

# Dear Editor – City Stealth Hotline

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Dear Editor,

In Culver City, the purpose of an effective fraud, waste, and abuse hotline (FWA Hotline) is to encourage whistle-blowers to reveal information that will ultimately protect residents and others from inappropriate government action or inaction. The revelations might deal with social justice, unethical behavior or monetary matters.

On September 10, 2019, the day after the City Council approved a FWA Hotline to be independently managed by Moss Adams LLP (Culver City’s soon-to-be former Internal Auditor), Moss Adams emailed Chief Financial Officer Onyx Jones stating, in part: “One item I wanted to comment on is the Ethics Hotline. It is best practice and industry standard for reports received by the third-party hotline provider (Lighthouse in this case) to go to the Internal Auditor for evaluation and dissemination, which ensures independence and protects confidentiality. ... Lighthouse will provide you with a form to input designate email addresses for dissemination purposes. You can provide my email address.”

Some of you will recall that City Manager John Nachbar and City Attorney Carol Schwab then surreptitiously hijacked management of the FWA Hotline from Moss Adams, while claiming the need for a temporary “pilot program.”

At pages 41-42 of the City of Culver City Enterprise Risk Assessment (November 15, 2019), Moss Adams states, in part:

The City has committed to fully implementing a Fraud, Waste and Abuse Program per the recommendations of Moss Adams. ... [T]he City plans to first conduct a pilot program, which will initially direct any reports or calls to the City Attorney's Office. Based on the activity during the pilot program, the City will implement a full roll-out of the hotline.

After handsomely paying Moss Adams to develop and implement an effective FWA Hotline, Staff cavalierly cast those efforts aside.

I complained directly to the City Council about these shenanigans. On December 18, 2019, then Mayor Meghan Sahli-Wells wrote, "Please be advised that the City Council is in receipt of your letter and will take appropriate measures to investigate your allegations." I have not heard further concerning any investigation.

Culver City's recent response to my Public Records Act request provides further information concerning this local scandal—Hotline Gate.

I was directed to Culver City's website that contains a hard-to-find webinar entitled "Speak Up!" It shockingly informs us: "Approximately 60% of employees surveyed said they had witnessed a legal or ethical violation at work. ... At least 42% of employees believe their company has a 'weak' ethical culture. ... Managers commit 60% of violations witnessed by the employees surveyed. Over 19% of employees say they have real fears of retaliation if they were to report misconduct at work."

Further, Culver City has: (1) no record "setting forth the results of the 'pilot program,'" (2) no record "showing the training sessions with Culver City employees and/or officials concerning the FWA Hotline," (3) no "report[] (quarterly or otherwise) to the City Council concerning the FWA Hotline," (4) no "report[] to the Subcommittee on Internal Controls [Alex Fisch and Thomas Small] concerning the FWA Hotline," (5) no "announcement[] to employees of Culver City of the existence of the FWA Hotline," (6) no "record[] setting forth the decision making authority in the operation of the FWA Hotline," (7) no "record describing the decision not to employ the services of Moss Adams LLP in the operating of the FWA Hotline."

The City Council and certain members of Staff apparently feel no shame. One could easily argue that Culver City government is populated by timid incompetents, cover-up artists or worse. What is Culver City's government trying to hide? The \$64,000 question is: why do they fail and, thus, refuse to implement an effective fraud, waste, and abuse hotline?

Les Greenberg, Esquire