

Table 2
Monetary Values
January 1, 2013, Through December 31, 2020

Summary of Monetary Values From January 1, 2013, Through December 31, 2020

FISCAL YEAR	ANNUALIZED BENEFITS	ONE-TIME BENEFITS
July 1, 2020—December 31, 2020	\$1,063,341,100	\$6,805,000
July 1, 2019—June 30, 2020	2,122,981,200	37,483,300
July 1, 2018—June 30, 2019	2,125,147,200	9,561,800
July 1, 2017—June 30, 2018	448,413,200	33,700
July 1, 2016—June 30, 2017	154,236,200	10,493,450
July 1, 2015—June 30, 2016	107,497,200	39,700,800
July 1, 2014—June 30, 2015	94,981,200	12,879,000
July 1, 2013—June 30, 2014	77,997,000	516,780,000
January 1, 2013—June 30, 2013	53,753,500	12,448,000
TOTALS	\$6,248,347,800	\$646,185,050
Total Monetary Values	\$6,894,532,850	

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
Total for January 1, 2013, Through December 31, 2020		\$6,894,532,850
Total for July 1, 2020, Through December 31, 2020		\$1,070,146,100
Total One-Time Benefits for July 1, 2020, Through December 31, 2020		\$6,805,000
2019-127 (July 2020)	San Diego County Air Pollution Control District: It has Used Vehicle Registration Fees to Subsidize Its Permitting Process, Reducing the Amount of Funds Available to Address Air Pollution Increased Revenue —The San Diego County Air Pollution Control District (San Diego Air District) charges fees that are insufficient to pay for the full cost of its permitting program, thereby requiring it to subsidize that cost with funds from other sources. We calculated the total permit fee deficit to be \$3.8 million. We recommended that the San Diego Air District establish a methodology to calculate the full cost of its permitting program, based on its actual expenditures and administrative costs, and perform this calculation every year.	See annualized benefits below
12020-2 (October 2020) (Allegations I2018-0767, I2019-0044, I2018-0519, I2018-1979, I2019-0939, I2019-0873)	Investigations of Improper Activities by State Agencies and Employees: Wasteful and Improper Personnel Decisions, Improper Contracting, Conflict of Interest, Misuse of State Resources, and Dishonesty Cost Savings/Avoidance —In 2016, the Department of State Hospitals (State Hospitals) began a telepsychiatry program and allowed its new telepsychiatrists to receive enhanced benefits—State Safety retirement benefits—even though these positions do not meet the requirements for these benefits. Further, State Hospitals failed to obtain approval from the California Department of Human Resources (CalHR) when it decided that its 17 telepsychiatrists qualified for safety retirement benefits. We estimate that the present value of what the State will pay in future retirement benefits for the telepsychiatrists is \$6.1 million unless State Hospitals’ error is corrected.	\$6,100,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
	Wasted Funds/Cost Recovery —An executive official and other officials at the Department of Industrial Relations (DIR) unlawfully preselected a candidate for a staff services manager I position and hired her at a pay rate greater than the position's minimum salary even though she did not meet the requirements to be awarded the higher salary. As a result, from 2015 through 2019, DIR overpaid the candidate by approximately \$41,000 during the course of her employment. In October 2019, DIR ultimately concluded that of the \$41,000, the candidate is required to pay back \$27,500, while the remaining amount is beyond the three-year statute of limitations for recovering overpayments.	\$41,000
	Wasted Funds —From January 2018 through April 2019, a senior executive or his designee at the California Department of Veteran's Affairs (CalVet) improperly approved 10 emergency contracts for the Veteran's Home of California-Yountville, none of which involved circumstances that qualified as emergencies under state law. As a result, CalVet failed to solicit legally required competitive bids designed to ensure that the State receives the best value for its contracts. Ultimately, CalVet spent almost \$628,000 for 10 improper emergency contracts.	628,000
	Cost Recovery —Several employees in a maintenance division at the California Department of Transportation (Caltrans) improperly used state vehicles to commute to and from work. Specifically, from June 2018 through May 2019, six employees, all but one of whom were supervisors at differing levels, misused state vehicles for their personal commutes. The employees collectively traveled more than 40,000 commute miles in state vehicles, for a total cost of \$22,000.	22,000
	Cost Recovery —A senior legal analyst and a legal secretary at the Department of Justice (DOJ) consistently arrived late, departed early, and took extended lunch breaks without accounting for their missed time. We asked DOJ to assist in the investigation, and it determined that during a 10-month period, both employees failed to account for partial-day absences on their timesheets even though they had arrived late, left early, or taken extended lunches. From April 2019 through January 2020, the analyst's partial day absences totaled 181 hours—or the equivalent of more than 22 work days—and resulted in a cost to the state of about \$7,000.	7,000
	Cost Recovery —A staff trainer at the Franchise Tax Board (FTB) regularly arrived to work late and left early without accounting for the missed time. We asked the FTB to investigate, and it determined that for at least one year, the staff trainer reported on her timesheet 158.75 hours—or more than 19 workdays—that she did not actually work, resulting in a cost to the state of almost \$7,000.	7,000

Annualized Carry Forward for July 1, 2020, Through December 31, 2020		\$1,063,341,100
2002-009 (April 2003)	California Energy Markets	\$14,500,000
2011-120 (August 2012)	California Department of Transportation	1,900,000
2012-117 (March 2013)	State Athletic Commission	90,500
2012-110 (April 2013)	Department of Motor Vehicles	3,000,000
2013-501 (March 2014)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	18,000
2013-119 (August 2014)	Department of Health Care Services	635,350
2012-603 (August 2014)	Department of Human Resources and California State University	611,000
2014-301 (November 2014)	Superior Court of California, County of Alameda	24,000
2013-125 (December 2014)	Department of Health Care Services	7,000
2014-107 (January 2015)	Administrative Office of the Courts†	6,946,750
2015-502 (July 2015)	Department of Social Services	11,600,000
2014-130 (August 2015)	Department of Health Care Services	1,009,500
2015-119 (March 2016)	State Board of Equalization ‡	180,000
2015-806 (August 2016)	City of Hemet	1,551,500
2015-803 (October 2016)	City of Maywood	12,500

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2016-111 (November 2016)	City of Irwindale	\$1,760,000
2016-121 (April 2017)	Department of Motor Vehicles	95,000
2017-109 (May 2018)	Department of Health Care Services	167,500,000
2018-603 (October 2018)	Department of Health Care Services	850,000,000
2019-125 (July 2020)	San Diego Air District	1,900,000
Total for July 1, 2019, Through June 30, 2020		\$2,160,464,500
Total One-Time Benefits for July 1, 2019, Through June 30, 2020		\$37,483,300
2018-133 (July 2019)	<i>Fallen Leaf Lake Community Services District: Its Billing Practices and Small Electorate Jeopardize Its Ability to Provide Services</i>	
	Cost Recovery —Because it overbilled the California Office of Emergency Services (Cal OES) and paid its own personnel less than the rate it told Cal OES it would, Fallen Leaf Lake Community Services District (district) improperly profited from reimbursements it received from paying agencies to provide personnel to fight wildfires. We calculated that the district improperly claimed a total of nearly \$703,000 in excess personnel reimbursements from Cal OES for 2016 through 2018. We recommended the district develop and implement a plan for returning to the paying agencies the excessive reimbursements it received.	\$703,000
12019-4 (August 2019)	<i>Gross Mismanagement Led to the Misuse of State Resources and Multiple Violations of State Laws: California Department of Food and Agriculture and a District Agricultural Association</i>	
	Cost Recovery —Employees and board members of a district agricultural association (association) incurred over \$30,000 in excessive and illegal travel expenses when they did not adhere to the State’s lodging and meal reimbursement rates and when they traveled out of state without approval. We recommended the association recoup all travel expenses from employees and board members who exceeded the allowable travel reimbursement amounts for lodging and meals or who improperly traveled to banned states.	\$30,000
	Cost Savings/Avoidance —In our review of the association’s credit card records from 2016 through 2018, we found nearly \$133,000 in purchases for which the association has no supporting receipts. The association’s failure to follow the accounting procedures manual led to unnecessary late fees and exposed it to potential credit card fraud. The association also paid over \$5,000 in late fees and interest because it did not pay its bills on time.	138,000
2019-112 (February 2020)	<i>California State Lottery: The Lottery Has Not Ensured That It Maximizes Funding for Education</i>	
	Lost Revenue —The California State Lottery failed to provide \$36 million in funding to education in fiscal year 2017-18 because it did not budget to adhere to the proportionality requirement in the Lottery Act.	\$36,000,000
12020-1 (April 2020) (Allegations 12017-1372, 12018-0364, 12018-0428, 12019-0010, 12018-0665, 12019-0489, 12018-0756, 12018-1932)	<i>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</i>	
	Wasted Funds —The California Department of Fish and Wildlife (Fish and Wildlife) wasted more than \$535,000 of state and federal funds when it purchased a custom-built research boat in June 2017 that cannot perform the tasks for which it was intended. This wasteful purchase resulted largely from weaknesses in Fish and Wildlife’s procurement process. As a result of its poor design, the research boat has remained mostly unused in a marina since its delivery in June 2017.	\$535,000
	Wasted Funds —A veterans long-term care home (veterans home) administrator at CalVet wasted nearly \$38,000 in state funds by failing to ensure that veterans home staff followed state procedures to inspect a bedbug treatment oven (equipment) upon delivery. The equipment, which is approximately 7 feet by 7 feet in size, has been inoperable since delivery in 2015 and has deteriorated as a consequence of being left outdoors and unprotected from the elements for more than four years.	38,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
	Wasted Funds/Cost Recovery —From July 2016 through June 2018, seven employees at five state agencies—Caltrans, California Air Resources Board (CARB), Department of Social Services (DSS), Department of General Services (DGS), and Employment Development Department (EDD)— claimed 324 hours of leave that was improperly categorized as bereavement leave and valued at almost \$10,000. In all instances, the supervisors for the employees failed to adequately review employee timesheets to ensure that employees charged bereavement leave in accordance with permissible limits. Caltrans and CARB corrected bereavement leave usage by using another category of accrued leave, recovering about \$5,700.	\$10,000
	Lost Revenue — A supervisor at the California Energy Commission (CEC) misused state parking permits since 2013 by distributing paid parking permits to up to seven of her staff so that she and her staff could park their personal vehicles at the State’s expense, a violation of state law. The misuse resulted in the employees receiving parking valued at an estimated \$13,500.	13,500
	Wasted Funds —A psychiatrist at State Hospitals improperly used 46 hours of state-compensated continuing medical education (CME) leave valued at almost \$6,500 to work at another job.	6,500
	Wasted Funds —Two employees at the California Department of Public Health (CDPH) arrived to work late, took extended breaks, and left work early without accounting for their missed work time. We estimated that, during a one-year period, the two employees missed a total of nearly 300 hours of work, costing the State more than \$9,300 in salary paid for work not performed.	9,300

