



THE CITY OF SAN DIEGO

July 14, 2017

VIA REGULAR & ELECTRONIC MAIL

Mr. Alan English
Nuestro Pueblo Unido Para el Progreso in support of Blanca Lopez-Brown for City
Council 2013
7185 Navajo Road, Suite P
San Diego, CA 92119

Re: Nuestro Pueblo Unido Para el Progreso in support of Blanca Lopez-Brown for
City Council 2013, Sponsored by the Lincoln Club of San Diego County (ID #
1356263)

Dear Mr. English:

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 July 13, 2017.

Sincerely,

[REDACTED]

Rosalba Gomez
Audit Program Manager

Enclosure

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

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

June 15, 2017

Mr. Alan English

Nuestro Pueblo Unido Para el Progreso in support of Blanca Lopez-Brown for City Council 2013
7185 Navajo Road, Suite P
San Diego, CA 92119

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

SAN DIEGO ETHICS COMMISSION AUDIT REPORT:

*Nuestro Pueblo Unido Para el Progreso in support of Blanca Lopez-Brown for City Council 2013,
Sponsored by the Lincoln Club of San Diego County*

I. Introduction

This Audit Report contains information pertaining to the audit of the committee, Nuestro Pueblo Unido Para el Progreso in support of Blanca Lopez-Brown for City Council 2013, Sponsored by the Lincoln Club of San Diego County, Identification Number 1356263 ("the Committee") for the period from March 19, 2013, through May 23, 2013. 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 \$16,000.00 and total expenditures of \$16,000.00. **The audit revealed one material finding: The committee failed to identify a principal officer in its statement of organization in violation of San Diego Municipal Code section 27.2930.**

II. Committee Information

On May 30, 2013, 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 Blanca Lopez-Brown for Council District 4 in the March 26, 2013, special election. On May 28, 2013, the Committee filed a Statement of Termination indicating that its filing obligations were completed on

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May 23, 2013. The Committee's treasurer was C. April Boling, CPA.

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 27.2930 – Base Level of Campaign Statements and Disclosures

Each candidate and committee shall file campaign statements in the time and manner required by California Government Code sections 81000 et seq. and title 2 of the California Code of Regulations

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California Code of Regulations Section 18402.1

- (a) A committee, other than a committee controlled by a candidate, shall disclose the full name, street address, and telephone number of the principal officer of the committee in its statement of organization required by Section 84101(a) and any 24-hour statement required by Section 84101(b) or (c).
- (b) For purposes of subdivision (a), the “principal officer” of a committee is the individual primarily responsible for approving the political activity of the committee including, but not limited to, the following activities:
 - (1) Authorizing the content of the communications made by the committee.
 - (2) Authorizing expenditures, including contributions, on behalf of the committee.
 - (3) Determining the committee's campaign strategy.

- (c) If more than one individual shares in the primary responsibility for approving the political activities of the committee as set forth in subdivision (b), each individual is a principal officer. As required in subdivision (a), committees with more than one principal officer shall disclose the following in any filing required by Section 84101:
- (1) A committee with three or fewer principal officers shall identify all principal officers.
 - (2) A committee with more than three principal officers shall identify no fewer than three principal officers.

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VI. Material Findings

Section 27.2930 - Failure to File Amended Statement of Organization

San Diego Municipal Code Section 27.2930 requires committees to file campaign statements in the time and manner required by California Government Code sections 81000 et. seq. and title 2 of the California Code of Regulations. California Code of Regulations Section 18402.1 requires committees to disclose the names of its principal officers on a Statement of Organization (Form 410). The term "principal officer" is defined as the "individual primarily responsible for approving the political activity of the committee including, but not limited to, the following activities: (1) authorizing the content of the communications made by the committee; (2) authorizing expenditures, including contributions, on behalf of the committee; and (3) determining the committee's campaign strategy." FPPC Regulation 18402.1 also states that "if more than one individual shares in the primary responsibility for approving the political activities of the committee . . . each individual is a principal officer." A committee with three or fewer principal officers must identify all of its principal officers on the Form 410.

The audit found that that TJ Zane was responsible for directing and approving most aspects of the Committee's campaign budget, as well as the timing and content of the Committee's campaign communications. Alan English was responsible for authorizing the payment of Committee expenditures.

The Committee's Form 410 filed on March 19, 2013, identified Alan English as its sole principal officer. The Committee's Form 410 did not identify TJ Zane as another principal officer, nor did the Committee ever file an amended Form 410 to add Mr. Zane. The Committee's terminating Form 410, filed on May 23, 2013, also failed to identify Mr. Zane as a principal officer.

(It is relevant to note that the Committee previously accepted responsibility for failing to identify Mr. Zane as a principal officer; see stipulation in Case No. 2013-23.)

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, with the following exceptions: **the committee failed to identify a principal officer in the statement of organization in violation of San Diego Municipal Code section 27.2930.**

[REDACTED]

Rosalba Gomez
Audit Program Manager

Date

[REDACTED]

Stacey Fulhorst
Executive Director

Date