

STATE OF NORTH CAROLINA  
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**PRESS RELEASE**

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## Two employees who paid for some cellular calls owe state even more, Ralph Campbell says in audit

RALEIGH \_ Two Division of Public Health employees who already have reimbursed the state for personal phone calls on their cellular phones actually owe the state thousands of dollars more than they were originally charged, State Auditor Ralph Campbell said in an investigative audit released Thursday.

One of the employees continued to use her cellular phone for personal calls even after she had reimbursed the Department of Health and Human Services \$105 for personal calls detected by the department's internal auditors. The new audit also questions \$762.12 in travel expenses paid to the same employee.

The Department of Health and Human Services received allegations of cell phone misuse by two employees of the Wilmington regional office. At the same time, a call to the State Auditor's Hotline provided more detailed information on the alleged misuse.

An internal check of phone records from August 2002 to October 2002 indicated the employees had made lengthy calls, an excessive number of calls and multiple calls during late-night hours. One employee reimbursed the department \$105 for calls determined to be personal in February 2003. The second employee reimbursed the department \$60 for personal calls.

Investigators for the Office of the State Auditor examined cellular calls made by the two employees between January 2002 and June 30, 2003. That investigation indicated that the first employee had placed or received 5,372 calls totaling 22,341 minutes in those 18 months, including some made on the second employee's cellular phone. Of those calls, about 2,095 calls totaling 11,955 minutes were personal. Based on an average rate of 12 cents per minutes, the employee owes the state an additional \$1,329, auditors said. The employee had continued using her state cell phone for personal calls even after reimbursing the department in February.



The second employee had placed or received 4,141 calls in the 18-month period totaling 17,416 minutes. She said she did not use the cellular phone until March 2002 and quit using it in November 2002 because it was not working properly. For the nine months between March and November, auditors calculated she had made 1,249 personal calls totaling 7,555 minutes. The employee had reimbursed the state \$60 already, but auditors determined she owned an additional \$846.60.

Auditors also discovered that the first employee had claimed mileage to and from the Wilmington office on days when her cell phone bills said she was in Myrtle Beach, SC. She said she occasionally stayed with a friend in Myrtle Beach when she had appointments near the North Carolina/South Carolina border, but charged mileage to and from Wilmington regardless of her destination or departure. Auditors said that practice violates state policy and questioned \$762.12 in travel reimbursements since they were unable to determine actual mileage driven.

“Cellular phones can be a tremendous tool for state employees, allowing them to make the most efficient use of their time while conducting state business,” Campbell said. “But the state does not issue cellular phones to employees so they can use them for personal business and personal calls. There is an issue of public trust involved when employees are issued state equipment, and that public trust needs to be taken seriously.”

The report is available on-line at <http://www.ncauditor.net/EPSWEB/EDSreportdetail.asp?RepNum=INV-2004-0265>.

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.