Annualized Carry Forward for July 1, 2019, Through June 30, 2020		\$2,122,981,200
2002-009 (April 2003)	California Energy Markets	\$29,000,000
2011-119 (June 2012)	Physical Therapy Board	28,000
2011-120 (August 2012)	California Department of Transportation	3,800,000
I2012-1 (December 2012)	State Athletic Commission (Allegation I2009-1341)	15,000
I2012-1 (December 2012)	California Correctional Health Care Services (Allegation I2009-0689)	37,000
I2012-1 (December 2012)	California Natural Resources Agency (Allegation I2009-1321)	19,000
2012-117 (March 2013)	State Athletic Commission	181,000
2012-110 (April 2013)	Department of Motor Vehicles	6,000,000
2013-501 (March 2014)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	36,000
2013-119 (August 2014)	Department of Health Care Services	1,270,700
2012-603 (August 2014)	Department of Human Resources and California State University	1,222,000
2014-301 (November 2014)	Superior Court of California, County of Alameda	48,000
2013-125 (December 2014)	Department of Health Care Services	14,000
2014-107 (January 2015)	Administrative Office of the Courts†	13,893,500
2015-502 (July 2015)	Department of Social Services	23,200,000
2014-130 (August 2015)	Department of Health Care Services	2,019,000
2015-119 (March 2016)	State Board of Equalization ‡	360,000
2015-806 (August 2016)	City of Hemet	3,103,000
2015-803 (October 2016)	City of Maywood	25,000
2016-111 (November 2016)	City of Irwindale	3,520,000
2016-121 (April 2017)	Department of Motor Vehicles	190,000
2017-109 (May 2018)	Department of Health Care Services	335,000,000
2018-603 (October 2018)	Department of Health Care Services	1,700,000,000
Total for July 1, 2018, Through June 30, 2019		\$2,134,709,000

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Total One-Time Benefits for July 1, 2018, Through June 30, 2019		\$9,561,800
I2018-1 (July 2018) (Allegations I2017-0276, I2016-1265, I2017-0414, I2015-1129, I2017-0453, I2017-0195)	<i>Investigations of Improper Activities by State Agencies and Employees: Misuse of State Time, Economically Wasteful Activities, and Misuse of State Property</i>	
	Wasted Funds —Two employees at California State University (CSU), Fresno (Fresno State) engaged in egregious and continued time and attendance abuse by taking extended breaks or leaving campus without accounting for their time. We estimate that from 2013 through 2017, the employees failed to account for more than 5,100 hours of work, costing the State more than \$111,000 in salary paid for work not performed.	\$111,000
	Wasted Funds —An employee at Kern Valley State Prison misused state time for about two years by regularly leaving work up to 45 minutes early. We estimate that the employee failed to account for 312 hours of missed work time, costing the State approximately \$9,000.	9,000
	Wasted Funds —An employee at the Department of Motor Vehicles (DMV) slept at her desk for extended periods of time during work hours for nearly four years. We estimate that, from February 2014 through December 2017, the employee misused 2,200 hours of work time as a result of sleeping on the job, costing the State more than \$40,000.	40,000
	Wasted Funds —A nursing director at a Southern California adult prison removed a licensed vocational nurse (nurse) from her assigned nursing position providing patient care and reassigned her to perform nurse scheduling duties typically done by an office technician. During this period, the nurse continued to receive her pay as a nurse causing California Correctional Health Care Services (Correctional Health Care) to waste more than \$10,500 in unnecessary salary payments. Additionally, the nursing director’s decision cost the State more than \$18,700 in unnecessary overtime payments paid to other nurses to cover the nurse’s originally assigned post. Therefore, we estimate this decision cost the State approximately \$29,000.	29,000
Wasted Funds —A manager at CSU, Dominguez Hills directed a member of his staff to purchase an electric vehicle quick charger for over \$6,800 in March 2013. The quick charger remained unused and uninstalled for five years.	6,800	
2018-603 (October 2018)	<i>Department of Health Care Services: It Paid Billions in Questionable Medi-Cal Premiums and Claims Because It Failed to Follow Up on Eligibility Discrepancies</i>	
	Cost Avoidance —We questioned \$139 million in payments from the month of December 2017. Projecting that amount across the 12 months of a year, we estimate that the Department of Health Care Services (DHCS) could avoid about \$1.7 billion per year in questionable payments if it resolved these discrepancies.	See annualized benefits below
	Cost Recovery —To recover funds spent inappropriately, prevent future erroneous payments, and ensure eligible individuals’ access to care, DHCS should resolve the discrepancies we identified and recover erroneous payments where allowable by June 30, 2019. For example, DHCS paid the managed care plan more than \$383,000 for a deceased beneficiary whom it should have known was no longer in need of services.	\$383,000
2018-117 (February 2019)	<i>City and County Contracts With U.S. Immigration and Customs Enforcement: Local Governments Must Improve Oversight to Address Health and Safety Concerns and Cost Overruns</i>	
	Cost Savings/Avoidance —According to Yolo County, it expended county funds for services it was unaware could have been paid for with federal funds. We estimate that during fiscal year 2017–18, Yolo county might have spent approximately \$700,000 just to pay for contractual and indirect costs that it previously did not include in its budget and that could have been funded by Refugee Resettlement.	\$700,000
Cost Savings/Avoidance —Orange County’s identified costs for detainees exceeded U.S. Immigration and Customs Enforcement (ICE) payments by approximately \$1.7 million based on the average number of detainees billed to ICE per day in fiscal year 2017–18. Orange County could be receiving more revenue from ICE. Although Orange County’s identified costs for housing detainees have exceeded the payments from ICE, Orange County has not taken any action to formally renegotiate the contract’s per diem rate with ICE.	1,700,000	

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
I2019-1 (March 2019)	<i>Investigation of Improper Activities by a State Agency and Its Employees: A Director Committed Gross Misconduct When She Repeatedly Violated Merit-Based Employment Principles and Attempted to Retaliate Against Suspected Whistleblowers</i>	
	Cost Recovery —From August 2015 through April 2017, a director’s daughter submitted fraudulent timesheets indicating that she regularly worked 40-hour workweeks during this time for which the State paid her more than \$102,000 in salary. Additionally, for the four months from April 2017 through early August 2017, evidence indicates that she did not perform any of the work she claimed to have engaged in as an associate information systems analyst, but she continued to submit timesheets reporting full-time work, for which the State paid her more than \$27,000. We recommended that the oversight agency collect nearly \$129,000 from her for her fraudulent claims of time worked.	\$129,000
I2019-2 (April 2019)	<i>Investigations of Improper Activities by State Agencies and Employees: Inefficient Management of State Resources, Misuse of State Time and Inaccurate Attendance Records, and Inadequate Supervision</i>	
	Cost Recovery —The attendance records we reviewed for 25 exempt employees from three California Department of Tax and Fee Administration† (CDTFA) offices showed that exempt employees consistently reported working a fixed five-day schedule on their timesheets even though they worked non-standard schedules. Because they did not fully account for their time off, the 25 employees we reviewed at the three offices were overpaid more than \$72,000 from January 2016 through May 2018. We recommended that CDTFA recover overpayments or adjust leave balances for the 25 exempt employees that this report identifies.	\$72,000
	Wasted Funds —During 2017–2018, a CSU campus police officer engaged in a pattern of time and attendance abuse and failed to perform her duties adequately. We estimated that rather than performing her duties, the police officer laid down or slept for an average of one to four hours per shift for a period of nearly nine months, resulting in a waste of state funds ranging from almost \$4,100 to nearly \$16,400. Furthermore, after the police officer transferred to an investigative position in 2018, she failed to work her full 10-hour shifts because she regularly included 30 minutes of her commute time at the start of her shift and 30 minutes at the end of her shift as part of her work days. The CSU paid her for these hours she either could not account for or did not work.	21,000
	Cost Recovery —Over the course of several years, three engineers at the State Water Resources Control Board (State Water Board), who are classified as hourly employees and are required to account for any partial-day absences, misused an estimated 1,000 hours of state time by arriving to work late, taking extended lunch breaks, and leaving work early. Their misuse cost the State more than \$47,000 in salaries paid for work the employees did not perform. We recommended that the State Water Board determine the amount of time it can charge the engineers for their missed work hours, reduce their leave balances accordingly, and if applicable, seek to recover from them any wages paid for time they did not work.	47,000
	Cost Recovery —From February 2016 through September 2018, an information technology associate at Caltrans improperly claimed 80 hours of leave and nearly 175 hours of work that she did not perform at a cost to the State of over \$8,000. We recommended that Caltrans ensure that it recoups all overpayments that it made to the associate.	8,000
I2019-3 (May 2019)	<i>Investigations of Improper Activities by State Agencies and Employees: Wasteful and Improper Travel Payments, Improper Promotion and Hiring Practices, and Misuse of State Resources</i>	
	Wasted Funds —Caltrans improperly and wastefully paid almost \$42,000 for expenses a manager incurred as a result of her travel from her home in San Diego to Sacramento, the intended headquarters location for her position. We recommended that within 90 days, Caltrans determine if any of the improper payments can be collected from the manager and, if so, attempt the collection of the improper travel reimbursements.	\$42,000
	Wasted Funds —State Hospitals wasted nearly \$48,000 in state funds from mid-November 2016 through January 2018 when it paid for an administrator to travel to its Sacramento headquarters from the administrator’s home in another location in California.	48,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
	Cost Recovery —In 2016 Fish and Wildlife’s improper appointment of a branch chief resulted from an employee’s deliberate misrepresentation of his past supervisory experience. He received nearly \$235,000 in compensation from the date of his improper appointment through December 2018. We recommended Fish and Wildlife void any improper appointments and collect compensation received as a result of the improper appointment as allowed by state law.	\$235,000
	Cost Recovery —A manager at the California Department of Corrections and Rehabilitation (CDCR) misused a state vehicle for several years for his commute from his residence to the correctional facility where he was headquartered. From January 2016 through December 2018, his misuse included nearly 42,000 commute miles and cost the State an estimated \$22,000. We identified at least five others who routinely misused state vehicles for commuting purposes, resulting in an estimated total cost to the State of nearly \$58,000. In total, the supervisors’ and managers’ misuse of state vehicles resulted in an estimated cost to the State of more than \$80,000. We recommended CDCR consider and begin legally permissible recovery efforts for the costs associated with the managers’ misuse of a state vehicle for commuting purposes.	80,000
2018-119 (June 2019)	California Department of Fish and Wildlife: It Is Not Fulfilling Its Responsibilities Under the California Environmental Quality Act	
	Wasted Funds —From fiscal years 2012–13 through 2016–17, Fish and Wildlife did not spend about \$5.7 million in California Environmental Quality Act (CEQA) fee revenue on CEQA-related activities. Instead, that revenue helped Fish and Wildlife cover shortfalls in other programs, because although state law requires Fish and Wildlife to use CEQA filing fee revenue for CEQA activities, Fish and Wildlife does not track CEQA revenues separately from certain other program revenues. Thus, Fish and Wildlife cannot ensure that it uses restricted CEQA fee revenue only for CEQA purposes.	\$5,700,000
	Lost Revenue —In an audit of San Joaquin County, Fish and Wildlife’s auditors found that the county did not collect or remit filing fees for 81 projects from July 2016 through March 2017. Fees from these projects would have totaled about \$180,000. Further, another audit from the same year of Santa Barbara County revealed eight project applicants filed notices of determination with the county, but the county did not have proof of the applicants’ filing fee payments. If, in fact, the eight applicants did not pay, Fish and Wildlife lost another \$21,000 in fee revenue. To ensure it receives all CEQA revenues to which it is entitled, we recommend that Fish and Wildlife immediately begin collecting any unpaid fees it identifies in audits of counties.	201,000
Annualized Carry Forward for July 1, 2018, Through June 30, 2019		\$2,125,147,200
2002-009 (April 2003)	California Energy Markets	\$29,000,000
I2011-1 (August 2011)	Department of Mental Health§ (Allegation I2009-0644)	76,000
2010-124 (September 2011)	Department of Corrections and Rehabilitation	2,090,000
2011-119 (June 2012)	Physical Therapy Board	28,000
2011-120 (August 2012)	California Department of Transportation	3,800,000
I2012-1 (December 2012)	State Athletic Commission (Allegation I2009-1341)	15,000
I2012-1 (December 2012)	California Correctional Health Care Services (Allegation I2009-0689)	37,000
I2012-1 (December 2012)	California Natural Resources Agency (Allegation I2009-1321)	19,000
2012-117 (March 2013)	State Athletic Commission	181,000
2012-110 (April 2013)	Department of Motor Vehicles	6,000,000
2013-501 (March 2014)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	36,000
2013-119 (August 2014)	Department of Health Care Services	1,270,700
2012-603 (August 2014)	Department of Human Resources and California State University	1,222,000
2014-301 (November 2014)	Superior Court of California, County of Alameda	48,000
2013-125 (December 2014)	Department of Health Care Services	14,000
2014-107 (January 2015)	Administrative Office of the Courts†	13,893,500
2015-502 (July 2015)	Department of Social Services	23,200,000

