

# Whistleblower Program Annual Report

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**January 1, 2025 through  
December 31, 2025**

**June 2026**

**Berkeley City Auditor**

**Jenny Wong, City Auditor**

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Manager**



**BERKELEY CITY AUDITOR**

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## Introduction

The Berkeley City Auditor’s Whistleblower Program provides a confidential mechanism for reporting concerns related to fraud, waste, and abuse of City resources. The program’s primary objective is to investigate allegations of fraud, waste, and abuse by City employees and officials, strengthening ethical standards and responsible stewardship of public resources.

California Government Code §53087.6 and Berkeley Municipal Code §2.24.050(D) authorize the City Auditor to operate a whistleblower hotline and investigate reports involving potential fraud, waste, or abuse. Berkeley City Charter Section 61 and Berkeley Municipal Code §2.24.050(D) further provide the Auditor with unrestricted access to employees, officials, records, and information necessary to carry out audit and investigative responsibilities.

By providing an independent and confidential reporting channel, the program helps identify risks, improve accountability, and strengthen public trust in City operations.

## Whistleblower Hotline

The Whistleblower Hotline is a safe, confidential, and reliable way for City employees and officials to report potential fraud, waste, and abuse of City resources. The hotline is managed by an independent third-party provider and is available 24 hours a day, seven days a week. Using a third party helps ensure confidentiality, neutrality, and trust in the reporting process.

## Annual Report Overview

This Annual Report summarizes Whistleblower Program activity for calendar year 2025, including how reports were received and evaluated, the number and types of reports submitted, reporter characteristics, and how cases were resolved.

## Definitions of Fraud, Waste, and Abuse

The Whistleblower Program addresses reports involving fraud, waste, and abuse, as defined consistently with California Government Code §53087.6 and the City’s administrative policy.

- **Fraud:** Intentional deception or misrepresentation for personal benefit or to harm the City, including conduct such as falsifying records, misappropriating funds, bribery, or submitting false claims.
- **Waste:** The unnecessary, inefficient, or excessive use of City resources that results in avoidable cost or loss of value.
- **Abuse:** Improper use of authority or resources, or conduct inconsistent with City policies or ethical standards, including misuse of position, inappropriate use of City resources, or actions that create unnecessary cost or risk to the City.

## How the Whistleblower Program Works

The City Auditor’s Office reviews all reports submitted through the Whistleblower Hotline or received directly by the Auditor’s Office. Each report is evaluated to determine the nature of the concern, whether it falls within the scope of the Whistleblower Program, and what next steps, if any, are appropriate.

## Intake and Case Management

Once a report is received, a case is created in the case management system. Reports may be submitted through the independent hotline provider (by phone or web form) or received directly through email, letter, phone call, or in person. All reports are handled confidentially.

## Evaluation Criteria

Each report is reviewed using established criteria to determine whether it is eligible for consideration under the Whistleblower Program. To be eligible, a report must meet all four of the following criteria:

1. The allegation meets the definition of fraud, waste, or abuse.
2. The concern involves City of Berkeley property, infrastructure, employees, officials, or otherwise falls within the City’s authority.
3. The alleged conduct occurred within 12 months of the report being filed.
4. The matter is not known to be the subject of current litigation.

Reports that do not meet these criteria may be closed or referred to another department or oversight entity, as appropriate.

## Determining Whether to Open an Investigation

Meeting all four criteria means a report is eligible for consideration, but the Auditor's Office must still determine whether there is sufficient information before opening an investigation. The Auditor's Office may also investigate reports that involve health and safety implications, chronic irresponsiveness, or issues that present significant risk to the City.

## Investigation Process

Investigations are conducted independently and objectively. The Auditor's Office gathers and reviews relevant records, interviews witnesses when appropriate, and evaluates evidence to determine whether the alleged conduct occurred. Investigations are conducted in a manner consistent with applicable legal standards, confidentiality requirements, and professional practices.

## Retaliation Protection

Whistleblowers are protected against retaliation under Berkeley Municipal Code and California law. Retaliation includes any adverse action taken against a person because they reported a concern in good faith or cooperated with a whistleblower review or investigation.

