

on 1990–1991 data, of NCCCS's 131,597 total FTE enrollments, 14,660 FTEs were enrolled in college transfer programs, representing 11.1 percent of total FTE enrollment. Currently, 45 of 58 colleges offer college transfer programs. For many of the System's institutions, college transfer programs are the fastest growing segment of the curriculum. The ambiguity on this issue should be resolved, when the System is restructured. This topic is included in the separate issue paper, "Continuum of Education and Intersystem Governance."

Adult Basic Skills and Compensatory Education: The General Assembly charged community colleges with responsibility for literacy programs and adult basic education and compensatory education. Today, nearly all of the community colleges offer multiple forms of literacy/adult education services:

- Adult Basic Education (ABE)
- Adult High School Diploma (AHSD)
- General Educational Development (GED)
- Compensatory Education (CED)
- Human Resources Development (HRD).

The rationale for assigning these programs to community colleges, rather than public secondary schools, is two-fold, based on the fact that students in these programs are adults:

- Placing adults in an environment different from the one in which they were previously unsuccessful may improve likelihood of success
- Teaching skills required for this age group differ from traditional high school teaching

State funding for adult basic/compensatory programs is categorical and, therefore, separate from the FTE formula-based funding that supports college transfer, and technical/vocational and other programs.

Finding 13: Adult basic and compensatory education services provided by the community colleges are perceived to be successful.

The Basic Skills Program offers educational opportunities to 133,453 adults at more than 2,450 off campus locations, including work sites, churches, community centers, schools, libraries, sheltered workshops, and prisons. Evaluations of the results of these programs have shown them to be successful in educating a segment of the population that had dropped out of the educational process in secondary schools and later decided to complete their educations. Interviewees cited many instances of success stories wherein former high school drop-outs successfully completed an adult education program and then went on to further education and a successful job.

Economic Development Programs. Another major emphasis for the community colleges has been economic development. As a part of their original role, the colleges have been essential to attract new business and industry to North Carolina. This role continues in the traditional technical and vocational programs, as well as in newer endeavors such as the Focused Industrial Training Program (FIT), Small Business Center Network (SBC), and the New and Expanding Industries Program (NEI). The colleges continue to work with local businesses and industry for training and re-training programs to meet the local economy's needs. In addition, they work closely with local economic development teams. (This function is addressed in an issue paper on Economic Development and, therefore, is not analyzed here.)

Special Training Programs: NCCCS operates other program services throughout the state that benefit state residents. These programs are Correctional Education, Fire Training, Community Service and Human Resources Development.

The Correctional Education Program provides inmates basic skills, occupational, continuing education, vocational, technical and postsecondary education that enables them to enhance and maintain their personal growth and development, to function effectively in prison and upon returning to the community. This program enrolled 38,000 inmates in extension courses and 21,000 in curriculum programs in AY 1990-91.

The Fire Training Services program provides training to more than 94,000 students who serve as both paid and volunteer fire fighters in the state. This training covers basic firefighting to advanced management training; is delivered in local fire departments and community colleges; and is provided to members of local fire departments without fees.

The Community Service programs are designed to provide courses, seminars and activities that contribute to the community's overall cultural, civic, and intellectual growth; and assist adults in the development of new skills or the upgrading of existing ones in avocational, academic, and practical skills areas.

The Human Resources Development Program provides short-term pre-vocational training and counseling to help unemployed and underemployed adults enter the workforce or acquire further training. More than 81,640 North Carolinians have participated in this program since 1973.

New Program Approval or Program Modification Process

New Programs Process. The State Board has authority and responsibility to approve all new program offerings. The current approval process for vocational and technical curricula requires colleges to submit to the Department of Community Colleges the following information:

Demonstration of Need

- **Advisory committees:** list of members, areas of expertise and what organizations or agencies they represent

- **Potential students:** potential demand to support and sustain the program for a period of three years
- **Employment opportunities:** sufficiency of employment opportunities within the proposed service area for graduates and early leavers
- **Effect on other colleges/programs:** potential effect on other curriculum programs in neighboring colleges and within the proposing college
- **Special requirements:** special requirements for the curriculum such as accreditation, certification, or licensure of graduates