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2014-130 (August 2015)	Department of Health Care Services	\$2,019,000
2015-119 (March 2016)	State Board of Equalization ‡	360,000
2015-806 (August 2016)	City of Hemet	3,103,000
2015-803 (October 2016)	City of Maywood	25,000
2016-111 (November 2016)	City of Irwindale	3,520,000
2016-121 (April 2017)	Department of Motor Vehicles	190,000
2017-109 (May 2018)	Department of Health Care Services	335,000,000
2018-603 (October 2018)	Department of Health Care Services	1,700,000,000
Total for July 1, 2017, Through June 30, 2018		\$448,446,900
Total One-Time Benefits for July 1, 2017, Through June 30, 2018		\$33,700
I2017-2 (October 2017) (Allegations I2015-0959, I2016-0604, and I2016-0244)	<i>Investigations of Improper Activities by State Agencies and Employees: Inaccurate Attendance Records, Violation of State Laws, and Misuse of State Resources</i> Cost Savings/Avoidance —Atascadero State Hospital failed to ensure the accuracy of a psychiatric technician's attendance records resulting in about \$7,500 in improper overtime pay from July 2015 through June 2016.	\$7,500
	Cost Savings/Avoidance —Two managers at the Department of Water Resources (Water Resources) failed to ensure the accuracy of the time and attendance records of an administrative supervisor from 2008 to 2016. As a result, based on the limited data available, the administrative supervisor undercharged her leave by as many as 149 hours over a six-month period, at an estimated cost to the state almost \$5,200. However, based on the administrative supervisor's pattern of attendance and her failure to charge leave for partial-day absences during her nearly eight years of state employment, the actual cost to the State was likely much greater.	5,200
2017-302 (December 2017)	<i>Judicial Council of California: It Needs to Follow Competitive Bidding Processes More Consistently and Establish Clear Guidance for Invoice Processing</i> Cost Savings/Avoidance —The Judicial Council of California may have missed savings of about \$10,000 when it entered into a series of 25 contracts with the same vendor over two years instead of obtaining a master agreement with the vendor for a lower hourly rate.	\$10,000
2017-116 (April 2018)	<i>Community Child Care Council of Santa Clara County: Because It Disadvantaged Some Families and Misused State Funds, It Could Benefit From Increased Monitoring by the California Department of Education</i> Cost Recovery —The Community Child Care Council (4Cs) expended over \$11,000 in unallowable administrative reimbursements pertaining to travel, conferences, supplies, and professional services. In order to rectify 4Cs' inappropriate use of state funding, the Department of Education should recalculate the amount of 4Cs' reimbursable costs based on the unallowable costs we identified and recover any funds that should be repaid.	\$11,000
2017-109 (May 2018)	<i>Skilled Nursing Facilities: Absent Effective State Oversight, Substandard Quality of Care Has Continued</i> Cost Savings/Avoidance —The State received approximately \$521 million in annual quality assurance fees from nursing facilities as well as an equal amount of federal matching funds in fiscal year 2016–17. DHCS anticipated reimbursing those nursing facilities about \$335 million with no conditions. If the State instead used the \$335 million in quality assurance fees for new quality improvement incentives, the funds could help improve quality of care throughout the State.	See annualized benefits below
Annualized Carry Forward for July 1, 2017, Through June 30, 2018		\$448,413,200
2002-009 (April 2003)	California Energy Markets	\$29,000,000
2009-112 (May 2010)	Department of Health Care Services	4,700,000
2010-108 (June 2010)	Department of Public Health	3,566,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2009-118 (August 2010)	Department of Developmental Services	\$15,000,000
I2011-1 (August 2011)	Department of Mental Health§ (Allegation I2009-0644)	76,000
2010-124 (September 2011)	Department of Corrections and Rehabilitation	2,090,000
2011-119 (June 2012)	Physical Therapy Board	28,000
2011-120 (August 2012)	California Department of Transportation	3,800,000
I2012-1 (December 2012)	State Athletic Commission (Allegation I2009-1341)	15,000
I2012-1 (December 2012)	California Correctional Health Care Services (Allegation I2009-0689)	37,000
I2012-1 (December 2012)	California Natural Resources Agency (Allegation I2009-1321)	19,000
2012-117 (March 2013)	State Athletic Commission	181,000
2012-110 (April 2013)	Department of Motor Vehicles	6,000,000
2013-501 (March 2014)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	36,000
2013-119 (August 2014)	Department of Health Care Services	1,270,700
2012-603 (August 2014)	Department of Human Resources and California State University	1,222,000
2014-301 (November 2014)	Superior Court of California, County of Alameda	48,000
2013-125 (December 2014)	Department of Health Care Services	14,000
2014-107 (January 2015)	Administrative Office of the Courts†	13,893,500
2015-502 (July 2015)	Department of Social Services	23,200,000
2014-130 (August 2015)	Department of Health Care Services	2,019,000
2015-119 (March 2016)	State Board of Equalization ‡	360,000
2015-806 (August 2016)	City of Hemet	3,103,000
2015-803 (October 2016)	City of Maywood	25,000
2016-111 (November 2016)	City of Irwindale	3,520,000
2016-121 (April 2017)	Department of Motor Vehicles	190,000
2017-109 (May 2018)	Department of Health Care Services	335,000,000
Total for July 1, 2016, Through June 30, 2017		\$164,729,650
Total One-Time Benefits for July 1, 2016, Through June 30, 2017		\$10,493,450

2015-806
(August 2016)

City of Hemet: Its Ongoing Budget Deficit and Organizational Inefficiency Threaten Its Financial Stability and Delivery of Public Services

Increased Revenue—The city of Hemet (Hemet) spent about \$1.8 million of its limited general fund resources in fiscal year 2014–15 to fund library operations and has spent similar amounts during the past several fiscal years. We found that even though it was facing ongoing budget deficits, Hemet did not have plans to make the library self-sufficient or to reduce its impact on the general fund. Nearly half of the library’s patrons do not actually live in Hemet. Hemet could generate at least \$835,000 in additional revenue annually for charging for nonresident use of the city library.

See annualized benefits below

Cost Savings—Hemet outsourced landscape maintenance for some of its grounds. It could generate cost savings by outsourcing the remainder of the maintenance, including its parks. We determined that the annual cost of contracting with a private company to fully maintain a park ranges from 10 cents to 20 cents per square foot. We estimate that Hemet could generate annually \$183,000 in savings from outsourcing maintenance of city parks.

See annualized benefits below

Increased Revenue—Hemet’s fire department does not charge for its services when it is the first responder to calls for emergency medical services. Although in 2015, the fire department responded to more than 13,000 emergency medical calls, representing more than 80 percent of its total calls, it did not charge for such services. We determined that the city could have generated \$1,900,000 in fiscal year 2015–16 if it had charged for emergency medical services, based on a 50 percent collection rate. Further, we estimate that Hemet could generate annually \$2,085,000 to \$2,837,000 for fiscal years 2016–17 through 2019–20.