An adverse employment action includes actions such as termination, demotion, suspension, discipline, reduction in pay, significant changes in job duties, or other actions that would reasonably discourage a person from reporting misconduct.

Individuals who believe they have experienced retaliation may file a retaliation complaint with the City Auditor within 180 days of the alleged retaliatory act. The Auditor's Office evaluates such complaints based on the facts and circumstances presented.

## Public Records and Confidentiality

The Whistleblower Program prioritizes confidentiality to encourage reporting without fear of retaliation. Generally, whistleblower investigation files are not released. Only published investigation reports and other specific reports issued by the City Auditor are made public.

This policy aligns with California Government Code §53087.6, which mandates that whistleblower investigations remain confidential, except when required to serve the public interest.

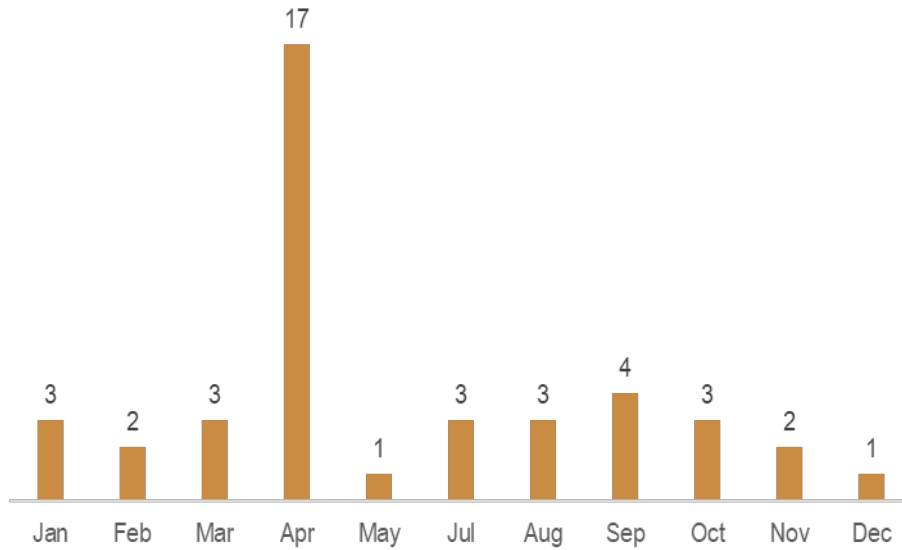
Additionally, while we do everything in our power to protect whistleblower confidentiality, we also comply with legal obligations. If required by law, such as through a subpoena or judicial order, certain information may be disclosed. In such instances, the City Auditor consults with the City Attorney to ensure that any release of information is as limited and protected as possible.

Moreover, California Government Code §6254.5(d) specifically protects the confidentiality of whistleblower reports and prohibits disclosure of any records that identify a whistleblower, ensuring their identity remains confidential. This protection extends to all investigative files compiled by the City Auditor or other investigative entities.

## Reports Received

Calendar year 2025 marked the first full year of the Whistleblower Program. During this year, the Program received 42 new reports. As a newer program, reporting volume is expected to evolve as awareness of the hotline grows. Figure 1 summarizes the Program's receipt of new reports by month.

**Figure 1. Whistleblower Reports Received by Month (2025)**



Source: Berkeley City Auditor

Whistleblower reports included a wide range of allegation types. Reporters selected an allegation category when filing a report; these categories are summarized in Figure 2.

**Figure 2. Allegation Categories Selected by Reporters (2025)**

Allegation Category	Total
Other	18
Time Abuse	9
Health/Safety Violation	7
Abuse	6
Waste	5
Policy Violation	4
Conflict of Interest	3
Retaliation	3
Discrimination	2
Fraud	2
Harassment	2
Customer Service	1
Sexual Harassment	1
<b>Total</b>	<b>63</b>

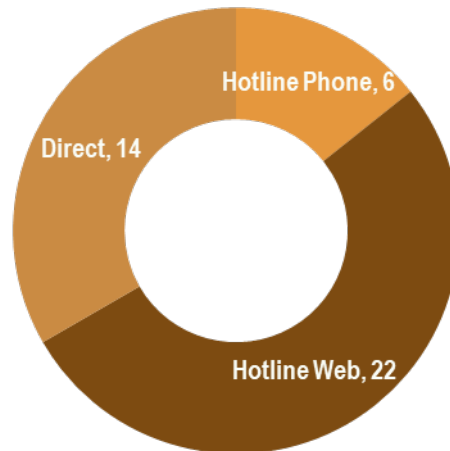
Note: Reporters can select more than one allegation category, so the total number does not reflect the number of unique reports.

