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worth almost \$6.4 million over five years, and the self-inflicted taxpayer expense will only grow until the government fixes the errors, according to a new state audit.

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State agencies gave their employees nearly 200,000 hours of unearned leave credits worth almost \$6.4 million over five years, and the self-inflicted taxpayer expense will only grow until the government fixes the errors, according to a new state audit.

Accounting mistakes, misinterpretations of labor contract requirements and a lack of accounting controls at state agencies and the California State University are to

blame, State Auditor Elaine Howle said in the report. Meanwhile, it's likely that some

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audit that the number of problems is so small compared to the billions of dollars in leave credits tracked that Howle's audit "suggests that the leave accounting process is operating at over 99.99% accuracy."

Auditors found that from 2008 through 2012, employee holiday-leave mistakes in 79 agencies resulted in 127,000 hours of unearned leave credits with a value of \$4.1 million as of last December. Wrongly applied furlough leave, sick time, floating holidays, vacation leave and annual leave (taken in lieu of vacation and sick time) accounted for another \$2.2 million of unearned credits to employees.

The Department of Corrections and Rehabilitation, for example, gave one unnamed employee 516 hours of holiday credit for a single month in 2008. He was entitled to 16 hours. Officials didn't catch the mistake until after the employee retired 11 months later and received \$17,660 for the unearned credits on top of \$12,200 he received for legitimately accrued leave. The Chula Vista Veterans Home incorrectly doubled some employees' holiday credits.

The auditor said departments need guidance on applying leave balances, to improve accounting processes and suggested lawmakers need to clarify the law for recovering overpaid leave credits.

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