See annualized benefits below

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
I2016-2 (August 2016) (Allegations I2015-0034, I2014-0934, I2015-1073)	<i>Investigations of Improper Activities by State Agencies and Employees: Conflict of Interest, Violation of Post-Employment Ethics Restrictions, Waste of State Funds, Misuse of State Resources, and Incompatible Activities</i>	
	Wasted Funds —CDPH wasted state funds when it failed to enforce proper policies and procedures to ensure that it reimbursed travel in accordance with the applicable state law. From July 2012 through March 2016, Public Health improperly reimbursed a total of \$74,000 in travel expense claims for an official to travel from Sonoma County to Sacramento County.	\$74,000
	Wasted Funds —The Napa State Hospital (hospital) overpaid an investigator nearly \$3,000 from October 2015, through February 2016 for performing the duties of a communications operator. The hospital wasted state funds by paying her overtime wages based on her regular pay as an investigator rather than at the regular hourly rate for communications operator. Additionally, a supervisor at the Department of Parks and Recreation (State Parks) misused state resources when she used her state-issued cell phone to promote and sell beauty products and to communicate with relatives who reside outside of the State. State Parks determined the total charges incurred from the supervisor’s misuse of her state-issued cell phone totaled nearly \$200.	3,200
	Cost Recovery —Caltrans failed to collect \$57,000 in rent and late fees from 16 of the 30 tenants in a mobile home park it acquired in 2010. Caltrans also failed to collect \$258,000 in utility reimbursements from tenants from October 2010 through December 2015. Caltrans’ weak management cost the state \$315,000 as of December 31, 2015.	315,000
2015-803 (October 2016)	<i>City of Maywood: Its Flawed Governance and Financial Mismanagement Could Compromise the Basic Services It Provides to Residents</i>	
	Cost Recovery —We found that the City of Maywood (Maywood) city council members used city funds inappropriately to pay for the cost of a celebration—\$2,450 for catering and \$800 for entertainment—of the new city council at the December 2015 meeting. Because these spending decisions represent a breach of the city council’s fiduciary responsibility to safeguard the city’s public resources, we recommended that the city council reimburse the city for the \$3,250 in costs incurred for the celebration.	\$3,250
	Lost Revenue —As of June 2016, Maywood failed to collect more than \$177,000 in unpaid parking tickets issued since October 2015 and associated late fees.	177,000
	Lost Revenue —Maywood failed to identify eight businesses and one apartment that were operating without business licenses. Many businesses known to Maywood were delinquent in their payments of license fees. Maywood could collect up to \$19,000 in additional, one-time revenue if it collects from these businesses. Further, we found that Maywood failed to collect more than \$60,000 in rent revenue and late fees since 2012. Maywood did not begin to collect these outstanding lease payments until we brought this issue to the attention of the interim city administrator.	79,000
	Cost Savings/Avoidance —Maywood pays both the employer’s share and the employees’ share of the cost of its retirement plan for miscellaneous employees. We found that Maywood could save at least \$25,000 annually, by requiring its staff and elected officials to begin contributing to the costs of their retirement benefits.	See annualized benefits below
2016-106 (November 2016)	<i>Los Angeles County: Weak Oversight of Its Lease With the Los Angeles County Fair Association Has Likely Cost Millions of Dollars in Revenue</i>	
	Lost Revenue —Los Angeles County failed to actively monitor its lease with the association, potentially resulting in a loss of more than \$6 million in rent revenue related to the hotel from 2006 through 2015.	\$6,000,000
	Lost Revenue —The Los Angeles County Fair Association failed to pay rent related to the conference center, contradicting its representations to the county when it sought help financing the construction. Los Angeles County has lost out on roughly \$350,000 in total rent revenue related to the Los Angeles County Fair Association’s conference center.	350,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2016-110 (November 2016)	Trade Apprenticeship Programs: The State Needs to Better Oversee Apprenticeship Programs, Such as the Air Conditioning Trade Association's Sheet Metal Program	
	Cost Recovery —The Air Conditioning Trade Association (ACTA) claimed homework assignment hours for reimbursement from Central Unified, but such claims are not allowable under state law. We estimate that between fiscal years 2010–11 through 2014–15, ACTA claimed at least 10,100 hours for unallowable reimbursements, with a cost of nearly \$51,000 in apprenticeship instruction funding.	\$51,000
2016-111 (November 2016)	City of Irwindale: It Must Exercise More Fiscal Responsibility Over Its Spending So That It Can Continue to Provide Core Services to Residents	
	Cost Savings/Avoidance —The city of Irwindale (Irwindale) provided key management and all other full-time employees with more generous employee pensions than those offered by comparable cities. For fiscal year 2015–16, the city budgeted approximately \$476,000 for Public Agency Retirement Services (PARS). Irwindale could reduce its employee benefits cost by eliminating further city contributions to the PARS supplemental benefit plan or at least increase participant contributions to cover the full employee share of the plan's costs.	See annualized benefits below
	Cost Savings/Avoidance —Irwindale spent \$944,000 on a prescription assistance program in fiscal year 2015–16. We recommended that Irwindale eliminate its current resident prescription drug program and replace it with the prescription discount card program offered by the League of California Cities that would provide discounts on prescriptions to residents at no cost to the city.	See annualized benefits below
	Cost Savings/Avoidance —If Irwindale were to implement a cap of \$2,500 per resident for its prescription program, two-thirds the average amount spent per participant in fiscal year 2015–16, it could save more than \$300,000 per year on prescription drug benefits.	See annualized benefits below
	Cost Savings/Avoidance —We recommended that Irwindale reevaluate the possibility of contracting policing services as an alternative to operating its own police department. In 2009 the Los Angeles County Sheriff's Department performed a study of the Irwindale City Police Department and proposed providing policing services to the city that would reduce its annual costs by 25 percent, or \$1.8 million at the time.	See annualized benefits below
I2017-1 (March 2017) (Allegations I2016-0112, I2015-0736, I2015-0576, I2016-0015, I2016-0195, I2016-0276)	Investigations of Improper Activities by State Agencies and Employees: Misuse of Resources, Inaccurate Attendance Records, Disclosure of Confidential Information, and Improper Payments	
	Wasted Funds —A parole agent with CDCR misused a state vehicle for her personal commute between January 2016 and July 2016 at a total cost to the state of about \$3,800.	\$3,800
	Wasted Funds —An analyst at Caltrans misused state time by regularly taking excessive smoking breaks and extended lunches during her workdays, and she violated state law and a Caltrans directive regarding incompatible activities. We estimate that on average, the analyst misused 130 hours of state time from July 2015 to March 2016 at a total cost to the state of about \$4,300.	4,300
	Wasted Funds —A pharmacist at a state hospital failed to charge sufficient leave for absences and was overpaid for standby hours between January 2014 through August 2015 for a combined total of 99 hours. The combined 99 hours of undercharged leave and the overcompensated time represents a total cost to the state of \$5,000.	5,000
	Cost Recovery —The California Institution for Women improperly paid a program chief a total of \$2,520 from March 2015 through September 2015 in the form of a monthly \$360 Institutional Worker Supervision Pay differential intended for those involved in the supervision of inmate workers. In addition, CDCR paid the program chief \$1,080 in extra pay between December 2014 and February 2015 even though it did not maintain the initial approving paperwork on file to authorize these payments.	3,600
	Cost Recovery —CSU, San Diego erroneously paid a maintenance employee amounts totaling an additional \$2,100 from June 2015 to June 2016 because of an inaccurate hire date in a computer system.	2,100
	Wasted Funds —A full-time library employee at Fresno State misused a university resource by visiting more than 48,300 webpages largely related to online videos and games from May 2015 through May 2016. The library employee may have misused as many as 85 hours of Fresno State time for a representative one-month period. Over the course of the 13 months reviewed, we estimate that this misused time may have cost Fresno State as much as \$22,200.	22,200

continued on next page...

