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## Investigations of Improper Activities by State Agencies and Employees

*Wasteful and Improper Travel Payments, Improper Promotion and Hiring Practices, and Misuse of State Resources*

### Background

The California Whistleblower Protection Act (Whistleblower Act) empowers the State Auditor to investigate allegations of improper governmental activities by state agencies and employees. The Whistleblower Act defines an “improper governmental activity” as an action by a state agency or employee during the performance of official duties that violates a law; is economically wasteful; or involves gross misconduct, incompetence, or inefficiency. Since 1993, when the State Auditor activated the hotline, it has identified improper governmental activities that have cost the State a total of more than \$578 million.

### Key Findings

From July 1, 2018 through December 31, 2018, the State Auditor’s Office:

- Received nearly 1,100 calls or inquiries from the whistleblower hotline, facsimile, mail, website, in-person visit, or an internal source of which almost 640 were within our jurisdiction.
- Conducted work on over 800 cases that were opened either in previous periods or the current period.
- Investigated and substantiated allegations independently or with the assistance of other state agencies. This report details the results of six of those investigations, including the following:
  - » Two agencies improperly and wastefully paid nearly \$90,000 in total to employees who travelled from their home to their intended headquarters locations.
    - One department paid nearly \$42,000 for a manager to travel from her home in San Diego to Sacramento.
    - Another department improperly designated an administrator’s headquarters, which resulted in nearly \$48,000 in excessive travel costs that it paid for the administrator to travel from the administrator’s residence in another location in California to its Sacramento headquarters.
  - » Several employees in two departments circumvented civil service rules by engaging in improper promotion and hiring practices.
    - One department improperly appointed two senior management employees to positions as branch chiefs—in one instance the employee deliberately misrepresented his past supervisory experience and received nearly \$235,000 in compensation after his improper appointment. In another instance, the hiring supervisor bypassed the competitive process.
    - In another department, a manager provided an employee with the majority of the interview questions for a vacant position before the employee’s interview.
  - » Several supervisors and managers misused state vehicles for personal commuting purposes—we identified at least six individuals who routinely misused state vehicles, which resulted in an estimated cost to the State of more than \$80,000.

### Corrective Actions

#### July 1993 Through December 2018

TYPE OF CORRECTIVE ACTION	TOTALS
<i>Convictions</i>	12
<i>Demotions</i>	23
<i>Job terminations</i>	88
<i>Resignations or retirements while under investigation</i>	27
<i>Pay reductions</i>	59
<i>Reprimands</i>	340
<i>Suspensions without pay</i>	32
<b>Total</b>	<b>581</b>