

March 13, 2020

Councilmember Chris Cate
Cate for Council 2018
202 "C" Street, 10th Floor
San Diego, CA 92101

Re: Cate for Council 2018 (ID # 1394460)

Dear Councilmember Cate:

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 12, 2020. The Commission observed that the findings reflected in the Audit Report indicate that the committee substantially complied with local campaign laws. As a result, the Commission voted to accept the report.

Sincerely,

[REDACTED]

Rosalba Gomez
Audit Program Manager

Enclosure

cc: C. April Boling, CPA, Treasurer
7185 Navajo Road, Suite P
San Diego, CA 92119

FINAL AUDIT REPORT

February 13, 2020

Councilmember Chris Cate
Cate for Council 2018
202 "C" Street, 10th Floor
San Diego, CA 92101

Treasurer: C. April Boling
7185 Navajo Road, Suite P
San Diego, CA 92119

SAN DIEGO ETHICS COMMISSION
AUDIT REPORT:
Cate for Council 2018

I. Introduction

This Audit Report contains information pertaining to the audit of the committee, Cate for Council 2018, Identification Number 1394460 ("the Candidate Committee") for the period from February 10, 2017, through June 30, 2019. 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 12, 2019. In addition, the Audit Manual states that if a committee controlled by a candidate is selected for audit, then any other City of San Diego committees controlled by the same candidate during the audit period shall be included in the audit. Therefore, the audit included the committee, Communities for A Better Tomorrow by Chris Cate, Identification Number 1392688 ("the Controlled Committee") for the period from February 10, 2017, through June 30, 2019. The audit was conducted to determine whether the Committees 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).

During the period covered by the audit, the Candidate Committee reported total contributions of \$561,006.22 (inclusive of \$2,999.22 in non-monetary contributions) and total expenditures of \$555,279.18. Total cash contributions relative to total expenditures resulted in a \$2,727.82 differential that was reconciled by the Committee's cash on hand and miscellaneous increase to

cash. During the period covered by the audit, the Controlled Committee reported total contributions of \$32,500.00 and total expenditures of \$9,691.25 (these expenditures were related to general political, legislative, and governmental purposes, and not to Councilmember Cate's 2018 re-election). Total cash contributions relative to total expenditures resulted in a \$22,808.75 differential that was reconciled by the Committee's cash on hand. **The audit revealed no material findings. The Candidate and Controlled Committees substantially complied with the disclosure and record-keeping provisions of the San Diego Election Campaign Control Ordinance.**

II. Committee Information

On March 29, 2017, the Candidate Committee filed a Statement of Organization with the San Diego City Clerk indicating that it qualified as a committee. The Candidate Committee was formed to support the election of Chris Cate for Council District 6 in the June 5, 2018, primary election and November 6, 2018, general election. The Candidate Committee has not terminated.

The Controlled Committee is a City general purpose committee formed by Councilmember Cate "to support the betterment of neighborhoods and improve the quality of life in San Diego." The Controlled Committee has not terminated.

The Candidate and Controlled Committees' treasurer is C. April Boling.

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. Conclusion

Through the examination of the Committee's records and campaign disclosure statements, the Auditor verified that the Committees timely disclosed all contributions received and all expenditures made, and that the Committees maintained the necessary documentation regarding contributions and expenditures. **As a result, the Auditor determined that there were no material findings. The Committees substantially complied with the disclosure and record-keeping provisions of the San Diego Election Campaign Control Ordinance.**

[REDACTED]

Rosalba Gomez
Audit Program Manager

Date

[REDACTED]

Stacey Fulhorst
Executive Director

Date