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2016-121 (April 2017)	<i>Department of Motor Vehicles: Administrative and Statutory Changes Will Improve Its Ability to Detect and Deter Misuse of Disabled Person Parking Placards</i>	
	Increased Revenue —Officials at all six cities stated that they do not make use or were not aware of a provision in state law that allows local governments to pass ordinances to increase penalties for placard misuse by \$100 per citation. For example, Los Angeles Department of Transportation reported that the city issued almost 1,900 citations in 2016. If Los Angeles increased its placard misuse penalty by the additional \$100, it might have raised nearly \$190,000 in additional revenue for placard enforcement.	See annualized benefits below
	Lost Revenue —We estimate that the city of San Francisco missed out on at least \$3.4 million in annual parking revenue based on a 15 percent rate of misuse due to people parking for free with disabled placards or plates.	\$3,400,000
Annualized Carry Forward for July 1, 2016, Through June 30, 2017		\$154,236,200
2002-009 (April 2003)	California Energy Markets	\$29,000,000
2009-043 (November 2009)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	38,000
2009-030 (July 2009)	State Bar of California	285,000
2009-112 (May 2010)	Department of Health Care Services	4,700,000
2010-108 (June 2010)	Department of Public Health	3,566,000
2009-118 (August 2010)	Department of Developmental Services	15,000,000
I2011-1 (August 2011)	Department of Mental Health§ (Allegation I2009-0644)	76,000
2010-124 (September 2011)	Department of Corrections and Rehabilitation	2,090,000
2011-119 (June 2012)	Physical Therapy Board	28,000
2011-120 (August 2012)	Department of Transportation	3,800,000
I2012-1 (December 2012)	State Athletic Commission (Allegation I2009-1341)	15,000
I2012-1 (December 2012)	California Correctional Health Care Services (Allegation I2009-0689)	37,000
I2012-1 (December 2012)	California Natural Resources Agency (Allegation I2009-1321)	19,000
2012-117 (March 2013)	State Athletic Commission	181,000
2012-110 (April 2013)	Department of Motor Vehicles	6,000,000
2013-501 (March 2014)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	36,000
2013-119 (August 2014)	Department of Health Care Services	1,270,700
2012-603 (August 2014)	Department of Human Resources and California State University	1,222,000
2014-301 (November 2014)	Superior Court of California, County of Alameda	48,000
2013-125 (December 2014)	Department of Health Care Services	14,000
2014-107 (January 2015)	Administrative Office of the Courts†	13,893,500
2014-113 (January 2015)	Department of Public Health	500,000
2015-502 (July 2015)	Department of Social Services	23,200,000
2014-130 (August 2015)	Department of Health Care Services	2,019,000
2015-119 (March 2016)	State Board of Equalization ‡	360,000
2015-127 (April 2016)	Franchise Tax Board/ Corporate Tax Expenditures	40,000,000
2015-806 (August 2016)	City of Hemet	3,103,000
2015-803 (October 2016)	City of Maywood	25,000
2016-111 (November 2016)	City of Irwindale	3,520,000
2016-121 (April 2017)	Department of Motor Vehicles	190,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
Total for July 1, 2015, Through June 30, 2016		\$147,198,000
Total One-Time Benefits for July 1, 2015, Through June 30, 2016		\$39,700,800
2015-502 (July 2015)	Follow-Up—California Department of Social Services: Although Making Progress, It Could Do More to Ensure the Protection and Appropriate Placement of Foster Children	
	Cost Savings —DSS has not implemented a recommendation from our 2011 audit to revise its regulations so that licensed foster homes have a higher priority than foster family agencies for children who do not have identified treatment needs. We estimate that if Social Services were to implement our recommendations, counties could save \$116 million over the next five years.	See annualized benefits below
2014-130 (August 2015)	California Department of Health Care Services: It Should Improve Its Administration and Oversight of School-Based Medi-Cal Programs	
	Cost Savings/Avoidance —When DHCS implemented a random moment time survey methodology for its administrative activities program, it missed an opportunity to implement a single statewide quarterly time survey. We estimate that the administrative activities program could save as much as \$1.3 million annually in coding costs alone if DHCS conducted a single statewide quarterly time survey.	See annualized benefits below
	Lost Revenue —DHCS has not maximized federal reimbursements applicable to the administrative activities program because it has not adequately maximized schools' participation. We estimate that the schools that were still not participating in the program during fiscal year 2011–12 missed out on claiming \$10.2 million in federal reimbursements for that same fiscal year. Additionally, DHCS has not maximized the federal reimbursement amount available for translation services in a school-based setting. DHCS has allowed California schools to claim only a 50 percent reimbursement rate. This resulted in the loss of an estimated \$4.6 million in federal funding from February 2009 through June 2015.	\$14,800,000
	Cost Recovery —We anticipate a future annual cost recovery of \$719,000 if DHCS revised reimbursement rates to authorize schools to claim the full allowable 75 percent rate.	See annualized benefits below
I2015-1 (August 2015) (Allegations I2013-0440, I2014-1440, I2014-1011, I2014-1398, I2015-0384)	Investigations of Improper Activities by State Agencies and Employees: Violations of State Law Including Failure to Seek Competitive Bids, Increase Rental Rates, Properly Dispose of Surplus Property, and Adequately Supervise	
	Wasted Funds —Correctional Health Care failed to seek competitive bids from vendors when it sought to upgrade the electrical infrastructure within state prisons beginning in 2011. It paid the contractor \$3.2 million to do nothing more than process invoices of the subcontractor, who performed all the work.	\$3,200,000
	Lost Revenue —Caltrans failed to increase the rental rates to reflect the fair market value of state land rented by telecommunications companies in the San Francisco Bay Area, in violation of a provision in their license agreements. Caltrans' failure to increase rates cost the State nearly \$883,000 in revenue from July 1, 2012 through September 30, 2014.	883,000
	Wasted Funds/Cost Recovery —For nearly two years, CDCR and Correctional Health Care improperly allowed three chief psychologists to receive extra compensation for being on call or for returning to work after their shifts ended to perform additional duties. As a result, the State overpaid these employees a total of \$96,000.	96,000
	Lost Revenue —A field division chief and a civil maintenance branch chief (maintenance manager) with Water Resources failed to follow the appropriate policies when disposing of accumulated surplus properly. The maintenance manager recycled property, including copper wire, without making the required notification to the branch in charge of property disposal. We estimate the state lost revenue of approximately \$8,000.	8,000
	Wasted Funds —The Chula Vista Veterans Home wasted state funds when it purchased a piece of equipment for nearly \$50,000 and rarely used it during the past five years.	50,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
I2016-1 (February 2016) (Allegations I2015-0478, I2014-0970, I2015-0084, and I2014-1285, I2014-0948, I2014-1576, I2013-1633)	Investigations of Improper Activities by State Agencies and Employees: Misuse of State Resources, Forgery, False Time Reporting, Financial Interests Disclosure Violations, and Waste of State Funds	
	Wasted Funds —A supervisor at CDPH misused state time by leaving for several hours during his shift nearly every day without using leave and without approval. We estimate the supervisor did not account for 234 hours of his work time, valued at nearly \$4,000, from January 2015 through the end of July 2015.	\$4,000
	Wasted Funds —An employee at Fish and Wildlife misused state resources by submitting a travel expense claim for meals and incidentals, and charging a state credit card for fuel for traveling to a two-day retirement planning fair that he did not attend. We estimate the employee misused approximately \$300 of state resources.	300
	Cost Recovery —A supervising nurse at Correctional Health Care forged seven military documents regarding the dates of his reservist duties and submitted false time sheets to his supervisor at Correctional Health Care. The supervising nurse did not work for the military on 10 of the 34 days identified in the forged documents, costing the state approximately \$4,000. Further, the state paid him nearly \$2,000 for four days he inaccurately indicated performing active duty when he actually performed inactive duty. We estimate the State overpaid the nurse nearly \$6,000.	6,000
	Wasted Funds —DGS failed to update its statewide policy since forming a rental car contract with Enterprise. By appropriately making its policies and practices consistent with the statewide policy, the Department of Resources Recycling and Recovery (CalRecycle) unnecessarily spent approximately \$4,000 from July 2014 through June 2015. We estimate the total waste resulting from DGS policy may have been much greater, given that other state agencies in the Sacramento area are also subject to this policy.	4,000
	Wasted Funds —Four psychiatrists at Patton State Hospital regularly worked an average of 22 to 29 hours per week instead of the average of 40 hours per week required by their collective bargaining agreement. We determined that the psychiatrists' 2,254 hours of missed work between July 2014 and June 2015 had a value of nearly \$297,000.	297,000
	Wasted Funds —Water Resources wasted state funds when it improperly reimbursed three employees nearly \$4,500 in excess of the allowed amount for training as a result of its staff's inconsistent practices and failure to follow its training policies and procedures.	4,500
	Cost Avoidance/Savings —Water Resources could have saved nearly \$51,000 had its staff appropriately categorized training courses for seven employees and followed its policy of capping training reimbursements.	51,000
Wasted Funds —The Porterville Developmental Center (Porterville) wasted state funds when it charged only eight hours of leave to certain employees who missed scheduled nine-hour or 10-hour workdays. We determined that Porterville did not charge 566 hours of leave to the employees, which cost the State at least \$25,000.	25,000	
2015-119 (March 2016)	State Board of Equalization: Its Tobacco Tax Enforcement Efforts Are Effective and Properly Funded, but Other Funding Options and Cost Savings Are Possible	
	Cost Savings/Avoidance —Although the number of locations licensed by retailers, distributors, and wholesalers has declined, the State Board of Equalization (Equalization) did not decrease the number of inspections it conducted which resulted in an increased frequency of inspections. We believe Equalization could return to its initial frequency of inspections and continue to maintain the high level of compliance with the cigarette tax law that the three-part enforcement program has already achieved. We estimate that conducting over 800 fewer inspections each year would result in cost savings of more than \$360,000 per year.	See annualized benefits below
2015-120 (March 2016)	California Department of Transportation: Its Maintenance Division's Allocations and Spending for Field Maintenance Do Not Match Key Indicators of Need	
	Wasted Funds —Caltrans paid a consultant to develop a budget model for its maintenance division's field maintenance program in 2009. However, the maintenance division never implemented the model. Therefore, we determined Caltrans wasted the \$250,000 it paid the consultant to develop the model.	\$250,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2015-127 (April 2016)	Corporate Income Tax Expenditures: The State's Regular Evaluation of Corporate Income Tax Expenditures Would Improve Their Efficiency and Effectiveness	
	Increased Revenue —We found that the tax expenditure—the waters edge election—may be providing corporations with unintentional benefits that reduce the state's revenue by mandating that all corporations use the water's edge election instead of allowing corporations to select between two tax structures could increase the state's tax revenue while continuing to fulfill the tax expenditure's purpose. The FTB has estimated that including tax havens within the water's edge for California would result in additional state revenue of \$20 million for the first fiscal year and increase to \$40 million the following fiscal year.	\$20,000,000
2015-047 (May 2016)	The State Bar of California: Its Lack of Transparency Has Undermined Its Communications With Decision Makers and Stakeholders	
	Wasted Funds —The State Bar of California (State Bar) created and used a nonprofit organization with little or no board oversight from 2013 through 2015. About two-thirds of the expenses the State Bar recorded in the foundation's fund were for unrelated purposes. Specifically, the State Bar charged to the foundation more than \$22,000 in expenses that were unrelated to the Legal Services Trust Fund or Sections Program, the foundation's ostensible beneficiaries.	\$22,000

Annualized Carry Forward for July 1, 2015, Through June 30, 2016		\$107,497,200
2002-009 (April 2003)	California Energy Markets	\$29,000,000
2007-037 (September 2007)	Department of Housing and Community Development	38,000
2008-103 (November 2008)	California Unemployment Insurance Appeals Board	61,000
2009-043 (November 2009)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	38,000
2009-030 (July 2009)	State Bar of California	285,000
2009-112 (May 2010)	Department of Health Care Services	4,700,000
2010-108 (June 2010)	Department of Public Health	3,566,000
2009-118 (August 2010)	Department of Developmental Services	15,000,000
I2011-1 (August 2011)	Department of Mental Health§ (Allegation I2009-0644)	76,000
2010-124 (September 2011)	Department of Corrections and Rehabilitation	2,090,000
2011-119 (June 2012)	Physical Therapy Board	28,000
2011-120 (August 2012)	Department of Transportation	3,800,000
I2012-1 (December 2012)	State Athletic Commission (Allegation I2009-1341)	15,000
I2012-1 (December 2012)	California Correctional Health Care Services (Allegation I2009-0689)	37,000
I2012-1 (December 2012)	California Natural Resources Agency (Allegation I2009-1321)	19,000
2012-117 (March 2013)	State Athletic Commission	181,000
2012-110 (April 2013)	Department of Motor Vehicles	6,000,000
2013-501 (March 2014)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	36,000
2013-119 (August 2014)	Department of Health Care Services	1,270,700
2012-603 (August 2014)	Department of Human Resources and California State University	1,222,000
2014-301 (November 2014)	Superior Court of California, County of Alameda	48,000
2013-125 (December 2014)	Department of Health Care Services	14,000
2014-107 (January 2015)	Administrative Office of the Courts†	13,893,500
2014-113 (January 2015)	Department of Public Health	500,000
2015-502 (July 2015)	Department of Social Services	23,200,000
2014-130 (August 2015)	Department of Health Care Services	2,019,000
2015-119 (March 2016)	State Board of Equalization‡	360,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
Total for July 1, 2014, Through June 30, 2015		\$107,860,200
Total One-Time Benefits for July 1, 2014, Through June 30, 2015		\$12,879,000
2013-119 (August 2014)	<i>California Department of Health Care Services: Its Failure to Properly Administer the Drug Medi-Cal Treatment Program Created Opportunities for Fraud</i>	
	Cost Recovery —Outpatient drug-free services providers in Los Angeles County and Fresno County could not locate all of the patients records we selected for testing, which amounted to over \$11,500. In addition, the patient records for all three counties we visited did not always include the documentation that state regulations require, which amounted to over \$49,600. In total, this amounted to approximately \$61,000. When providers cannot produce patient records, they cannot demonstrate that they rendered services. Thus, the State and counties can recover the reimbursements they paid to these providers because the providers cannot produce patient records to support their claims.	\$61,000
	Cost Recovery —DHCS and the Department of Alcohol and Drug Programs approved approximately \$953,000 in potentially improper payments to providers of outpatient drug-free services, which includes \$10,000 for purportedly deceased beneficiaries. We estimate \$317,700 in continued annual savings through cost avoidance as a result of our recommendations.	953,000
	Cost Recovery —Although DHCS had already suspended or terminated provider sites associated with nearly \$71 million of the \$84 million in services we identified using five high-risk indicators, the remaining provider sites account for more than \$13 million. We found that providers could not locate or provide adequate documentation to justify reimbursement claims for roughly 22 percent, or \$2.8 million of the services we reviewed. We estimate \$953,000 in continued annual savings through cost avoidance as a result of our recommendations.	2,860,000
2012-603 (August 2014)	<i>High Risk Update: California Department of Human Resources and California State University: State Agencies Credited Their Employees With Millions of Dollars Worth of Unearned Leave</i>	
	Cost Recovery —From January 2008 through December 2012, state departments, agencies, CSU campuses, and other entities credited their employees with unearned leave worth nearly \$6.4 million as of December 2013. State law allows state agencies to recover overpayments to their employees only if the agencies initiate corrective action within three years of the date of the overpayment. We estimate \$1,222,000 in continued annual savings through cost avoidance as a result of our recommendations.	\$6,357,000
2014-301 (November 2014)	<i>Judicial Branch Procurement: Superior Court of California, County of Alameda: Five Superior Courts Did Not Consistently Follow Judicial Branch Contracting Practices</i>	
	Wasted Funds/Cost Savings —The Alameda court overpaid \$2,500 for mental health assessments for participants in the Parolee Reentry Court Program. It also purchased bottled water for court staff and jurors at a cost of over \$4,000 a month. The State Administrative Manual and the State Contracting Manual generally prohibit the purchase of bottled water for staff, except in limited circumstances, such as when the building water does not meet health standards. We estimate that the court could save \$48,000 each year by discontinuing purchasing bottled water for court staff and jurors.	\$51,000
2013-125 (December 2014)	<i>California Department of Health Care Services: Weaknesses in Its Medi-Cal Dental Program Limit Children's Access to Dental Care</i>	
	Wasted Funds —DHCS reimbursed more than \$70,000 for dental procedures that were purportedly provided to deceased beneficiaries between 2009 and 2013. We estimate \$14,000 in continued annual savings through cost avoidance as a result of our recommendations.	\$70,000
I2014-1 (December 2014) (Allegations I2010-1250, I2012-0355, I2011-0878)	<i>Investigations of Improper Activities by State Agencies and Employees: Theft of State Funds, Waste of Public Resources, Improper Headquarters Designation and Improper Travel Expenses, Dishonesty, Incompatible Activities, and Other Violations of State Law</i>	
	Wasted Funds —The California Military Department (Military Department) failed to keep an accurate inventory of state property at the Camp Roberts training facility, which led to a loss of more than \$33,000 worth of state property in June 2011.	\$33,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
	<p>Wasted Funds—DGS allowed a private security firm’s security guards to park free of charge in the building’s parking garage despite the contract with the firm specifically stating that DGS has no obligation to provide this benefit. DGS would have received almost \$13,000 in parking revenue from October 2008 through June 2012. DGS reported in November 2014 that it will amend the contract with the firm to allow security guards working evenings and weekends to park in the building’s garage without charge.</p>	\$13,000
	<p>Wasted Funds—EDD failed to accurately designate an employee’s office headquarters. Because of this inappropriate designation, the employee’s supervisors approved more than \$20,000 in improper travel payments between July 2007 and January 2010. Had EDD properly designated the employee’s headquarters, the State would not have incurred these travel expenses. In addition, the employee’s supervisor approved an additional approximately \$6,000 in improper travel expenses from January 2010 through July 2012.</p>	27,000
2014-107 (January 2015)	<p>Judicial Branch of California†: Because of Questionable Fiscal and Operational Decisions, the Judicial Council and the Administrative Office of the Courts Have Not Maximized the Funds Available for the Courts</p> <p>Cost Savings—The Administrative Office of the Courts† (AOC) pays salaries to its employees that are higher than those in the executive branch. If the salaries of the AOC’s three executive officers and the managers of its 20 offices matched the levels of comparable California executive branch positions, we estimate it would save \$1 million annually in cost savings.</p> <p>Wasted Funds/Cost Savings—The AOC provides discounted transit passes for major public transportation providers, but it pays almost double the subsidy amounts for transit passes compared to the executive branch. For July 2010 through December 2013, this excess subsidy cost the AOC approximately \$1,160,000. We estimate an annual cost savings of \$330,000 associated with this recommendation.</p> <p>Cost Savings—The AOC pay the employee share of the member’s retirement contribution for certain executive and management staff hired before October 2012. We estimate the AOC will save approximately \$110,000 per fiscal year in cost savings if it ceases to pay these employees’ shares.</p> <p>Wasted Funds/Cost Savings—The AOC maintains three work locations, which has resulted in:</p> <ul style="list-style-type: none"> • approximately \$25,000 spent on travel expenses for executive managers who work in different locations than the majority of their staff • a salary differential of \$47,000 annually paid to AOC’s internal audits office • an excess \$5 million annually spent on rent <p>Cost Savings/Avoidance—The AOC’s use of contractors, temporary workers, and consultants has resulted in significantly higher costs than the AOC would have incurred had it hired state employees to perform this work. If the AOC replaced 55 contractors with state employees, it could save up to \$7 million per year. If the AOC use state employees instead of 15 temporary workers, it could save about \$200,000 per year. We estimate a continued cost savings of \$7,200,000 if the AOC implemented this recommendation.</p> <p>Cost Savings/Avoidance—The AOC has assigned vehicles to its top executives, but we found that, on average, the three executives use the vehicles for business purposes for only about 20 percent of the time and personal use for the remaining 80 percent. If the AOC required these three executives to instead use their personal vehicles and claim the mileage reimbursement rate for their business miles, we estimate that it would save an average of roughly \$2,500 per vehicle each year.</p> <p>Cost Savings/Avoidance—The AOC pays for parking for five office directors, which it estimates costs an average of about \$1,000 each month. Executive branch policy only allows for reimbursement if there will be business-related travel on the same day. If the AOC stops providing this benefit, we estimate a continued cost savings of \$12,000 a year.</p> <p>Wasted Funds/Cost Savings—The AOC caters training sessions and meetings at its work locations and has greater allowances for meal costs than the executive branch. For fiscal years 2010–11 through 2012–13, this benefit cost approximately \$560,000. We estimate that AOC could save \$187,000 a year by discontinuing this benefit.</p>	<p>See annualized benefits below</p> <p>\$1,160,000 See annualized benefits below</p> <p>See annualized benefits below</p> <p>25,000 See annualized benefits below</p> <p>See annualized benefits below</p> <p>See annualized benefits below</p> <p>See annualized benefits below</p> <p>560,000 See annualized benefits below</p>

