

City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: APRIL 12, 2022

FROM: CHARTER REVIEW COMMITTEE WARDS: ALL

SUBJECT: AMENDMENT TO CITY CHARTER REGARDING INSPECTOR GENERAL

ISSUE:

Receive a presentation and consider whether to place, on the November 8, 2022 ballot, an amendment to the City Charter to add an elected office of Inspector General, with prescribed powers and duties.

RECOMMENDATIONS:

That the City Council:

1. Consider an amendment to the City Charter to add an elected position of Inspector General, with prescribed powers and duties; and
2. Place the ballot question on the November 8, 2022, ballot for voter approval for such charter amendment.

BOARD RECOMMENDATION:

The Charter Review Committee met on February 16, 2022 and approved the report to the City Council regarding the proposed charter amendment and ballot question referenced herein, with Chair Benavidez and Members Avery, Clymer, Goldman, Norsell, Ramirez, and Rodriguez voting aye, Member Burns voting no, and Members Mabon, McKeith, and Newberry absent. The Charter Review Committee also designated Member Avery to present the report, with Chair Benavidez and Members Avery, Burns, Clymer, Goldman, Norsell, Ramirez, and Rodriguez voting aye and Members Mabon, McKeith, and Newberry absent.

DISCUSSION:

Here is the final recommendation that was approved by the Charter Review Committee (new section **in bold**):

Charter Amendment (new Charter section)

Sec. 420. Office of Inspector General.

(a) There shall be an Office of Inspector General which shall have the power and duty to provide a full-time program of investigation, audits, inspections, and operational performance evaluations in accordance with generally accepted auditing standards to provide increased accountability and oversight of entities of city government, special districts and joint powers authorities that the City is a member of and entities receiving funds through the City, to assist in improving agency operations and in deterring and identifying, fraud, waste, abuse, and illegal acts.

(b) The Office of Inspector General shall be headed by an elected Inspector General, as otherwise provided in the Charter. The Inspector General's salary shall be commensurate with the Mayor's salary and benefits

(c) The City Council shall include in its annual budget or through a supplemental appropriation such appropriations of funds sufficient for the efficient and proper functioning of the Office of Inspector General. At least six months prior to the beginning of each fiscal year, the Inspector General shall provide to the City Manager a budget containing estimates of revenues and expenditures for the Office of Inspector General.

(d) The Office of Inspector General shall be operationally independent from the City Council, the Mayor, and the offices of the City Manager, City Clerk and City Attorney, none of whom shall interfere with the execution by the Inspector General of his/her powers and duties. "Operationally independent" shall mean that neither the City Council, the Mayor, the offices of the City Manager, City Clerk and City Attorney, nor any employee of the City shall prevent, impair, or prohibit the Inspector General from initiating, carrying out, or completing any audit, investigation, inspection, or operational performance review.

(e) The Office of the Inspector General may include, but not be limited to, a division of criminal investigations, a division of audit, a division of inspections, and a division of operational performance review.

(f) The Office of the Inspector General shall have the power of subpoena to require the attendance of witnesses, including persons employed by the City, and the production of books and papers pertinent to any investigation and to administer oaths to such witnesses and to take testimony to the extent permissible by law.

(g) The Office of the Inspector General shall exercise such other powers and perform such other duties as may be prescribed by ordinance not inconsistent with any of the provisions of this Charter.

(h) The Inspector General shall be accorded a seat at the City Council table and shall be entitled to place a matter before the City Council and Mayor and participate in their deliberations, but shall not have a vote.

(i) The Inspector General shall report at least annually the final findings and recommendations from its activities to the City Council at a public meeting.

Charter Amendment regarding Election

The following Charter amendments are proposed for the election of the Inspector General on June 6, 2023, including eligibility and no run-off election for the initial election only of the Inspector General (proposed amendments ***bolded and italicized***):

Sec. 400. - Enumerated; number, term and manner of election; wards.

- (a) The elective officers of the City shall consist of a City Council of seven members, elected from wards, and a Mayor elected from the City at large, ***and an Inspector General elected from the City at large*** at the times and in the manner provided in this Charter, who shall serve for a term of four years and until their respective successors qualify. The terms of all officials, so elected, shall be deemed to have commenced on the fifth Tuesday following the general municipal election.
- (b) The members of the City Council shall be nominated and elected by wards by the registered voters of the respective wards only. One member of the City Council shall be elected by each ward, and only the registered voters of each ward shall vote for the member of the City Council to be elected by that ward. In those wards where there are more than two candidates, only a candidate receiving a majority of the total votes cast for the office shall be declared elected.
- (c) If in an election for a member of the City Council for any ward, or for the office of Mayor ***or for the office of Inspector General***, no candidate receives a majority of the total votes cast for the office, the City Council shall immediately upon the determination of that fact, call a special election to be held on the same day as the statewide election of that same year, consistent with the general election date set by the State. The two candidates receiving the highest number of votes for the office in the general municipal election shall be declared the candidates for the special election.
- (d) Notwithstanding the paragraph above, if in the June 8, 2021, election for members of the City Council for Wards 2, 4, and 6, no candidate receives a majority of the total votes cast for the office, the City Council shall immediately upon the determination of that fact, call a special election to be held on November 2, 2021. The two candidates receiving the highest number of votes for the office in the June 8, 2021, election shall be declared the candidates for the special election.
- (e) Officials elected at the general municipal election shall take office on the second Tuesday following completion of the canvass, but in no event later than the fifth Tuesday following the general municipal election. Officials elected at any other election shall take office on the second Tuesday following completion of the canvass, but in no event later than the fifth Tuesday following the election.
- (f) The qualifications of candidates and electors and the procedure governing general municipal elections shall apply to any special election called pursuant to this section and the notice of election shall be published at least thirty days prior to the date of such special election.

Sec. 401. - Eligibility to hold the office; member of the City Council; Mayor.

- (a) A person is not eligible to hold the office of a member of the City Council of the City of Riverside unless such person is a qualified elector within the territory comprising the ward by which such person is elected or for which such person is appointed at the time of such election or appointment and continues to be a qualified elector of said ward. If the residence of any member of the City Council is changed to a place outside the boundaries of the ward from which such member was elected or for which such member was appointed, the office of such member shall become vacant. The existence of the

vacancy shall be declared and filled as provided by Section 404 of this Charter.

(b) A person is not eligible to hold the office of Mayor **or for the office of Inspector General** unless such person is a qualified elector of the City at the time of such election or appointment and continues to be a qualified elector of the City. If the residence of the Mayor **or for the office of Inspector General** changes to a place outside the boundaries of the City, the office of the Mayor **or for the office of Inspector General** shall become vacant. The existence of the vacancy shall be declared and filled as provided by Section 404 of this Charter.

Sec. 500. - General municipal elections.

On June 8, 2021, an election for Councilmembers to represent Wards 2, 4 and 6 shall be held. Said term shall be for five (5) years and until their respective successors qualify. Beginning in 2026 and thereafter, the Councilmembers' terms shall be for four (4) years. Beginning in 2022, general municipal elections for the election of the members of the City Council and for such other purposes as the City Council may prescribe shall be held in the City on same day as the statewide election, consistent with the primary election date set by the State.

General municipal elections for the election of the Mayor shall be held on the same day as the statewide election, consistent with the primary election date set by the State in United States Presidential election years.

In accordance with section 1404, an election shall be held on November 8, 2022 to determine if the Office of Inspector General shall be created. If the Office of Inspector General is created, a special election shall be held on June 6, 2023 to elect the Inspector General. The candidate receiving the most votes at the special election shall be elected Inspector General and shall serve an initial term of no more than three (3) years or until his/her successor qualifies. Subsequent elections to elect an Inspector General shall be held at the same time and in the same manner as Councilmember elections for Wards 2, 4, and 6 and in accordance with Article V. After the initial term, the Inspector General term shall be four (4) years.

The following proposed Charter amendment would prohibit the City Manager from being able to approve or disapprove the hiring or termination of a subordinate employee of the Inspector General (proposed amendments ***bolded and italicized***):

ARTICLE VI. - CITY MANAGER.

