

The California State Auditor released the following report today:

California Department of Transportation

Caltrans Employees Engaged in Inexcusable Neglect of Duty, Received Overpayment for Overtime, Falsified Test Data, and Misappropriated State Property

BACKGROUND

The California Whistleblower Protection Act authorizes the California State Auditor (State Auditor) to investigate allegations of improper governmental activities by agencies and employees of the State. The State Auditor received information in early 2009 that certain transportation engineering technicians (technicians) at the California Department of Transportation (Caltrans) might be receiving overtime and differential pay—additional money—for work they did not perform. Caltrans employs such technicians to conduct foundation testing for transportation structures, including freeway overpasses and bridges and employs engineers to interpret the data generated by the testing. We asked Caltrans to assist us with the investigation. In response to this request and a complaint that Caltrans received in 2009, Caltrans and two federal agencies initiated related investigations into the falsification of testing data and misappropriation of state property by Caltrans employees. We found Caltrans' initial review of the allegation regarding improper pay—completed in September 2009—to be inadequate. Further, when we received its final report in October 2011, we determined we needed to conduct additional interviews and perform more analyses to validate its findings as well as take into account the results of the federal agencies' investigations.

KEY FINDINGS

Our investigation at Caltrans revealed the following:

- Two technicians responsible for conducting foundation testing for construction projects throughout California claimed over 260 hours of overtime they did not work in 2008 and received over \$12,000 for those hours. Further, the two same technicians falsely claimed nearly 1,400 hours of a certain type of testing work to receive extra pay of more than \$1,700 to which they were not entitled.
- In supervising the two technicians, their supervisor neither required the technicians to obtain preapproval for overtime nor reviewed records readily available to him to confirm that the technicians performed the work they claimed. This resulted in the technicians being paid for work when there was no evidence the work was performed. In some instances, documents indicated they were performing a type of work that was different from what they claimed.
- When questions arose about the authenticity of testing data presented by one of the technicians, Caltrans examined data for other tests involving separate construction projects and found that the same technician appeared to falsify the data for at least three projects. Despite identifying these falsifications, Caltrans did not take any action at that time to determine whether the structures affected were indeed sound.
- A team of Caltrans engineers subsequently—in a January 2013 report—identified 11 incidents of falsified testing data.
 - Ten of the incidents involved one of the technicians who had improperly claimed overtime and differential pay. The other incident involved an engineer who reviewed testing data collected by that same technician.
 - After learning about these additional data falsifications, Caltrans initiated engineering analyses and concluded that all the affected bridges and structures were adequate structurally.
- The investigation by one of the federal agencies revealed that the supervisor, with help from the two technicians, secretly removed materials from Caltrans facilities and had the materials transported to land that he owned.

RECOMMENDATIONS

We made numerous recommendations to Caltrans to remedy the effects of the improper governmental activities described in our investigative report and to prevent them from recurring. We made specific recommendations addressing the false claims for overtime and differential work hours submitted by the technicians and approved by their supervisor as well as recommendations addressing the misappropriation of state property by the supervisor. Moreover, we outlined other protocols to correct for the lack of controls that allowed the falsification of testing data.

Date: **March 28, 2013**

Report: **I2009-0640**

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To report suspected improper governmental activities, contact the Whistleblower Hotline: (800) 952-5665, mail information to the state auditor, or submit a complaint online to www.auditor.ca.gov