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2014-118 (January 2015)	California Department of Developmental Services: Its Process for Assessing Fees Paid by Parents of Children Living in Residential Facilities Is Woefully Inefficient and Inconsistent Lost Revenue —The Department of Developmental Services (DDS) failed to provide timely assessments of parental fees. For the roughly 250 initial assessments DDS performs each year, we estimated that the annual amount of unbilled fees caused by assessment delays ranges from \$740,000 to \$1.1 million. Based on DDS' average collection rate of 60 percent, we calculated approximately \$552,000 in lost revenue.	\$552,000
2014-113 (January 2015)	California Department of Public Health: Even With a Recent Increase in Federal Funding, Its Efforts to Prevent Diabetes Are Focused on a Limited Number of Counties Lost Revenue —We found two federal grants related to diabetes for which CDPH could have applied. Specifically, one had an award amount of up to \$500,000 per year for up to three years. CDPH stated that it did not have the resources and capacity required to apply for this particular grant.	See annualized benefits below
2014-121 (June 2015)	University of California, Davis: It Has Not Identified Future Financing for the Strawberry Breeding Program nor Collected All Available Revenues Lost Revenue —Under the terms of the strawberry program's licensing agreements, the University of California (UC) Davis had opportunities to collect additional strawberry program revenues, but it chose not to do so. Over a three-year period, UC Davis did not collect approximately \$157,000 in interest charges from three licensed nurseries and a master licensee for late royalty payments.	\$157,000
Annualized Carry Forward for July 1, 2014, Through June 30, 2015		\$94,981,200
2002-009 (April 2003)	California Energy Markets	\$29,000,000
2007-037 (September 2007)	Department of Housing and Community Development	38,000
I2008-1 (April 2008)	Department of Corrections and Rehabilitation (Allegation I2006-0665)	50,000
I2008-1 (April 2008)	Department of Social Services (Allegation I2006-1040)	13,000
2007-122 (June 2008)	Department of Health Care Services	13,000,000
2008-103 (November 2008)	California Unemployment Insurance Appeals Board	61,000
2009-043 (November 2009)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	38,000
2009-030 (July 2009)	State Bar of California	285,000
2009-112 (May 2010)	Department of Health Care Services	4,700,000
2010-108 (June 2010)	Department of Public Health	3,566,000
2009-118 (August 2010)	Department of Developmental Services	15,000,000
I2011-1 (August 2011)	Department of Mental Health\$ (Allegation I2009-0644)	76,000
2010-124 (September 2011)	Department of Corrections and Rehabilitation	2,090,000
2011-119 (June 2012)	Physical Therapy Board	28,000
2011-120 (August 2012)	Department of Transportation	3,800,000
I2012-1 (December 2012)	State Athletic Commission (Allegation I2009-1341)	15,000
I2012-1 (December 2012)	California Correctional Health Care Services (Allegation I2009-0689)	37,000
I2012-1 (December 2012)	California Natural Resources Agency (Allegation I2009-1321)	19,000
2012-117 (March 2013)	State Athletic Commission	181,000
2012-110 (April 2013)	Department of Motor Vehicles	6,000,000
2013-501 (March 2014)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	36,000
2013-119 (August 2014)	Department of Health Care Services	1,270,700
2012-603 (August 2014)	Department of Human Resources and California State University	1,222,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2014-301 (November 2014)	Superior Court of California, County of Alameda	\$48,000
2013-125 (December 2014)	Department of Health Care Services	14,000
2014-107 (January 2015)	Administrative Office of the Courts†	13,893,500
2014-113 (January 2015)	Department of Public Health	500,000
Total for July 1, 2013, Through June 30, 2014		\$594,777,000
Total One-Time Benefits for July 1, 2013, Through June 30, 2014		\$516,780,000
2012-118 (July 2013)	<i>California Public Utilities Commission: Despite Administrative Weaknesses, It Has Generally Awarded Compensation to Intervenor in Accordance With State Law</i>	
	Cost Recovery —The California Public Utilities Commission (CPUC) failed to provide guidance to its accounting staff regarding interest computation methodology, which resulted in CPUC overpaying an estimated \$40,000 in interest payments on intervenor claims. CPUC is currently in the process of collecting the overpaid interest from the intervenors.	\$40,000
2012-121.2 (September 2013)	<i>Department of Parks and Recreation: Flaws in Its Budget Allocation Processes Hinder Its Ability to Effectively Manage the Park System</i>	
	Wasted Funds — State Parks inappropriately paid nearly \$16,400 for leave to five employees in fiscal years 2009–10 and 2010–11. These leave buyback transactions were unallowable under the employees’ relevant bargaining unit agreements.	\$16,000
12011-0837 (October 2013)	<i>California Department of Veterans Affairs: Wastefulness, Failure to Comply With State Contracting Requirements, and Inexcusable Neglect of Duty</i>	
	Wasted Funds —The administrator of a veterans home operated by CalVet unwisely entered into two contracts on behalf of the home that wasted \$653,000 in state-managed funds and did not comply with state contracting requirements. CalVet wasted approximately \$424,000 during fiscal years 2009–10, 2010–11, and 2011–12 when it paid a vendor to manage the café and tavern at a veterans home when it could have arranged for another vendor to operate the café and tavern at little or no cost to the home. CalVet wasted nearly \$229,000 during fiscal years 2010–11 and 2011–12 when it entered into a contract that did not comply with state contracting requirements for the construction and operation of an adventure park and therefore had to spend funds to terminate the contract.	\$653,000
12012-0651 (March 2014)	<i>Employment Development Department: It Failed to Participate in a Federal Program That Would Have Allowed the State to Collect Hundreds of Millions of Dollars</i>	
	Lost Revenue —EDD failed to take advantage of a federal program that would have allowed it to collect an estimated \$516 million owed to the State in unemployment benefit overpayments made to claimants. Several states chose to participate in the federal Treasury’s Offset Program to collect unemployment benefit overpayments from 2011 through 2013 with great success. However, EDD, acting on behalf of California, declined to participate in this aspect of the Offset Program, and instead persisted with its existing collection efforts.	\$516,000,000
2013-501 (March 2014)	<i>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun</i>	
	Wasted Funds/ Cost Savings —Over the two fiscal years we reviewed, the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun (Pilot Commissioners Board) reimbursed the San Francisco Bay Pilots approximately \$141,000 for what appear to be economy class tickets with fully refundable fares, compared to our estimate of nearly \$70,000—an amount based on the average of three airlines’ airfares for economy class tickets refundable for a small fee. This represents a potential savings of roughly \$71,000 over just a two year period. If the Pilot Commissioners Board carries out our recommendations regarding the purchase of airline tickets, we estimate \$36,000 in continuing annual savings through cost avoidance.	\$71,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
Annualized Carry Forward for July 1, 2013, Through June 30, 2014		\$77,997,000
2002-009 (April 2003)	California Energy Markets	\$29,000,000
2007-037 (September 2007)	Department of Housing and Community Development	38,000
I2008-1 (April 2008)	Department of Corrections and Rehabilitation (Allegation I2006-0665)	50,000
I2008-1 (April 2008)	Department of Social Services (Allegation I2006-1040)	13,000
2007-122 (June 2008)	Department of Health Care Services	13,000,000
2008-103 (November 2008)	California Unemployment Insurance Appeals Board	61,000
2009-043 (November 2009)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	38,000
2009-030 (July 2009)	State Bar of California	285,000
2009-112 (May 2010)	Department of Health Care Services	4,700,000
2010-108 (June 2010)	Department of Public Health	3,566,000
2009-118 (August 2010)	Department of Developmental Services	15,000,000
I2011-1 (August 2011)	Department of Mental Health§ (Allegation I2009-0644)	76,000
2010-124 (September 2011)	Department of Corrections and Rehabilitation	2,090,000
2011-119 (June 2012)	Physical Therapy Board	28,000
2011-120 (August 2012)	Department of Transportation	3,800,000
I2012-1 (December 2012)	State Athletic Commission (Allegation I2009-1341)	15,000
I2012-1 (December 2012)	California Correctional Health Care Services (Allegation I2009-0689)	37,000
I2012-1 (December 2012)	California Natural Resources Agency (Allegation I2009-1321)	19,000
2012-117 (March 2013)	State Athletic Commission	181,000
2012-110 (April 2013)	Department of Motor Vehicles	6,000,000
Total for January 1, 2013, Through June 30, 2013		\$66,201,500
Total One-Time Benefits for January 1, 2013, Through June 30, 2013		\$12,448,000
2012-117 (March 2013)	<i>State Athletic Commission: Its Ongoing Administrative Struggles Call Its Future Into Question</i>	
	Wasted Funds —Over the last three calendar years for administrative spending, the California Athletic Commission (Athletic Commission) spent a total of \$197,400 in excess of the allowable 20 percent limit of its annual contribution. Should the commission limit administrative spending to the allowable 20 percent, it could save an annual average of \$66,000.	\$197,000
	Lost Revenue —The Athletic Commission’s revenues are generally derived from taxes, assessments, and fees collected from events it regulates. Our review of 12 sample events found that the Athletic Commission failed to collect \$4,600 because it inconsistently adhered to its regulations and processes.	5,000
	Lost Revenue —The Athletic Commission failed to maximize the money available to fund boxers’ pension benefits by not transferring funds into a higher-yield investment account, potentially resulting in a loss of \$20,000 between fiscal years 2007–08 and 2010–11. This is an ongoing benefit of approximately \$5,000 per year.	20,000
	Lost Revenue —In 2010 and 2011, the Athletic Commission inappropriately used funds from the Athletic Commission fund to pay \$40,000 in pension plan administration fees, despite the Legislature intending the pension fund to cover the administration of the pension plan.	40,000
	Increased Revenue —The Athletic Commission reports that it has worked with the Legislature to raise the maximum fee it charges promoters for the sale or lease of broadcasting rights from \$25,000 to \$35,000 per event. In fiscal years 2010–11 and 2011–12, the Athletic Commission reported 22 instances where it collected a maximum broadcasting fee from promoters. Going forward, we estimate that the Athletic Commission will realize approximately \$110,000 in increased revenue annually as a result of these increased maximum fees.	See annualized benefits below