Sec. 601. – Powers and duties.

The City Manager shall be the head of the administrative branch of the City government. The City Manager shall be responsible to the City Council for the proper administration of all affairs of the City.

All department heads and officers of the City, except elective officers and those department heads and officers the power of whose appointment is vested by this Charter in the City Council, shall serve at the pleasure of the City Manager who may appoint, suspend or remove such department heads and officers subject to the personnel merit system provisions of this Charter. However, the appointment, removal and suspension of the Library Director shall be subject to the approval of the Board of Library Trustees, the appointment (but not the suspension or removal) of the Chief Financial Officer/Treasurer

shall be subject to the approval of the City Council, and the appointment (but not the suspension or removal) of the Public Utilities Director shall be subject to the approval of the Board of Public Utilities. The City Manager may approve or disapprove all proposed appointments and removals of subordinate employees by department heads or officers, except by the City Attorney, and City Clerk, **and the Inspector General** and such appointments and removals by department heads or officers, except by the City Attorney, and City Clerk, **and the Inspector General**, shall be subject to the approval of the City Manager.

Notwithstanding the foregoing or any other provision of this Charter except Section 407, the City Council may adopt by ordinance, an employee appeal process which could affirm, overrule or modify a final administrative decision concerning an employee grievance and could provide that such action shall be final. Without limiting the foregoing general grant of powers, responsibilities and duties, the City Manager shall have the power and be required to:

- (a) Prepare the budget annually, submit such budget to the City Council and be responsible for its administration after its adoption.
- (b) Prepare and submit to the City Council annually a Capital Improvement Plan.
- (c) Keep the City Council advised of the financial condition and future needs of the City and make such recommendations as may seem desirable to the City Manager.
- (d) Prepare rules and regulations governing the contracting for, procuring, purchasing, storing, distribution, or disposal of all supplies, materials and equipment required by any office, department or agency of the City government and recommend them to the City Council for adoption by it.
- (e) See that the laws of the State pertaining to the City, the provisions of this Charter and the ordinances of the City are enforced.
- (f) Perform such other duties consistent with this Charter as may be required of the City Manager by the City Council.

The following proposed Charter amendment would prohibit the Inspector General from nepotism (proposed amendment ***bolded and italicized***):

Sec. 709. - Nepotism.

Neither the Mayor, nor City Council, ***nor the Inspector General*** shall appoint to a salaried position under the City government any person who is a relative by blood or marriage within the third degree of the Mayor or any one or more of the members of the City Council; nor shall any department head or other officer having appointive power appoint to a salaried position under City government any person who is his/her relative by blood or marriage within the third degree.

A relative within the third degree is defined as a spouse, son, daughter, mother, father, brother, sister, grandchild, grandparent, aunt, uncle, niece, nephew, great-grandchild, or great-grandparent. Half-relatives, step-relatives and in-laws are included as relatives.

All ordinances and resolutions shall be signed by the Mayor and attested by the City Clerk.

Inspector General Shall the City Charter be amended to create an elected office of Inspector General, with the first election on June 6, 2023, with four year terms, with the powers and duties to independently investigate fraud, waste, abuse and illegal acts within city government and to provide annual reports on their findings and recommendations on an annual basis, with an appropriate budget, a salary commensurate with the Mayor's salary and subpoena power?

FISCAL IMPACT:

The estimated cost to place a measure on the November 8, 2022, ballot is \$165,000 and \$124,000 for each subsequent measure.

The estimated cost for an elected Inspector General would be the same as the cost for the Mayor, for salary and benefits, as well as salaries and benefits for all subordinate employees as well as other costs to operate such an office.

Prepared by: Charter Review Committee

Approved as to form: Phaedra A. Norton, City Attorney

Attachment: Presentation

PROPOSED CHARTER AMENDMENT LANGUAGE FINALIZED WITHOUT TRACK CHANGES

Charter Amendment (*proposed new Charter section*)

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(b) The Office of Inspector General shall be headed by an elected Inspector General, as otherwise provided in the Charter. The Inspector General's salary shall be commensurate with the Mayor's salary and benefits

(c) The City Council shall include in its annual budget or through a supplemental appropriation such appropriations of funds sufficient for the efficient and proper functioning of the Office of Inspector General. At least six months prior to the beginning of each fiscal year, the Inspector General shall provide to the City Manager a budget containing estimates of revenues and expenditures for the Office of Inspector General.

(d) The Office of Inspector General shall be operationally independent from the City Council, the Mayor, and the offices of the City Manager, City Clerk and City Attorney, none of whom shall interfere with the execution by the Inspector General of his/her powers and duties. "Operationally independent" shall mean that neither the City Council, the Mayor, the offices of the City Manager, City Clerk and City Attorney, nor any employee of the City shall prevent, impair, or prohibit the Inspector General from initiating, carrying out, or completing any audit, investigation, inspection, or operational performance review.

(e) The Office of the Inspector General may include, but not be limited to, a division of criminal investigations, a division of audit, a division of inspections, and a division of operational performance review.

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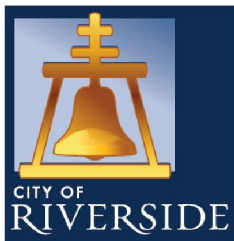
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A relative within the third degree is defined as a spouse, son, daughter, mother, father, brother, sister, grandchild, grandparent, aunt, uncle, niece, nephew, great-grandchild, or great-grandparent. Half-relatives, step-relatives and in-laws are included as relatives.

All ordinances and resolutions shall be signed by the Mayor and attested by the City Clerk.



CHARTER REVIEW COMMITTEE

Inspector General Proposal
April 12, 2022

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BACKGROUND

- On July 21, 2020, the City Council referred granting a publication of an annual report on written complaints or whistle-blower complaints alleging fraud, waste, abuse, or criminal conduct and a potential need for an oversight position of such program to an Ad Hoc Charter Review Committee (CRC) for consideration for placement on the ballot in November, 2021, and/or November, 2022
- In February 2021, the CRC identified an Ad Hoc Committee, from the newly appointed CRC members, to research the need of an oversight position



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BACKGROUND

- CRC concluded that an additional position was needed for oversight and tasked the subcommittee with conducting additional research
- At the 4/21/21 CRC meeting, it was approved to direct the subcommittee to explore the creation of a new position with recommendations including options of outside audit agency, appointed or elected position, and point of contact
- At the 08/18/21 meeting, the CRC voted on the best option for an oversight position and approved these results to be presented to City Council in September 2021 for discussion



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BACKGROUND

- At the 9/7/21 City Council Meeting, CRC members Alia Rodriguez and Chair Pete Benavides presented the CRC's current recommendation of An elected Inspector General with full subpoena powers and asked for questions and comments from the Council
 - **Members of The City Council and the Mayor asked 26 questions**
- Subcommittee members met and answered all questions from Council and presented to full CRC
- City Council provided and extension of committee's work thru the end of Feb 2022



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Questions from City Council during 9/7/21 Meeting

Financial/Money Questions Assigned to: Alia Rodriguez <ul style="list-style-type: none"> What is the estimate of the reduction in outside legal fees? How much would the IG be paid? How big would the staff be and how would they be paid? How much money could be saved annually? How do we justify adding a department, when the City is still under minimum staff requirements? What would the support staff look like? Questioned the savings 	Job Description, Duties and Responsibilities Assigned to: Larry Burns <ul style="list-style-type: none"> What are the qualifications for the Inspector General? Who determined the exact details of the position: CRC, City Staff, City Council? What was the reasoning behind the different options and how were they chosen? (IG vs. Controller vs. CAO; subpoena powers, etc) Should the IG just focus on the Police/Law Enforcement?
Power Assigned to: Warren Avery <ul style="list-style-type: none"> CM sees the value in being elected but also believes it could be an appointed position. Have bargaining units been consulted and how would they interact in any potential employee misconduct claims? CM is concerned with the authority of an elected IG compared to that of an individual Councilmember. PLD wanted more information on the interaction with current Ethics Board. Felt that was a bit "squishy" in current form. What is the jurisdiction and authority of the position? 	Admin/Additional Assigned to: Kori Norsell <ul style="list-style-type: none"> If approved by Council and then the voters, how long would the gap period be until the role is filled? At what happens during that Gap period? How would work of IG overlap with current work of City Staff and how would that be addressed? What processes would be streamlined and explain how they would be streamlined? Would like to hear more about what other cities do Does having an elected IG, change the recruitment for Charter Officers? Has there been any evidence one way or the other in other cities? Why did we choose the specific comparison cities noted in the presentation? What is the staff level in other cities? What is the reporting structure of those staff members? How would HR department interact with this role? Are there abuses of the system at other cities and how would abuses of the system be handled in Riverside? Who should the IG be accountable to?



