

1 STACEY FULHORST, Executive Director  
2 City of San Diego Ethics Commission  
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7 Petitioner

8 **BEFORE THE CITY OF SAN DIEGO**  
9 **ETHICS COMMISSION**

10 In re the Matter of: ) Case No.: 2017-23  
11 )  
12 MATTHEW HELM, ) **STIPULATION, DECISION, AND**  
13 ) **ORDER**  
14 Respondent. )  
15 )  
16 )

17 **STIPULATION**

18 **THE PARTIES STIPULATE AS FOLLOWS:**

19 1. Petitioner Stacey Fulhorst is the Executive Director of the City of San Diego Ethics  
20 Commission [Ethics Commission]. The Ethics Commission is charged with a duty to administer,  
21 implement, and enforce local governmental ethics laws contained in the San Diego Municipal  
22 Code [SDMC] relating to, among other things, the provisions of the City of San Diego Ethics  
23 Ordinance [Ethics Ordinance], SDMC section 27.3501, *et seq.*

24 2. At all times mentioned herein, Matthew Helm was an unclassified employee of the  
25 City of San Diego. He served as the Audit Manager and Deputy City Auditor in the Office of the  
26 City Auditor from 2014 through April 2016, and served as the Deputy Director in the Purchasing  
27 and Contracting Department from April 2016 through the present. Helm is referred to herein as  
28 “Respondent.”

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1           3.     This Stipulation will be submitted for consideration by the Ethics Commission at its  
2 next scheduled meeting, and the agreements contained herein are contingent upon the approval  
3 of the Stipulation and the accompanying Decision and Order by the Ethics Commission.

4           4.     This Stipulation resolves all factual and legal issues raised in this matter by the  
5 Ethics Commission without the necessity of holding an administrative hearing to determine  
6 Respondent's liability.

7           5.     Respondent understands and knowingly and voluntarily waives any and all  
8 procedural rights under the SDMC including, but not limited to, a determination of probable  
9 cause, the issuance and receipt of an administrative complaint, the right to appear personally in  
10 any administrative hearing held in this matter, the right to confront and cross-examine witnesses  
11 testifying at the hearing, the right to subpoena witnesses to testify at the hearing, and the right to  
12 have the Ethics Commission or an impartial hearing officer hear this matter. Respondent agrees  
13 that the terms of this Stipulation constitute compliance with the provisions of SDMC section  
14 26.0450 in that the Stipulation includes a recitation of facts, a reference to each violation, and an  
15 order.

16           6.     Respondent agrees to hold the City of San Diego and the Ethics Commission  
17 harmless from any and all claims or damages resulting from the Commission's investigation, this  
18 stipulated agreement, or any matter reasonably related thereto.

19           7.     Respondent acknowledges that this Stipulation is not binding upon any other law  
20 enforcement or government agency and does not preclude the Ethics Commission from referring  
21 this matter to, cooperating with, or assisting any other law enforcement or government agency  
22 with regard to this or any other related matter.

23           8.     The parties agree that in the event the Ethics Commission refuses to accept this  
24 Stipulation, it shall become null and void. Respondent further agrees that in the event the Ethics  
25 Commission rejects the Stipulation and a full evidentiary hearing before the Ethics Commission  
26 becomes necessary, no member of the Ethics Commission or its staff shall be disqualified  
27 because of prior consideration of this Stipulation.

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1 **Summary of Law and Facts**

2 9. As an employee of the Office of the City Auditor and the Purchasing and  
3 Contracting Department, Respondent is a “Local Code Filer” as that term is defined by SDMC  
4 section 27.3503, and is required to regularly file a Form 700 Statement of Economic Interests  
5 [SEI] in the time and manner set forth in SDMC section 27.3510.

6 10. SDMC section 27.3510 requires that all Local Code Filers file an annual SEI on or  
7 before April 1 of each year, covering the period from January 1 through December 31 of the  
8 previous calendar year, pursuant to the applicable Conflict of Interest Code adopted by the City  
9 Council. Pursuant to SDMC section 27.3503 and Government Code section 82030, Local Code  
10 filers are required to disclose their community property interests in their spouses’ income.

11 11. Respondent filed his SEI for the 2014 calendar year on February 18, 2015. In  
12 accordance with the Conflict of Interest Code adopted by the City Council for the Office of the  
13 City Auditor, Respondent was required to disclose income from any entity that supplies goods or  
14 services to the City. Respondent’s spouse was employed by San Diego Gas and Electric and/or  
15 Sempra Energy during the reporting period. Respondent did not report any spousal income on  
16 his 2014 SEI despite the fact that his spouse received income from a reportable source.

17 12. Respondent filed his SEI for the 2015 calendar year on February 26, 2016. In  
18 accordance with the Conflict of Interest Code adopted by the City Council for the Office of the  
19 City Auditor, Respondent was required to disclose income from any entity located in or doing  
20 business with the City. Respondent’s spouse was employed by San Diego Gas & Electric and/or  
21 Sempra Energy during the reporting period. Respondent did not report any spousal income on  
22 his 2015 SEI despite the fact that his spouse received income from a reportable source.

23 13. Respondent filed his SEI for the 2016 calendar year on February 17, 2017. In  
24 accordance with the conflict of interest code adopted by the City Council for the Purchasing and  
25 Contracting Department, Respondent was required to disclose income from any entity that  
26 supplies goods or services to the City. Respondent’s spouse was employed by San Diego Gas &  
27 Electric and/or Sempra Energy during the reporting period. Respondent did not report any  
28 spousal income on his 2016 SEI despite the fact that his spouse received income from a

1 reportable source.

2 14. On July 27, 2017, Respondent filed amendments to his SEIs for calendar years  
3 2014, 2015, and 2016, and disclosed income received by his spouse from San Diego Gas &  
4 Electric and/or Sempra Energy during the respective reporting periods.

5 **Counts**

6 **Counts 1 through 3 – Violations of SDMC section 27.3510**

7 15. Respondent violated SDMC section 27.3510 by failing to timely disclose income  
8 received by his spouse from a reportable source on his 2014 annual SEI.

9 16. Respondent violated SDMC section 27.3510 by failing to timely disclose income  
10 received by his spouse from a reportable source on his 2015 annual SEI.

11 17. Respondent violated SDMC section 27.3510 by failing to timely disclose income  
12 received by his spouse from a reportable source on his 2016 annual SEI.

13 **Factors in Mitigation**

14 18. Respondent fully cooperated with the Ethics Commission investigation and  
15 immediately filed the requisite amendments to his SEIs upon being notified of the filing  
16 omission. In addition, information gathered during the Commission's investigation, which  
17 included an extensive review of communications, examination of financial and contractual  
18 transactions, and interviews with past and current co-workers, confirmed that he undertook steps  
19 to conscientiously and deliberately refrain from participating in, or otherwise influencing, any  
20 municipal decisions that involved the financial interests of San Diego Gas & Electric and/or  
21 Sempra Energy.

22 **Conclusion**

23 19. Respondent agrees to take necessary and prudent precautions to ensure compliance  
24 with all provisions of the Ethics Ordinance in the future.

25 20. Respondent acknowledges that the Ethics Commission may impose increased fines  
26 in connection with any future violations of the City's Ethics Ordinance.

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