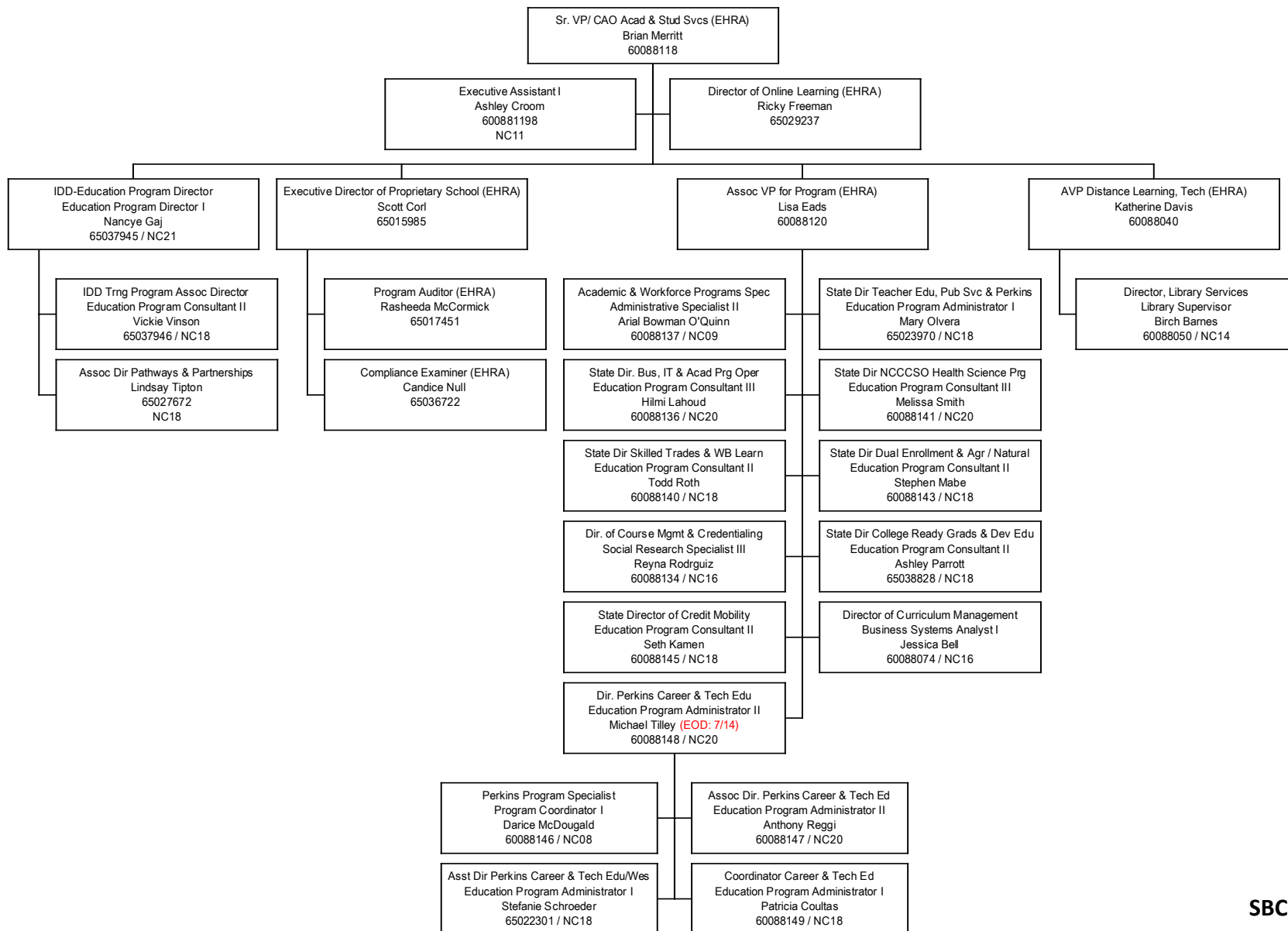


TECHNOLOGY SOLUTIONS & DISTANCE LEARNING DIVISION B



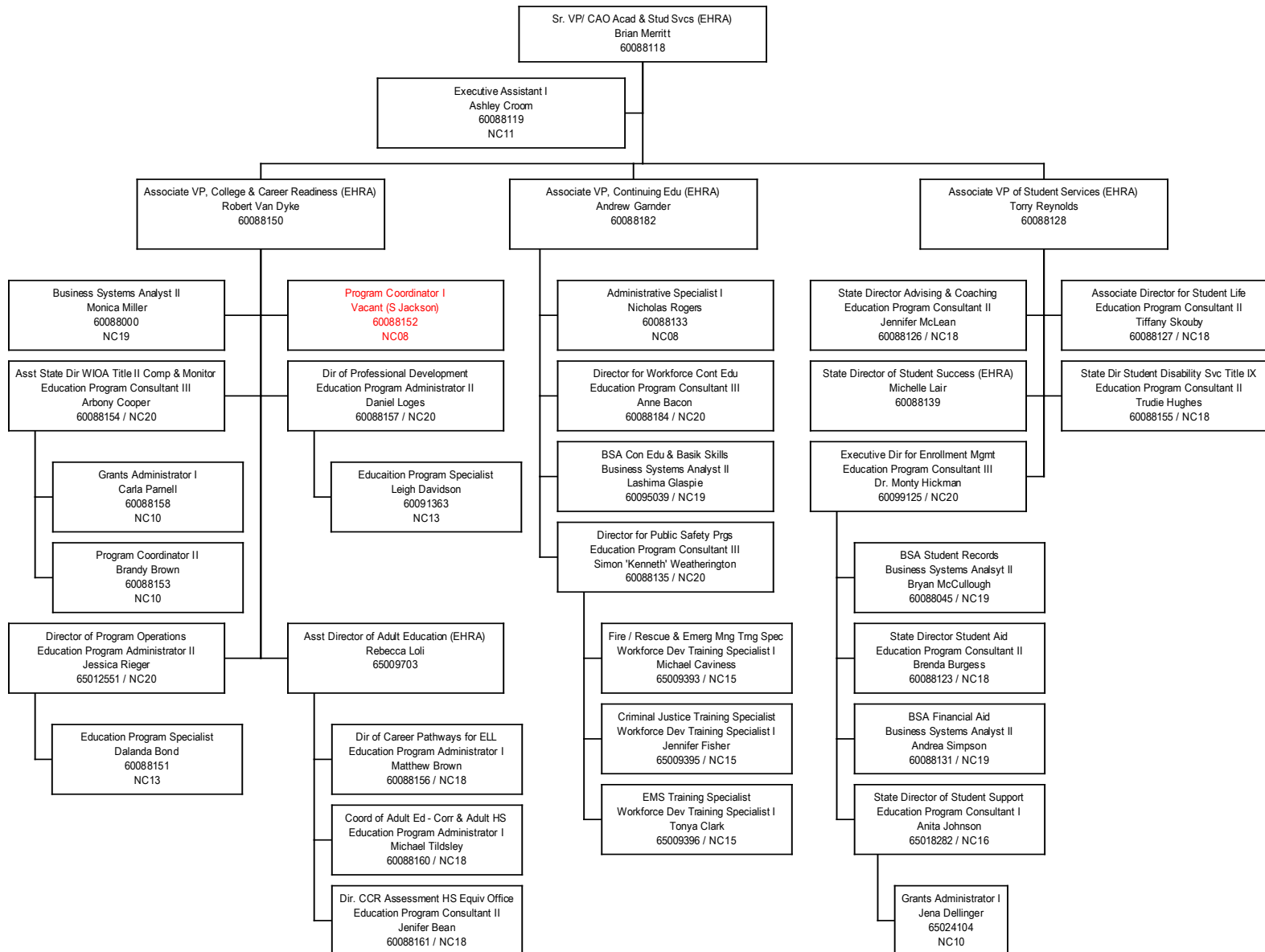
PROGRAMS & STUDENT SERVICES DIVISION A

Attachment 07A



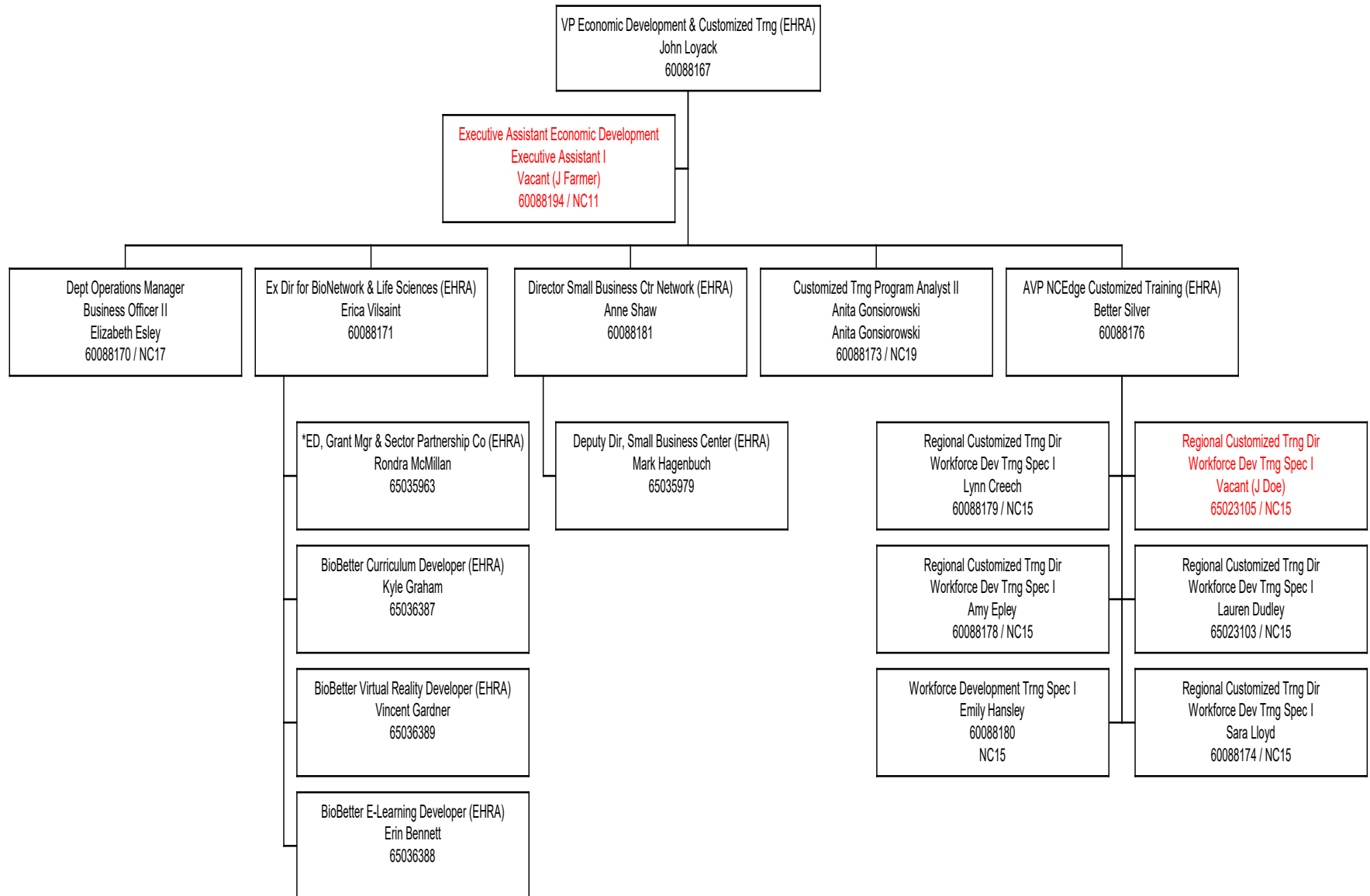
PROGRAMS & STUDENT SERVICES DIVISION B

Attachment 07A



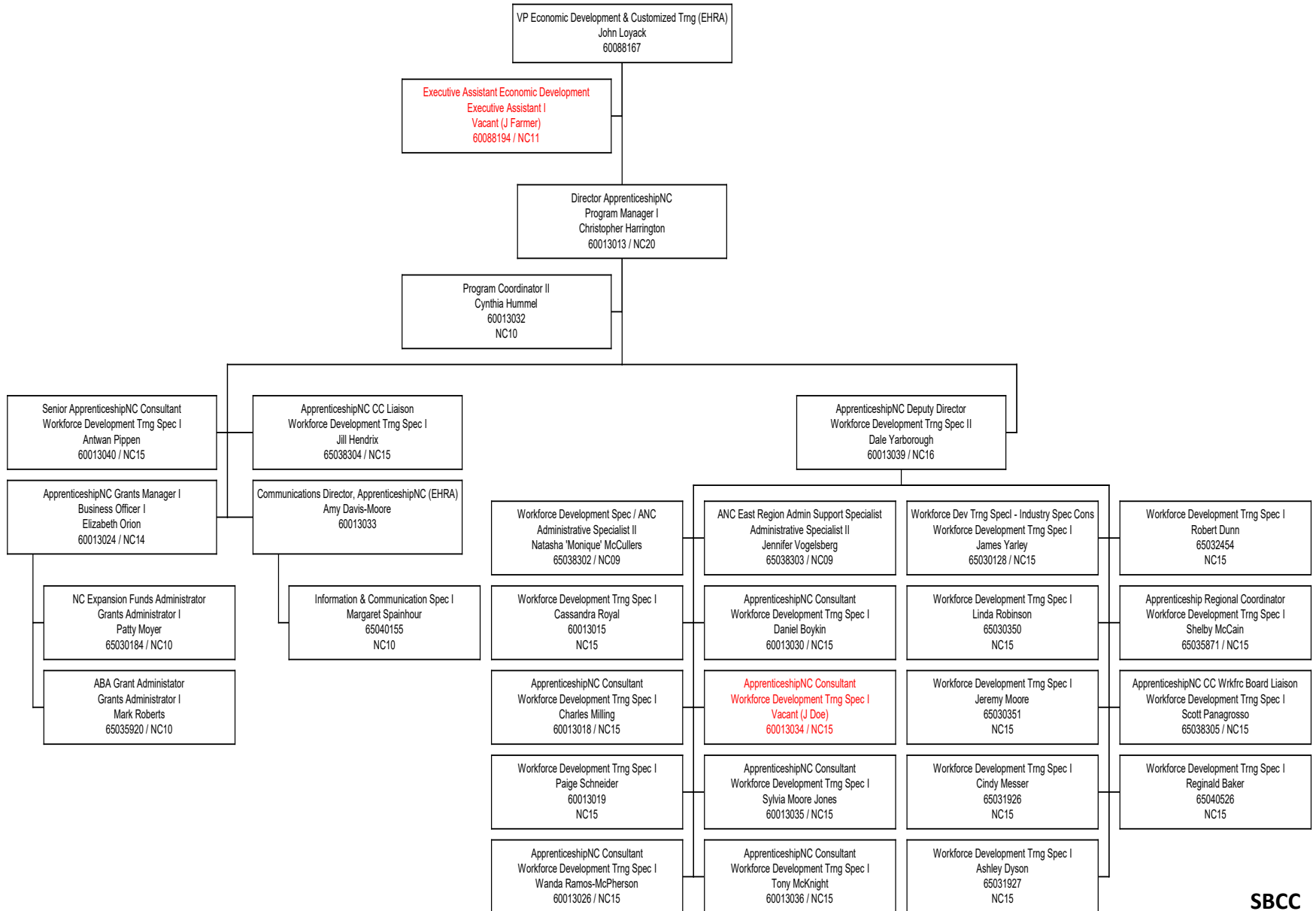
ECONOMIC DEVELOPMENT DIVISION A

Attachment 07A



ECONOMIC DEVELOPMENT DIVISION B Demo

Attachment 07A



Community College KPI Dashboard and Links

Dashboard Name	Dashboard Description	URL
Total Headcount Enrollment	Unduplicated headcount enrollment for all students across all academic levels	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/total-headcount
Total Instructional Activity FTE	Instructional activity FTE over time across all academic levels	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/total-instructional-activity-fte/
Performance Measure (PM) Summary	Overview of Performance Measure results	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/performance-measure-pm-summary/
Curriculum Course Outcomes by Course Characteristics	Total graded course enrollments, success rate, average course grade, and withdrawal rate over time.	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/curriculum-course-outcomes-by-course-characteristics/
Curriculum Graduates	Total curriculum graduates over time	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/curriculum-credentials-awarded
Median Quarterly Earnings of CTE Exiters by College	Median quarterly earnings among students completing at least 9 curriculum credit hours in at least one CTE prefix and did not enroll in further postsecondary education for 3 years after exit	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/median-quarterly-earnings-of-cte-exiters-by-college/
Employee Headcount	Employee headcount over time	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/employee-headcount
Employee Retention	One-year employee retention	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/employee-retention/
Faculty Salary Comparison (IPEDS)	Comparison of full-time curriculum faculty weighted 9-month salaries	https://www.nccommunitycolleges.edu/about-us/data-reporting/data-dashboards-page/faculty-salary-comparison-ipeds