

Audit Clears Former North Carolina A&T Chancellor

Contributed by LaPorsha Lowry -- Black College Wire
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Funds "spent for the good of the university"

Former North Carolina A&T Chancellor James C. Renick and Anna Anita Huff, a program manager, were accused of misusing university funds, but now both are not found to be in violation of any laws nor did they personally spend the misused funds. Renick left the university in 2006 to take a position at the American Council on Education in Washington. "The funds in both cases were spent for the good of the university and any violations of UNC system policy did not rise to the level of breaking the law," Guilford County District Attorney Doug Henderson said. In September 2007, the State Bureau of Investigation was asked by Henderson to look into an auditor's report that found hundreds of thousands of dollars in university funds inappropriately used. The two funds focused on by the investigation were The Future Engineering Faculty Fellowship Program and Pepsi vending contract. The FEFFP was funded by a grant from the Office of Naval Research and administered by Huff. The money from Pepsi was intended for student financial aid and campus debt. According to the audit report, it paid A&T \$140,000 a year. Allowable expenses would have included scholarships, student financial aid and other student activities as authorized by the chancellor. Investigators looked at \$380,000 of the Pepsi money that had been transferred into Renick's personal spending account. Officials at A&T said a "misinterpretation" was the reason why \$380,000 that was supposed to be deposited in university coffers, was instead put into the Chancellor's Discretionary Fund in the N.C. A&T Foundation. "A misinterpretation of the vending policy resulted in the transferring of the funds to the foundation," said Mable Scott, the university's spokeswoman. Mark Kiel, A&T's vice-chancellor for development and university relations, said the beverage-vending contract was complicated. "One could, when you review the details of the transaction, could see that it's easy to misinterpret," Kiel said. Auditors also found that Huff had spent grant money from the Office of Naval Research used in the university's Future Engineering Faculty Fellowship Program on her husband and daughter, who were both involved in the program. "In 2005," the audit said, "the former chancellor signed a gift document indicating that the funds were solicited from the vendor for the foundation; however, there is no mention of the foundation in the vending contract. Internal auditors and a team of consultants hired by the university, both concluded that the moneys should not have been transferred to the foundation account." The audit capped months of investigation at the university, where several employees including Huff had been fired and charged with criminal offenses. The audit said the money was spent on such "unallowable items" as commissions for artwork, travel by Chancellor Renick's wife, alumni events and a \$150,000 annuity for an unidentified faculty member. The audit provided no details about the art, travel or events in question. The report was forwarded to federal prosecutors, the Federal Bureau of Investigation, the State Bureau of Investigation and the Guilford County District Attorney's office. The Office of Naval Research and A&T agreed that \$422,415 of the questioned program expenses — which had totaled about \$500,000 — were for legitimate expenses, including stipends, tuition, travel insurance and laptop computers according to the report. The audit also found that \$500,000 in questionable expenses in the university's HBCU Future Engineering Faculty Fellowship Program, funded by the federal Office of Naval Research. According to the audit, Huff made improper payments, including more than \$66,000 in stipends in one year to her husband, who was in the program. The highest yearly stipend had previously been \$23,000. She spent 41 nights in hotels during 2005-06 at the program's expense, the audit said, at an average cost of \$328 a night. Huff also hired her daughter and paid for her travel to conferences in Jamaica, California, Nevada and Pennsylvania, according to the audit. She and her husband ran up a \$369 restaurant and room service tab during a two-day symposium. LaPorsha Lowry writes for The Register, the North Carolina A&T University student newspaper, which originally published this article.