

City Auditor's Whistleblower Hotline Activity Report: January - June 2025

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Investigative Audits Division

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Report # 2025/26-01



City of
SACRAMENTO
Office of the City Auditor



Our Mission

To provide a catalyst for improvements of municipal operations and promote a credible, efficient, effective, equitable, fair, focused, transparent, and fully accountable City government.

Our Vision

To improve City services by providing independent, objective, and reliable information regarding the City's ability to meet its goals and objectives and establish an adequate system of internal controls, root out improper governmental activities (i.e., fraud, waste, or abuse), and address racial, gender, and ethnic inequities.

Suggest an Audit

The Office of the City Auditor conducts performance audits of the City of Sacramento's operations to determine whether these operations and programs are operating efficiently and effectively. If you would like to offer ideas for audits to save the City money, increase revenues, or improve the efficiency and effectiveness of City operations and programs, please fill out our online form:

https://sacramento.formstack.com/forms/oca_suggest_an_audit_form

Whistleblower Hotline

In the interest of public accountability and being responsible stewards of public funds, the City has established a whistleblower hotline. The hotline protects the anonymity of those leaving tips to the extent permitted by law. The service is available 24 hours a day, 7 days week, 365 days per year. Through this service, all phone calls and emails will be received anonymously by third party staff.

Report online at <http://www.cityofsacramento.ethicspoint.com> or call
toll-free: 888-245-8859.

The City of Sacramento's Office of the City Auditor can be contacted by phone at 916-808-1166 or at the address below:

915 I Street
MC09100
Historic City Hall, Floor 2
Sacramento, CA 95814

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Whistleblower Hotline Activity Report: January - June 2025

Open Cases as
of January 1,
2025

23

Cases Received
During the Period

93

Cases Closed
During the Period

85

Open Cases as
of July 1, 2025

31

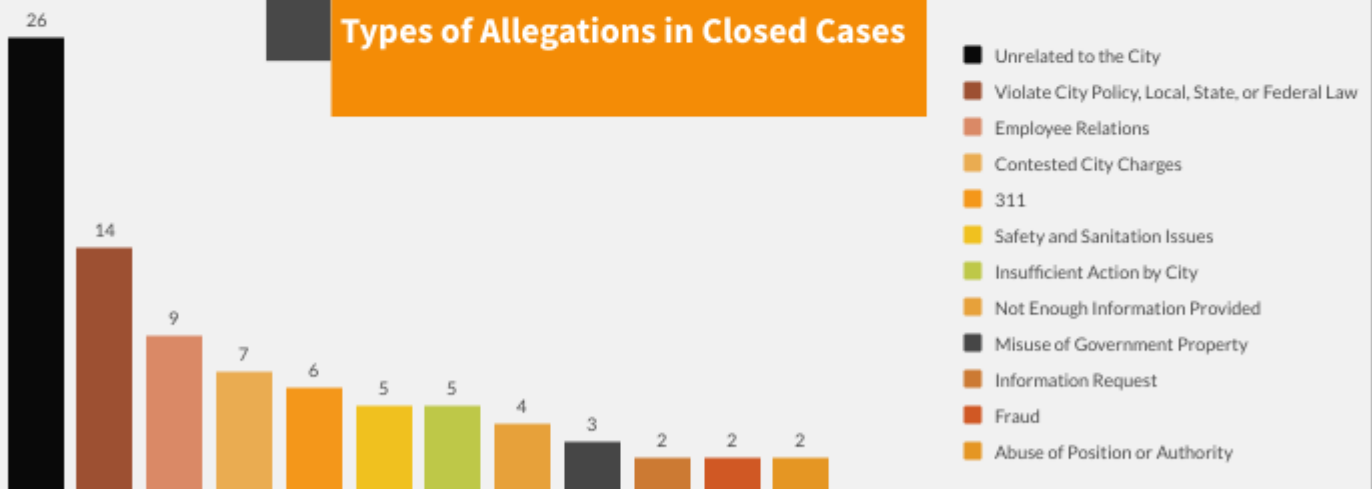
Priority of Closed Cases



Disposition of Closed Cases



Types of Allegations in Closed Cases



Since 2012, the City of Sacramento's Whistleblower Hotline has received more than **2,000** allegations with an estimated benefit of more than **\$1.0 million**.