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Justification for Position

- Return on Investment
- Provide equity and fairness for all investigations
- Provide true layer of transparency
- Streamlines processes for reporting fraud, waste, abuse
- Single point of contact and single point of responsibility
- Growing community requires additional accountability



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Return on Investment

- A recent progress report to Congress found that every dollar invested in inspectors general returns more than \$22 in potential savings.
 - **Office of the Special Inspector General for the Troubled Asset Relief Program**
 - Reported a 29x return on investment from 2010-2021
 - **US Department of Labor**
 - Over the past five years (2015-2019), every dollar invested in the U.S. Department of Labor (DOL), Office of Inspector General (OIG) resulted in a return on investment of nearly \$10 to the federal government and American taxpayers
 - **Social Security Administration**
 - In FY 2020, the OIG identified \$29 in returns to the government through investigative recoveries and audit findings, for every \$1 received through our appropriation.
- **Jefferson Parish, LA**
 - Questioned \$42M in spending over 10 years, with 42% of recommendations implemented
 - Office budget averages \$1.1M/year = \$11M over the same 10 year period
- **New York City MTA**
 - Found \$22M in savings in 2020



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How did we get to this proposal?

- Met with City Manager and City Attorney as well as consulted with City Clerk
- Met with Riverside County District Attorney, Mike Hestrin, and a Deputy District Attorney
- Spoke with Association of Local Government Auditors
- Spoke with Association of Inspectors General
- Interviewed City Staff and Riverside Citizens
- Countless hours of research by subcommittee



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Options Presented to CRC

Job Title Options

1. City Controller
2. Inspector General
3. Chief Accountability Officer

Subpoena Powers

1. Full
2. Light
3. None

Selection Process

1. Appointed
2. Elected

Structure/Reporting

1. Who does this position report to?
2. What does the structure look like?



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Options Chosen by CRC

Job Title Options

1. City Controller
2. Inspector General
3. Chief Accountability Officer

Subpoena Powers

1. Full
2. Light
3. None

Selection Process

1. Appointed
2. Elected

Structure/Reporting

1. Who does this position report to?
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Inspector General Proposed Charter Summary

- **One new Section to the Charter with (9) subsections**
- **Changes made to 5 existing Charter sections to ensure new IG section remains consistent with Charter**
 - Section 400, Adding Inspector General to current elected language
 - Section 401, Adding Inspector General to existing eligibility requirement to hold office
 - Section 500, Adding when election for Inspector General would take place
 - Section 601, Adding Inspector General and Office of Inspector to exception list for City Manager to have approval authority over staffing decisions (City Attorney and City Clerk offices are currently exempted)
 - Section 709, Adding Inspector General to existing Nepotism language



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Inspector General Proposed Charter Language

- **(a) There shall be an Office of Inspector General which shall have the power and duty to provide a full-time program of investigation, audits, inspections, and operational performance evaluations in accordance with generally accepted auditing standards to provide increased accountability and oversight of entities of city government, special districts and joint powers authorities that the City is a member of and entities receiving funds through the City, to assist in improving agency operations and in deterring and identifying, fraud, waste, abuse, and illegal acts.**



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Inspector General Proposed Charter Language

- **(b) The Office of Inspector General shall be headed by an elected Inspector General, as otherwise provided in the Charter. The Inspector General's salary shall be commensurate with the Mayor's salary and benefits.**
 - November 2022, Inspector General proposal placed on ballot for Riverside voters
 - June 2023, Election for Inspector General. Winner will be determined by a plurality of voters for initial election
 - Future elections will be held at the same time as Wards 2,4,&6 and will be held to same election rules



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Inspector General Proposed Charter Language

- **(c) The City Council shall include in its annual budget or through a supplemental appropriation such appropriations of funds sufficient for the efficient and proper functioning of the Office of Inspector General. At least six months prior to the beginning of each fiscal year, the Inspector General shall provide to the City Manager a budget containing estimates of revenues and expenditures for the Office of Inspector General.**



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Inspector General Proposed Charter Language

- (d) The Office of Inspector General shall be operationally independent from the City Council, the Mayor, and the offices of the City Manager, City Clerk and City Attorney, none of whom shall interfere with the execution by the Inspector General of his/her powers and duties. "Operationally independent" shall mean that neither the City Council, the Mayor, the offices of the City Manager, City Clerk and City Attorney, nor any employee of the City shall prevent, impair, or prohibit the Inspector General from initiating, carrying out, or completing any audit, investigation, inspection, or operational performance review.



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Inspector General Proposed Charter Language

- (e) The Office of the Inspector General may include, but not be limited to, a division of criminal investigations, a division of audit, a division of inspections, and a division of operational performance review.
- (f) The Office of the Inspector General shall have the power of subpoena to require the attendance of witnesses, including persons employed by the City, and the production of books and papers pertinent to any investigation and to administer oaths to such witnesses and to take testimony to the extent permissible by law.



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Inspector General Proposed Charter Language

- (e) The Office of the Inspector General shall exercise such other powers and perform such other duties as may be prescribed by ordinance not inconsistent with any of the provisions of this Charter.
- (h) The Inspector General shall be accorded a seat at the City Council table and shall be entitled to place a matter before the City Council and Mayor and participate in their deliberations, but shall not have a vote.
- (i) The Inspector General shall report at least annually the final findings and recommendations from its activities to the City Council at a public meeting.



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Inspector General Proposed Ballot Question

Inspector General Shall the City Charter be amended to create an elected office of Inspector General, with the first election on June 6, 2023, with four year terms, with the powers and duties to independently investigate fraud, waste, abuse and illegal acts within city government and to provide annual reports on their findings and recommendations on an annual basis, with an appropriate budget, a salary commensurate with the Mayor's salary, and subpoena power?



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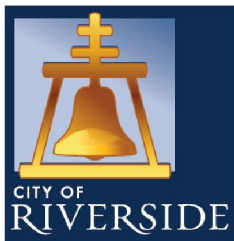
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***Thank you for your time and
consideration***



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FRAUD, WASTE AND ABUSE SUBCOMMITTEE

Questions and answers from 9/7/21 City Council Meeting

City Council Presentation
April 12, 2022

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1

Questions from Council

Financial/Money Questions Assigned to: Alia Rodriguez <ul style="list-style-type: none"> What is the estimate of the reduction in outside legal fees? How much would the IG be paid? How big would the staff be and how would they be paid? How much money could be saved annually? How do we justify adding a department, when the City is still under minimum staff requirements? What would the support staff look like? Questioned the savings 	Job Description, Duties and Responsibilities Assigned to: Larry Burns <ul style="list-style-type: none"> What are the qualifications for the Inspector General? Who determined the exact details of the position: CRC, City Staff, City Council? What was the reasoning behind the different options and how were they chosen? (IG vs. Controller vs. CAO; subpoena powers, etc) Should the IG just focus on the Police/Law Enforcement?
Power Assigned to: Warren Avery <ul style="list-style-type: none"> CM sees the value in being elected but also believes it could be an appointed position. Have bargaining units been consulted and how would they interact in any potential employee misconduct claims? CM is concerned with the authority of an elected IG compared to that of an individual Councilmember. PLD wanted more information on the interaction with current Ethics Board. Felt that was a bit "squishy" in current form. What is the jurisdiction and authority of the position? 	Admin/Additional Assigned to: Kori Norsell <ul style="list-style-type: none"> If approved by Council and then the voters, how long would the gap period be until the role is filled? At what happens during that Gap period? How would work of IG overlap with current work of City Staff and how would that be addressed? What processes would be streamlined and explain how they would be streamlined? Would like to hear more about what other cities do Does having an elected IG, change the recruitment for Charter Officers? Has there been any evidence one way or the other in other cities? Why did we choose the specific comparison cities noted in the presentation? What is the staff level in other cities? What is the reporting structure of those staff members? How would HR department interact with this role? Are there abuses of the system at other cities and how would abuses of the system be handled in Riverside? Who should the IG be accountable to?



