

Report Highlights



OFFICE OF THE STATE AUDITOR
C O L O R A D O

Management of State Cellphone Costs

Department of Corrections | Department of Human Services | Department of Natural Resources
Department of Personnel & Administration | Department of Public Safety | Department of Transportation

Performance Audit • July 2026 • 2555P

Key Concern

Overall, we found that the five departments that spend the most on state-issued cellphones—the Departments of Corrections (DOC), Human Services (DHS), Natural Resources (DNR), Public Safety (DPS), and Transportation (CDOT)—should improve their controls over the cost and management of state-issued cellphones. Additionally, the Department of Personnel & Administration (DPA) can improve its oversight of sales reporting requirements in Colorado’s state price agreements with telecommunications vendors.

Key Findings

- DOC, DHS, DNR, DPS, and CDOT do not maintain complete and reliable inventories of the cellphones they have issued, and do not have written policies and procedures to require that their cellphone programs conduct cellphone usage monitoring to assess costs. All five departments also lack documentation to show they obtained written approvals before issuing cellphones to state employees and obtained signed employee usage agreements, as required by the Office of the State Controller, for some of the cellphones we sampled.
- During Fiscal Years 2023 through 2025, DPA did not receive 1 of the 12 quarterly sales reports due from AT&T and 8 of the 12 reports due from Verizon, because it has not consistently enforced reporting requirements in the state price agreements with these vendors. We also found that the itemized sales data in reports from Verizon and T-Mobile included significant inaccuracies and omitted data.

Background

- Colorado’s approach to purchasing and managing state-issued cellphones is decentralized and handled at the department level. The departments we reviewed had 25 separate cellphone programs that managed roughly 10,000 cellphones.
- DPA manages state price agreements to purchase telecommunications products and services, including cellphones, with Verizon, AT&T, and T-Mobile. The State paid these vendors a total of nearly \$10.5 million in Fiscal Year 2025, the majority of which was spent by the departments we reviewed.

Audit Recommendations Made	Agency Responses		
	Agree	Partially Agree	Disagree
	11	0	0