Curriculum Design and Implementation

- **Course titles, descriptions and competencies:** model of the curriculum in a course arrangement format which includes course titles and descriptions, and competencies graduates expect to have upon completion
- **Resources needed:** faculty, equipment, and facilities needed to implement the program
- **Affiliation requirements:** affiliation with other agencies such as hospitals, clinics, and other educational agencies
- **Special admissions requirements:** information on special requirements to enroll in the curriculum

Modifications Process. An abbreviated version of the program approval process is used for conversion of an existing curriculum to a similar curriculum. Conversions are submitted when it is necessary to update curriculum offerings to match current employment skill needs. This abbreviated process requires:

- Justification for change including documentation of industry advisory support
- Curriculum design by quarters with course descriptions
- Courses by major, general education, electives, and work experience
- Desegregation impact statement

Finding 14: Most new program proposals obtain Board approval because Department staff screen out ill-conceived proposals.

Exhibit 8 is a summary of curriculum approvals and terminations for 1990–91. The Department of Community College staff reviews new curriculum program submissions to (1)

determine if the curriculum meets State Board requirements and standards; (2) provide consultation to colleges upon request; (3) and make recommendations to the Program Committee of the State Board. In effect, the Department works to dissuade colleges from forwarding some requests to the Board.

Recent Activity Summary. There has been an average of 65 program approvals per year for the past five years. In 1990-91, 100 programs were approved. This increase was attributable, in part, to legislative action that mandated curricula for real estate appraisers.⁹

EXHIBIT 8 North Carolina Community College System Summary of Curriculum Approvals and Terminations 1990-91	
Applications from Colleges:	
Carried forward from 1989-1990	34
Received 1990-1991	<u>102</u>
Total	136
Applications processed and approved:	100
Withdrawn	<u>4</u>
Pending processing 6/30/91	32
Curriculum Terminations	71
Curricula Pending Termination 6/30/91	3

Funding for New Programs. Colleges are required to fund the cost of the first year of new programs from existing resources. State funding is not provided until the second year of the program's operation and then only for prior year's enrollment. This approach serves usefully as a brake on new program development but also makes it difficult for smaller community colleges to implement high-cost technical programs. Larger colleges typically can create sufficient funding with their current budgets to fund new programs. Interviewees commented that this aspect of the funding formula is a drawback to meeting changing or new local needs. It also can be an argument for fewer, larger colleges or for a different model of program distribution.

Review of Existing Programs

Finding 15: Under current guidelines for program review, there is no major incentive to terminate outdated, unproductive, or low-priority programs.

⁹Statistical Summary of Curriculum Approvals and Terminations 1990-91, NC Department of Community Colleges.

The State Board also has mandated that each community college review each of its programs every five years. This requirement has been met by the community colleges; they review twenty percent of programs every year. There have been no specific standards established by the State Board to guide this endeavor and the breadth and depth of these reviews is unknown, as they are forwarded to the Department of Community Colleges, but are not systematically reviewed for content, format, or resulting actions. It is likely that the reviews are helping to update programs but are not providing major pressure for eliminations. As the funding model similarly encourages program retention, there really are few reasons for colleges to seek to eliminate programs.

Articulation Between NCCCS and UNC

The primary focus of cooperation between community colleges and UNC is in the form of articulation agreements. These agreements are negotiated between individual departments of each community college and the corresponding departments of individual UNC institutions. Therefore, currently, the locus of control for articulation rests with the departments of the constituent universities. The Department of Community Colleges has not been able to track, summarize, or consolidate these agreements. There is no single place to find comprehensive information about articulation.

Finding 16: Articulation by individual departmental agreements does not ensure NCCCS students that their credits or degrees earned will transfer in their entirety.

This one-institution, one-program-at-a-time process has been a slow and cumbersome one for the community colleges that wish to expand opportunities for their graduates to pursue upper division education. It also should be noted that there are no formal articulation or transfer agreements to allow students to transfer, with any degree of certainty, between community colleges within the System. For example, a student completes a certificate program at Guilford Technical College, takes a job in Onslow County and wishes to pursue an associate degree at Coastal Carolina Community College. There is no basis to **assume** that the student's certificate courses from Guilford will be fully accepted at Coastal Carolina and applied in their entirety toward the associate degree in that field.

