



CALIFORNIA STATE AUDITOR

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FACT SHEET

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Report: **I2008-2**

The California State Auditor release the following report today:
Investigations of Improper Activities by State Employees
January 2008 Through June 2008

BACKGROUND

Since July 1993 the State Auditor's Office has identified improper governmental activities totaling nearly \$28 million and other improper activities that have had unquantifiable effects but have had negative social impacts. The State Auditor has broad authority to perform independent investigations into complaints that state employees have engaged in improper conduct in accordance with the California Whistleblower Protection Act (whistleblower act). The whistleblower act defines an "improper government 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 January 1, 2008, and June 30, 2008, the State Auditor's Office:

- Received 2,331 calls or inquiries from the hotline, mail, Web site, or individuals who visited the office.
- Opened 302 new cases after careful review and continued to analyze or investigate 99 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:
 - A Department of Housing and Community Development (HCD) employee's dual employment violated state and HCD prohibitions against engaging in incompatible activities. The HCD employee worked at a nonprofit organization that was receiving grants from HCD. The employee's unauthorized absences from HCD while attempting to work both jobs, cost the State nearly \$35,000.
 - Several departments improperly paid employees more than they were entitled to receive:
 - ✓ The Department of Corrections and Rehabilitation granted two physicians pay for overtime and nine office technicians increased pay to supervise inmates, costing the State nearly \$125,000.
 - ✓ The California Environmental Protection Agency paid an employee \$23,320 for hours she was absent from work without charging the absences against her accrued leave balances.
 - ✓ The State Personnel Board paid a retired annuitant almost \$9,000 for work performed beyond the maximum allowed and paid another retired employee nearly \$5,000 with no justification.
 - Other employees misused state resources such as using state-owned vehicles to conduct personal business, or using a state telephone to make personal long-distance calls.

This report also summarizes corrective action taken on previously reported cases—state departments must report to us 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.

