

May 10, 2019

Mr. Ed Harris  
Harris for Mayor 2016  
3686 Curtis street  
San Diego 92106

Re: Harris for Mayor 2016 (ID # 1384074)

Dear Mr. Harris:

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 9, 2019. Although the report reflects one material finding, the Commission does not believe that the finding warrants an additional administrative remedy. 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.

Sincerely,

[REDACTED]

Rosalba Gomez  
Ethics Commission Auditor

Enclosure

cc: Gary Crummitt, Treasurer  
Crummitt & Associates  
249 E. Ocean Blvd., #670  
Long Beach, CA 90802

## FINAL AUDIT REPORT

April 12, 2019

Mr. Ed Harris  
Harris for Mayor 2016  
3686 Curtis street  
San Diego 92106

Treasurer: Gary Crummitt  
Crummitt & Associates  
249 E. Ocean Blvd., #670  
Long Beach, CA 90802

### SAN DIEGO ETHICS COMMISSION AUDIT REPORT: *Harris for Mayor 2016*

#### I. Introduction

This Audit Report contains information pertaining to the audit of the committee, Harris for Mayor 2016, Identification Number 1384074 (“the Committee”) for the period from March 1, 2016, through June 30, 2016. 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 14, 2017. 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) has been amended on several occasions; all Municipal Code references in this report relate to the provisions of ECCO that were in effect at the time of the actions described herein.

During the period covered by the audit, the Committee reported total contributions of \$66,387.08 (inclusive of \$1,886.08 in non-monetary contributions) and total expenditures of \$64,794.93. Total cash contributions relative to total expenditures resulted in a \$293.93 differential that was reconciled by the Committee’s miscellaneous increase to cash. **The audit revealed one material finding: the committee failed to include an identification disclosure in one campaign communication in violation of San Diego Municipal Code sections 27.2971.**

#### II. Committee Information

On April 11, 2016, the Committee filed a Statement of Organization with the San Diego City Clerk indicating that it qualified as a committee. The Committee was formed to support the election of Ed

Harris for Mayor in the June 7, 2016, primary election. On August 8, 2016, the Committee filed a Statement of Termination indicating that its filing obligations were completed on June 30, 2016. The Committee's treasurer was Gary Crummitt of Crummitt & Associates.

### **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**

#### **Section 27.2971 – Telephone Communications**

- (a) It is unlawful for any candidate or committee to engage or hire other to engage in mass telephone communications unless the communications include a statement that the communications are “paid for by,” or are otherwise being made “on behalf of” immediately followed by the name of each candidate or committee that is paying for any of the resources used for the communications or that is otherwise authorizing the communication. For purposes of this subsection, “resources” include the purchase of a contact list, the development of a script, overhead expenses, and telephone charges. The type of disclosure required by this section shall be determined as follows:

....

- (3) Notwithstanding subsections (a)(1) and (a)(2), a call is made “on behalf of” a candidate or committee when it is made by a volunteer at the direction of the candidate or committee.

....

## VI. Material Findings

### Sections 27.2971 – Telephone Communications

SDMC Section 27.2971 requires committees that authorize volunteers to engage in mass telephone communications to include the words “on behalf of” immediately followed by the name of the committee that directed the communication. The audit review determined that Committee volunteers used one telephone script that referred to the Mayoral candidacy of Ed Harris that did not include the requisite “on behalf of” disclosure, which in turn deprived the public of information concerning the source of the call.

At the post audit conference held on April 12, 2019, the Committee representatives conceded that they failed to include the “on behalf of” disclosure in the script but maintained that the language in the script would lead a reasonable person to conclude that the call originated from the Committee.

## 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 the necessary documentation regarding contributions and expenditures. **However, the audit revealed the following material finding: the committee failed to include an identification disclosure in one campaign communication in violation of San Diego Municipal Code sections 27.2971.**

[REDACTED]

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Rosalba Gomez  
Audit Program Manager

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Date

[REDACTED]

\_\_\_\_\_  
Stacey Fulhorst  
Executive Director

\_\_\_\_\_  
Date