To report fraud, waste, or abuse to the Office of the City Auditor, please call toll-free **1-888-245-8859** or submit the concern online at **www.cityofsacramento.ethicspoint.com**

Whistleblower Hotline Program

The City Auditor's Whistleblower Hotline promotes good government by providing City employees and members of the public with a way to report allegations of improper government activities, defined as fraud, waste, or abuse. California Government Code 53087.6 defines fraud, waste, or abuse in the context of a Whistleblower program as

“...any activity by a local agency, employee, or contractor or subcontractor that may be in violation of any local, state, or federal law, ordinance, or regulation relating to corruption, malfeasance, bribery, theft of government property, fraudulent claims, fraud, coercion, conversion, malicious prosecution, misuse or misappropriation of government property, funds, or resources, or willful omission to perform a duty, is economically wasteful, or involves gross misconduct.”

This report contains the disposition of alleged improper government activity reported through the City's Whistleblower Hotline from January through June 2025; disposition is listed for cases that were closed during the reporting period. Additionally, this report provides a high-level description of how the City's Whistleblower Hotline operates; additional details can be found in the City Auditor's Policies and Procedures Manual.¹

Contact the City's Whistleblower Hotline

City staff or members of the public may submit reports by calling the Whistleblower Hotline's toll-free number [1-888-245-8859](tel:1-888-245-8859) or online at www.cityofsacramento.ethicspoint.com. City staff or members of the public may also submit whistleblower reports directly to any Auditor in person, over the phone, by voicemail, by e-mail, or by mail. The identity of those who provide whistleblower information will be kept confidential to the extent permitted by law unless the individual waives confidentiality in writing.

Sacramento Office of the City Auditor
915 "I" Street
Historic City Hall, 2nd floor
Sacramento, CA 95814

Whistleblower Protection Policy

The City's Whistleblower Protection Policy states “No City official or employee shall take retaliatory action against any employee who, in good faith, has made a complaint or allegation concerning improper governmental action.” The policy defines retaliatory action as “any adverse change in an employee employment status or the terms and conditions of employment resulting from an employee's good faith complaint or allegation of an improper governmental action.”

¹ <https://www.cityofsacramento.gov/content/dam/portal/auditor/Policies-and-Procedures/City%20Auditor%27s%20Policies%20and%20Procedures.pdf>

The City Auditor's Independence, Authority, and Responsibility

The Auditor reports directly to the Mayor and City Council, and is independent of other City departments and agencies. This independence reduces the threat of coercion, influence, or conflict of interest during investigative audits.

California Government Code Section 53087.6 authorizes the City to create a whistleblower hotline to receive calls from persons who have information regarding fraud, waste, or abuse or improper governmental activity. Under this authority, City Code 2.18.050.B requires the Auditor to manage the City's Whistleblower Hotline and determine if allegations of fraud, waste, abuse, or illegal acts need further investigation. Key points of Government Code section 53087.6 are outlined in Exhibit 1.

Exhibit 1: Key Points of California Government Code 53087.6



Understanding the Investigative Audit and Referral Process

While California law sets certain requirements for establishing and managing a whistleblower hotline, local auditors have broad discretion in how to operate their programs. The Auditor thoroughly reviews each allegation submitted through the Whistleblower Hotline and determines the appropriate avenue for resolution. While this may result in office staff conducting investigative audits, in certain circumstances, it may instead be appropriate to refer allegations to other City departments for investigation.

Upon completion of an investigative audit which substantiates an allegation, an investigative summary will be prepared for inclusion in the semi-annual Whistleblower Activity Report. State law mandates that, even in the event of a substantiated allegation, personnel information is to remain confidential.

