



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

JAMIENNE S. STUDLEY
CHAIRPERSON

EILEEN HANSEN
COMMISSIONER

BEVERLY HAYON
COMMISSIONER

BENEDICT Y. HUR
COMMISSIONER

CHARLES L. WARD
COMMISSIONER

JOHN ST. CROIX
EXECUTIVE DIRECTOR

Date: February 9, 2011

To: Members, Ethics Commission

From: John St. Croix, Executive Director
By: Shaista Shaikh, Assistant Deputy Director

Re: Audit Selection of Year 2010 Committees

This memorandum explains the Ethics Commission's audit selection guidelines and summarizes the levels of financial activity by the different types of committees that were active during 2010. The Commission will randomly select committees to be audited at its February 14, 2011 meeting.

Staff has determined that it will be able to audit seven recipient committees that were active in elections during the calendar year 2010. The audit pool includes:

- all candidates¹ who ran for City elective office in the November 2010 election;
- ballot measure committees active in the June and November 2010 elections; and
- general purpose recipient committees that were active in 2010.

Table 1: Types and Financial Activity Levels of Committees Active in 2010

Level of Financial Activity ²	Ballot Measure Committees	Candidates	General Purpose Committees	No. of committees in audit pool	No. of committees to be selected
\$100,000 or below	7	20	20	47	3 (6%)
Above \$100,000	10	4	16	30	4 (13%)
	17	24	36	77	7 (9%)

¹ Publicly financed candidates were not part of the audit pool because they are subject to a mandatory audit. The pool also excludes candidates for county central committees, committees that were audited through the 2009 random selection process, and committees with financial activity of less than \$10,000.

² For candidates and ballot measure committees, the level of financial activity is based on the sum of contributions received by these candidates and committees during 2009 and 2010. For general purpose committees, the level of financial activity is based on the sum of expenditures made in 2009 and 2010.

Staff will begin to administer the public financing program for mayoral candidates in the November 2011 election and will continue to administer the public financing program through the first part of fiscal year 2011-2012. Candidates for the 2011 election were able to raise qualifying and matching contributions beginning in May 2010 and submit applications for public funding beginning in February 2011.

The mandatory audits of the 2010 publicly financed Board of Supervisors candidates will begin in March 2011. In addition to the 22 publicly financed Board of Supervisors candidates who will be audited, staff has determined it can perform seven randomly selected audits from the 2010 election cycle.