

# Culver City News



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# LETTER TO THE EDITOR

## How Culver City threw cold water on its hotline

Dear Editor,

Whistle-blowing is one of the best tools to fight government corruption. However, Culver City officials recently engaged in a secret switcheroo that makes one question whether

Culver City is truly committed to establishing an effective fraud, waste, and abuse hotline (FWA Hotline)—one that inspires trust and confidence.

As of Sept. 9, 2019, pursuant to a 2017 recommendation of Moss Adams LLP (Moss)—Cul-

ver City's Internal Auditor—Moss would process complaints received through Culver City's FWA Hotline. Everyone—the City Council, the Ad-Hoc Subcommittee on Internal Controls, the Finance Advisory Committee (FAC), City Attorney Carol Schwab, City Manager John Nachbar, and Chief Financial Officer Onyx Jones—totally agreed. They considered Moss as “neutral.”

Less than one month later, Schwab secretly drafted documents cutting Moss out of the process, and directing all FWA-Hotline complaints to herself. Nachbar and Jones approved her handiwork. It was done without knowledge of the FAC or the City Council and contrary to Culver City's public commitment to Moss's recommendation.

Staff calls this slight-of-hand maneuver a “pilot program.” “Pilot” usually refers to a feasibility test with objective criteria. But the so-called “pilot program” appears to be whatever Schwab tells us it is; subject to her changes, without notice.

For details of this sordid affair, see [www.LGESquire.com/191112\\_FWA-Hotline-Problems.pdf](http://www.LGESquire.com/191112_FWA-Hotline-Problems.pdf) and <http://www.lgesquire.com/191117%20FAC%20Letter%20-%20ERA.pdf>.

On Nov. 20, I exposed the

previously secret switcheroo to the FAC. The FAC inquired of CFO Jones. She claimed, “things changed,” but did not explain any need for the change and the secrecy, only saying she informed Nachbar. In other words, they formed a conspiracy of silence. She stated that, by March 2020, Culver City would hire an employee as Internal Auditor, and switch back to Moss's recommendation. That contradicts any need for the “pilot,” as Culver City knows the result before the “test” begins. Moss's contract expires in June 2020, but she said that Moss cannot be used as the Internal Auditor to receive FWA-Hotline complaints. Huh? That was the agreed-upon plan until Schwab started her secret maneuvers. Without suggesting how or by whom, the FAC recommended that the City Council be informed about the “pilot program” and its termination in March 2020.

The City Council needs to cure several FWA-Hotline problems. The current FWA-Hotline website is confusing, contradictory, and misleading. Further, there is a confidence problem. Moss produced a 59-page City of Culver City Enterprise Risk Assessment (November 15, 2019). An annotated copy is available at [www.LGESquire.com/191115\\_Enterprise-Risk-Assessment.pdf](http://www.LGESquire.com/191115_Enterprise-Risk-Assessment.pdf). At

pages 40-42, Moss warns that 44% of Culver City's supervisors, managers and director-level employees do NOT feel safe from retaliation if they whistle-blow. The low confidence level was measured before anyone knew that, in the middle of the night, the wolves took over the chicken coop.

A long-time resident and cynic explained it to me. Culver City has whistle-blower-retaliation risk and an inadequate FWA-Hotline website. Before March 2020, potential whistle-blowers will shy-away. Schwab will claim that an impartial FWA Hotline is not economically justified. Thus, Schwab will remain in command. Paraphrasing Mick Mulvaney, the cynic stated, “That is the way we do government in Culver City. Get used to it.”

Hopefully, the City Council will prove that old cynic to be wrong. The City Council should shutter its FWA Hotline until: (1) Culver City publishes a professionally-written operating manual; (2) its website is cleaned-up; and (3) Moss or another Internal Auditor is named to administer the FWA Hotline. Otherwise, the City Council will set the wrong tone, i.e., whatever Schwab wants to remain buried will remain buried.

— Les Greenberg, Esquire