

STATE OF NORTH CAROLINA  
**Office of the State Auditor**



Ralph Campbell, Jr.  
State Auditor

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December 29, 1999

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

Dear Secretary Beck:

On October 8, 1999, we received an allegation through the State Auditor's Hotline concerning the Superintendent of the Bladen County Youth Center. According to the complainant, the Superintendent used inmate labor in the construction of his church.

We conducted a special review of the allegation by interviewing Department of Correction (DOC) employees, interviewing other related individuals, and reviewing documentation related to the complaint.

We determined that on at least three different occasions, inmates from the Bladen County Youth Center assisted in the construction of a fellowship hall for a church where the Superintendent is a member. According to the Superintendent, in 1997 he sent an inmate Community Work Program (CWP) crew member to his church to re-dig foundation footings that had filled with dirt due to rain. He said the inmates were probably transported by a DOC van and used DOC shovels. He did not remember the number of inmates that worked or the time it took to complete the job.

According to the Superintendent, sometime in late 1997, four members of the Bladen County Youth Center Men's Club, a club for inmates, volunteered to assist installing shingles on the fellowship hall roof. The Superintendent said that he was not responsible for volunteering the inmates' services. He said the inmates volunteered their services to the preacher. He said a Correctional Officer supervised the inmates. The inmates worked all day and the church provided the inmates with tools and two meals.

The Superintendent said that sometime in 1998, he sent an inmate work crew to the church to paint the fellowship hall. He said that approximately two hours after the work crew left the Youth Center, a DOC Sergeant informed him that DOC regulations prohibited Community Work Program inmate crews from working for churches. The Superintendent said he immediately called the Church, but the crew had finished painting the walls. He said the crew consisted of approximately ten men.

Mr. Theodis Beck, Secretary

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The Superintendent said the three incidents discussed above are the only times he remembers inmates working at his church or any church. The Superintendent said he was confused about which agencies could participate in the Community Work Program. He said he thought churches could use the Community Work Program until he was informed otherwise in 1998. He said another church requested the services of an inmate work crew approximately three months ago, but he told that church that inmate work crews could not work for churches.

The Superintendent gave us a copy of a memo dated February 19, 1999, from the Director of Prisons to all Administrators and Superintendents that states:

Division of Prison Policy 2D.0710 requires that all Community Work Program projects be for governmental agencies. We have recently had some projects where Community Work Squads worked for "non-profit" agencies such as civic organizations, Habitat for Humanity and volunteer fire departments. In most cases, "non-profit" agencies are not government agencies and do not qualify for this program even though they may receive partial funding from state or local governments.

Please review all future projects closely to ensure that they are approved only for work with local and state government agencies on public property.

According to the Division of Prisons, Chief of Program Services, the inmate Community Work Program (CWP) started over four years ago. The CWP allows inmate work crews to work for government agencies. He said there has been some misinterpretation of the Community Work Program requirements, but inmates should only work for government agencies.

We recommend DOC ensure that prison units understand and comply with the Community Work Program regulations.

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 19, 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,



Ralph Campbell, Jr., CFE  
State Auditor

RCjr:dp

**Management letters and responses receive the same distribution as audit reports.**



## North Carolina Department of Correction

Office of the Secretary

4201 Mail Service Center • Raleigh, NC 27699-4201

James B. Hunt, Jr.  
Governor

Theodis Beck  
Secretary

January 19, 2000

Honorable Ralph Campbell, Jr.  
State Auditor  
300 N. Salisbury Street  
Raleigh, North Carolina 27603-5903

Dear Mr. Campbell:

Thank you for your letter of December 29, 1999, concerning allegations received from the State Auditor's Hotline. These allegations concerned the Superintendent of Bladen Correctional Center using inmate labor to work on church property where he is also a member. As indicated in your letter, we have confirmed that this did occur but that these decisions may have been made as a result of confusion concerning the parameters of the Inmate Community Work Squad Program.

The Community Work Squad Program was developed in the mid-1990's as a means of providing assistance to local governmental agencies. This program has been a very popular and worthwhile program providing badly needed labor and educational work opportunities for inmates and saving local governments millions of dollars. The popularity of this program blossomed into numerous requests for assistance from governmental agencies, private non profit organizations, and churches.

In recognition of the increasing number of requests for assistance being made by nongovernmental agencies, then Director of Prisons, Dan Stieneke, sent the February, 1999, memorandum referenced in your December 29th letter. Subsequent to this memorandum reemphasizing the policy of the Department to use this work program for governmental agencies only, the General Assembly passed a Special Provisions effective July 1, 1999, that allows inmates to work on private property, including churches, where the work is deemed to be for the good of the general public and when the work would go undone if inmate labor was not available.

After reviewing this program, the apparent misunderstanding that has occurred with some Division of Prisons' managers relative to this program and in consideration of the Special provision passed in the General Assembly in July, 1999, I have instructed the Director of Prisons to issue instructions to all DOP Superintendents explaining to them the changes to this program allowed by the Special Provisions and implementing safeguards that should diminish the potential



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for projects being approved by Superintendents that give the perception of impropriety. I have enclosed a copy of the Director's instructions with this letter for your information.

I appreciate your bringing this matter to my attention. If you have any remaining questions, please do not hesitate to contact me.

With kind personal regards, I remain

Sincerely,

A handwritten signature in cursive script that reads "Theodis Beck".

Theodis Beck

TB:DS/fs

Enclosure

**MEMORANDUM:**

**DATE:** 01-19-00

**TO:** Warden, Administrators, Superintendents

**FROM:** James B. French

**SUBJECT:** Community Work Program Projects

The efforts of Division of Prisons staff and inmates involved in the Community Work Program are frequently commended by local, state and federal agencies that profit from the services of these work crews. The popularity of the Community Work Crew Program continues to spread and we are aiding more agencies than ever before. Because of the increased requests and popularity of this program, I want to reaffirm the policies governing work and services provided by our Community Work Crews.

During the 1999 Session of the General Assembly, the statute governing the Community Work Program {G.S. 148-26(a)} was rewritten to clarify that a Community Work Program Project may be performed if the project or service is of benefit to the citizens of North Carolina or units of state or local government thereof, regardless of whether the project or service is performed on public or private property. There are occasions where work performed for the benefit of the citizens of North Carolina may require access to private property. While such access may be authorized, staff should avoid any work project or services that could imply potential conflict of interest allegations.

In a memorandum dated February 19, 1999, former Director of Prisons Daniel Stieneke addressed the issue of Community Work Program Projects for Nonprofit Agencies. You are reminded that in most cases, "nonprofit" agencies are not government agencies and may not necessarily qualify for the services of the Community Work Program even though they may receive partial funding from state or local governments. In assessing these requests, you are guided by the requirements that the project or service involved is a type of work that inmates are qualified to perform; the project or service is a benefit to the citizens of North Carolina; and the project or service is not one that would normally be performed by private industry or non-inmate labor if inmate labor were not available.

**Memorandum: Community Work Program**

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As we begin a new year of service to our state and local communities, we indeed want to provide services that benefit the citizens of North Carolina however, staff involved in the review and approval of Community Work Crew Projects must insure the integrity of this program and this agency is not compromised by performing work projects outside the scope of our guidelines. If you are in doubt about the appropriateness of any work project request, the request should be forwarded through your chain-of-command to my office for final decision.

As always, your attention to this matter is greatly appreciated. If you have additional questions, please contact your Region Director, David Osborne, John Blalock or myself for clarification.

JBK/DRO:do  
directive.wpd

cc: Dan Stieneke  
Region Directors  
Central Management Team