Source: Berkeley City Auditor

Of the 42 reports filed in 2025, 22 (52 percent) came through the Whistleblower Program’s online report form. The program is available to City employees and officials.

Multiple reporting channels ensure the program is easily accessible, allowing individuals to choose the method which they feel most comfortable.

**Figure 3. Reporting Channels Used (2025)**

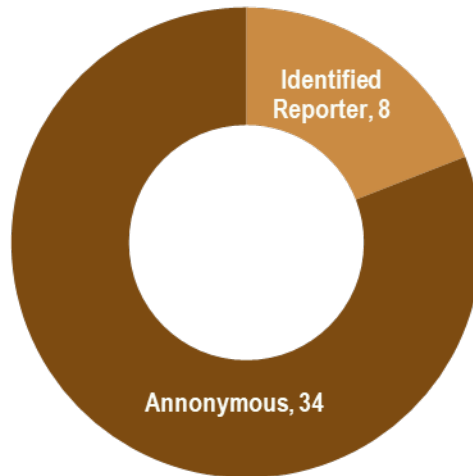


Note: “Direct” includes reports received by email, letter, phone call to the Auditor’s Office, or in person.

Source: Berkeley City Auditor

The majority (34, or 81 percent) of reports were filed anonymously. Anonymous reporting is an important feature of the Whistleblower Program because it encourages individuals to report concerns without fear of retaliation or identification. Offering an anonymous option helps remove barriers to reporting and supports a culture where concerns can be raised safely.

**Figure 4. Anonymous vs. Identified Reporters (2025)**



Note: Some anonymous reporters communicate with staff through the encrypted reporting platform.

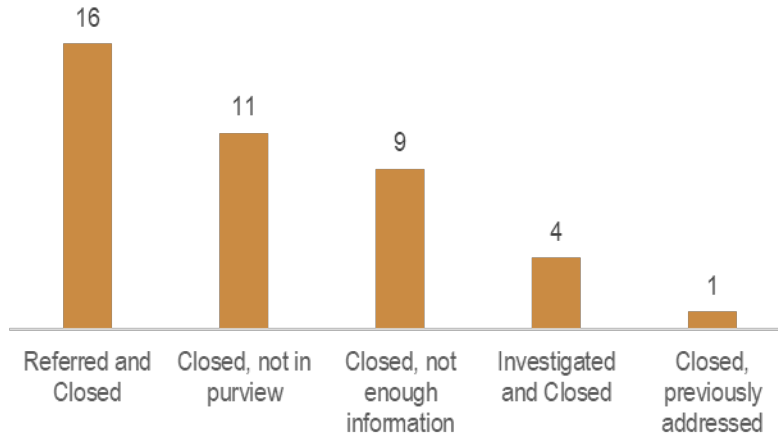
Source: Berkeley City Auditor

Some reporters choose to remain anonymous while still allowing the Auditor’s Office to communicate with them through the reporting platform. Reporters may provide an email address that allows staff to send and receive messages through the encrypted system; the platform does not reveal the email address to staff. This allows follow-up questions while preserving anonymity. When anonymous reporters do not provide a way to communicate, the Auditor’s Office may be unable to obtain additional details, which can limit the ability to evaluate the concern and may result in the case being closed due to insufficient information.

## **Summary of Closed Cases**

In calendar year 2025, the Whistleblower Program closed 41 cases. Cases may be closed for several reasons, including completion of an investigation, referral to another department or entity, insufficient information to proceed, or because the allegation was outside the Program’s authority. These outcomes reflect the Whistleblower Program’s role in both investigating eligible matters and ensuring reports are directed to the most appropriate oversight body when another process is better suited. Figure 5 provides a summary of how closed cases were resolved during the year.

