



## Investigation of Improper Activities by State Agencies and Employees

*Waste of State Funds, Misuse of Bereavement Leave, Misuse of State Resources, Dishonesty, and Supervisory Neglect of Duty*

### Background

The California Whistleblower Protection Act (Whistleblower Act) empowers the California State Auditor (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 Whistleblower hotline, it has identified improper governmental activities that have cost the State a total of nearly \$580 million.

### Key Findings

From January 2019 through December 2019, the State Auditor’s Office:

- Received more than 1,400 calls or inquiries through the whistleblower hotline, facsimile, mail, website, in-person visit, or internal sources.
- Conducted investigative work on 1,645 cases that were opened either in a previous or the current period.
- Investigated and substantiated allegations independently or with the assistance of other state agencies regarding numerous improper activities. This report details the results of a selection of these cases, including the following:
  - » Two agencies wasted funds on equipment that has not been used for years.
    - One agency purchased a custom-built research boat for more than a half million dollars of state and federal funds in June 2017. The boat has remained largely unused because the original specifications and subsequent changes were inadequate to ensure that the boat could be used for its intended purpose.
    - Another agency wasted funds because it failed to inspect and properly store the equipment upon delivery in 2015. Agency staff left the equipment outdoors and unprotected since its delivery and, as a consequence, it has deteriorated and is inoperable.
  - » A supervisor at an agency misused state parking permits so she and seven staff members could park for free at the State’s expense, and two employees at another agency misused state-owned vehicles to commute between their homes and work.
  - » Several employees at various agencies improperly used leave balances.
    - Seven employees at five state agencies improperly claimed a total of more than 320 hours of bereavement leave.
    - Some employees at four state agencies missed work time and improperly reported attendance.

### Status of Cases, January 2019 Through December 2019

