



COMMITMENT  
INTEGRITY  
LEADERSHIP

October 1, 2026  
Report I2026-1

# FACT SHEET

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## Investigations of Improper Activities by State Agencies and Employees

Waste, Inefficiency, Misuse of State Resources, Contracting Violations, and Other Improper Governmental Activities

### Background

The California Whistleblower Protection Act empowers the California State Auditor's Office to investigate allegations of improper governmental activities involving state agencies and employees. Under the Act, *improper governmental activities* include actions taken in the performance of official duties that violate the law, result in economic waste, or involve gross misconduct, incompetence, or inefficiency. Since 1993 when we established the Whistleblower Hotline, our office has investigated improper governmental activities that have cost the State hundreds of millions of dollars. From July 2025 through June 2026, we performed investigative work on more than 1,700 allegations of improper governmental activities. This report summarizes nine substantiated cases involving several state agencies.

### Key Findings

- The Department of Health Care Services did not reduce leave balances for an employee who took two maternity leaves, costing the State an estimated \$86,000. Weak internal controls led to a similar error for another employee, costing another \$21,000.
- After the State Controller's Office set monthly salary rates for two employees that were higher than allowed, it violated state law by not collecting one employee's account receivable and developed a flawed plan to recover funds. As a result, the agency delayed collecting more than \$33,000 from both employees for more than a year.
- An employee at CalRecycle violated state law by renting and driving state-owned vehicles for more than one year during which time her driver's license was suspended. She rented vehicles on 116 days when she was not scheduled to work. The State paid nearly \$22,000 in rental vehicle and fuel expenses, and the employee's actions put the public at risk.
- An employee at CAL FIRE cost the State \$69,000 by misusing a state vehicle for commuting purposes for five years and by improperly counting all commute time as work time.
- Caltrans did not comply with state contracting requirements and could not ensure that it received the most competitive prices for purchases when it did not complete written solicitations or advertise for competitive pricing for nearly \$624,000 of non-information technology goods.
- A high-ranking law enforcement officer at an unnamed state agency misused his access to the California Law Enforcement Telecommunications System by searching for confidential information about himself, family members, and other employees without a legitimate business need.

### Status of 1,721 Cases for Which Our Office Conducted Investigative Work July 2025 through June 2026