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Job Description, Duties & Responsibilities

- ***What are the qualifications for the Inspector General?***

- There are varied qualifications based upon whether the job is elected or appointed.
- Typically, the agent in the role has background experience and advanced education in Finance or Law. The Association of Inspectors General provides training and related resources for alignment with federal, state, and local regulations.

- ***Who determines the exact details of the position: CRC, City Staff, City Council?***

- The details and scope of the job were determined through discussion from the subcommittee and expanded during CRC regular meetings. Meeting notes identify work done through research in the subcommittee.
- Since the office will be an independent agency of the City, exact details will be determined outside of City Council and staff



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Job Description, Duties & Responsibilities

- ***What was the reasoning behind the different options and how were they chosen?***

- Research by the subcommittee provided different options used throughout the country
 - Interviews with residents, city staff, as well as current and past office holders
 - Internet research
- Factual information was taken back to full CRC for discussion and direction

- ***Should the IG just focus on the Police/Law Enforcement?***

- The feeling of the subcommittee was that limiting the scope to law enforcement would not have the desired effect on fraud, waste and abuse.



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Questions regarding Power & Authority

- ***Do you believe there is a better value (perceived and/or real) in the role being elected vs, appointed?***
 - Biggest concern with the position being elected is potential conflict of interests
 - Campaign contributions
 - Endorsements
 - Residents will typically always want elected for the perception of independence
- ***How would bargaining units be consulted and interact in any potential employee misconduct claims?***
 - Process would be followed as written and agreed upon in bargaining agreements



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Questions regarding Power & Authority

- ***How does the authority of the office compare to other charter officers?***
 - Inspector General does not enforce, the authority of this position is the “power of the pen”
- ***What would the interaction be with current ethics board?***
 - Pure ethics complaints would continue to be heard by Board of Ethics
 - If investigation is needed, Office of IG would be called



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Administrative Questions

- ***If approved by Council and then the voters, how long would the gap period be until the role is filled? What happens during that Gap period?***
 - Elected
 - Proposed election for Inspector General to take place June 2023
 - Appointed
 - If appointed by an independent board, first step in process would be selection of board members
 - Once board is selected, recruitment process would begin; receive applications, verify qualifications, conduct interviews, process background checks, etc.



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Administrative Questions

- ***How would work of IG overlap with current work of City Staff and how would that be addressed?***
 - The work of the IG would not overlap with current city staff. The IG, from an organizational structure, would operate separately from the rest of city staff.
 - Independent from those areas which it will be auditing, reviewing and investigating.
 - However, all city officials, employees and departments would need to cooperate with the IG in any investigation or review.
- ***What processes would be streamlined and explain how they would be streamlined?***
 - The following would be redirected to IG
 - 311 comments, complaints (city services excluded).
 - 3-1-1 Whistleblower Hotline calls of Fraud, Waste, and Abuse.
 - Independent audits, analysis and evaluations of city programs and operations.
 - Include Internal Audit reports



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Administrative Questions

- **Would like to hear more about what other cities do**

- *City of New Orleans*
 - Inspectors General and their Offices share a consistent mandate: they are responsible for eliminating corruption, fraud, and abuse, and holding government officials accountable for efficient and cost-effective government.
 - Offices of Inspector General audit, inspect, evaluate, and investigate government programs and operations, reporting their findings in publicly released reports.
- *City of Milwaukee* (reference: <https://city.milwaukee.gov/cityclerk/Inspector-General/Frequently-Asked-Questions>)
 - **What is the Inspector General's (IG) mission?**
The IG is an independent, nonpartisan oversight personage with a mission is to promote economy, effectiveness, efficiency, and integrity in the administration of programs and operation of City government.
 - **What does the Inspector General do?**
 - The IG conducts independent, objective audits, reviews, analyses and evaluations of City programs and operations, issues public reports of findings, and makes recommendations to strengthen and improve the delivery of City services. The work of IG serves as a resource for the City Council, policymakers, civic and advocacy organizations, journalists, and the general public.
 - **What is the IG's jurisdiction?**
The IG has oversight of all City employees, elected officials (the Mayor, Alderpersons, City Clerk, and the City Treasurer), appointed officials, and contractors and vendors who provide goods and services to the City. The IG also has jurisdiction over any agency pursuant to an intergovernmental agreement authorized by the City Council.



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Administrative Questions

- *City of Albuquerque*
 - The Inspector General Shall Receive and Investigate Complaints Referred By
 - The Board of Ethics and Campaign Practices
 - Any official -- the Mayor and Councilors
 - Any employee, contractor or public citizen
 - The Inspector General may also initiate an investigation
 - However, the Office of Inspector General cannot:
 - Investigate complaints that are under the jurisdiction of the Civilian Police Oversight Agency or the Internal Affairs Division of the Albuquerque Police Department
 - The Inspector General shall not accept complaints related to discrimination or labor law matters, or other matters that are the subject of pending litigation
 - All city officials, employees and contractors shall promptly notify the Inspector General of every instance of theft or other disappearance of cash, check, or property, of misfeasance or nonfeasance, defalcation, improper governmental actions as defined in the Whistleblower Ordinance and noncompliance with federal and state law, city ordinances and city regulations of which they are aware.



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Administrative Questions

- ***Does having an elected IG, change the recruitment for Charter Officers? Has there been any evidence one way or the other in other cities?***
 - Did not find any evidence to answer this question
- ***Why did we choose the specific comparison cities noted in the presentation?***
 - Outreach to City of Los Angeles, Baltimore, Tallahassee, Albuquerque, Jefferson Parish and various counties
 - Similar census count per capita in term of income
 - Geographical location
 - Cities from eastern, central and western U.S.



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Administrative Questions

- ***What is the staff level in other cities? What is the reporting structure of those staff members?***
 - Tallahassee: Population = 191,279 (2019)
 - Two divisions consisting of 10 staff
 - Director
 - Senior Auditors
 - Investigations Director
 - Compliant Intake Specialist
 - Executive Assistant
 - Baltimore: Population = 609,032 (2019)
 - Staff of 17 to include:
 - Deputy and Asst Inspector Generals
 - Senior Agents
 - Agents
 - Executive Assistants
 - New Orleans: Population = 390,845 (2019)
 - Four divisions consisting of 14 staff
 - Deputy Inspector
 - Office Manager, Admin Asst
 - Investigators
 - Evaluators
 - Auditors



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Administrative Questions

- **How would HR department interact with this role?**

- The Inspector General is not a replacement for an established grievance process
- Reference from City of Tallahassee
(<https://www.cabq.gov/inspectorgeneral/documents/Article%2017%20Inspector%20General.txt.pdf>)
 - *The Office of the Inspector General is created as an independent office of city government. The Office is not part of the city's executive branch or the City Council.*
 - *The Inspector General shall have, subject to appropriation by the City Council, the power to appoint, employ, and remove such assistants, employees and personnel and establish personnel procedures as deemed necessary for the efficient and effective administration of the activities of the Office of the Inspector.*
 - *The Inspector General shall receive and investigate complaints referred to him by the Board of Ethics and Campaign Practices. In addition, the Inspector General shall receive and evaluate complaints referred to him by any official, employee, contractor or the public and initiate an investigation when he deems it appropriate. The Inspector General may also initiate an investigation.*

- **Are there abuses of the system at other cities and how would abuses of the system be handled in Riverside?**

