



# City Council Memorandum

City of Arts & Innovation

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**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: SEPTEMBER 7, 2021**

**FROM: CHARTER REVIEW COMMITTEE                  WARDS: ALL**

**SUBJECT: CHARTER REVIEW COMMITTEE INTERIM REPORT TO THE CITY COUNCIL REGARDING REFERRAL OF PROPOSED CITY CHARTER AMENDMENT TO REQUIRE PUBLICATION OF AN ANNUAL REPORT ON WRITTEN COMPLAINTS OR WHISTLE-BLOWER COMPLAINTS ALLEGING FRAUD, WASTE, ABUSE, OR CRIMINAL CONDUCT**

## **RECOMMENDATION:**

Receive and file the Charter Review Committee’s Interim Report regarding the City Council’s referral to the Ad Hoc Charter Review Committee of the proposed City Charter amendment to require a Publication of an annual report on written complaints or whistle-blower complaints alleging fraud, waste, abuse, or criminal conduct.

## **BACKGROUND:**

### July 21, 2020 City Council Referral to Charter Review Committee

On July 21, 2020, the 2019/2020 Charter Review Committee proposed six City Charter amendments to the City Council for placement on the November 2020 ballot. Of those six proposals, the City Council referred two: (1) “Granting the Mayor a Vote” and (2) “Publication of an annual report on written complaints or whistle-blower complaints alleging fraud, waste, abuse, or criminal conduct”, to an Ad Hoc Charter Review Committee for consideration for placement on the November 2021 ballot.

### 2021 Ad Hoc Charter Review Committee Convenes and Forms Subcommittee to Discuss Auditor/Inspector General

On February 3, 2021, the 11-member Ad Hoc Charter Review Committee (the “Committee”) convened to begin consideration of the two referred items.

The Committee formed a Subcommittee to collect information on “Publication of an annual report on written complaints or whistle-blower complaints alleging fraud, waste, abuse, or criminal conduct” and to possibly identify the need for a City Inspector General/ Internal Auditor-type position to investigate complaints of fraud, waste, abuse, whistle-blowing, etc.

On April 21, 2021, the Committee directed the Subcommittee to explore the creation of a City auditor position and to return with recommendations on options including utilizing an outside audit agency, whether the position should be appointed or elected, and who in the City the auditor would report to.

City Council Extends Ad Hoc Charter Review Committee’s Time to Consider Referrals

On May 11, 2021, the City Council extended by six months the Committee’s time to consider the two referred proposals, and directed that those proposals should now be considered for the November 2022 ballot. This gave the Committee until December 2021 to make its final recommendation on both proposals to the City Council. The Committee currently has three regular meetings remaining (September 15, October 20, and November 17) before December.

Summary of the Subcommittee’s Work

Since the Subcommittee was formed in February 2021, it has met on multiple occasions, had numerous e-mail and telephone correspondences, interviewed key community members and local activists, interviewed City staff, and conducted extensive independent research to seek answers to questions on the need for additional accountability within the City.

The Subcommittee has held five meetings and provided two updates on its work to the full Committee. The Subcommittee has reached out to the Cities of Modesto, Los Angeles, Baltimore, Tallahassee, Albuquerque and various counties.

August 18, 2021 Subcommittee’s Presentation of Options to Full Committee

At the August 18, 2021 Charter Review Committee meeting, the Subcommittee presented the following options to the full Committee to decide on:

<b>Job Title Options</b>	<b>Subpoena Powers</b>	<b>Selection Process</b>	<b>Structure/Reporting</b>
1. City Controller	1. Full	1. Appointed	1. Who does this position report to?
2. Inspector General	2. Light	2. Elected	2. What does the structure look like?
3. Chief Accountability Officer	3. None		

The Committee voted 9 ayes and 1 no that the job title would be “Inspector General”, voted 8 ayes, 1 no, and 1 abstention that the Inspector General would be elected, and voted 9 ayes and 1 no that the Inspector General would have full subpoena powers. Since the Inspector General would be elected by Riverside voters, it was noted by the Committee that the Inspector General would not report to anybody within the City and would be held accountable by the voters.

Current Ad Hoc Charter Review Committee’s Recommendation to the City Council

Currently, the Ad Hoc Charter Review Committee’s recommendation to the City Council would be to place on the November 2022 ballot an amendment to the City Charter to create a new position with the title “Inspector General” who would be elected for a 4-year term, have full subpoena powers to issue court-enforceable administrative subpoenas for documentary requests, including documents, reports, answers, records, accounts, papers, and other data relevant to his

or her investigation, to perform complex investigative enforcement work which involves coordinating and conducting investigations of criminal violations, administrative investigations of allegations of employee misconduct, investigations of waste, fraud, and abuse, and to serve as a leader providing direction to others. The Inspector General would work under limited supervision with moderate latitude for the use of initiative and independent judgment.

The Inspector General would annually report to the Mayor and City Council regarding his or her activities and investigations. Within 60 days of the end of each fiscal year, the Inspector General shall issue a published report to the City Council that separately lists investigations and other assistance efforts completed during the fiscal year. The Inspector General would notify members of the media and the public of the issuance of the published report and would provide copies of the published report upon request.

The Committee finds that the creation of an Inspector General position as described above would reduce outside legal fees, provide equity and fairness for all investigations, provide a true layer of transparency, streamline processes for reporting fraud, waste, and abuse, implement a single point of contact and responsibility, and address additional accountability needs of a growing community.

### **FISCAL IMPACT:**

There is no fiscal impact associated with this Interim Report.

Prepared by: Alia Rodriguez, Vice Chair, Charter Review Committee

Attachment: Presentation