Lack of systemwide articulation has huge financial, human, and other hidden costs. The financial cost is high because the State and the student must pay twice for courses that are repeated. The human cost is high because students must take courses twice or are discouraged from continuing their educations. As worker mobility and the need to cycle for retraining increase, transfer of credits between institutions and systems will become a greater issue in the future. Articulation is made difficult by a lack of intersystem standards that would ensure a minimum level of quality comparability at each institution. Currently, it is believed that the quality of programs varies significantly between institutions.

Curriculum Standards and Quality Assurance

To bring more consistency to programs, several years ago, the Department initiated a program of curriculum standards. These standards have been set with the cooperation of

participating faculty members from individual campuses and have begun to define quality consistency throughout the System. Standards do not establish precisely common course content, syllabi, or teaching methods; instead, they define what students should know or be able to do in a given occupational skill set or college-level discipline.

As an additional step, to encourage improvement in curriculum standards, the Curriculum Improvement Program (CIP) was initiated to offer grants to colleges to write improved standards that will raise the level of instruction, provide more competencies to the students, and be more responsive to the needs of industry and business.

Finding 17: Stronger curriculum standards would improve quality and support articulation to four-year colleges.

Existing curriculum standards and CIP are excellent initiatives, yet many interviewees believe that NCCCS has not gone far enough in establishment and use of quality standards. Further, refinement and strengthening of curriculum standards and expected competencies is necessary, to achieve systemwide articulation agreements with four-year institutions.

Regional, Cooperative, and Consortium Programs

Finding 18: Despite Department initiatives at regionalizing programs, service areas are still small and programs are largely county or college-focused.

Current Regional Programs. In the past several years, NCCCS has had some success in implementing joint regional programming. In a paper prepared by the Department,¹⁰ "regional" programs were defined six ways as programs that:

- Are unique in the state or some other defined region
- Draw from a broad geographic area
- Serve a widely dispersed, regional labor market
- Carry training beyond the boundaries of the home county of the college and perhaps beyond its service area
- Are offered by two or more colleges
- Serve unusual needs of a region, industry, or group of institutions and falls outside the normal instructional program of a college

The Department found that the vast majority of the System's vocational/technical programs "are offered by only a few colleges," and that a "large plurality" are offered by only one. These are "regional" programs, under the definition. In addition, more than 60 percent of the programs

¹⁰"Joint and Regional Programming," NCCCS, 1990.

offered in the System draw students from four or fewer counties. These too are "regional" programs.

Consortium and Cooperative Programs. Two other specific forms of shared programs have come into use in NCCCS—"consortium" programs and "cooperative" programs. A consortium program involves two or more community colleges which join together to offer a program. This arrangement allows for all of the colleges to offer the first year of a program and concentrates the second and usually more expensive year at one of the campuses. Alternatively, the second year or the entire program is offered on a rotating basis between the colleges. The consortium agreement may include the right of a program graduate to use the articulation agreement of a participating college to transfer to a four-year degree program. Exhibit 9 provides a list of the 19 consortia programs currently offered by NCCCS.

The cooperative program is a still newer idea. Only one is in operation and another is in planning. The Consortium for the Advancement of Public Education (CAPE) serves the southeastern part of the State and involves UNC-Wilmington (UNC-W), East Carolina University (ECU), seven community colleges, 14 county school districts (an additional two participants are pending), four city school districts, the Camp Lejeune schools, and several area businesses. CAPE's purpose is to:

"Deal with issues of vital interests to local communities and regions beyond the scope of 'standard educational interests' and provide a context in which educational organizations at all levels can join forces with each other, governmental agencies, industries and foundations to pursue non-traditional approaches to problems facing education."¹¹

Counties were **geographically** meaningful political subdivisions when they were originally carved out. In the words of one interviewee, North Carolina's county lines were drawn "so that a man could ride his horse to the county seat, transact his business, and return home before nightfall." In modern times, transportation, technology, and population mobility are three megafactors that should change concepts of service delivery. In North Carolina, the local community focus of community colleges has served well and local focus is a good and valuable objective that should continue to be part of the goals of the System. However, for the future, the System **also** must see itself as serving regional, statewide, and even global needs. The shift also needs to include refocusing from "training" to "educating" the workforce. The System needs a way to add these other perspectives to the currently dominant local perspective—without necessarily abandoning the notion of community service. It should be possible to balance these interests and strengthen the System in the process.