Allegations Covered by Other City Departments

The intent of establishing a Whistleblower Hotline is not to replace or limit other reporting options, as some allegations are more appropriately investigated by other City departments or offices. For example, many Human Resources-related issues should be reported to the appropriate Human Resources staff; labor grievances, allegations of workplace discrimination, and workers' compensation claims should be reported using City procedures established for that purpose. Similarly, complainants may need to report legal issues to the City Attorney's Office or code enforcement violations to the Community Development Department.

As appropriate, the Auditor will refer cases to other City departments or offices.² However, it may still be appropriate for staff to gather initial information to better understand issues involved and to review the outcomes, responses, and investigation documents from other City departments or offices to ensure the allegations were addressed.

Allegations Covered by Non-City Agencies

By nature of being the State Capitol as well as the County Seat, the City of Sacramento is home to a large number of Federal, State, and County agencies. As a result, some complaints made to the City's Whistleblower Hotline may be partly or solely related to government agencies external to the City of Sacramento.

Allegations involving an external government agency or employee will be referred in whole or in part to the most appropriate government entity.³ Complaint investigation services are available at many government agencies and may include fraud, waste, and abuse whistleblower programs, internal affairs programs, judicial oversight authorities, offices of professional responsibility, etc.

² See Appendix A for contact information for various City departments and divisions, such as the Equal Employment Office, Labor Relations Division, the Risk Management Division, the City Attorney's Office, and the Sacramento Ethics Commission.

³ See Appendix B for contact information for various government agencies such as the California State Auditor, the Sacramento County Auditor-Controller, and the California Office of the Attorney General.

Whistleblower Procedures Prioritize High-Risk Allegations

Due to the Auditor's limited staff and its main responsibility to conduct performance audits, research, and analysis in accordance with the City Council-approved workplan, conducting full investigative audits of all allegations is not feasible. Instead, the Auditor applies a risk-based approach to investigate whistleblower allegations to focus investigative efforts on those allegations that represent the greatest risk or loss to the City. The following guidance applies when rating allegations:

High Priority

Allegations may be considered high priority if they include a health, safety, or welfare concern, loss⁴ to the City of more than \$75,000, criminal activity resulting in a loss of at least \$400, high-level involvement, collusion of multiple wrongdoers, major department-wide issue, or need for immediate action to stop a potentially major issue. Addressing these items could take priority over other investigations and audits, at the Auditor's discretion.

Medium Priority

This category includes loss to the City of more than \$25,000, abuse of authority, medium to low-level employee involvement, minor department-wide issues, or patterns of small problems that could become serious when summed. Some medium-priority items could be referred to a department for their review.

Low Priority

This category includes loss to the City of less than \$25,000, isolated instances of time abuse, wasteful practices that would lead to limited gains in efficiencies if corrected, or allegations that lack credibility and evidence. The office would aim to investigate items in this category but may not do so because of limited resources. However, if the same or similar issues were reported multiple times, low-priority items may become a higher priority. Additionally, some low-priority allegations could be referred to a department for their review.

Unrelated to the City

Some allegations received through the Whistleblower Hotline do not involve City departments or employees. The Auditor assesses these allegations for any City involvement. If no City involvement can be determined, those allegations are closed as "Unrelated to the City"; some allegations not related to the City are referred to other jurisdictions.

⁴ Loss could entail actual or potential loss of money, waste, or inefficiencies.