- No widespread abuse found in other cities



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Administrative Questions

- **Who should the IG be accountable to?**

- Varies from city to city:
 - Albuquerque: The Accountability in Government Oversight Committee.
 - Baltimore: An advisory board comprised of 5 or 7 members
 - Tallahassee: In July of 2020, the City Commission enacted Ordinance 20-O-22AA which expanded the authority and responsibility of the Office of the City Auditor to create the City's Office of Inspector General and designated the City Auditor to serve as the City's Inspector General.
 - Jefferson Parish, LA: Reports to Ethics & Compliance Commission



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Financial Questions

• Per the City Attorney's Annual Report, they work aggressively to limit financial exposure. When liability is clear, the City seeks to protect taxpayer resources by settling for the lowest possible amount, thereby avoiding the risk of an adverse jury verdict that would cost taxpayers much more. The City Council approves all settlements in excess of \$25,000. Below is charts extracted from their Annual Reports to demonstrate the amount of Payouts, however, here is a brief summary:

- FY 2015/2016- the total amount of payouts relating to settlements, verdicts and judgements was \$2.12 million
- FY 2016/2017- the total amount of payouts relating to settlements, verdicts and judgements was \$463,769
- FY 2017/2018- the total amount of payouts relating to settlements, verdicts and judgements was \$4,014,010
- FY 2018/2019- the total amount of payouts relating to settlements, verdicts and judgements was \$100,399
- FY 2019/2020- the total amount of payouts relating to settlements, verdicts and judgements is unknown as it was not available on the website
- FY 2020/2021- the total amount of payouts relating to settlements, verdicts and judgements is unknown as it was not available on the website
- FY 2021/2022: the \$24 million settlement in the Prada vs. the City of Riverside



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Financial Questions

• How much would the IG be paid?

- As a Citywide elected official, the Inspector General would have the same compensation structure as The Mayor
- The salaries of an appointed Inspector General can range from \$200k - \$400k. For example, the LA County Inspector General annual salary is \$399,202. The IG for Sacramento's Public Safety is \$176,454.

• How big would the staff be and how would they be paid? What would the support staff look like?

- The Office of the Inspector General could be as big or as small as deemed necessary by the jurisdiction. For example, the US Office of the IG for Health and Human Services alone has a staff of 1,600 and is broken into 6 different departments and anywhere from 3- 6 divisions within each department. This is robust setup has a budget of \$428.9 million.
- The Office of the Inspector General for the City of Chicago has 103 employees and a budget of \$10.9 million per fiscal year.
- The Office of the Inspector General for Atlanta Georgia has 11 employees and a budget of \$1.3 million
- City of Tallahassee has 10 positions, 7 active, and an operating budget of \$1.3 million
- Jefferson Parish, LA has 10 employees and an operating budget of \$1.4M
- Typical staffing includes an Inspector General, Deputy IG, General Counsel, Investigators, Auditors and Administrative Assistant's.



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Financial Questions

- As far as budget, there is the following:
 - Internal Audit Division Budgeted for the City of Riverside with 2 FTE positions, including some reclassifications
 - Funds that are allocated to the panel of auditing firms: The City issued a RFQ and RFP between October of 2019 and 2020 for audit services. The RFQ/RFP was divided into 2 requests
 - For an external audit firm to perform a risk assessment of all City operations, develop a workplan based on the assessment, and execute all necessary audits in the workplan
 - A panel of external auditing firms to perform “as-needed” audits independent of the work plan audits. The finalization of the agreements are expected to go to the Government Affairs Committee for approval and then City Council for approval. The City is still considering options for how the process will go internally as far as getting a complaint and having a panel investigate.

114500 - Internal Audit					
8313 Senior Internal Auditor	1.00	1.00	-	-	(1.00) 2
8316 Internal Audit Manager	1.00	-	(1.00)	-	- 5a

160 Personnel - City Manager's Office

City of Riverside 2020-2021 Annual Budget

Job Code and Position Title	City Manager's Office				
	Adopted FY 2019/20	Amended FY 2019/20	Change	Adopted FY 2020/21	Change
8317 Performance Analyst	-	1.00	1.00	1.00	- 5a
8324 Organizational Performance and Audit Manager	-	1.00	1.00	1.00	- 5a
8460 Principal Management Analyst	1.00	-	(1.00)	-	- 5a
Full-Time Benefitted Total	3.00	3.00	-	2.00	(1.00)
114500 - Internal Audit Total	3.00	3.00	-	2.00	(1.00)



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Financial Questions

- How do we justify adding a department, when the City is still under minimum staff requirements?**
 - There is the continuous growth of the City that requires additional oversight, transparency and accountability.
 - There is still much question surrounding the process for community/employee complainants in the aggregate
 - There has been an identified need for SOME additional layer of accountability, but we are not certain what that layer is provided we have outstanding inquiries
 - The topic of ethics seems to be of grave concern as we are not certain that all city decision makers are acting in the best interest of the community
 - There is a need to address or at least investigate city processes and/or procedures to ensure valid complaints are responded to, addressed or handled with an objective point of view and reasonable logic
 - Some jurisdictions show that implementing an IG has valuable ROI (see City of Atlanta OIG)

Return On Investment

	FY 19	FY 20	FY 21
Value of Fraud Referred for Prosecution & Savings for the State	\$7,337,553	\$13,056,949	\$11,376,585
OIG Annual Budget	\$1,002,515	\$1,218,781	\$1,351,189
OIG Return on Investment	732%	1,071%	842%



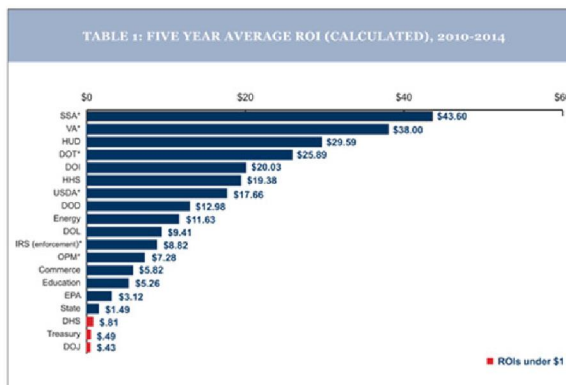
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Financial Questions

- According to a study examining the OIG's ROI on the Federal government, the offices of inspectors general and other enforcement divisions throughout the executive branch often function as **revenue-positive institutions**—entities that bring in more revenue than they cost.
- Budget cuts to these agencies not only affect their performance, but also their ability to return money to the nation's reserves. Beyond the loss in revenue, budget cuts to such offices threaten responsible, effective government as these offices often work to reduce waste, fraud and abuse, and improve the integrity of government operations.
- Yet, across-the-board spending cuts and budgeting-by-continuing resolution put those benefits in jeopardy.



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RAINCROSS GROUP

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President:
Ron Loveridge

Executive Committee:

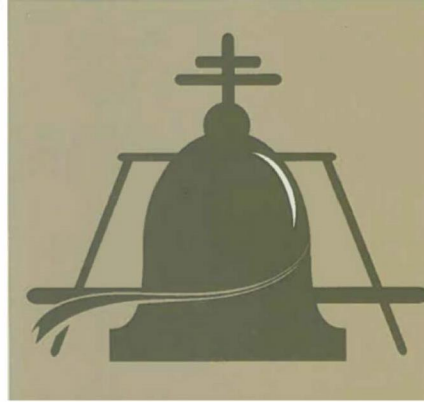
*Megan Demshki
Tom Evans*
Tim Maloney*
Damien O'Farrell*
Erin Phillips
Tom Powell
Wendy Strack
Matthew Webb*

General Members:

*Keith Alex
Mohammad Ashrif
Jennifer Binkley
Paulette Brown-Hinds
Amy Cardullo
Sandra Cuellar
Kent Dacus
Scott Dittfurth
Tom Donahue*
Joy Fehr
Ken Gutierrez
Justin Hudson
Dr. Wolde-Ab Isaac
Ben Johnson II
Maureen Kane
Brent Lee
Collette Lee*
Rose Mayes
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Drew Oberjuege
Jennifer O'Farrell
Michelle Ouellette
Elizabeth Romero
Robert Schwandt
Matt Stowe
Wendel Tucker*
Andrew Woodard
Kathy Wright
Marisa Valdez Yeager*

*Past Presidents

Contact Administrative
Assistant at:
aponc01@ucr.edu
or
(442) 287- 2730



March 4, 2022

Mayor and City Council

The Raincross Group is strongly opposed to the City Charter Review Committee proposal for an elected Inspector General. In brief, the proposal is a civic and political train wreck! The Raincross Group understands the need to monitor city finances closely and would support a serious discussion of a city auditor, appointed by the City Council.

