

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



**Ralph Campbell, Jr.**  
State Auditor

2 S. Salisbury Street, Raleigh, NC  
Mailing Address: 20601 Mail Service Center  
Raleigh, NC 27699-0601  
Telephone: (919) 807-7500  
Fax: (919) 807-7647  
Internet <http://www.ncauditor.net>

---

**PRESS RELEASE**

---

For Immediate Release:

March 27, 2003

For additional information contact:

Ralph Campbell, Jr., State Auditor  
(919) 807-7500  
[rcampbel@ncauditor.net](mailto:rcampbel@ncauditor.net)

## **Investigation by State Auditor Ralph Campbell questions work of Employment Security official**

RALEIGH \_ An official of the North Carolina Employment Security Commission was absent from the office more than half the time he listed on his official time sheets, an investigation released Thursday by State Auditor Ralph Campbell indicates.

The investigation grew out of a complaint to the State Auditor's Hotline that the Commission's Director of Public Information was frequently absent or late for work. Employees interviewed as part of the investigation said the director claimed to be working from home, but had told other employees requesting the same treatment that there was no telecommuting policy. Some employees said they had been disciplined for being minutes late.

Several employees kept diaries noting the director's absences and late arrivals. A comparison of those diaries with the director's time sheets from January through October 2002 indicated he was absent or worked less than 8 hours on 107 of 212 working days during the period without reflecting that on the timesheets.

"Every government agency must be accountable to the public for the work it performs," Campbell said. "Certainly, the most basic level of accountability is the time sheet that an employee uses to record his working hours. There are provisions for flexible work schedules and telecommuting that allow employees to work outside the office under certain situations, but those policies must be in writing for any agency that uses them. And fairness would require that such arrangements be made available to as many employees as possible."

The investigators also questioned purchases made by the director that appeared to circumvent purchasing procedures, including some made on the director's personal credit card that were delivered to his home under the name of his private business. Also questioned were more than \$40,000 in computer purchases and repairs without proper approval.

The Employment Security Commission, in its response to the audit report, said the allegations had previously been investigated internally. That investigation concluded the director was operating within agency standards.



In a rare “State Auditor’s Note,” Campbell said the response had “statements or implications that we find misleading, confusing, and evasive.”

“The response questions the credibility of the ESC employees who we interviewed, particularly as it relates to the work attendance of the PIO,” Campbell wrote in the note. “Information on the PIO’s work attendance was available from various sources and was consistent. It is clear that a problem exists. Therefore, we recommend that ESC address the issues that we identified.”

It is only the second time in three years that a “State Auditor’s Note,” essentially a response to an agency’s response, has been included in an audit report.

The report is available on-line at <http://www.ncauditor.net/EPSWEB/EDSreportdetail.asp?RepNum=INV-2003-0260>.

Copies of the report may be obtained at the office’s web site at [www.ncauditor.net](http://www.ncauditor.net). Printed copies of the report can be obtained by filing a request under the Audits section of the web site or by calling the Office of the State Auditor at 919-807-7500.