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
I2009-0640 (March 2013)	California Department of Transportation: Caltrans Employees Engaged in Inexcusable Neglect of Duty, Received Overpayment for Overtime, Falsified Test Data, and Misappropriated State Property	
	Cost Recovery —A supervisor with Caltrans improperly removed steel beams from a Caltrans facility. After discovering this, Caltrans paid \$2,000 to transport the beams back to a Caltrans facility. We recommended that Caltrans seek reimbursement for the transportation cost from the supervisor.	\$2,000
	Cost Recovery —Caltrans improperly paid two technicians \$6,834 and \$6,954, respectively, for overtime and differential work hours that they did not work. We recommended that Caltrans seek reimbursement of these payments.	14,000
2012-110 (April 2013)	Special Interest License Plate Funds: The State Has Foregone Certain Revenues Related to Special Interest License Plates and Some Expenditures Were Unallowable or Unsupported	
	Lost Revenue —DMV’s policy is to collect retention fees for special license plates only when the plate owner notifies the department that he or she will again use the special plate on a vehicle. Using DMV’s unaudited available data and the fees prescribed in statutes, we estimate that, because of this policy, it did not collect retention fees of \$12 million during fiscal years 2010–11 and 2011–12. We estimate that by implementing our recommendation to collect retention fees for all special plates retained by plate owners, DMV could realize up to \$6 million in increased revenue annually.	\$12,000,000
I2010-1045 (June 2013)	California Department of Corrections and Rehabilitation and California Correctional Health Care Services: Both Agencies Wasted State Resources by Improperly Accounting for Leave Taken by Their Employees	
	Wasted Funds —CDCR wasted nearly \$127,000 worth of leave time during the period October 2010 through September 2011 by undercharging the leave balances of its employees at six correctional facilities we examined. If what we found at the six facilities is representative of all correctional facilities during the period we examined, the amount wasted could be around \$400,000.	\$127,000
	Wasted Funds —Correctional Health Care wasted nearly \$43,000 worth of leave time during the period October 2010 through September 2011 by undercharging the leave balances of its employees at one correctional facility we examined.	43,000
Annualized Carry Forward for January 1, 2013, Through June 30, 2013		\$53,753,500
2002-009 (April 2003)	California Energy Markets	\$14,500,000
2003-125 (July 2004)	Department of Corrections and Rehabilitation	10,350,000
2004-113 (July 2005)	Department of General Services	18,000
2004-134 (July 2005)	State Athletic Commission	16,500
2004-125 (August 2005)	Department of Health Services#	5,150,000
I2005-2 (September 2005)	Department of Corrections and Rehabilitation (Allegations I2004-0649, I2004-0681, I2004-0789)	96,500
I2006-1 (March 2006)	Department of Fish and Wildlife (Allegation I2004-1057)	4,150,000
2007-037 (September 2007)	Department of Housing and Community Development	19,000
I2008-1 (April 2008)	Department of Corrections and Rehabilitation (Allegation I2006-0665)	25,000
I2008-1 (April 2008)	Department of Social Services (Allegation I2006-1040)	6,500
2007-122 (June 2008)	Department of Health Care Services	6,500,000
2008-103 (November 2008)	California Unemployment Insurance Appeals Board	30,500
2009-043 (November 2009)	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun	19,000
2009-030 (July 2009)	State Bar of California	142,500
2009-112 (May 2010)	Department of Health Care Services	2,350,000
2010-108 (June 2010)	Department of Public Health	1,783,000

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2009-118 (August 2010)	Department of Developmental Services	\$7,500,000
I2011-1 (August 2011)	Department of Mental Health§ (Allegation I2009-0644)	38,000
2010-124 (September 2011)	Department of Corrections and Rehabilitation	1,045,000
2011-119 (June 2012)	Physical Therapy Board	14,000

Benefits Identified Prior to 2013, But Have Annualized Carry Forward Values

2002-009 (April 2003)	<p><i>California Energy Markets: The State's Position Has Improved, Due to Efforts by the Department of Water Resources and Other Factors, but Cost Issues and Legal Challenges Continue</i></p> <p>Cost Savings—In response to an audit recommendation, Water Resources renegotiated certain energy contracts. Water Resources' consultant estimates that the present value of the potential cost savings due to contract renegotiation efforts as of December 31, 2002, by Water Resources and power suppliers, when considering replacement power costs, to be \$580 million. For the purpose of this analysis, we have computed the average annual cost savings by dividing the \$580 million over the 20-year period the savings will be realized, which results in \$29 million annually.</p>
2003-125 (July 2004)	<p><i>California Department of Corrections **: More Expensive Hospital Services and Greater Use of Hospital Facilities Have Driven the Rapid Rise in Contract Payments for Inpatient and Outpatient Care</i></p> <p>Cost Savings—The potential for CDCR to achieve some level of annual savings appears significant if it could negotiate cost-based reimbursement terms, such as paying Medicare rates, in its contracts with hospitals. We estimated potential savings of at least \$20.7 million in CDCR's fiscal year 2002–03 inmate hospital costs. Specifically, had CDCR been able to negotiate contracts without its typical stop-loss provisions that are based on a percent discount from the hospitals' charges rather than costs, it might have achieved potential savings of up to \$9.3 million in inpatient hospital payments in fiscal year 2002–03 for the six hospitals we reviewed that had this provision. Additionally, had CDCR been able to pay hospitals the same rates as Medicare—which bases its rates on an estimate of hospital resources used and their associated costs—it might have achieved potential savings of \$4.6 million in emergency room and \$6.8 million in nonemergency room outpatient services at all hospitals in fiscal year 2002–03. Recognizing that CDCR will need some time to negotiate cost-based reimbursement contract terms, we estimate that it could begin to realize savings of \$20.7 million annually in fiscal year 2005–06.</p>
2004-113 (July 2005)	<p><i>Department of General Services: Opportunities Exist Within the Office of Fleet Administration to Reduce Costs</i></p> <p>Increased Revenue—DGS identified 49 parkers it was not previously charging. By charging these parkers, DGS will experience increased revenue totaling \$36,000 per year.</p> <p>Cost Recovery—DGS reports it has recovered or established a monthly payment plan to recover \$45,000 in previously unpaid parking fees.</p>
2004-134 (July 2005)	<p><i>State Athletic Commission: The Current Boxers' Pension Plan Benefits Only a Few and Is Poorly Administered</i></p> <p>Increased Revenue—If the Athletic Commission raises the ticket assessment to meet targeted pension contributions as required by law, we estimate it will collect an average of \$33,300 more per year.</p>
2004-125 (August 2005)	<p><i>Department of Health Services#: Participation in the School-Based Medi-Cal Administrative Activities Program Has Increased, but School Districts Are Still Losing Millions Each Year in Federal Reimbursements</i></p> <p>Increased Revenue—We estimate that California school districts would have received at least \$53 million more in fiscal year 2002–03 if all school districts had participated in the program and an additional \$4 million more if certain participating schools had fully used the program. A lack of program awareness was among the reasons school districts cited for not participating. By stepping up outreach, we believe more schools will participate in the program and revenues will continue to increase. However, because participation continued to increase between fiscal years 2002–03 and 2004–05, the incremental increase in revenue will be less than it was in fiscal year 2002–03. Taking into account this growth in participation and using a trend line to estimate the resulting growth in revenues, we estimate that revenues will increase by about \$10.3 million per year beginning in fiscal year 2005–06.</p>