Whistleblower Hotline Dashboards

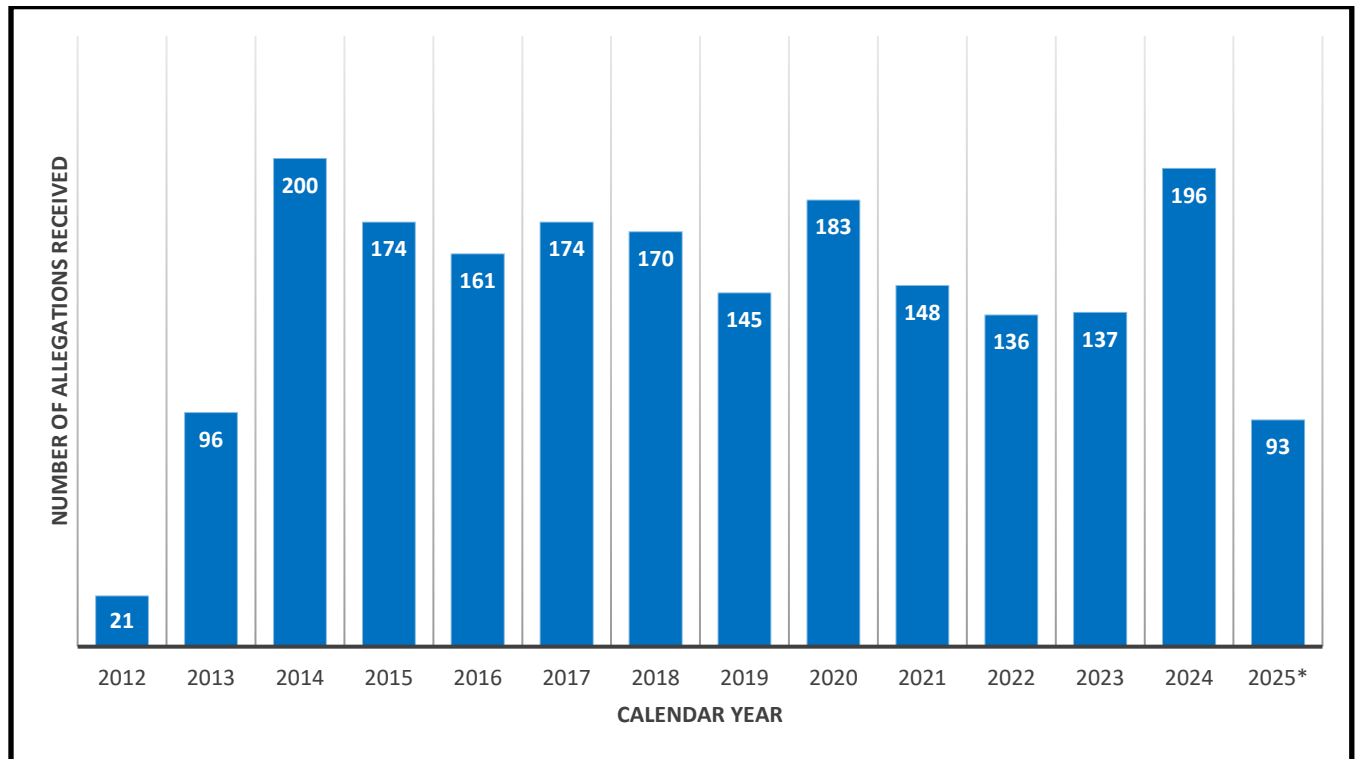
The Auditor maintains several Whistleblower Hotline dashboards on its public website. City Officials and the public can use these dashboards to see statistics on the types of cases received through the City's Whistleblower Hotline, the disposition of closed cases, brief descriptions of substantiated cases, actions taken on substantiated cases, and the monetary benefit of the hotline. The dashboards are typically updated semi-annually with the release of each Whistleblower Hotline Activity Report and can be found at: <https://www.cityofsacramento.gov/auditor/our-reports/whistleblower-activity>

Status of Investigations

Annual Number of Whistleblower Allegations Received (2012–2025*)

Since the hotline's inception in 2012, the Auditor has received more than 2,000 complaints. Use of the Auditor's Whistleblower Hotline grew significantly in the first few years and has been steady since 2014. Exhibit 2 illustrates the number of allegations received per year since the program's inception.

