CHP protecting Oracle records; tech official suspended

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California Highway Patrol officers secured the state offices of the state Department of Information Technology Thursday to prevent removal or shredding of documents related to the unfolding Oracle computer investigation.

Also, Gov. Gray Davis said he suspended the department’s director Elias Cortez until further notice and accepted the resignation of Director of eGovernment Arun Baheti.

CHP Commissioner Spike Helmick said at 12:30 p.m. that representatives of the state attorney general’s office were on their way to the offices.

“We’ve been asked simply to hold the office and assure that all the material is there until it’s turned over to someone else,” he said. “We’re just assuring that no paperwork leaves the offices and or is destroyed.”

Barry Goode, legal affairs secretary to the governor said his office received an “unsubstantiated report of possible document shredding” at the department.

“I immediately called DOIT, directed it to determine if any shredding was occurring, and, if so to cease immediately,” Goode said in a statement. “I then called the attorney general’s office, reported what we had heard and done and asked them to commence an investigation. In cooperation with the Attorney General, the California Highway Patrol was dispatched to secure all shredders and trash at DOIT.”

According to sources, CHP officers began going through trash outside the building mid-morning Thursday, and summoned more officers and a warrant after about an hour. One source said the trash search seemed to show that evidence was being discarded.

State Attorney General Bill Lockyer is investigating whether state law was violated in the course of negotiating the state’s contract for database software with Oracle Corp.

A recent state audit found that the state stands to pay $41 million more for database software than it would have without the
$95 million, six-year licensing agreement. It said that inexperienced state negotiators signed the contract despite limited demand for the product.

Baheti’s resignation letter read in part:

“While I was briefed on the Oracle contract and supported the concept of an enterprise licensing agreement, it is apparent in retrospect that I should have more vociferously raised questions about the details. Had I asked more questions of DOIT and DGS, they might have seen the potential problems. For that, I must take responsibility.”

Republican gubernatorial candidate Bill Simon, meanwhile, called on top aides to Gov. Gray Davis to provide more information about their role in the matter.

He said Susan Kennedy, Davis’ deputy chief of staff, should be compelled to testify under oath and turn over her calendar to determine what contacts she had with those involved in the Oracle contract. All written memos and phone logs involving Oracle should be made public, he said.

Kennedy was one of several top officials to sign off on the deal, approving a four-page summary of the proposal on May 31, 2001, the day the contract was signed.

“People have a right to know whether the Oracle contract debacle is corruption, or just plain gross incompetence,” Simon said. “And now they have a right to know whether it has graduated into a cover up.”

Simon said all executive privilege to withhold information was waived when the governor’s office allowed Logicon, a state computer consultant which brokered the software deal and stands to make $28 million from it, to participate in the drafting internal paperwork on the matter.

“All documents should now be subject to the Public Records Act,” he said.

Davis spokesman Steve Maviglio said the administration has made “absolutely no attempt to slow down or stonewall the investigation,” and have not invoked executive privilege in response to any investigative requests.

“We have provided them with absolutely all the information they have asked for,” Maviglio said.