

STATE OF NORTH CAROLINA
Office of the State Auditor



Ralph Campbell, Jr.
State Auditor

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January 10, 2000

Mr. Theodis Beck, Secretary
N.C. Department of Correction
214 West Jones Street
Raleigh, NC 27603-1337

Dear Secretary Beck:

On October 15, 1999, we received an allegation through the State Auditor's Hotline that the Maintenance Mechanic at the Department of Correction's (DOC) Moore County Sewing Plant in Carthage, NC was commuting to work in a state vehicle. The caller also stated the Maintenance Mechanic drove the vehicle for personal use.

According to the Maintenance Mechanic, he was assigned a state vehicle on July 21, 1997, the date he was employed with DOC. The Maintenance Mechanic said his prior supervisor allowed him to commute in the state vehicle because his position required him to be on-call 24 hours per day. He said State Capital Police and the Fire Department are instructed to call him if an alarm goes off at the facility. The Maintenance Mechanic said he is required to wear a pager at all times and is called approximately once a month to return to the facility.

The Maintenance Mechanic admitted he picked up personal supplies in the state vehicle, but only when he was picking up state supplies as well. The Maintenance Mechanic said he did not make additional trips for personal items in the state vehicle.

A review of the Maintenance Mechanic's time sheets from July 19, 1998 to November 6, 1999 revealed the Maintenance Mechanic returned to the Moore County Sewing Plant because of the fire alarm on eight occasions. Further, a review of the Maintenance Mechanic's travel log for the same time period revealed the Maintenance Mechanic parked the state vehicle on November 12, 1999, two days after we contacted him regarding the allegations. According to the Plant Manager, he instructed the Maintenance Mechanic to no longer commute in the vehicle after we called.

The Department of Administration Motor Fleet Management Regulations state,

State-owned passenger-carrying vehicles shall be driven by state employees and used for official state business only. It shall be unlawful for any state employee to

use a state-owned vehicle for any private purposes whatsoever. Commuting privileges approved by Motor Fleet Management (MFM) are not considered a private purpose. An employee with an individual permanently assigned vehicle may drive the vehicle to and from his/her home when one or more of the following conditions exist:

1. By virtue of his/her position, the employee is entitled to use the vehicle and is so approved by the Secretary of the Department of Administration.
2. Employee's duties are routinely related to public safety or are likely to expose him/her to life-threatening situations.
3. Employee's home is his/her official workstation and the vehicle is parked at the home when not being used for official business.
4. State-owned vehicle is required for a trip the following workday and employee's home is closer to the destination than the regular work station, and the employee does not have to report to his/her regular work station before beginning the trip. Frequent occurrence of this situation would require MFM approval.
5. Temporary and agency-assigned vehicles may not be driven to employees' home unless one of the above four conditions applies.

Employees who routinely drive any state-owned vehicle between their home and work station shall reimburse the state for mileage. Reimbursement shall be made by payroll deduction. The amount of reimbursement shall approximate the benefit derived from the use of the vehicle as prescribed by federal law at a rate established by Motor Fleet Management (MFM) and shall be for 20 days per month. Commuting privileges require prior approval of MFM.

Currently, the rate established by MFM is \$3 per day. According to MFM, the Maintenance Mechanic has not been approved to commute in a state vehicle; therefore, it appears none of the conditions stated above apply to the Maintenance Mechanic.

We recommend that DOC take those steps necessary to assure that motor vehicles are not used for private purposes and that all statutory and regulatory requirements are satisfied prior to use of state-owned vehicles for commuting. In addition, we recommend that DOC consult with legal counsel regarding the recovery of the \$1,677 in commuting fees that should have been paid for use of the vehicle from July 2, 1997 through November 12, 1999.

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We are presenting these findings for your review and written response. The purpose of the response is to allow you the opportunity to outline any corrective actions taken or planned. We request the delivery of your written response by January 24, 2000.

If you have any questions or wish to discuss this matter further, please contact us. We appreciate the cooperation received from your staff during our review.

Sincerely,

A handwritten signature in black ink that reads "Ralph Campbell, Jr." in a cursive script.

Ralph Campbell, Jr., CFE
State Auditor

RCjr:cj



North Carolina Department of Correction

Office of the Secretary
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James B. Hunt, Jr.
Governor

Theodis Beck
Secretary

January 21, 2000

Mr. Ralph Campbell, Jr., CFE
State Auditor
300 North Salisbury Street
Raleigh, NC 27603-5903

Dear Mr. Campbell:

The Department of Correction has reviewed the audit findings presented in your letter dated January 10, 2000. The department concurs with these findings that an employee was commuting from home to work in a state-owned vehicle in violation of Motor Fleet Management rules and regulations.

Corrective measures have been initiated by N.C. Correction Enterprises management. Appropriate disciplinary action has been issued to the involved employee as well as to responsible supervisory staff. Further, the department will initiate steps to recover the \$1677.00 in commuting fees incurred by the employee. Correction Enterprises will disseminate Motor Fleet Management rules and regulations to all its employees regarding the use of state-owned vehicles.

Thank you for providing the Department of Correction your report identifying this situation of non-compliance with regulations governing the use of a state vehicle. If further action is required, please let me know.

Sincerely,

Theodis Beck, Secretary
N.C. Department of Correction

cc: Lynn Phillips, Assistant Secretary
James Godwin, Enterprise Director