Here are ten reasons why the elected Inspector General proposal should NOT be approved to amend the City Charter.

- 1.) The City of Riverside has a council-manager form of government. The concept of an elected Inspector General stands in stark conflict with the premises and procedures of a council-manager government. See the National Civic League's Model City Charter.
- 2) The council manager form of government is widely recognized by academics and practitioners for fostering efficiency, effectiveness, and integrity. We need to reinforce this rather than create a structure built on the idea of confrontation.
- 3) To our understanding, no other council manager city in the country has an elected Inspector General. This is not an approach that has been adopted and vetted.
- 4) The likely costs for this proposal are over a million dollars—they include the 2023 election, Inspector General, his/her staff, and office operations. This money is better spent elsewhere.
- 5) The Inspector General is given both an expansive role and extraordinary powers, including the power of subpoena. Here is what the City Charter Committee's calls out: "There shall be an Office of Inspector General which shall have the power and duty to provide a full-time investigation, audits, inspections, and operational performance evaluations in accordance with generally accepted auditing standards to provide increased accountability and oversight of entities of city government, special districts and joint powers authorities that the City is a member of and entities receiving funds through the City, to assist in improving agency operations and deterring and identifying fraud, waste, abuse, and illegal acts."
- 6) There is a high potential for sustained conflict and tension with the mayor, city council, and city manager, complicating the policy making process at City Hall.
- 7) The Inspector General becomes, defacto, a parallel mayor—same salary, same staff, elected city wide, sits on the dais, wide ranging agenda, et cetera.
- 8) There is also a high potential for conflict and tension with "special districts and joint powers authorities that the City is a member of and entities receiving funds through the City." The Inspector General's role goes far beyond City Hall. As written, the Inspector General appears to take on many of the responsibilities of the District Attorney or the County Civil Grand Jury.
- 9) The question of who would be elected Inspector General deserves attention. Who would run—there are no listed qualifications? What would be the platform—attacks, issues? Who would contribute to these campaigns? It is highly likely that a campaign would focus on a range of aggressive attacks on City Hall.
- 10) The Charter Committee proposal is a "radical" proposal. There should be some demonstration of support that an elected Inspector General is an effective/realistic proposal. We cannot identify any articles, books, or reports nor any academics, electeds, or professional administrators that favor an elected Inspector General.

Sincerely

Ronald O. Loveridge

RAINCROSS GROUP PRESIDENT

FORMER MAYOR, CITY OF RIVERSIDE

cc Mayor
City Council
City Manager
City Attorney
ACMs
CRC Members

MEMORANDUM

To: City Council

From: Malissa Hathaway McKeith, Esq.

Date: March 31, 2022

Re: Inspector General Input for April 12, 2022 Meeting

I am writing this email in my individual capacity. As you know, the Charter Review Committee has almost unanimously recommended that a ballot initiative proposing the election of an Inspector General (IG) be placed on the 2022 ballot. The subcommittee chaired by Warren Avery and Alia Rodriguez has spent literally hundreds of hours on this issue, and the Clarke Committee also devoted significant time on this matter. In July 2019, this Council directed further analysis.

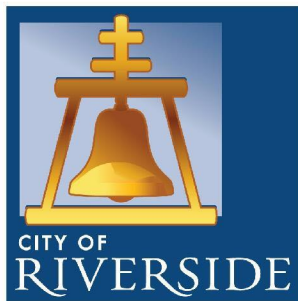
In 2012, the City Council under then Mayor Loveridge unanimously approved placing an item on the ballot recommending an independent, appointed auditor. The voters rejected that proposal. Since then, Riverside's population and budget have grown, and it is clear from public testimony taken over the past several years that an independent, confidential process for investigating fraud, waste and abuse is needed at a time when trust in government is declining. Riverside simply does not have an independent, confidential process now. Had an independent inspector general been charged with investigating Mr. Hunter's complaints against RPU, an early resolution would have determined the merits of those allegations and potentially saved the City millions of dollars. In fact, one reason municipalities are appointing Inspector Generals is that the net money saved by addressing corruption early far outweighs the costs of those offices. Atlanta passed such an ordinance and amended its Charter in 2020. <https://www.atlantaga.gov/government/boards-and-commissions/office-of-the-inspector-general>

Both Riverside senior staff and Council members have stated they want more accountability "in theory", but are concerned about the current proposal. The primary objections raised by staff and Council are that the Inspector General would be elected, and that the scope of the IG's responsibilities is too broad. These are legitimate concerns deserving of further discussion, and I believe they can be resolved with a targeted process for developing amendments after Council's input similar to how Council recently addressed issues with Mayoral vote.

Council can and should direct staff to work with Charter to incorporate the wishes and recommendations of Council. This could be done in the next 30-45 days so that the matter is brought back to Council in June and, assuming at that time the amendments are approved by Council, could proceed to two advertised public hearings in July. If desired, the Mayor and two council members could assist in the process (consistent with the Brown Act) to iron out what are important issues for our City.

Riverside's Charter and the Strategic Plan both emphasize transparency in government and the right of the public to vote on the City's governance. Just like in 2012, placing this item on the ballot and letting the public decide the issue reinforces the values of the City and of this Council in ensuring accountability.

COUNCIL/AGENCY MEMBERS



CITY COUNCIL MINUTES

TUESDAY, FEBRUARY 21, 2012, 3 P.M.
ART PICK COUNCIL CHAMBER
CITY HALL
3900 MAIN STREET

City of Arts & Innovation

G A R D N E R	M E L E N D R E Z	B A I L E Y	D A V I S	M A C A R T H U R	H A R T	A D A M S
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WARDS

Mayor Loveridge called upon Chief Diaz who recognized Riverside Animal Hospital owner Dr. Jezbera for his support of the Riverside Police Dog Program.

Mayor Loveridge called upon Youth and Education Coordinator Lizette Navarette who gave an update on the initiatives of the College Council of Riverside.

PRESENTATION

Parks, Recreation and Community Services Director Ralph Nunez presented an update on the Riverside Raincross Run and Walk.

ECONOMIC SUCCESS REPORT

Councilmember Mac Arthur reported on Brandon's Diner.

DISCUSSION CALENDAR

ASSEMBLY BILL 109 - PUBLIC SAFETY REALIGNMENT UPDATE

Following discussion, the City Council (1) referred this matter to the Public Safety Committee for quarterly reports; (2) received and ordered filed the public safety realignment update related to mandatory inmate reduction pursuant to Assembly Bill 109.

Motion
Second
All Ayes

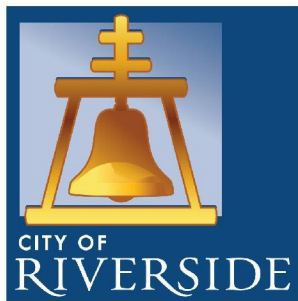
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X

CHARTER AMENDMENT MEASURES - REFERRED TO COMMITTEE IN PART - SUPPLEMENTAL APPROPRIATION - RESOLUTIONS

Following discussion, the City Council (1) adopted a resolution proposing the following amendments to the City Charter: (a) create a City Auditor position appointed by the City Council; (b) create a Commission on Sustainability; (c) conduct City Council run-off elections on the last Tuesday in August of odd-numbered years; (d) eliminate authority of City Manager to approve or disapprove appointments and removals of subordinate employees of Charter Officers, including the City Clerk and City Attorney; (e) remove oversight for maintenance of parkways, shrubs, and trees within street right-of-way from the Park and Recreation Commission; (f) advertise bids for public works contracts by electronic means instead of the newspaper; and (g) make non-substantive updates, including process and title changes; (2) adopted a resolution placing seven measures on the ballot for the next regularly scheduled election on June 5, 2012; (3) authorized a supplemental appropriation in the amount of \$150,000 from the Unappropriated General Fund fund balance to the City Clerk Elections Division Professional Services Account 1205000-421000; and (4) referred formation of a citizens' audit committee to the City Council Finance Committee for recommendation to the

**COUNCIL/AGENCY
MEMBERS**



**CITY COUNCIL
MINUTES**

TUESDAY, FEBRUARY 21, 2012, 3 P.M.
ART PICK COUNCIL CHAMBER
CITY HALL
3900 MAIN STREET

City of Arts & Innovation

G A R D N E R	M E L E N D R E Z	B A I L E Y	D A V I S	M A C A R T H U R	H A R T	A D A M S
1	2	3	4	5	6	7

WARDS

City Council; whereupon, the titles having been read and further reading waived, Resolution No. 22346 of the City Council of the City of Riverside, California, Proposing Amendments to the City Charter; and Resolution No. 22347 of the City Council of the City of Riverside, California, Submitting to the Qualified Electors of the City of Riverside Certain Amendments to the Charter of the City of Riverside, at the Municipal Election of June 5, 2012, were presented and adopted.

