



THE CITY OF SAN DIEGO

December 9, 2016

VIA REGULAR & ELECTRONIC MAIL

Ms. Dale Kelly Bankhead  
San Diegans for Honesty and Integrity, a Committee to Defeat Pay-to-Play Candidate  
Lorie Zapf for Council 2014  
3737 Camino Del Rio South, Suite 403  
San Diego, CA 92108

Re: San Diegans for Honesty and Integrity, a Committee to Defeat Pay-to-Play  
Candidate Lorie Zapf for Council 2014, Sponsored by Employee Organizations  
(ID # 1366547)

Dear Ms. Bankhead:

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 December 8, 2016. 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

**Ethics Commission**

1010 Second Avenue, Suite 1530 • San Diego, CA 92101  
Tel (619) 533-3476 Fax (619) 533-3448





THE CITY OF SAN DIEGO

## FINAL AUDIT REPORT

November 30, 2016

Ms. Dale Kelly Bankhead  
San Diegans for Honesty and Integrity, a Committee to Defeat Pay-to-Play Candidate Lorie Zapf  
for Council 2014  
3737 Camino Del Rio South, Suite 403  
San Diego, CA 92108

Treasurer: Mr. Richard Barrera  
c/o Ms. Dale Kelly Bankhead  
3737 Camino Del Rio South, Suite 403  
San Diego, CA 92108

### SAN DIEGO ETHICS COMMISSION AUDIT REPORT:

*San Diegans for Honesty and Integrity, a Committee to Defeat Pay-to-Play Candidate Lorie Zapf for  
Council 2014, Sponsored by Employee Organizations*

#### I. Introduction

This Audit Report contains information pertaining to the audit of the committee, San Diegans for Honesty and Integrity, a Committee to Defeat Pay-to-Play Candidate Lorie Zapf for Council 2014, Sponsored by Employee Organizations, Identification Number 1366547 ("the Committee") for the period from April 25, 2014, through December 31, 2014. 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 10, 2015. 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).

During the period covered by the audit, the Committee reported total contributions of \$184,653.08 (inclusive of \$4,262.60 in non-monetary contributions) and total expenditures of \$180,430.48. Total cash contributions relative to total expenditures resulted in a \$40.00 differential that was reconciled by the Committee's miscellaneous increase to cash. **The audit revealed no material findings. The committee substantially complied with the disclosure and record-keeping provisions of the San Diego Election Campaign Control Ordinance.**

#### II. Committee Information

On April 25, 2014, 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 oppose the election of Lorie

#### Ethics Commission

1010 Second Avenue, Suite 1530 • San Diego, CA 92101  
Tel (619) 533-3476 Fax (619) 533-3448



Zapf for Council District 2 in the June 3, 2014, primary election. On January 13, 2015, the Committee filed a Statement of Termination indicating that its filing obligations were completed on December 31, 2014. The Committee's treasurer was Richard Barrera.

### 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 Committee timely disclosed all contributions received and all expenditures made, and that the Committee maintained the necessary documentation regarding contributions and expenditures. **As a result, the Auditor determined that there were no material findings. The Committee 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