



CALIFORNIA STATE AUDITOR

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FACT SHEET

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Report: I2009-1

The California State Auditor released the following report today:
Investigations of Improper Activities by State Employees
July 2008 Through December 2008

BACKGROUND

Since July 1993 the State Auditor's Office has identified improper governmental activities totaling roughly \$29 million and other improper activities that have had unquantifiable effects but have had negative social impacts. The California Whistleblower Protection Act (whistleblower act) empowers the State Auditor to perform independent investigations into complaints that state employees have engaged in improper conduct. The whistleblower act defines an "improper governmental activity" as any action by a state agency or employee during the performance of official duties that violates any state or federal law or regulation; that is economically wasteful; or that involves gross misconduct, incompetence, or inefficiency.

KEY FINDINGS

Between July 1, 2008, and December 31, 2008, the State Auditor's Office:

- Received 2,163 calls or inquiries from the Whistleblower Hotline, mail, Web site, or individuals who visited the office.
- Opened 338 new cases after careful review and continued to analyze or investigate 117 other cases.
- Substantiated or jointly substantiated with other state agencies, nine investigations and reported that state employees and departments engaged in improper activities, including the following:
 - Because of multiple delays and inefficient conduct, the Department of Corrections and Rehabilitation (Corrections) and the Department of General Services wasted \$580,000 in state funds from January 2005 through June 2008, by continuing to lease 5,900 square feet of office space that Corrections has not occupied for more than four years.
 - Several departments improperly paid employees more than they were entitled to receive:
 - ✓ From October 2003 through March 2008, a Department of Fish and Game official improperly claimed \$71,747 for commute and other expenses incurred near her home and headquarters.
 - ✓ The State Compensation Insurance Fund paid an employee \$8,314 for 427 hours that she did not work and that it had not charged against her leave balances.
 - ✓ The Department of Justice paid an employee \$648 in compensation that she did not earn and \$497 for travel expenses that she did not incur.
 - An official from the Department of Social Services circumvented state civil services rules by arranging for the selection of a subordinate employee to a higher paying position without changing her duties.

This report also summarizes corrective action taken on previously reported cases—state departments must report to the State Auditor's Office any corrective action taken in response to an investigative report no later than 30 days after we issue a report or monthly until corrective action is completed. One example is the following:

- Corrections failed to collect any of the \$1.3 million for hours that three employees spent working on union activities, although it billed the union for approximately \$750,000 of that amount.