Motion
Second
All Ayes

X

PRESENTATION

The Mayor and City Council received an update on Community Connect.

DISCUSSION CALENDAR

RIVERSIDE REGIONAL WATER QUALITY CONTROL PLANT - SEWER CAPACITY CHARGES FOR RESTAURANTS

Following discussion, the City Council approved the recommendation of the City Council Utility Services/Land Use/Energy Development Committee to receive and order filed the report on sewer capacity charges for restaurants.

Motion
Second
All Ayes

X

X

ORAL COMMUNICATIONS FROM THE AUDIENCE

Hayward Jackson shared a verse from the Bible. Matt McGiffen spoke regarding public safety concerns in the Kansas Avenue and Linden Street area. Morris Mendoza spoke regarding parks and libraries, and firefighter and police officer recognition. Vivian Moreno spoke regarding the Sewer Fund, City investments, the City website, and the Mayoral election. Dvonne Pitruzello spoke regarding the website and Redevelopment bond repayments. Phyllis Purcell spoke regarding college admission for Riverside residents. Salvador Santana spoke regarding the Downtown Library remodel project. Mary Shelton spoke regarding libraries and the Emergency Services Dispatch Center relocation. Karen Wright spoke regarding Santa Ana Sucker Fish litigation, a homeowner eviction, the Friday Morning Club, and the Convention Center.

BRIEF STATUS REPORTS FOR REGIONAL ORGANIZATIONS, CONFERENCES, SEMINARS, AND MEETINGS ATTENDED BY MAYOR AND CITY COUNCIL

There was nothing to report at this time.

CITY ATTORNEY REPORT ON CLOSED SESSIONS

City Attorney Priamos announced there were no reportable actions on the closed sessions held earlier in the day.

1 RESOLUTION NO. 22347

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
3 RIVERSIDE, CALIFORNIA, SUBMITTING TO THE QUALIFIED
4 ELECTORS OF THE CITY OF RIVERSIDE CERTAIN AMENDMENTS
TO THE CHARTER OF THE CITY OF RIVERSIDE, AT THE
MUNICIPAL ELECTION OF JUNE 5, 2012.

5 WHEREAS, Section 1403 of the Charter of the City of Riverside requires the City Council,
6 by February of 2004, and in February every eight years thereafter, to appoint and appropriate
7 adequate funds for a Charter review committee; and

8 WHEREAS, the Charter review committee shall have the power and duty to recommend to
9 the City Council which, if any, Charter amendments should be placed on the ballot at the next
10 regular municipal election for Mayor; hold public meetings to receive input on proposed Charter
11 amendments; and present a final report with its recommendations to the City Council by the last
12 Tuesday in May preceding the next regular municipal election for Mayor; and

13 WHEREAS, the City Council so appointed such Charter review committee on February 18,
14 2011, and reaffirmed such appointment on May 17, 2011; and

15 WHEREAS, the committee was comprised of 15 members and met 12 times, from March 14,
16 2011, to December 19, 2011; and

17 WHEREAS, on January 24, 2012, the Committee presented its final report to the City
18 Council recommending that numerous substantive and non-substantive Charter amendments should
19 be submitted to the voters at the June 2012 statewide general election; and

20 WHEREAS, under Section 1403, the City Council shall act upon the recommendations of the
21 Charter review committee prior to the last day to place measures on the ballot for the next regular
22 municipal election for Mayor; and

23 WHEREAS, Article XI, Section 3, of the Constitution of the State of California, Elections
24 Code section 9255, and Government Code section 34458 further authorize the City Council, on its
25 own motion, to submit to the qualified electors of the City any ballot measure by ordinance or
26 resolution proposing amendments to the City Charter at a regularly scheduled municipal election;
27 and
28

1 WHEREAS, on January 10, 2012, the City Council adopted Resolution No. 22324, ordering,
2 calling, providing for and giving notice of a General Municipal Election to be held in the City of
3 Riverside on the 5th day of June, 2012, for the purpose of electing the Mayor of said City of
4 Riverside, and giving notice and ordering that said General Municipal Election is consolidated with
5 all other elections being held in the same territory on the same date; and

6 WHEREAS, City Council wishes to submit certain Charter amendments to the voters at the
7 June 5, 2012, General Municipal Election.

8 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside,
9 California, as follows:

10 Section 1: The City Council, pursuant to its right and authority under California law, hereby
11 orders that the following questions be submitted to the qualified electors of the City of Riverside at
12 the General Municipal Election on June 5, 2012, as referenced in Resolution No. 22324:

13
14 Shall the Charter of the City of Riverside be amended to include a new Charter
15 officer, the City Auditor, appointed by the City Council, with the powers and duties
16 of the City Auditor set by ordinance of the City Council?

17
18 Shall the Charter of the City of Riverside be amended by adding a new section 811,
19 entitled "Commission on Sustainability," which would create a new commission to
20 advise the Mayor and City Council on matters of sustainability as it pertains to
21 environmental stewardship, economic development, and regional advantages as a
22 means of pursuing a higher quality of life, with the powers and duties of that
23 commission set by ordinance of the City Council?

24
25 Shall the Charter of the City of Riverside be amended to provide that if in the June
26 election for City Council, no candidate for City Council receives a majority of the
27 total votes cast, that the run-off election be held on the last Tuesday in August instead
28 of on the first Tuesday in November?

1 Shall the Charter of the City of Riverside be amended to eliminate the authority of the
2 City Manager to approve or disapprove appointments and removals of subordinate
3 employees of any Charter officer, including the City Clerk and City Attorney?

4
5 Shall the Charter of the City of Riverside be amended to remove oversight of the
6 maintenance of parkways, shrubs, and trees within street right-of-way from the Park
7 and Recreation Commission?

8
9 Shall the Charter of the City of Riverside be amended to provide that bids for public
10 works contracts be advertised by electronic means instead of in the newspaper?

11
12 Shall the Charter of the City of Riverside be amended by making certain non-
13 substantive updates, related to change of position titles, elimination of paper copy
14 distribution of certain documents to City officials, posting of certain documents
15 (budget, external audit) on the internet, word corrections, deletion of obsolete
16 language, reflection of current practices, elimination of references to taxes no longer
17 being collected, adding "accessible" before "website" throughout the Charter, and
18 timing of the Charter Review process?

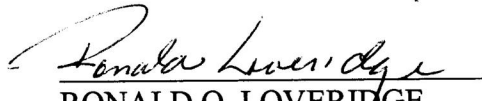
19
20 Section 2: That only the qualified electors of the City of Riverside are entitled to vote at said
21 election on these proposals to amend the City Charter and that if a majority of the qualified electors
22 voting on any of the Charter proposals votes in favor of one or more of the proposals, said
23 proposal(s) shall be deemed approved.

24 Section 3: The City Clerk is authorized, instructed and directed to take all action necessary
25 to place the measures described herein on the regular municipal election ballot for the regular
26 municipal election on June 5, 2012.


