



WHISTLEBLOWER PROGRAM FACT SHEET

May 2016

- The City and County of San Francisco's Whistleblower Program was established as a function in the Controller's Office by San Francisco voters in November 2003. The program was assigned to the Controller's Office given the independent nature of the office, which sits outside of both the executive and legislative branches of government.
- The Whistleblower Program is responsible for receiving and tracking complaints on the quality and delivery of government services, wasteful and inefficient city government practices, misuse of government funds, and improper activities by city government officials, employees, and contractors. The program evaluates each complaint for its disposition and, when appropriate, either coordinates investigations with various city departments or refers the complaint to the appropriate organization for resolution.
- Since its inception, the Whistleblower Program has received more than 3,500 complaints regarding the efficiency, effectiveness, and accountability of city services. In the last five years alone, the program has received more than 1,600 complaints. In this period, investigations have substantiated 348 allegations, resulting in disciplinary actions for 174 city employees, including 23 who were terminated, suspended, or resigned during the investigative process.
- Although the details of investigations and outcomes are confidential to protect the identity of whistleblowers and others involved in the investigations, the Whistleblower Program is subject to oversight by the voter-approved Citizens Audit Review Board. The program produces quarterly summaries and annual reports of overall program activities and all sustained allegations, providing a greater level of disclosure than any comparable city investigative function and among the most transparent reporting practices of comparable local programs in the country.
- The Whistleblower Program is frequently commended as a model fraud hotline, and its staff is nationally recognized for its expertise in fraud hotline operations. For example:
 - A review by Santa Clara County cited San Francisco as having one of the most comprehensive and well-organized whistleblower programs in California.
 - The City of San Jose noted the strength of the program's policies and procedures concerning impartiality in investigations and the criteria for launching investigations.
 - Program employees are recognized as experts in fraud hotline operations and have presented at regional and national conferences on this subject.
 - The Director of City Audits, who leads the program, received the prestigious 2016 David M. Walker award for excellence in government performance and accountability. The program manager is a past president of the San Francisco Chapter of the Association of Certified Fraud Examiners.
 - The program is a model of collaboration and regularly hosts webinars to disseminate hotline and investigation best practices to jurisdictions across North America.

Examples of outcomes from the Whistleblower Program's investigations include:

- A department developed a plan to recoup \$780,000 from a nonprofit contractor after the program discovered that approximately 60 percent of the clients for which the contractor billed did not have complete charts, and the contractor's employees did not have required certifications and licenses.
- The resignation or termination of three employees after the program uncovered nepotism, finding that relatives of employees had been inappropriately hired and promoted. As a result, city job applications now require the listing of family employees employed by the City, which will help prevent and detect nepotism.
- An employee was terminated after an investigation confirmed a romantic relationship between the employee and the owner of a contractor over whom the employee had authority.
- An employee resigned when presented with evidence that they held unreported outside employment while working for the City, including work for a city contractor and another jurisdiction.
- A department disallowed reimbursement requests from a nonprofit organization after substantiating that it violated the City's Administrative Code.
- Cash collection controls, procedures, and surveillance were improved following an investigation of cash shortages that revealed lapses in a department's cash-handling policies and procedures.
- A manager was suspended and \$12,492 was recovered after substantiating that the proceeds from the sale of parts from an obsolete piece of equipment were stored in a safe and used for inappropriate work-related activities rather than being deposited into the appropriate city account.
- An employee was terminated after it was substantiated that the employee had viewed pornography on a work computer.
- A contractor credited the City \$20,000 after it was substantiated that the contractor had overcharged the City for interest costs, and the department updated its internal procedures to more closely monitor interest charges.
- Two employees resigned after the Whistleblower Program substantiated that they directed customers to use and make cash payments to a family member's business.
- Disciplinary actions were taken by departments after investigations substantiated that some city employees used city vehicles for personal use.
- After investigations substantiated that some employees falsified overtime and time and attendance records, city departments now more closely monitor overtime distribution and have updated their policies and other controls to help ensure accurate recording of employees' time and attendance.

For more information about the Whistleblower Program, please visit <http://sfcontroller.org/whistleblower-program>.