



The State Auditor's Whistleblower Program

Presented by
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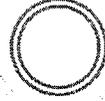
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Fraud, Waste, & Abuse Happens



What should you do when you observe improper governmental activity?

What should you do if you observe an improper governmental activity?



- Concern about whether the matter will be investigated properly?
- Concern about whether the matter will be acted upon?
- Concern about what your co-workers will do?
- Concern about what your supervisors and managers will do?

What should you do if you observe an improper governmental activity?



Take advantage of the State Auditor's
Whistleblower Program

and

report it!

The State Auditor's Whistleblower Program



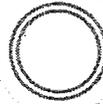
- Can investigate and report on improper governmental activities by state agencies and employees
- Provides independent investigations without undue influence from your state employer or anyone in state government
- Keeps your identity confidential

The State Auditor's Whistleblower Program



You also are protected from retaliation for
reporting information to the
State Auditor's Whistleblower Program

Webinar Objectives of State Auditor's Whistleblower Program



- Give an overview of what the program is about
- Explain the type of complaints we can investigate
- Describe how we receive complaints
- Discuss protections from retaliation
- Explain how we investigate complaints
- Describe what we do when we substantiate a complaint

Under the Whistleblower Protection Act, the State Auditor's Office Can....



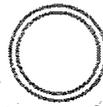
- Receive complaints from state employees and the public about suspected improper governmental activities by state agencies and employees
- Investigate complaints
- If a complaint is substantiated, the State Auditor's office can issue a public report describing the improper activity and make recommendations for corrective action.

What Activities Can the State Auditor Investigate?



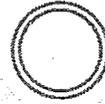
1. An improper governmental activity by a state agency or employee
2. State agency interference with an internal audit or not responding to an internal audit finding or recommendation

What Is an Improper Government Activity?



- An activity by a state agency or
- An activity by a state employee that is related to the person's state employment
- That is defined as "improper" under the Whistleblower Protection Act

What Agencies Can be Investigated?



- Executive branch of state government
- Higher education entities
- State Compensation Insurance Fund
- Courts

What Agencies Can't Be Investigated?



- Legislative branch of government
- Local government entities
- Private non-profit entities

What Employee Activities Can be Investigated?



- Activities of any official or employee of any of the state agencies we can investigate
- However the activities must be related to the person's state employment

What Activities by a State Employee Are Related To State Employment?



To be related to state employment, an activity by a state employee must be undertaken:

- In the performance of the employee's duties;
- In a state building; or
- Outside a state building but directly related to his or her employment

What Activities Are Defined as Improper?



To be considered “improper” an activity must

- Violate :
 - a state or federal law
 - a Governor’s Executive Order
 - a Rule of Court
 - the State Administrative Manual or State Contracting Manual;
- Be economically wasteful; or
- Involve gross misconduct, incompetency, or inefficiency

State Agency Interference with an Internal Audit/ Not Responding to Finding or Recommendation



- Example of interference with an internal audit
- Example of not responding appropriately to internal audit finding or recommendation

How the Whistleblower Program Receives Complaints



- Telephone Hotline (800-952-5665)
- Online at our Website – State Auditor's Whistleblower Program
- Mail – 555 Capitol Mall, Suite 300
Sacramento, CA 95814
- Fax (916) 322-2603
- Personally delivered to our reception desk

Submitting Complaints



- When submitting a complaint, provide as much relevant information as possible.

We Get A Lot of Complaints

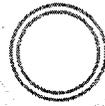


Approximately 4,000 per year

Be specific when making a complaint:

- Identify the improper activity
- Explain the what, where, when, who, why, and how
- Identify witnesses or others who can corroborate your complaint
- Explain any documentation or evidence you may have or have seen

Anonymous Complaints



You can make an anonymous complaint BUT...

- We won't investigate if you didn't provide enough credible information.
- Being anonymous, we are unable to ask you for additional information and evaluate the credibility of your complaint.

We Are Trustworthy



- We do not disclose the identity of complainants to anyone without the complainant's permission

EXCEPT

to a law enforcement agency conducting a criminal investigation.

Whistleblowers Are Protected From Retaliation



- We do not tell anyone where you work that we received a complaint from you without your permission.
- We are very careful during our investigations to not reveal your identity.