**Figure 5. Disposition of Closed Cases (2025)**



Note: Cases may be closed because they were referred to another oversight entity, lacked sufficient information, or fell outside the program’s jurisdiction.

Source: Berkeley City Auditor

Case dispositions reflect the Auditor’s Office’s responsibility to focus investigative resources on matters that meet program criteria and present sufficient risk to the City. Some cases are referred to other departments or oversight bodies when another process is better suited to address the concern. For example, matters related to routine personnel issues, workplace conflicts, or operational policy questions may be referred to Human Resources or department management for review and resolution.

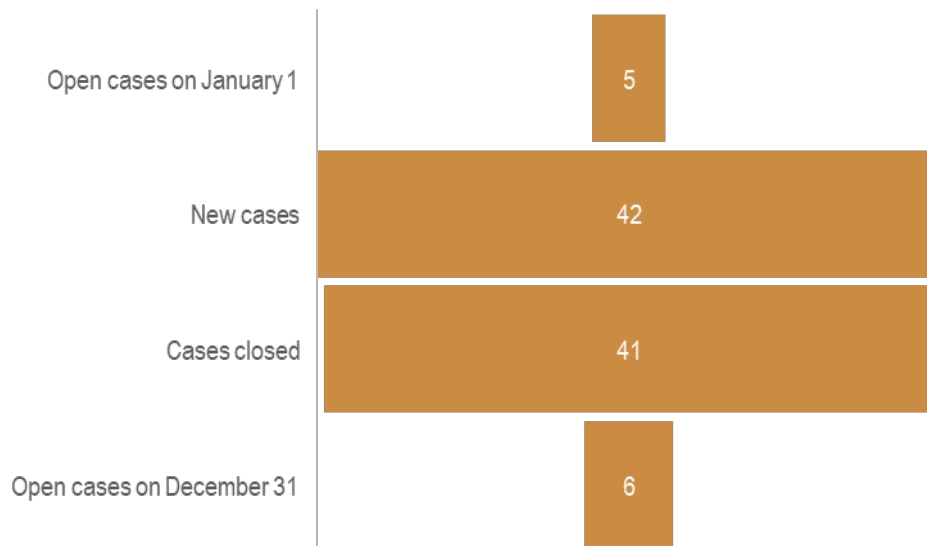
Cases may also be closed due to insufficient information. This can occur when a report does not include enough detail to allow the Auditor’s Office to evaluate the concern. For example, if a report alleges that someone is “stealing money” but does not identify the individual involved, the department, or when the conduct occurred, it may not be possible to move forward. In these situations, the Auditor’s Office will attempt to request additional information when a method of communication is available. Reports are generally kept open for up to 30 days while awaiting follow-up before a determination is made about whether there is sufficient information to proceed.

The number of open cases at year-end is calculated using the following formula:

$$\begin{aligned} & \text{Open cases on January 1} \\ & + \text{New cases received during the year} \\ & - \text{Cases closed during the year} \\ & = \text{Open cases on December 31} \end{aligned}$$

Using this method, the Whistleblower Program had 5 open cases at the start of 2025, received 42 new cases, closed 41 cases, and ended the year with 6 open cases as of December 31, 2025.

**Figure 6. Case Volume and Year-End Status (2025)**



Note: Open case count reflects case status at a point in time and may change as cases progress.  
Source: Berkeley City Auditor

## Program Outlook and Future Considerations

### Public Reporting and Recommendations

When investigations result in substantiated findings, the City Auditor may issue a public report, consistent with legal requirements and professional standards. The City Auditor may also issue other reports related to whistleblower matters when doing so is in the public interest. These reports include recommendations intended to improve practices and reduce the risk of similar issues in the future. Decisions about whether and when to release a public report depend on the specific facts and circumstances of each matter, including confidentiality considerations and the need to protect the integrity of ongoing processes.

To date, the City Auditor has issued a public report titled [“Substantiated Whistleblower Allegation: \\$286,000 Vehicle Purchased Without Prior Council Approval.”](#) The City Auditor will continue to issue public reports as appropriate.