27 Section 4: The City Clerk is directed to transmit a copy of the measures to the City
28 Attorney. The City Attorney shall prepare an impartial analysis of the measures pursuant to

1 Elections Code section 9280, showing the effect of the measure on the existing law and the operation
2 of the measure. The analysis shall be printed preceding the arguments for and against the measure.
3

4 ADOPTED by the City Council this 21st day of February, 2012.

5
6 
7 RONALD O. LOVERIDGE
Mayor of the City of Riverside

8 Attest:

9 
10 COLLEEN J. NICOL
11 City Clerk of the City of Riverside

12 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
13 foregoing resolution was duly and regularly adopted at a meeting of the City Council of said City at
14 its meeting held on the 21st day of February, 2012, by the following vote, to wit:


15 Ayes: Councilmembers Gardner, Melendrez, Bailey, Davis, Mac Arthur, Hart, and
16 Adams

17 Noes: None

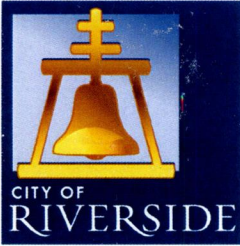
18 Absent: None

19 Abstain: None

20 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the
21 City of Riverside, California, this 24th day of February, 2012.

22
23 
24 COLLEEN J. NICOL
25 City Clerk of the City of Riverside

26 O:\Cycom\WPDocs\D014\P014\00112548.DOCX
27 10-1298.2 sw 02/15/12
28



CITY OF RIVERSIDE NOTICE OF ELECTION

City of Arts & Innovation

NOTICE IS HEREBY GIVEN that pursuant to Riverside Charter Sections 400 and 1403, a General Municipal Election will be held in the City of Riverside, California, on Tuesday, June 5, 2012, for the office of Mayor to serve a full four-year term and the following measures:

MEASURE E

Shall the Charter of the City of Riverside be amended to include a new Charter officer, the City Auditor, appointed by the City Council, with the powers and duties of the City Auditor set by ordinance of the City Council?

MEASURE F

Shall the Charter of the City of Riverside be amended by adding a new section 811, entitled "Commission on Sustainability," which would create a new commission to advise the Mayor and City Council on matters of sustainability as it pertains to environmental stewardship, economic development, and regional advantages as a means of pursuing a higher quality of life, with the powers and duties of that commission set by ordinance of the City Council?

MEASURE G

Shall the Charter of the City of Riverside be amended to provide that if in the June election for City Council, no candidate for City Council receives a majority of the total votes cast, that the run-off election be held on the last Tuesday in August instead of on the first Tuesday in November?

MEASURE H

Shall the Charter of the City of Riverside be amended to eliminate the authority of the City Manager to approve or disapprove appointments and removals of subordinate employees of any Charter officer, including the City Clerk and City Attorney?

MEASURE I

Shall the Charter of the City of Riverside be amended to remove oversight of the maintenance of parkways, shrubs, and trees within street right-of-way from the Park and Recreation Commission?

MEASURE J

Shall the Charter of the City of Riverside be amended to provide that bids for public works contracts be advertised by electronic means instead of in the newspaper?

MEASURE K

Shall the Charter of the City of Riverside be amended by making certain non-substantive updates, related to change of position titles, elimination of paper copy distribution of certain documents to City officials, posting of certain documents (budget, external audit) on the internet, word corrections, deletion of obsolete language, reflection of current practices, elimination of references to taxes no longer being collected, adding "accessible" before "website" throughout the Charter, and timing of the Charter Review process?

The polls will be open between the hours of 7 a.m. and 8 p.m.

NOTICE TO ELECTORS OF DATE AFTER WHICH NO ARGUMENTS FOR OR AGAINST A CITY MEASURE MAY BE SUBMITTED TO THE CITY CLERK

NOTICE IS FURTHER GIVEN that, pursuant to Section 9282 of the Elections Code of the State of California, the legislative body of the City, or any member or members thereof authorized by that body, or any individual voter who is eligible to vote on the measure, or bona fide association of citizens, or any combination of voters and associations, may file a written argument, not to exceed 300 words in length, for or against a City measure.

NOTICE IS FURTHER GIVEN that, based upon the time reasonably necessary to prepare and print the arguments and sample ballots for the election, the City Clerk has fixed 5 p.m. on Monday, March 19, 2012, as a reasonable date prior to such election after which no arguments for or against a City measure may be submitted to the City Clerk for printing and distribution to the voters as provided in Elections Code Section 9282. Arguments shall be submitted to the City Clerk at the Office of the City Clerk, 3900 Main Street, Riverside, CA 92522. Arguments may be changed or withdrawn by their proponents until and including March 19, 2012.

Dated: March 9, 2012


COLLEEN J. NICOL, MMC
City Clerk

Published in the Press-Enterprise on March 9, 2012

Copies:

Mayor
City Council
City Manager
City Attorney
Registrar of Voters



Date: 4-12-22

Item No.: 16

Association of Local Government Auditors

May 20, 2021

Honorable Chair Clymer and Members of the Riverside Charter Review Committee
c/o City Clerk Donesia Gause, MMC
City of Riverside
3900 Main Street Riverside, CA 92522
city_clerk@riversideca.gov

The Association of Local Government Auditors (ALGA) commends the Charter review Committee of the City of Riverside for their work to consider amending the City Charter to establish a more independent performance audit function. ALGA would like to offer our assistance as you work to enhance the independence and the value of the performance audit function to City Council and the community. We are writing to you about the importance of having your performance audit function report to the City Council to maintain maximum independence and effectiveness.

The Association of Local Government Auditors (ALGA) is a professional organization with more than 300 member organizations located primarily in the United States (US) and Canada. ALGA is committed to supporting independent performance auditing in local governments.

ALGA believes that an independent performance audit function, operating under generally accepted government auditing standards, plays a key role in effective governance, public accountability, and transparency. We recommend that your auditors follow [Government Auditing Standards](#) (GAGAS) issued by the U.S. Comptroller General's Government Accountability Office (GAO) to enhance the audit function's independence and so increase public confidence in the City. We suggest that you may wish to establish an audit committee independent of management, composed of Council members and including local experts in auditing and accountability as discussed in our publication [Audit Committee Guidance](#).

We also believe that maintaining an audit office that reports directly to the City Council provides the independence required to conduct objective and independent assessments of City departments, program, and activities.

We ask you to consider our view that placing the auditor and audit function under the supervision of the City Manager in either a functional or administrative manner is a significant structural threat to the independence of the auditor under Government Auditing Standards. Specifically, GAGAS section 3.56 states that auditors who work under the direction of the audited entity's management are considered structurally independent only for the purposes of reporting internally (to management) and only if the head of the audit organization meets five



Association of Local Government Auditors

specific criteria. In other words, these measures result in audit work and reports that are only reliable for internal distribution, but not for distribution to and reliance upon by the City Council and the public.

ALGA has published a number of best practices for local government auditing on our website, at www.algaonline.org under the “Build an Audit Function” tab. These publications include [Model Legislation Guidelines for Local Government Auditors](#) with information about strengthening your municipal code and audit function; [Audit Committee Guidance](#) focused on enhancing the effectiveness of the audit committee; [Guidance on Outsourcing and Co-Sourcing Audits](#) and [Auditor Independence](#) discusses why contracting out an audit function may weaken independence an effectiveness and why auditor independence is important .

In closing, we respectfully suggest that Council move forward to establish and codify an independent performance audit function whose Chief Audit Executive would report directly to Council, possibly with additional participation of the Audit Committee.

ALGA's Advocacy Committee would be happy to offer additional information, or to meet with you (virtually, if requested) to discuss these matters. If you would like additional information, please contact our senior Advocacy representative for California, Ann-Marie Hogan at annmariehogan94@gmail.com or me at douglas.jones@kcmo.org or (816) 513-3303.

Sincerely,

Douglas Jones, CGAP, CIA, CRMA
City Auditor, Kansas City, Missouri
Chair, ALGA Advocacy Committee

cc Mayor
City Council
City Manager
City Attorney
ACMs
Charter Review Committee members