



THE CITY OF SAN DIEGO

December 9, 2016

VIA REGULAR & ELECTRONIC MAIL

Mr. Brian Pollard
Brian "Barry" Pollard for City Council 2013
5141 Castana Street
San Diego, CA 92114

Re: Brian "Barry" Pollard for City Council 2013 (ID # 1354752)

Dear Mr. Pollard:

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.

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

DRAFT AUDIT REPORT

November 18, 2016

Mr. Brian Pollard
Brian "Barry" Pollard for City Council 2013
5141 Castana Street
San Diego, CA 92114

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

SAN DIEGO ETHICS COMMISSION
AUDIT REPORT:
Brian "Barry" Pollard for City Council 2013

I. Introduction

This Audit Report contains information pertaining to the audit of the committee, Brian "Barry" Pollard for City Council 2013, Identification Number 1354752 ("the Committee") for the period from December 4, 2012, through December 18, 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). The Election Campaign Control Ordinance (ECCO) was amended on January 1, 2015. This Committee operated under the previous ECCO, and therefore all Code references in this report relate to the provisions of ECCO that were in effect prior to January 1, 2015.

During the period covered by the audit, the Committee reported total monetary contributions of 28,909.00 and total expenditures of \$29,009.00. Total cash contributions relative to total expenditures resulted in a \$100.00 differential that was reconciled by the Committee's miscellaneous increase to cash. **The audit revealed one material finding: the committee failed to pay vendor debts within 180 calendar days in violation of San Diego Municipal Code section 27.2960.**

II. Committee Information

On January 15, 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 Brian "Barry" Pollard for Council District 4 in the March 26, 2013, special election. On December 22, 2014,

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the Committee filed a Statement of Termination indicating that its filing obligations were completed on December 18, 2014. 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 27.2960 – Extension of Vendor Credit

- (a) Vendors may extend credit to candidates and their controlled committees in the ordinary course of business in the same manner they extend it to persons for other than political purposes.
- (b) A candidate or controlled committee for elective City office that accepts goods or services for political purposes on credit under subsection (a), shall pay for those goods or services in full no later than 180 calendar days after receipt of a bill or invoice and in no event later than 180 calendar days after the last calendar day of the month in which the goods were delivered or the services were rendered, unless it is clear from the circumstances that the failure to pay is reasonably based on a good faith dispute. For purposes of this subsection, a good faith dispute shall be presumed if the candidate or controlled committee produces the following:
 - (1) evidence that the candidate or controlled committee protested the payment of a bill no later than 30 calendar days after the last calendar day of the month in which the goods were delivered or the services were rendered; and
 - (2) evidence that the protest was based on the quality or quantity of goods delivered or services rendered.

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VI. Material Findings

Section 27.2960 - Failure to Pay Vendor Debt Within 180 Calendar Days

Section 27.2960 requires candidates to pay for goods and services provided by campaign vendors within 180 calendar days. In the months leading up to the special election for City Council District 4 on March 26, 2013, the Committee received goods and services from the following three vendors:

Vendor	Services	Amount
Marshall Anderson	Campaign Management Services	\$ 1,000.00
Campaign Service Group	Robo calls & Campaign Literature	\$ 5,711.64
Freelove Consulting Group, Inc.	Fundraising Services	\$ 2,160.00
		\$ 8,871.64

None of these three vendors were paid within the requisite 180 day period. The above-noted expenditures constitute approximately 25% of total expenditures.

(It is relevant to note that the Committee previously accepted responsibility for failing to pay vendor debt within 180 calendar days; see stipulation in Case No. 2013-45.)

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 the necessary documentation regarding contributions and expenditures. **However, the audit revealed the following material finding: the committee failed to pay vendor debts within 180 calendar days in violation of San Diego Municipal Code section 27.2960.**

[REDACTED]

 Rosalba Gomez
 Audit Program Manager

 Date

[REDACTED]

 Stacey Fulhorst
 Executive Director

 Date