Exhibit 2: Whistleblower Allegations Received Per Year



*Denotes a partial year, including January 1, 2025, through June 30, 2025.

85 Cases Were Closed During the Period

At the beginning of the January 2025 through June 2025 reporting period, the Auditor had 23 open cases. During this reporting period, 93 new reports were received through the hotline, and the City Auditor processed and closed 85 cases; 31 cases remained open at the end of the reporting period. Exhibit 3 illustrates the number of closed cases during the period by primary type of allegation.

Exhibit 3: 85 Closed Cases by Primary Type of Allegation

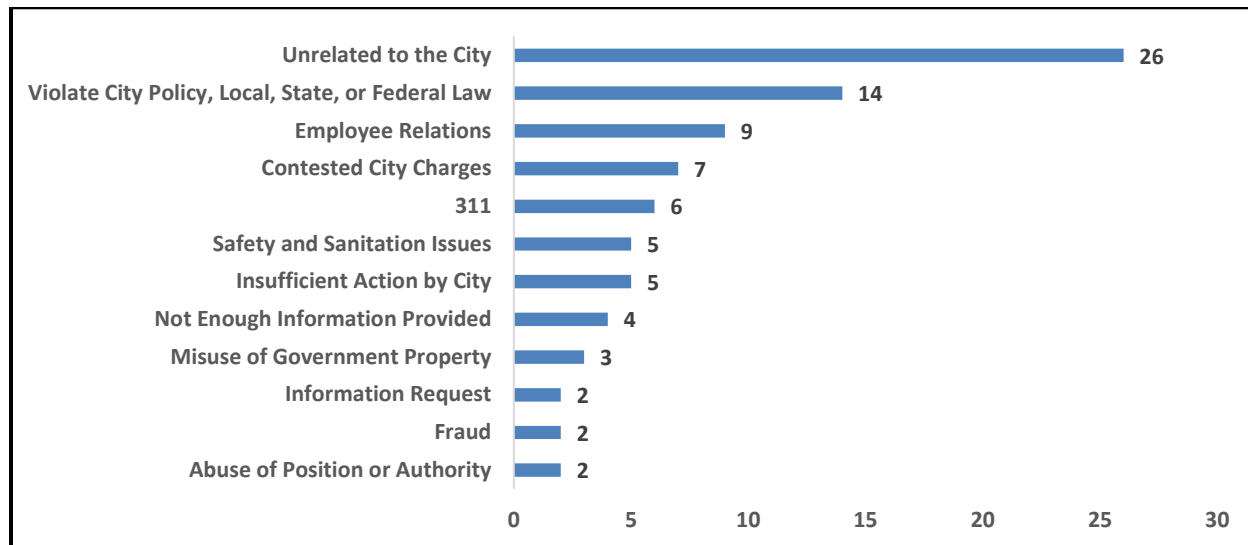


Exhibit 4 provides the primary type of allegation, priority, and disposition of the 85 cases closed during the period.

Exhibit 4: 85 Closed Cases Details Table

Case #	Primary Type of Allegation	Priority	Disposition
1907	Violate City Policy, Local, State, or Federal Law	Low	Investigated and Referred
1919	Violate City Policy, Local, State, or Federal Law	Low	Duplicate
1923	Violate City Policy, Local, State, or Federal Law	Low	Duplicate
1926	Unrelated to the City	Unrelated to the City	Unrelated to the City
1927	Unrelated to the City	Unrelated to the City	Unrelated to the City
1931	Violate City Policy, Local, State, or Federal Law	Low	Informational Referral
1933	Fraud	Low	Informational Referral
1934	Abuse of Position or Authority	Low	Investigated and Referred
1935	Unrelated to the City	Unrelated to the City	Unrelated to the City
1936	Insufficient Action by City	Low	Unsubstantiated
1937	Violate City Policy, Local, State, or Federal Law	Low	Duplicate
1938	Contested City Charges	Low	Informational Referral
1939	Information Request	Low	Informational Referral
1940	Unrelated to the City	Unrelated to the City	Unrelated to the City
1941	Violate City Policy, Local, State, or Federal Law	Low	Duplicate
1942	Unrelated to the City	Unrelated to the City	Unrelated to the City

