THE CITY OF SAN DIEGO

May 18, 2009

Ian Trowbridge
Ian Trowbridge for City Council
3444 Hawk Street
San Diego, CA 92103

Re: Ethics Commission Audit of Ian Trowbridge for City Council (ID # 1279028)

Dear Mr. Trowbridge,

The Ethics Commission audit of the above-referenced committee is now concluded, and the Final Audit Report is enclosed. This report was delivered to the Ethics Commission at its regularly-scheduled meeting held on May 14, 2009. Although the report reflects three material findings, the Commission does not believe that the findings warrant additional administrative remedies. In summary, the Commission determined that education was more appropriate than enforcement in this situation. As a result, the Commission voted to accept the report and take no further action.

If you have any questions concerning the foregoing, please contact me at your convenience.

Sincerely,

Rosalba Gomez
Ethics Commission Auditor

Enclosure

cc: Dell Cunamay, Treasurer

THE CITY OF SAN DIEGO

FINAL AUDIT REPORT

May 5, 2009

Ian Trowbridge
Ian Trowbridge for City Council
3444 Hawk Street
San Diego, CA 92103

Treasurer: Dell Cunamay
3444 Hawk Street
San Diego, CA 92103

SAN DIEGO ETHICS COMMISSION
AUDIT REPORT:
Ian Trowbridge for City Council

I. Introduction

This Audit Report contains information pertaining to the audit of the committee, Ian Trowbridge for City Council, Identification Number 1279028 ("the Committee") for the period from August 3, 2005, through January 22, 2006. The Committee was selected for audit by a designee of the City Clerk in a random drawing conducted at a public meeting of the Ethics Commission held on September 13, 2007. The audit was conducted to determine whether the Committee materially complied with the requirements and prohibitions imposed by the City of San Diego's Election Campaign Control Ordinance (San Diego Municipal Code Chapter 2, Article 7, Division 29). The Election Campaign Control Ordinance (ECCO) was amended on January 1, 2009. This Committee operated under the previous ECCO, and therefore all Code references in this report relate to the provisions of ECCO that were in effect prior to January 1, 2009.

During the period covered by the audit, the Committee reported total contributions and loans of $18,783.00 and total expenditures of $18,671.39. The difference, $111.61 reflects miscellaneous adjustments. **The audit revealed three material findings:**

- **the committee failed to maintain records associated with two non-monetary contributions in violation of San Diego Municipal Code section 27.2925; and**
- **the committee accepted and deposited one contribution from a person other than an individual in violation of San Diego Municipal Code section 27.2950.**

II. Committee Information

On August 15, 2005, the Committee filed a Statement of Organization with the San Diego City Clerk indicating that it had not yet qualified as a committee. The Committee never filed an amended Statement of Organization to report the date that it qualified as a committee, i.e., received contributions totaling $1,000; however, a Statement of Termination filed by the Committee with the City Clerk indicated it qualified as a committee on August 10, 2005. The Committee was formed to support the election of Ian Trowbridge for City Council in the November 8, 2005, District 2 special election. It appears that the Committee intended to terminate when it filed a Statement of Termination and a Semi-Annual Statement with the San Diego City Clerk on January 26, 2006. The Committee, however, failed to file a Statement of Termination with the Secretary of State. The Committee's bank account was closed and no activity has been reported since. The Committee's treasurer is Dell Cunamay.

III. Audit Authority

The Commission is mandated by San Diego Municipal Code section 26.0414 to audit campaign statements and other relevant documents to determine whether campaign committees comply with applicable requirements and prohibitions imposed by local law.

IV. Audit Scope and Procedures

This audit was performed in accordance with generally accepted auditing standards. The audit involved a thorough review of the Committee's records for the time period covered by the audit. This review was conducted to determine:

1. Compliance with all disclosure requirements, pertaining to contributions, expenditures, accrued expenditures, and loans, including itemization when required;
2. Compliance with applicable filing deadlines;
3. Compliance with restrictions on contributions, loans and expenditures;
4. Accuracy of total reported receipts, disbursements and cash balances as compared to bank records; and
5. Compliance with all record-keeping requirements.

V. Summary of Applicable Law

San Diego Municipal Code section 27.2925(b)(7) – Accounting

(b) The records required by section 27.2925(a) shall include, but not limited to, all of the following:

. . . .

(7) if a contribution is of something other than money, a description of what was contributed, a reasonable good faith estimate of the monetary of the contribution, and the basis for the estimate;

. . . .

San Diego Municipal Code section 27.2950 – Prohibition and Limits on Contributions From Organizations

(a) It is unlawful for a candidate or controlled committee, or any treasurer thereof, or any other person acting on behalf of any candidate or controlled committee, to solicit or accept a contribution from any person other than an individual.

(b) It is unlawful for a person other than an individual to make a contribution to a candidate or controlled committee.

VI. Material Findings

A. Section 27.2925(b)(7): Failure to Maintain Records Associated with Non-Monetary Contributions

The Committee received the following non-monetary contributions but did not retain documentation reflecting a description of the contribution, monetary value, and the basis for the estimate:

Contributors	Description	Amount
Maurice Norris	Fashion Consulting Svc.	$ 250.00
Chris Witt	Comm. Consulting Svc.	$ 250.00

At the post-audit conference, held on March 13, 2009, the Committee maintained that these were erroneously reported as in-kind contributions when they should have been reported as monetary contributions; however, the Committee was unable to locate a copy of the contributors' checks in support of this contention. Moreover, the Committee's bank statements and deposit slips do not include any information that indicates the Committee received monetary contributions from these individuals.

B. Section 27.2950: Failure to Comply with the Prohibition on Contributions from Organizations

The Committee accepted and deposited one contribution from a person other than an individual. In particular, the audit revealed one contribution drawn on a business checking account as follows:

Contributor Name	CK#	Check Date	Amount
Thomas Bui Lifestyle	343	9/20/05	$ 100.00

At the post-audit conference, the Committee acknowledged that the contributor has an event planning business, but it pointed out that it had procedures in place to prevent the acceptance of business checks and contended that these procedures evidenced the Committee's overall intent to abide by the applicable regulations.

VII. Conclusion

Through the examination of the Committee's records and campaign disclosure statements, the Auditor verified that the Committee timely disclosed all contributions received and all expenditures made, and that the Committee maintained all necessary documentation regarding contributions and expenditures in accordance with disclosure and record-keeping provisions of ECCO, with the following exceptions: **the committee failed to maintain records associated with two non-monetary contributions in violation of San Diego Municipal Code section 27.2925(b)(7); and the committee accepted and deposited one contribution from a person other than an individual in violation of San Diego Municipal Code section 27.2950.**

_____ _____
Rosalba Gomez Date
Ethics Commission Auditor

_____ _____
Lauri Davis Date
Ethics Commission Senior Investigator