

University of Arkansas at Little Rock  
Statement on University of Arkansas System Audit Report, UALR College of Business  
May 21, 2012

On Friday, Nov. 4, 2011, Interim Provost Sandra Robertson was contacted by members of the faculty and staff of the College of Business related to allegations regarding travel expenditures, reporting of leave time, and use of staff for personal projects for the former College of Business Dean, Dr. Tony Chelte.

On Nov. 4, 2011, following the meeting with the group of faculty and staff, Interim Provost Robertson met with Chancellor Joel Anderson and Bob Adams, vice chancellor for Finance and Administration, to inform them of the allegations. Chancellor Anderson immediately contacted the University of Arkansas General Counsel's Office.

Chancellor Anderson asked Vice Chancellor Adams to begin an internal investigation. On Monday, Nov. 7, Interim Provost Robertson met with Dr. Chelte to inform him of the university's concerns and the commencement of the internal investigation.

Based on the internal investigation, Vice Chancellor Adams requested an audit by the University of Arkansas System Auditors on Nov. 12, 2011, of Dr. Chelte's travel and other issues.

On Friday, Jan. 6, 2012, Chancellor Anderson announced that a leadership change for the College of Business would serve the university's best interest. The Chancellor removed Dr. Chelte from the deanship of the College of Business and appointed Dr. Jane Wayland as interim dean.

On Feb. 23, 2012, Interim Provost Robertson, after consultation with faculty, staff, and community leaders, announced the appointment of Interim Dean Wayland as the dean of the College of Business with strong support from college faculty and the College of Business Advisory Board.

Chancellor Anderson received a copy of the draft audit report on April 19, 2012. On April 20, 2012, Chancellor Anderson sent Dr. Chelte a message stating that if the findings in the final audit report reflected the same or similar findings as the draft audit report, he would initiate dismissal proceedings to terminate his employment as a tenured faculty member for cause.

The report calculated a net loss of \$12,612 to UALR from duplicate travel expenses and unauthorized and/or non-university business related travel expenses submitted by Dr. Chelte. As of the date of the report, UALR management has recovered \$3,850 of the calculated loss from Dr. Chelte, leaving a balance of \$8,762 for which the university will demand repayment.

The audit committee offered recommendations for strengthening internal controls regarding travel policy, agreements with foreign schools, international data plans, and use of signature stamps. All recommendations of the audit committee are in the process of implementation at UALR.

On April 30, 2012, Chancellor Anderson received a letter of resignation effective April 30 from Dr. Chelte (dated April 21).

The final audit report was received by Chancellor Anderson on May 8, 2012.

Based on the audit findings, Chancellor Anderson and University of Arkansas System President Donald Bobbitt requested the UA General Counsel's Office forward the reports to the Prosecuting Attorney's Office for their review.