

**Office of the Lieutenant Governor
Conference Call Held November 20, 2013
For the Year Ended June 30, 2012**

On December 3, 2013 at approximately 2:00, Andy Babbitt called Amber Pool, Communication Specialist with the Office of the Lieutenant Governor to inquire about the repayment of personal expenses charged on the State travel card. Specifically, was the \$1,136.62 check handled differently from the previous payments for personal expenses? Ms Pool indicated that "he" (Lieutenant Governor) had taken the check to the Audit of State's Office. Ms. Pool stated that she had left early that day and "he" took it over for her. "He" called her and stated that the Auditor of State's office would not take the check and said that they would need to do something with it. Ms. Pool thought that DFA was involved with the check and may have processed it with the payment do to issues with travel card payments.

After concluding the phone call with Ms. Pool, Andy Babbitt and Matt Welch met with Darlene Hicks, DFA Manager for credit cards, Skochu Fields, and Norma Little at approximately 2:30. During the meeting, Ms Hicks was asked about payments made by the Lieutenant Governor from his personal account and how the payments would have been processed. Ms. Hicks indicated that the no personal checks would have been processed by her office. She indicated that personal checks for payment of personal expenses should be processed as refunds to expenditures after the State paid the full balance due. Ms. Hicks stated that this would be unusual and that personal expenses should not be charge to the State credit cards. Andy Babbitt specifically asked if Ms. Hicks or her staff remember a check from the Lieutenant Governor in July 2012 that may have been remitted to her office. A copy of the check in question was provided to Ms. Hicks. Ms. Hicks did not remember any checks but stated that there had been many problems with the Lieutenant Governor's travel card including being "turn off" for late payments. Ms. Field stated that she had worked on reconciliation of the monthly statements and continues to have problems.

During the meeting, Ms. Hicks noted that the training session was held with members of the Auditor of State's Office (Margo Coger, Scarlet White-Acklin, Megan Alexander) and the Lieutenant Governor's Office (Amber Pool, Rea Ann Gardner). The first training session occurred on July 18, 2012 after multiple phone calls with questions about reimbursement of purchases and late payment charges. Additionally, training sessions were held with the Lieutenant Governor and Auditor of State's staff in September 2012, January, 28, 2013 and May 20, 2013. At these training sessions, DFA discussed (per Ms. Hicks) the manner in which invoices were to be paid, late payment fees, and the process for reimbursement of the State for personal charges.

At the conclusion of the meeting, Andy Babbitt asked that Ms. Hicks research the disposition of the check for \$1,136.62 with US Bank. Us Bank is the issuer of the State credit card. After the meeting, Andy Babbitt received by email from Skochu Fields the correspondence with US Bank. The date of the correspondence is approximately the time frame DLA originally asked about the payment. See attachment 1 to this narrative for email correspondence.

After the close of business, Scarlet White-Acklin called Matt Welch. In a voice mail message, Ms. White-Acklin stated that a review of the files related to the check in question has been performed. Based on this review and prior knowledge of the process used to pay for personal expenses on State credit cards, she assumes that the check was delivered to Audit of State's Office and mailed to US Bank with the State

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warrant. Ms. White-Acklin states that the check did not clear because "US Bank did not cash the check". See Attachment 2 to this memorandum.

Based on interviews with staff at DFA and the Auditor of State's office, along with conversation with Lieutenant Governor's staff, no clear determination can be made as to the whereabouts of the check in question.