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
I2005-2 (September 2005) (Allegations I2004-0649, I2004-0681, I2004-0789)	<p>Department of Corrections**: <i>Investigations of Improper Activities by State Employees</i></p> <p>Cost Recovery—CDCR failed to properly account for the time that employees used when released from their regular job duties to perform union-related activities. In addition to recovering past payments totaling \$365,500, CDCR can save \$192,500 annually by discontinuing this practice.</p>	
I2006-1 (March 2006) (Allegation I2004-1057)	<p>Department of Fish and Gamell: <i>Investigations of Improper Activities by State Employees</i></p> <p>Increased Revenue—Fish and Game allowed several state employees and volunteers to reside in state-owned homes without charging them rent, consequently providing gifts of public funds. A subsequent housing review conducted by the Department of Personnel Administration demonstrated that all 13 state departments that own employee housing may be underreporting or failing to report housing fringe benefits. As a result, the State could increase revenues as much as \$8.3 million by charging fair-market rents.</p>	
2007-037 (September 2007)	<p>Department of Housing and Community Development: <i>Awards of Housing Bond Funds Have Been Timely and Complied With the Law, but Monitoring of the Use of Funds Has Been Inconsistent</i></p> <p>Lost Revenue—Excessive advances are provided without consideration for interest earnings the State could receive. Without corrective action, this loss could continue for the life of the program.</p>	
I2008-1 (April 2008) (Allegation I2006-0665)	<p>Department of Corrections and Rehabilitation: <i>Investigations of Improper Activities by State Employees</i></p> <p>Wasted Funds—CDCR leased 29 parking spaces at a private parking facility but did not use them.</p>	
I2008-1 (April 2008) (Allegation I2006-1040)	<p>Department of Social Services: <i>Investigations of Improper Activities by State Employees</i></p> <p>Cost Recovery/Cost Savings—DSS improperly paid contractors for overhead costs that violated state policy. DSS also will avoid these improper payments totaling about \$13,000 annually in the future.</p>	
2007-122 (June 2008)	<p>Department of Health Care Services: <i>Although Notified of Changes in Billing Requirements, Providers of Durable Medical Equipment Frequently Overcharged Medi-Cal</i></p> <p>Cost Savings—If DHCS implements our recommendation to identify more feasible Medi-Cal reimbursement monitoring and enforcement, we estimate that it could continue to avoid \$13 million in overpayments annually.</p>	
2008-103 (November 2008)	<p>California Unemployment Insurance Appeals Board: <i>Its Weak Policies and Practices Could Undermine Employment Opportunity and Lead to the Misuse of State Resources</i></p> <p>Cost Savings—We identified parking spaces maintained by the Unemployment Insurance Appeals Board (Unemployment Appeals) for which Unemployment Appeals had little assurance were being used for their intended and allowable purposes. In March 2009 Unemployment Appeals eliminated 31 of its 35 parking spaces, which will save \$61,000 annually. We are showing a benefit of \$20,000 for the remainder of fiscal year 2008–09.</p>	
2009-030 (July 2009)	<p>State Bar of California: <i>It Can Do More to Manage Its Disciplinary System and Probation Processes Effectively and to Control Costs</i></p> <p>Lost Revenue/Increased Revenues—State Bar has not updated the formula it uses to bill disciplined attorneys, although the discipline costs have increased 30 percent during the last five years. We estimate that if it had updated the billing formula, it could have billed an additional \$850,000 for the past three years. Additionally, if the State Bar updates the formula, we estimate that it could increase revenue in future years by approximately \$285,000 annually.</p>	

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2009-043 (November 2009)	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun: It Needs to Develop Procedures and Controls Over Its Operations and Finances to Ensure That It Complies With Legal Requirements</p> <p>Increased Revenue—The Pilot Commissioners Board did not receive all revenues for the surcharge to fund training new pilots, as required by law. By collecting these fees, we calculated that the Pilot Commissioners Board will collect an additional \$8,640 annually based on the current surcharge of \$9 per trainee.</p> <p>Cost Savings—The board offers free parking to employees, which may constitute a misuse of state resources. By cancelling its lease for parking, the board will save the total value of the lease, \$4,760 over the course of a year. Additionally, if the board ceases reimbursing pilots for business-class airfare when they fly for training, we believe that it will incur a savings in the future. We believe these future savings will be approximately \$30,000 annually.</p>	
2009-118 (August 2010)	<p>Department of Developmental Services: A More Uniform and Transparent Procurement and Rate-Setting Process Would Improve the Cost-Effectiveness of Regional Centers</p> <p>Cost Recovery—We found that DDS did not generally examine how regional centers established rates or selected particular vendors. Our review found that the manner in which some regional centers established payment rates and selected vendors had the appearance of favoritism or fiscal irresponsibility. Based on our review of DDS' recent fiscal audits, it has recovered roughly \$15 million as a direct result of our recommendations and findings. If DDS continues to carry out our recommendations, we estimate \$15 million in continued annual savings through a combination of cost recovery and cost avoidance.</p>	
2009-112 (May 2010)	<p>Department of Health Care Services: It Needs to Streamline Medi-Cal Treatment Authorizations and Respond to Authorization Requests Within Legal Time Limits</p> <p>Cost Avoidance—If DHCS performed cost-benefit analyses on treatment authorization requests (TARs) with very low denial rates, it could ascertain which TAR's administrative costs equaled or exceeded its savings. By performing this analysis, we estimate that it could save \$4.7 million annually by identifying which TARs are not cost-effective to process and remove authorization requirements for these services.</p>	
2010-108 (June 2010)	<p>Department of Public Health: It Reported Inaccurate Financial Information and Can Likely Increase Revenues for the State and Federal Health Facilities Citation Penalties Accounts</p> <p>Increased Revenue—CDPH inappropriately granted a 35 percent reduction to health facility penalties totaling \$70,000. This error was largely because the database that CDPH uses to calculate penalty reductions was not programmed to reflect the correct dates to calculate penalties. Also, CDPH could have generated \$95,000 if it had assessed interest on penalties stalled in the appeals process. It also could have increased revenue by \$3.3 million during the period of fiscal year 2003-04 through March 2010 if it had updated the monetary penalties amounts based on inflation rates. Finally, CDPH could have generated more than \$101,000 if it had included certain accounts in the Surplus Money Investment Fund as opposed to the Pooled Money Investment Account.</p>	
I2011-1 (August 2011) (Allegation I2009-0644)	<p>Department of Mental Health: Investigations of Improper Activities by State Employees</p> <p>Cost Savings—A senior official with the Department of Mental Health (Mental Health) improperly was paid for activities that either were taken on behalf of a non-state organization or did not serve a state purpose. Mental Health should evaluate the need for the senior official's position.</p>	
2010-124 (September 2011)	<p>Department of Corrections and Rehabilitation: The Benefits of Its Correctional Offender Management Profiling for Alternative Sanctions Program Are Uncertain</p> <p>Cost Savings—CDCR should suspend its use of the COMPAS core and reentry assessments until it has issued regulations, updated its operations manual, and has demonstrated to the Legislature that it has a plan to measure and report COMPAS's effect on reducing recidivism.</p>	

REPORT NUMBER (DATE RELEASED)	ENTITY*/REPORT TITLE/ BASIS OF MONETARY VALUE	MONETARY VALUE
2011-119 (June 2012)	Physical Therapy Board of California: Although It Can Make Improvements, It Generally Processes Complaints and Monitors Conflict-of-Interest Requirements Appropriately	
	Cost Savings —One of the Physical Therapy Board of California's (Physical Therapy Board) expert consultants has served as the in-house consultant since approximately 2003, performing cursory reviews of certain complaints before they may be referred to other expert consultants in the field. We believe that the Physical Therapy Board may be able to save approximately \$28,000 to \$35,000 annually if it can hire a state physical therapy consultant at existing state rates to perform the same work as its in-house consultant.	
2011-120 (August 2012)	California Department of Transportation: Its Poor Management of State Route 710 Extension Project Properties Costs the State Millions of Dollars Annually, Yet State Law Limits the Potential Income From Selling the Properties	
	Increased Revenue —Caltrans charged the majority of the State Route 710 (SR 710) property tenants rents that are, on average, 43 percent below market rate. Caltrans' rental of the SR 710 properties at below-market values constitutes a gift of public funds, which is prohibited by the California Constitution unless such rentals serve a public purpose. If it charged market rates for the 345 SR 710 properties, Caltrans could potentially generate as much as \$3.8 million more per year in rental income. We expect this benefit to begin in fiscal year 2013–14.	
I2012-1 (December 2012) (Allegation I2009-1341)	California State Athletic Commission: Investigations of Improper Activities by State Employees	
	Wasted Funds —We identified \$29,000 in costs incurred over a two-year period that could have been avoided if the Athletic Commission had not employed as athletic inspectors persons who already were employed full-time by the State in classifications that are similar to the athletic inspector classification and thus were entitled to receive compensation at an overtime rate. If the Athletic Commission carries out all of our recommendations regarding the payment and hiring of athletic inspectors, we estimate more than \$14,000 in continuing annual savings through cost avoidance.	
I2012-1 (December 2012) (Allegation I2009-0689)	California Correctional Health Care Services and Department of Corrections and Rehabilitation: Investigations of Improper Activities by State Employees	
	Wasted Funds —A manager with Correctional Health Care improperly allowed CDCR employees to use rental cars paid for by the state and receive mileage reimbursements for commuting, and CDCR improperly approved this. The manager also improperly authorized these employees to receive reimbursements for expenses they incurred near their homes and headquarters, and CDCR improperly approved the payments. As a result, the State paid 23 employees a total of \$55,000 in travel benefits over 18 months that they were not entitled to receive. As a result of our identifying the improper reimbursements and CDCR implementing our recommendation to end the reimbursements, we estimate \$37,000 in continued annual savings.	
I2012-1 (December 2012) (Allegation I2009-1321)	Natural Resources Agency: Investigations of Improper Activities by State Employees	
	Wasted Funds —From January 2009 through June 2011, an executive with the California Natural Resources Agency (Natural Resources) circumvented state travel regulations by improperly reimbursing an official and an employee about \$48,000 in state funds for commutes between their homes and headquarters and lodging and meal expenses incurred near Natural Resources headquarters. If this pattern continued to occur, we estimate \$19,000 in continued annual savings through cost avoidance as a result of our recommendations.	

* This table covers an eight-year span and several departments have undergone name changes. To be consistent, we use each department's current name throughout the table.

† On July 29, 2014, the Judicial Council voted to change its name from Administrative Office of the Courts to Judicial Council.

‡ On July 1, 2017, the Taxpayer Transparency and Fairness Act of 2017 restructured the California State Board of Equalization. This act created the California Department of Tax and Fee Administration (CDTFA) to perform the statutory duties formerly assigned to the California State Board of Equalization.

§ As of July 1, 2012, the California Department of Mental Health became the Department of State Hospitals.

|| As of January 1, 2013, the Department of Fish and Game became the Department of Fish and Wildlife.

On July 7, 2007, the Department of Health Services was reorganized and became two departments—the Department of Health Care Services and the Department of Public Health.

** On July 1, 2005, the Governor reorganized all departments under the Youth and Adult Correctional Agency, including the Department of Corrections, into the California Department of Corrections and Rehabilitation.