Case #	Primary Type of Allegation	Priority	Disposition
1943	Insufficient Action by City	Low	Informational Referral
1944	Contested City Charges	Low	Duplicate
1945	Unrelated to the City	Unrelated to the City	Unrelated to the City
1946	Insufficient Action by City	Low	Informational Referral
1947	Safety and Sanitation Issues	Low	Informational Referral
1948	Employee Relations	Low	Informational Referral
1949	Unrelated to the City	Unrelated to the City	Unrelated to the City
1950	Unrelated to the City	Unrelated to the City	Unrelated to the City
1952	Not Enough Information Provided	Low	Not Enough Information Provided
1953	Fraud	Medium	Duplicate
1954	Employee Relations	Low	Informational Referral
1955	311	Low	Informational Referral
1956	Contested City Charges	Low	Not Enough Information Provided
1957	Not Enough Information Provided	Low	Informational Referral
1958	Unrelated to the City	Unrelated to the City	Unrelated to the City
1959	Not Enough Information Provided	Low	Not Enough Information Provided
1960	Unrelated to the City	Unrelated to the City	Unrelated to the City
1961	Unrelated to the City	Unrelated to the City	Unrelated to the City
1962	Safety and Sanitation Issues	Low	Informational Referral
1964	Violate City Policy, Local, State, or Federal Law	Low	Informational Referral
1965	Violate City Policy, Local, State, or Federal Law	Low	Duplicate
1967	Employee Relations	High	Duplicate
1969	Violate City Policy, Local, State, or Federal Law	Low	Informational Referral
1970	Unrelated to the City	Unrelated to the City	Unrelated to the City
1971	Violate City Policy, Local, State, or Federal Law	Low	Duplicate
1972	Employee Relations	Low	Duplicate
1973	Abuse of Position or Authority	Medium	Informational Referral
1974	Insufficient Action by City	Low	Informational Referral
1975	Employee Relations	Low	Duplicate
1976	Unrelated to the City	Unrelated to the City	Unrelated to the City
1977	Unrelated to the City	Unrelated to the City	Unrelated to the City
1978	Insufficient Action by City	Low	Informational Referral
1979	311	Low	Informational Referral
1980	Violate City Policy, Local, State, or Federal Law	Low	Informational Referral
1981	311	High	Duplicate
1982	311	High	Informational Referral
1983	Employee Relations	Low	Informational Referral
1984	Unrelated to the City	Unrelated to the City	Unrelated to the City
1985	Contested City Charges	Low	Unsubstantiated
1986	Safety and Sanitation Issues	Low	Unsubstantiated

Case #	Primary Type of Allegation	Priority	Disposition
1987	Safety and Sanitation Issues	Low	Informational Referral
1988	Unrelated to the City	Unrelated to the City	Unrelated to the City
1989	Contested City Charges	Low	Unsubstantiated
1991	Violate City Policy, Local, State, or Federal Law	Low	Informational Referral
1992	311	Low	Informational Referral
1993	Information Request	Low	Unsubstantiated
1994	Violate City Policy, Local, State, or Federal Law	Low	Informational Referral
1995	Employee Relations	Low	Informational Referral
1996	Unrelated to the City	Unrelated to the City	Unrelated to the City
1997	Employee Relations	Low	Informational Referral
1998	311	Low	Informational Referral
1999	Unrelated to the City	Unrelated to the City	Unrelated to the City
2000	Contested City Charges	Low	Resolved Prior To or During Investigation
2001	Unrelated to the City	Unrelated to the City	Unrelated to the City
2003	Unrelated to the City	Unrelated to the City	Unrelated to the City
2004	Not Enough Information Provided	Low	Not Enough Information Provided
2005	Employee Relations	Low	Informational Referral
2007	Unrelated to the City	Unrelated to the City	Unrelated to the City
2009	Unrelated to the City	Unrelated to the City	Unrelated to the City
2010	Misuse of Government Property	Medium	Unsubstantiated
2011	Violate City Policy, Local, State, or Federal Law	Low	Informational Referral
2013	Contested City Charges	Low	Unsubstantiated
2014	Misuse of Government Property	Medium	Unsubstantiated
2016	Unrelated to the City	Unrelated to the City	Unrelated to the City
2018	Unrelated to the City	Unrelated to the City	Unrelated to the City
2019	Misuse of Government Property	Medium	Unsubstantiated
2022	Safety and Sanitation Issues	High	Informational Referral
2023	Unrelated to the City	Unrelated to the City	Unrelated to the City
2025	Unrelated to the City	Unrelated to the City	Unrelated to the City

