

**Ethics Commission**

March 15, 2024

Mr. Valentine Macedo  
San Diegans for Transparency & Accountability in support of Kelvin Barrios for City Council  
2020  
4161 Home Avenue  
San Diego, CA 92105

SENT VIA E-MAIL

Re: San Diegans for Transparency & Accountability in support of Kelvin Barrios for City  
Council 2020, sponsored by Laborers' International Union of North America Local 89  
(ID # 1421468)

Dear Mr. Macedo:

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 March 14, 2024.

Sincerely,

[REDACTED]

Rosalba Gomez  
Audit Program Manager

Enclosure

cc: Ms. Denise Lewis, Treasurer  
5445 Madison Avenue  
Sacramento, CA 95841

# FINAL AUDIT REPORT

November 29, 2023

Mr. Valentine Macedo  
San Diegans for Transparency & Accountability in support of Kelvin Barrios for City Council  
2020  
4161 Home Avenue  
San Diego, CA 92105

Treasurer: Denise Lewis  
5445 Madison Avenue  
Sacramento, CA 95841

## SAN DIEGO ETHICS COMMISSION AUDIT REPORT:

*San Diegans for Transparency & Accountability in support of Kelvin Barrios for City Council  
2020, sponsored by Laborers' International Union of North America Local 89*

### I. Introduction

This Audit Report contains information pertaining to the audit of the committee, San Diegans for Transparency & Accountability in support of Kelvin Barrios for City Council 2020, sponsored by Laborers' International Union of North America Local 89, Identification Number 1421468 ("the Committee") for the period from September 27, 2019, through February 3, 2021. 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 9, 2021. 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 \$353,377.81 and total expenditures of \$358,928.08. Total cash contributions relative to total expenditures resulted in a \$971.31 differential that was reconciled by the Committee's miscellaneous increase to cash. **The audit revealed one material finding: the committee failed to send notifications of cumulative contributors of \$10,000 or more, in violation of San Diego Municipal Code section 27.2975.**

## II. Committee Information

On November 12, 2019, 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 Kelvin Barrios for Council District 9 in the March 3, 2020, primary election and November 3, 2020, general election. On February 1, 2022, the Committee filed a Statement of Termination indicating that its filing obligations were completed on December 13, 2021. The Committee's treasurer is Denise Lewis of River City Business Services.

## 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 27.2975 – Major Funding of Primarily Formed Recipient Committees

- (a) Every *primarily formed recipient committee* shall notify the City of San Diego Ethics Commission within three business days of receiving *contributions* cumulatively totaling \$10,000 or more from a single contributor. The notice shall be sent by email and include:
  - (1) the committee's full name and identification number;
  - (2) the contributor's name; and
  - (3) if the contributor is a *primarily formed recipient committee* or a *general purpose recipient committee*, the contributor's identification number.

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## VI. Material Findings

### Section 27.2975: Failure to Disclose Cumulative Contributor of \$10,000 or more

SDMC section 27.2975 requires committees formed to support or oppose candidates for elective office or ballot measures to send an email to the Ethics Commission within three days of receiving contributions cumulatively totaling \$10,000 or more from a single contributor. The email should include the committee's full name, identification, the contributors name, and the identification number if the contributor is a primarily formed recipient committee or general purpose recipient committee. The Ethics Commission uses the disclosures to post on its website readily accessible information concerning the major sources of funding to committees formed to support and oppose City candidates and measures.

The Committee received cumulative contributions of \$10,000 or more from various contributors. A review of Ethics Commission email records found that the Committee did not send email notifications for the following contributions totaling \$10,000 or more from a single contributor.

Date	Contributor	Amount
12/27/19	Laborers Pacific Southwest Regional Organizing Coalition PAC	\$ 25,000.00
03/03/20	Newland Sierra, LLC	\$ 10,000.00

According to Committee representatives, the contributor email omissions were an unintentional error. The Committee failed to adhere to the purpose and intent of the email disclosure requirement, which is to provide the public with the names of major donors.

## 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. **However, the audit revealed the following material findings: the committee failed to send notifications of cumulative contributors of \$10,000 or more, in violation of San Diego Municipal Code section 27.2975.**

[REDACTED]

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Rosalba Gomez  
Audit Program Manager

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Date

[REDACTED]

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Sharon Spivak  
Executive Director

\_\_\_\_\_  
Date