### Expansion of the Hotline to the Public

As part of long-term planning, the Whistleblower Program has considered expanding the hotline to accept reports from members of the public who are not City employees or officials. However, the City is currently facing a significant budget deficit, and City Council and management have directed departments across the City to implement substantial budget reductions. As a result, this expansion is on hold. The Program must ensure it has sufficient capacity to review reports and conduct investigations consistently and thoroughly before expanding the scope of reporting.

According to the Association of Certified Fraud Examiners’ *Report to the Nations*, 43 percent of occupational fraud cases are detected through tips, and employees account for most of those tips (about 52 percent). This underscores the importance of maintaining a strong and accessible reporting mechanism for City employees and officials.

The Whistleblower Program will continue to assess opportunities to expand access and strengthen transparency as resources allow.

## **Office of the City Auditor**

City of Berkeley

### **Mission Statement**

Promoting transparency and accountability in Berkeley government.

### **Report Preparation**

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[www.cityofberkeley.info/Auditor/Home/Audit\\_Reports.aspx](http://www.cityofberkeley.info/Auditor/Home/Audit_Reports.aspx)



**BERKELEY CITY AUDITOR**



**To:** Honorable Mayor and Members of the City Council

**From:** Jenny Wong, City Auditor *zw*

**Subject:** 2025 Whistleblower Annual Report

### INTRODUCTION

This item provides an overview of the Berkeley City Auditor's Whistleblower Program activities in calendar year 2025. Berkeley Municipal Code authorizes the City Auditor to operate a whistleblower hotline and investigate reports involving potential fraud, waste, or abuse.

### CURRENT SITUATION AND ITS EFFECTS

The Annual Report summarizes Whistleblower Program activity for calendar year 2025, the Program's first full year of operations. During this year, the Program received 42 new reports and closed 41 cases.

The Annual Report provides additional detail on how reports were received and evaluated, reporter characteristics, case dispositions, program accomplishments, and planned activities. As a newer program, reporting volume is expected to evolve as awareness of the hotline grows.

In 2025, the Auditor's Office also completed the investigation that resulted in the Whistleblower Program's first public report, "Substantiated Whistleblower Allegation: \$286,000 Vehicle Purchased Without Prior Council Approval." <sup>1</sup> When investigations result in substantiated findings, the City Auditor may issue a public report, consistent with legal requirements and professional standards. The City Auditor may also issue other reports related to whistleblower matters when doing so is in the public interest.

In light of current City budget constraints, the Auditor's Office has paused plans to expand hotline access to the broader public to ensure any future expansion is supported by appropriate staffing, workload capacity, and resources.

### BACKGROUND

The Berkeley City Auditor's Whistleblower Program provides a confidential mechanism for reporting concerns related to fraud, waste, and abuse of City resources. The program's primary objective is to investigate allegations of fraud, waste, and abuse by

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<sup>1</sup> [Substantiated Whistleblower Allegation: \\$286,000 Vehicle Purchased Without Prior Council Approval](#)

City employees and officials, strengthening ethical standards and responsible stewardship of public resources.

California Government Code Section 53087.6 authorizes local government auditors to establish whistleblower programs, with approval of their legislative bodies, and provides protections for whistleblowers. In June 2024, the City Council adopted Ordinance No. 7,922, formally establishing the City Auditor's authority to receive and investigate whistleblower reports.

#### ENVIRONMENTAL SUSTAINABILITY

While there may be environmental impacts associated with some whistleblower report recommendations, there are no identifiable environmental effects or opportunities associated with this report.

#### POSSIBLE FUTURE ACTION

The Auditor's Office may transmit future public whistleblower reports to the City Council and recommend corrective actions to address substantiated findings.

#### FISCAL IMPACTS OF POSSIBLE FUTURE ACTION

Whistleblower reports may issue recommendations to strengthen internal controls, oversight and accountability of public resources. Corrective actions to address whistleblower report recommendations may reduce the risk of fraud, waste or abuse of City funds.

#### CONTACT PERSON

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Attachment:

1: Whistleblower Program Annual Report 2025