Given overlap in service areas of the community colleges, it would be necessary to define larger regions in order to rationalize specialized programs in a manner that conserves resources.

¹¹CAPE: *Serving the Children of Southeastern North Carolina*, 1992.

EXHIBIT 9
North Carolina Community College System
Consortium Programs – June 1992

Program	College with Primary Responsibility	Participating Colleges	Comments
Nursing A.A.	Haywood	Tri-County, Southwestern	
Industrial Pharmaceutical Technology	Wake	Nash, Wilson	
Paralegal Technology	Davidson	Forsyth, Guilford, Rockingham	
Respiratory Care Technology	Forsyth	Catawba, Wilkes, Davidson, Mayland, Caldwell, Mitchell, Rowan-Cabarrus, W. Piedmont, Surry	
Nursing Education Options: A.A. with PN		Nash, Edgecombe, Wilson, Halifax	Jointly sharing staff and clinical facilities.
Medical Records	Central Piedmont	Rowan-Cabarrus, Davidson, Mayland, Caldwell, W. Piedmont, Wilkes, Surry, Forsyth, Mitchell	
Military Science Technology	Central Carolina	Asheville-Buncombe, Cape Fear, Central Piedmont, Durham, Guilford, Pitt, Robeson	
Radiologic Technology	Forsyth	Guilford	
Tool and Die Making			Informal arrangement with eight colleges offering this program to accept students from any Machinists one year program into the second year Tool and Die programs
A.A. Nursing (RN)			A number of programs provide a transition course so Licensed Practical Nurses can enroll in the second year of the A.A. nursing curriculum to continue their education toward RN license.
College Transfer	Rowan-Cabarrus, Davidson		Memorandum of Agreement between the two schools for Davidson to provide A.A. program at Rowan-Cabarrus.
Fire Protection Technology	Guilford and Forsyth		Guilford teaches some fire courses at Forsyth and Forsyth teaches related and general education. Students go to GTCC for some fire courses.

EXHIBIT 9 (continued)
North Carolina Community College System
Consortium Programs - June 1992

Program	College with Primary Responsibility	Participating Colleges	Comments
Funeral Service Education	Fayetteville with Forsyth		Fayetteville teaches major courses and awards degree. Forsyth teaches related and general education.
Law Enforcement Technology	Guilford with Rockingham		Guilford teaches major courses and awards degree. Rockingham teaches related and general education.
Radiologic Technology	Roanoke-Chowan with Pitt		Pitt is authorized to award the AAS degree curriculum. Theyu offer the courses on the campus of Roanoke-Chown. Roanoke-Chowan is authorized to offer all other general education and related courses appropriate for this curriculum. The AAS degree is awarded to graduates by Pitt.
Associate Degree Nursing	Foothills Nursing Consortium	Cleveland, McDowell, Isothermal	A cooperative effort to form one unit for the purpose of providing education for A.A. degree nursing students through joint support and operation of a nursing education program. Each college is approved to award the degree to students sucessfully completing the program.
Dental Assisting	Cape Fear	Brunswick, James Sprunt, Southeastern	Cape Fear to award the diploma. Other colleges authorized to offer general education and related courses.
Phlebotomy		Brunswick, Cape Fear, Southeastern	Each college offers the progra, on a rotating basis so that no two colleges are offering the program during the same quarter. Each college can give a certificate.
Medical Record Technology		Cape Fear, James Sprunt, Southeastern, brunswick	Each college will offer the curriculum and ward the degree. The three colleges agree to accept students transferring from Southeastern.

Source: North Carolina Dept of Community Colleges

Use of Technology in Instructional Delivery

Advanced communications technologies, including interactive voice, video, and data transmissions, offer a potential major resource to NCCCS that would permit wider delivery of system programs and services to dispersed locations and students/clients without requiring massive bricks-and-mortar investment in continually expanding physical plant. Travel time for students and faculty also can be reduced with distance learning techniques. Advanced technology also offers the ability to tie together resources of UNC, NCCCS, the public schools, and industry, on behalf of educational and training needs of North Carolina's citizens.

