

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

The Lieutenant Governor called Andy Babbitt at approximately 1:30 on November 20, 2013. The phone call was taken in the office of Tom Bullington, Audit Manager. After brief salutations, the Lieutenant Governor was placed on speaker phone and informed that Mr. Bullington was also in the room.

The Lieutenant Governor asked if the date for which the management representation letter and response to the findings was November 25<sup>th</sup>. After looking at a calendar, Andy confirmed the date for the Lieutenant Governor.

The Lieutenant Governor stated that he was preparing a letter that will contain a timeline of events. Specifically, the timeline will describe, in the Lieutenant Governor's words, the timing of auditor's request with FOIA request and the similar nature of the requests. The mention of the timing of audit request to FOIA request was raised several times during the phone call. Although the Lieutenant Governor never directly accused DLA or the audit staff of providing information to the press, the Lieutenant Governor stated that both DLA and Auditor of State had access to the records.

The Lieutenant Governor also stated that he should have been informed either in the previous audit or by the Auditor of State as to the laws related to travel reimbursements. The Lieutenant Governor did not understand how the travel problems were not discovered in the prior audit. Andy tried to explain that the prior audit sample did not identify the travel reimbursement issue and that the travel expenditures were tested as part of a large maintenance and operations sample. The use of a larger sample for all maintenance and operations expenditures was made due to the lack of any unusual spikes in the trial balance comparison.

The Lieutenant Governor stated that he views the position as part time and as such, he did not draw mileage during the session. The Lieutenant Governor stated that he only filed for reimbursement after the fact.

The Lieutenant Governor also stated that the unusual nature of the payment process. Specifically, the Auditor of State pays his bills. Andy acknowledged that this was different from other constitutional officers. The Lieutenant Governor believes that this arrangement needs to change.

The Lieutenant Governor expressed frustration with the process and various state laws. The Lieutenant Governor also stated that previous administrations had state vehicles that were used for transportation and he does not. The Lieutenant Governor stated that the [State] constitution says he cannot get more income than is allowed but there is not an amendment that states "he has to be screwed" either. He indicated that he would be utilizing the services of the State Police to his benefit and we would be seeing an increase in travel for the State Police.

The Lieutenant Governor stated that on November 25<sup>th</sup> he would issue a letter to DLA and the co-Chairs of the audit committee. The next day, he would issue letters to each member of the audit committee and the press. The Lieutenant Governor stated "the letter will get out anyway" and he might as well get his side out there. Andy informed him that the audit and working papers would not be released until

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December 12<sup>th</sup>. The Lieutenant Governor acknowledged this, but again stated his desire to have his story out.

The phone call end after approximately 14 minutes.