We Are Watchful of You



We also watch during our investigations
to ensure that any whistleblower
who allows us to reveal his or her name
is not being subjected to retaliation.

The Whistleblower Protection Act Protects You



- Whistleblowers are protected by law from reprisal, retaliation, threats, or similar acts by any state employee.
- If a state employee whistleblower believes he or she is a victim of retaliation, the employee may file a complaint with the State Personnel Board.
- UC or CSU employees may file with their employing university system.

Consequences of Retaliation



Anyone involved in retaliating against a whistleblower may be subjected to:

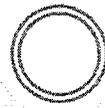
- An adverse action
- Sued by the whistleblower in a civil lawsuit
- Subject to a misdemeanor criminal prosecution

How the State Auditor Investigates Complaints



- All of our investigative work remains confidential unless we substantiate that an improper governmental activity has occurred.
- We will not report to complainants or anyone else on the status of a complaint.

Receiving a Complaint



- We first perform a preliminary evaluation to determine if an improper governmental activity likely may be proven by conducting an investigation.
- We consider the following:
 - Whether what is alleged can constitute an improper governmental activity
 - Whether the allegation is credible
 - Whether the allegation can be proven with proper evidence
 - Whether the activity is serious enough to warrant the time and expense of an investigation

Receiving a Complaint (cont.)



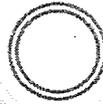
- May need to contact the complainant for further clarification or information
- Examine any evidence or support (i.e., contact witnesses or look at documents)
- May contact state entity, without identifying the whistleblower, to obtain records or other information

Receiving a Complaint (cont.)



- After this review, investigations staff will decide among 4 options for what to do:
 - 1) If there is a lack of sufficient information that an improper governmental activity has occurred, **we close the case.**
 - 2) If we think an allegation may have merit, but we aren't sure or feel an investigation may not be warranted, **we send a letter to the department raising concerns.**

Receiving a Complaint (cont.)



3) If we think an allegation has merit, but we aren't in the best position to investigate it, we **send a letter to the department or some other entity asking it to investigate and report back.**

OR

4) If we think an allegation has merit, and we believe we are in the best position to investigate it, we **assign one or more of our investigators to the matter and conduct an investigation.**

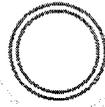
Initiating an Investigation



If we undertake an investigation we investigate thoroughly by:

- 1) Gathering documents
- 2) Interviewing witnesses
- 3) Sometimes seeking assistance from involved state entities
- 4) Sometimes enlisting law enforcement agencies to help us if we believe a crime was committed

Substantiating an Investigation



- When an improper governmental activity is substantiated, we prepare a report.

The report:

- 1) Describes the improper activity
 - 2) Summarizes evidence to prove the activity occurred
 - 3) Makes recommendations for corrective action
- Before finalizing a report, we share it with the state entity involved to obtain its response

About Our Investigative Reports



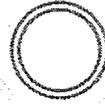
- All reports are available on our Website (www.auditor.ca.gov)
- Reports on various investigations generally are issued twice per year
- An investigation may be reported by itself due to the significance of the investigation.
- Reports are sent to the Governor, Legislature, other high ranking state officials, and the press
- Our reports have identified improper governmental activities costing the state over \$30.5 million

About Our Investigative Reports (cont.)



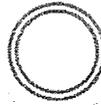
- We are prohibited from disclosing in our published reports the names of the state employees who engaged in the reported improper governmental activity
- However, we disclose the names of the employees to their employer, as well as disclosing any evidence/information needed to take disciplinary action against the employees

Letters To Departments



- Even in instances where we substantiate an allegation but do not publish a report, we issue a letter to the department and other officials
- No substantiated allegation ever gets “swept under the rug”

Follow-up on Reports



- We follow up on any recommendations made regarding an improper government activity to find out if appropriate action was implemented
- We report on the status of recommendations in subsequent investigative reports
- If a state entity does not respond appropriately to a recommendation, we report this in a separate report submitted to the Governor and Legislature

Report Waste, Fraud, & Abuse



- So when you become aware of some improper activity in state government, like laws being broken or money being wasted, report it to the State Auditor's Whistleblower Program
- The State Auditor's Office can investigate your complaint and protect your identity as a whistleblower

Questions?