Interactive video allows courses and instruction to be transmitted from other colleges which could then supplement with part-time instructors. Currently, 13 colleges have dedicated cable channels in their area local cable network; 20 colleges have arrangements with local cable companies to run programming on the educational or community access channel. In addition, real-time interactive video transmission of classes already is occurring at Central Piedmont, Gaston, and Cape Fear Community Colleges and with the public schools in their areas. At least 22 other colleges are in the planning stages or have expressed interest in implementing local or regional two-way video networks and/or interconnecting with their satellite campuses.

There are plans to link NCCCS into the Communication for North Carolina Educating Research, and Technology (CONCERT) Data Network. CONCERT is a high speed data and interactive video network connecting many of North Carolina's universities and scores of research centers and private industry sites. UNC is successfully using CONCERT to deliver courses. Seven UNC institutions are on the network and two more will be added this year. UNC's long-range plan calls for all 16 institutions to be added to the network. Plans for CONCERT also include linking community colleges, the first groups to be added in the next few years.

Availability of Data for Strategic Planning, Program Evaluation, and Student Outcome Assessment

Finding 19: Program planning, evaluation, and student outcome assessment is hampered by inadequate systemwide data.

As the System has been so focused on local needs and program decisions are decentralized, data has been difficult to accumulate data at the System level.

NCCCS is in the process of linking campuses into one relational database to provide a means to share information between colleges and the Department of Community Colleges. This program, upon completion, will allow colleges and the Department to improve planning, policy development, and budgeting. It also will support evaluation and outcome assessment. The Department indicates that its efforts in outcome assessment are hampered by lack of funds to develop the database.

RECOMMENDATIONS

The first recommendation is a global one that attempts to state the direction of proposed changes in broad terms. Recommendations that follow address specific aspects of how to refocus NCCCS.

Recommendation 1: Make NCCCS a true system by enacting changes in institutions, regional programming, governance, and funding.

Many studies and recommendations have addressed the issue of the future economic climate of the southeastern region and North Carolina in particular. All point to the need for a better educated workforce. As 75 to 80 percent of the future U.S. workforce are adults who are already in jobs, NCCCS is the system that can most effectively and efficiently meet this task. Therefore, this study calls for major restructuring of NCCCS which, if implemented, may produce a stronger, more focused, more effective System. Following are supporting recommendations.

Recommendation 2: Mandate a moratorium on establishment of new colleges and satellite campuses until the State Board develops a system restructuring plan.

By any comparison, North Carolina can be said to have **enough** community colleges, even though the locations are not necessarily in areas that have been or are experiencing population and industrial growth. With the advent of new technologies that are available now and in the future, North Carolina has sufficient community colleges to serve its present and future needs. Before any more are created, clear and firm guidelines need to be developed that recognize the availability of technology and transportation, that apply far more aggressive regional program-sharing principles, and that allow for closing of some campuses, if/as others need to be opened.

In other words, expansion of NCCCS should take the form of technology investments and quality enhancement, not physical expansion of facilities and proliferation of yet more institutional entities.

Recommendation 3: Mandate the State Board to redefine system structure based on a regional view of program needs.

A new plan would, based on needs, define enlarged service areas. It would incorporate decisions to consolidate, eliminate, or change the status of existing colleges and satellites, with the aim of rationalizing distribution of physical facilities, programs, and resources in regions. In this way, community colleges could eliminate competing with each other for the same students in overlapping service areas; some small colleges might become satellites; and distance learning technology would become significant.

A regional system, institutional, and program structure would allow for better program planning, better use of scarce resources, better implementation of statewide curriculum standards, and fewer but higher quality programs. Regions rather than colleges would be a main focal point

or "unit" for comprehensive planning, budgeting, implementing and monitoring of community colleges by the State Board and the Department of Community Colleges. The State Board would combine, consolidate, and redefine institutions versus sites, and rearrange program distributions accordingly.

