



FACT SHEET

Date: November 17, 2009

Report: I2009-0702

The California State Auditor released the following report today:

Department of Corrections and Rehabilitation

Its Poor Internal Controls Allowed Facilities to Overpay Employees for Inmate Supervision

BACKGROUND

The California Whistleblower Protection Act authorizes the Bureau of State Audits (bureau) to investigate allegations of improper governmental activities by agencies and employees of the State. After an earlier investigation by the bureau revealed that the Department of Corrections and Rehabilitation (Corrections) made improper payments to a particular class of employees for supervising inmates at one correctional facility, we launched an investigation to determine whether it also made such payments to additional classes of employees at other correctional facilities. To qualify for inmate supervision pay, employees must supervise at least two inmates who replace civil service employees for a specified number of hours.

KEY FINDINGS

Our investigation of inmate supervision payments revealed that Corrections:

- Overpaid 23 employees a total of \$34,512 at five of the six facilities we examined from March 2008 through February 2009. The employees did not meet the requirements for the extra pay.
- May have improperly paid its employees as much as \$588,376 statewide during the 12-month period we reviewed.
- Lacked sufficient controls to ensure that its employees satisfied all of the requirements for receiving extra pay for supervising inmates.
- Mostly failed to initiate collection efforts to recover the improper payments it identified after our previous investigation.

KEY RECOMMENDATIONS

To ensure that it issues inmate supervision pay only to employees who meet the requirements, Corrections should do the following:

- Require all its employees who receive inmate supervision pay to submit documentation with their time sheets supporting that they qualify for the pay.
- Ensure its employees who qualify for the extra pay receive proper instruction and training regarding the requirements and procedures associated with the inmate supervision pay.

To ensure that all overpayments are returned to the State, Corrections should initiate accounts receivable for the employees identified as receiving improper payments.

