

## EXECUTIVE DIGEST

# WAYNE COUNTY COMMUNITY COLLEGE DISTRICT

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### INTRODUCTION

This report, issued in September 2001, contains the results of our performance audit\* of Wayne County Community College District.

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### AUDIT PURPOSE

This performance audit was conducted under the authority of Section 204(2), Act 109, P.A. 1999 (a section of the community college appropriations act), which mandates that the Auditor General conduct not less than three performance audits of community colleges each year.

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### BACKGROUND

Wayne County Community College is a public, two-year, multicampus institution of higher education. The College district includes all of Wayne County, excluding the cities of Dearborn, Dearborn Heights, Livonia, and Highland Park.

The College, established in 1967, operates under the authority of Sections 389.1 - 389.195 of the *Michigan Compiled Laws*, commonly known as the Community College Act of 1966. It is governed by a board of trustees, consisting of nine members elected at large to six-year terms.

The College's mission\* is to promote the educational, cultural, and economic development of the community by providing quality education.

For the fiscal year ended June 30, 2000, the College reported current fund revenue (general, designated, and restricted funds) of \$60,289,898; expenditures and transfers of \$67,113,921; and enrollment of 4,721 fiscal year equated students\*.

As of June 30, 2000, the College employed 118 full-time faculty, 201 part-time faculty, and 546 full-time and part-time administrative and support personnel.

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**AUDIT OBJECTIVES,  
CONCLUSIONS, AND  
NOTEWORTHY  
ACCOMPLISHMENTS**

**Audit Objective:** To assess the effectiveness of the College's efforts to use its educational program resources effectively\* and efficiently\*.

**Conclusion: The College was generally not effective in its use of resources for educational programs; however, the College was generally efficient in its use of resources for educational programs.** Our assessment disclosed two material conditions\*:

- The College should significantly improve its process for monitoring the payment of student tuition and fees and initiating appropriate action regarding those students who do not make full payment (Finding 1).

The College informed us that it agrees with the related recommendation and will initiate corrective action but stated that the deferred payment process must be sensitive to the needs of its student population.

- The College should significantly improve its student accounts receivable process to help ensure the timely collection of amounts owed the College (Finding 2).

The College informed us that it agrees with the related recommendation and will initiate corrective action but

stated that it does not believe this to be a material issue.

Our assessment also disclosed reportable conditions\* related to contract management, tuition and fees refund policy, payments to faculty members, faculty evaluations, and low enrollment classes (Findings 3 through 7).

**Noteworthy Accomplishments:** In June 2000, the North Central Association of Colleges and Schools awarded the College a 10-year accreditation with no required focused visits. This is the longest period of accreditation awarded by the Association. Also, during the last several years, the College has taken steps to improve its effectiveness and efficiency by developing a formal staff development and training program.

The U.S. Department of Education (USDOE) reviewed the College's Title IV student financial aid program for award years 1993-94 through 1995-96. The review disclosed significant problems, which resulted in USDOE placing the College on the reimbursement payment method\* in 1996. In response, the College made numerous changes to the College's financial aid system, which included a centralized file review process and quality assurance operation. As a result, USDOE removed the College from the reimbursement payment method in March 2000.

**Audit Objective:** To assess the effectiveness of the College's admissions and monitoring practices to help students successfully complete their courses and programs.

**Conclusion:** The College's admissions and monitoring practices were moderately effective in helping students successfully complete their courses and

**programs.** Our assessment disclosed one material condition:

- The College should improve its controls for monitoring new students' completion of placement testing and enrollment in developmental courses\*, when required (Finding 8).

The College informed us that it agrees with the related recommendation and will initiate corrective action.

Our assessment also disclosed a reportable condition related to repetitive course enrollments (Finding 9).

**Audit Objective:** To assess the effectiveness of the College's efforts to evaluate the quality of its educational programs.

**Conclusion:** **The College was generally effective in its efforts to evaluate the quality of its educational programs.** However, our assessment disclosed a reportable condition related to evaluation of the quality of educational programs (Finding 10).

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**AUDIT SCOPE AND  
METHODOLOGY**

Our audit scope was to examine the program and other records of Wayne County Community College District. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

The financial statements of Wayne County Community College District are audited annually by a public accounting firm engaged by the College.

Our review and testing of College records and procedures were primarily for the period July 1, 1997 through November 30, 2000.

We reviewed the College's process for monitoring the payments of student tuition and fees and initiating appropriate action regarding students who do not make full payment. Also, we reviewed the College's student accounts receivable billing and collection process. Further, we assessed the College's contract management practices and reviewed the College's efforts to improve its financial aid processing systems. We also assessed the College's tuition and fees refund policy, faculty overload and release time payments, and faculty evaluation process.

We extracted student academic record information from the College's database for use in examining repetitive course enrollment, minimum class enrollments, and underage student enrollments. We also analyzed the College's use of classrooms and faculty.

We reviewed the College's admission process. Also, we evaluated the methods used for monitoring student progress and analyzed the academic assessment and placement process.

We reviewed the College's efforts to assess the quality of educational programs. Also, we reviewed the methods used by the College to periodically assess the job training needs of the community's employers and determined whether the College had established procedures for evaluating and obtaining accreditation of its programs.

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**AGENCY RESPONSES**

Our audit report contains 10 findings and 13 recommendations. The College's preliminary response indicated that it agreed with the 13 recommendations. The College informed us that it has implemented or plans to implement all 13 recommendations.