



STATE OF NORTH CAROLINA
Office of the State Auditor

Leslie W. Merritt, Jr., CPA, CFP
State Auditor

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June 16, 2006

Dr. Lloyd V. Hackley, Interim Chancellor
North Carolina A & T State University
1601 East Market Street
Dowdy Administration Building
Greensboro, North Carolina 27411

Dear Dr. Hackley:

We received an allegation through the *State Auditor's Hotline* concerning the Assistant Vice Chancellor of Police and Public Safety (Assistant Vice Chancellor) at North Carolina A & T State University (University). Allegedly, the Assistant Vice Chancellor used a University cell phone for personal calls. We have completed a special review of this allegation. The following findings and recommendations are based on interviews with University personnel, examination of various documents and records and review of applicable policies.

Personal Use of a State-Issued Wireless Telephone

Our review of University cell phone records from January – December 2005 indicated that the cell phone issued to the Assistant Vice Chancellor accumulated 2,447 minutes of airtime for one specific phone number. The Assistant Vice Chancellor acknowledged that the calls associated with this phone number were personal in nature. At first, he indicated he may have received some personal phone calls on the University cell phone, but he tried to limit them in number and length. Later, he said he may have also placed some personal phone calls on the University cell phone, but always tried to limit them to 5 minutes or less.

The Assistant Vice Chancellor acknowledged his understanding of the rules governing University cellular telephone usage when he signed the *Cellular Phone Orientation* form that included the following University policy:

“Because cellular telephone charges are based on measured use, NO personal calls should be made on cellular telephones except in case of emergency as determined by the department.....Personal calls to and from the cellular telephone are the personal responsibility of the user.”

Thus, the Assistant Vice Chancellor's use of the University cell phone for personal calls violated University policy. Moreover, the University's wireless phone service provider charged \$0.45 per minute for airtime exceeding the wireless plan minutes. As a result, the University incurred \$1,101.15 of wireless charges for the personal use of a University cell phone.

Dr. Lloyd V. Hackley, Interim Chancellor

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Recommendations

We recommend the Assistant Vice Chancellor reimburse the University \$1,101.15 for his personal use of the University cell phone from January – December 2005. University management should also reemphasize the University policy that prohibits personal use of state-issued cell phones.

Please provide your written response to these findings and recommendations, including corrective actions taken or planned by June 30, 2006. In accordance with North Carolina General Statute §147-64.6 (c)(12), the Governor, the Attorney General, and other appropriate officials will receive a copy of this management letter. If you have any questions or wish to discuss this matter further, please contact us. We appreciate the cooperation received from the employees of North Carolina A & T State University during our review.

Sincerely,

Handwritten signature of Leslie W. Merritt, Jr. in cursive script.

Leslie W. Merritt Jr., CPA, CFP
State Auditor

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



NORTH CAROLINA AGRICULTURAL AND TECHNICAL
STATE UNIVERSITY

Office of the Chancellor

June 28, 2006

Mr. Leslie W. Merritt, Jr.
Office of the State Auditor
2 South Salisbury Street
20601 Mail Service Center
Raleigh, North Carolina 27699-0601

Dear Mr. Merritt:

As required by your office, we are forwarding the written response to your management letter outlining the findings and recommendations, including corrective actions to be taken, regarding the audit of the personal use of a state-issued wireless telephone.

If you require additional information, please let us know.

Sincerely,

A handwritten signature in black ink that reads "Lloyd V. Hackley".

Lloyd V. Hackley
Interim Chancellor

LVH/WTE:g

Enclosure

CC: Mr. George Burnette, Associate Vice President for Finance, UNC Office of the President
Mr. Willie T. Ellis, Jr., Vice Chancellor for Business and Finance
Mr. Larry Kreiser, Interim Internal Auditor



From Generation to Generation: The Campaign North Carolina A & T

1601 East Market Street • Greensboro, NC 27411 • (336) 334-7940 • Fax (336) 334-7082

**North Carolina Agricultural and Technical State University
Greensboro, NC**

Audit Finding and Recommendation

The following findings and recommendations are based on interviews with University personnel, examination of various documents and records and review of applicable policies.

Personal Use of a State-Issued Wireless Telephone

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Recommendation

We recommend the Assistant Vice Chancellor reimburse the University \$1,101.15 for his personal use of the University cell phone from January-December 2005. University management should also reemphasize the University policy that prohibits personal use of state-issued cell phones

Response

The University concurs with the recommendation. The affected employee has fully reimbursed the University for all personal calls at the service provider’s overage rate. In addition, a letter of reprimand has been issued to him for the policy violation. University management has reemphasized to both the employee and to the campus community the University cell phone policy concerning personal calls and overage charges.