Criteria that might form the basis for restructuring into newly redefined regions could include:

- location of nearest college or satellite campus
- new or anticipated population to be served
- transportation corridors and facilities (roads, new and proposed, as well as public transportation)
- programs proposed versus location of nearest similar programs
- ability to deliver programs via technology
- potential impact on enrollments of nearby institutions
- use of facilities of local school systems
- deliberate clarification and geographic redistribution of two distinct institutional categories—comprehensive community colleges and technical colleges

Recommendation 4: In defining new regions, the State Board should conduct a one-time program review, to eliminate programs that are unproductive, duplicative, unnecessary, or of weak quality.

The periodic productivity review model already in use at UNC can serve as a model for NCCCS. Also, specific recommendations for a one-time program review for UNC can be fashioned to serve NCCCS. (These recommendations are presented in the issue paper "Academic Program Planning – The University of North Carolina). For NCCCS, however, redefined regions should be the major factor in the one-time review.

Recommendation 5: Strengthen standards for periodic program reviews with guidelines for program termination.

The basis for reviews would be low productivity, low priority (for reasons of duplication or lack of need), or low standards.

The State Board's revised program review process should be cognizant of data on statewide workforce forecasting and needs. Future program reviews should take into

consideration the use of technology to deliver programs to remote areas or areas with low target population.

Recommendation 6: Expand the Curriculum Improvement Program to establish a "centers of excellence" model for curriculum design.

While the System can be said to have "standards" for each of its curriculum programs, individual colleges are not currently **required** to meet these standards. Nor is it easy, in the current culture that focuses so heavily on local autonomy, to strengthen the existing standards. The concept proposed here would be to bring together the best faculty from each program area to review and redefine the standards. Their goal would be to create "world class" model programs that would be implemented systemwide at each of the institutions authorized to offer the program.

These proposed "centers of excellence" will not be **geographic**, that is, they will not be actual centers located at one of the institutions. Rather, they will be statewide committees of faculty, selected on the basis of systemwide excellence and leadership. Faculty from any college hypothetically could be part of a center of excellence in Nursing Education, or other disciplines. The centers, functioning as committees, will be responsible for curriculum design, standards, and updating, in response to changes in technologies and market conditions.

This recommendation will be beneficial only if it is implemented in concert with regional redistribution of programs.

Recommendation 7: Create a program-based funding model with an FTE component and a goal-performance component.

First, the recommendation implies reversal of the current concept, with is primarily FTE-based with some program elements. A program-based funding model is necessary to support other recommendations for system and program restructuring, as it is the only means to focus the System and the General Assembly on **what is being taught and how well it is being taught**, as opposed to **how many are being taught**. Essentially, in current funding terminology, the recommendation would mean a massive shift toward "categorical" funding. FTE elements of funding would continue to be applied to level the effects of varying institutional size.

Second, a primarily program-based funding model would allow the General Assembly and the State Board to establish an incentive program for performance-based funding, to meet specific State needs or goals.¹²

A performance-based funding component might require appropriations of specific sums in addition to base program and FTE appropriations. The State Board would articulate goals, based on State strategies or objectives. Special appropriations would be allocated equally among each of these goals and awarded to institutions on a pro-rated basis.

¹²The following discussion is adapted from a Texas Higher Education Coordinating Board Proposal on Performance-Based Funding, May 1992.

For example, assume that a pool of "special goal" money is \$8 million dollars and that there are eight special goals. Each goal would be allocated \$1 million of incentive funds. Assume that increasing the number or percentage of minority graduates in engineering technology is one of the eight goals. If the System produces 800 qualified minority graduates in engineering technology (in presumably approved curricula), then each such minority graduate is worth \$1,250 dollars in performance funding to the institutions. Therefore, each campus would receive this amount for each graduate in this category. The funds could be applied by the institution flexibly for purposes of strengthening or enhancing other programs and, in certain cases, for new programs.

A performance funding component allows each campus to receive an awarded amount based upon performance. The goals and measures should be a broad mix so that all institutions with differing missions will benefit from performance on different measures. The General Assembly determines the level of funding designated for each goal and all institutions receive the same reward for a single unit of performance.

Recommendation 8: Change the statutory authority of the State Board from "approval" to "appointment" of the presidents of the local community colleges.