Appendix A: Contact Information for Various City Departments

- **Risk Management for workers' compensation information:**
916-808-5741
<https://www.cityofsacramento.gov/HR>
- **Risk Management for environmental health and safety programs like OSHA and DOT compliance:**
916-808-5278
<https://www.cityofsacramento.gov/HR>
- **Risk Management for liability claims:**
916-960-0980
<https://www.cityofsacramento.gov/HR/hr-documents-resources>
- **Labor Relations for union grievance procedures:**
916-808-5424
<https://www.cityofsacramento.gov/HR/hr-documents-resources>
- **Equal Employment Opportunity for the grievance procedures alleging discrimination:**
916-808-5825
<https://www.cityofsacramento.gov/HR/equal-employment-opportunity>
- **Other Human Resources related issues:**
916-808-5731
<https://www.cityofsacramento.gov/HR>
- **City Attorney:**
916-808-5346
<https://www.cityofsacramento.gov/attorney>
- **Code Enforcement for neighborhood code, housing and dangerous buildings, business compliance, landscape requirements, rental house standards, and anti-graffiti:**
311 or 916-808-5011 (*inside City limits*)
916-264-5011 (*outside of City limits*)
<https://www.cityofsacramento.gov/information-technology/311>
- **Sacramento Ethics Commission:**
916-808-7200
<https://www.cityofsacramento.gov/clerk/good-governance-and-compliance/filing-an-ethics-complaint>
- **Police for non-emergencies:**
916-808-5471
<https://www.cityofsacramento.gov/police>

Appendix B: Contact Information for Various Non-City Agencies

Jurisdiction	Organization	Reporting	Methods
County of Sacramento	County Auditor-Controller	Fraud Hotline	916-874-7822 audits@saccounty.net Fraud Hotline - Confidential County of Sacramento 10481 Armstrong Ave., Mather, CA 95655 https://www.saccounty.gov/Government/Pages/FraudHotline.aspx
State of California	California State Auditor	Whistleblower Hotline	800-952-5665 Investigations California State Auditor P.O. Box 1019 Sacramento, CA 95812 http://www.bsa.ca.gov/hotline/filecomp
Health, Safety, and other complaints against employers	US Department of Labor (OSHA)	Whistleblower Hotline	800-321-OSHA (6742) https://www.whistleblowers.gov/
Consumer Complaints Against a Business	California Office of the Attorney General	Comment/ Complaint Form	https://oag.ca.gov/contact/consumer-complaint-against-business-or-company
Consumer Complaints Against a Business	Better Business Bureau	Complaints	https://www.bbb.org/file-a-complaint
California Attorneys	State Bar of California	Complaints	800-843-9053 http://www.calbar.ca.gov/Public/Complaints-Claims
California Judges	Commission on Judicial Performance	Complaints	Commission on Judicial Performance 455 Golden Gate Avenue, Suite 14400 San Francisco, California 94102 http://cjp.ca.gov/file_a_complaint/