If the State Board is to be able to fully exercise its statutory authority, NCCCS should have clearer lines of authority flowing from the Board and the President of the System to the local institutions, as UNC does. Currently, in both statute and practice, this line of authority seems to break down with the appointment of the local presidents by the local boards of trustees, "with State Board approval." The new practice would be patterned on the practice of UNC, that is, the colleges would present a slate. Search committees would include state-level members. The President of the System would appoint the presidents, subject to approval of the State Board.

Recommendation 9: Change local board composition to eliminate school board trustee appointments.

Four trustees would be elected by the board of commissioners of the counties the college serves; four would be appointed by the Governor; and four would be appointed by the State Board of Community Colleges.

This recommendation eliminates the four trustees that are now elected by the boards of education in the city or county units for three reasons. First, the focus of community colleges is more aligned with postsecondary education than with elementary and secondary education. Second, the new system structure would include a new regional focus.

Third, local school board influence on community college boards presents a potential conflict of interest. One interviewee cited as an example that it is possible for an employee of a community college to be appointed to the institution's board of trustees. This is a potential source of embarrassment and conflict of interest and nothing in the "rules" prevents this from happening. Moreover, if the continuum of education programs is redesigned, potential changes

in vocational education in high schools and community colleges would be a specific area for conflict of interest.

Recommendation 10: Consider increasing overall funding to NCCCS at levels more comparable to national averages as soon as the State's fiscal conditions permit.

Various other studies and reports have concluded that NCCCS is currently underfunded; yet this is the System that can best meet workforce needs to take North Carolina to the year 2000 and beyond.

These combined recommendations are capable of generating large internal savings by realignment and redeployment of existing resources. However, these savings alone may not be enough to pay for the improvements and strengthening of NCCCS that will be necessary during the next decade and beyond. If North Carolina still desires to provide "open access" to postsecondary education for its citizens "as far as practicable, free of expense" raising tuition and/or fees to meet additional needs (as discussed in the issue paper on "Tuition and Fees") may not be an entirely adequate solution either.

IMPLEMENTATION CONSIDERATIONS

Regionalization

In considering a new model for regions, the State Board might take into account:

- Existing six Trustee Association regions
- Current distribution of regional and consortium programs
- Attempts to match regions with public school regions and in consideration of university service areas
- The CAPE model

Projections of Workforce Skills Needs

Currently, this is a function of the State Occupational Information Coordinating Committee (SOICC) which includes representation of all three education systems. Review of SOICC's activities was beyond the scope of this analysis. However, the General Assembly will need to consider whether SOICC is the proper vehicle, whether it is adequately responding to needs, and whether it is appropriately funded. A sophisticated resource for projection of both occupation-specific and generic workplace skills needs will be important to strengthening programs in education.

Governance

Current statutes appear to attribute sufficient central authority to the State Board of Community Colleges. It is possible that the only statutory change needed pertains to selection of community college presidents. The State Board or the Department of Community Colleges may be in a position to comment further on whether there are areas of language ambiguity that could and should be further clarified in the statutes.

Internal governance changes for NCCCS will need to be coordinated with governance/coordination arrangements between the three education systems.

Cost Savings and Overall System Funding

As so many other studies have led to conclusions that NCCCS may be underfunded and this study has found no evidence to the contrary, future infusions of money may need to be considered. However, it would be appropriate to approach overall funding levels in two phases: first, to mandate system restructuring and redeployment of resources at approximately the current funding level, to ensure that NCCCS is making maximum use of current resources; and second, to determine what additional future levels of funding might be necessary and appropriate to accomplish state goals for a "world-class" community college delivery system.

Department Organization

An expanded and strengthened regionalization model and greater exercise of control over program offerings and quality at the State Board/Department level probably will require realignment of staffing. Organizational restructuring is beyond the scope of this study. The Department should undertake such a review at the appropriate time.

Calendar System

Currently curriculum students make up 64.3 percent of FTE enrollments. If North Carolina redesigns its educational delivery system to allow students to progress more easily from high school to a community college and on to the UNC system, a common calendar might help. The semester calendar system is the most prevalent practice throughout postsecondary institutions in the U.S., including North Carolina's public and private four-year institutions. Change to a semester system might simplify one aspect of the articulation agreement challenge and speed the process of student transfer between NCCCS and UNC. The State Board should comment further on this idea.

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