



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

DAINA CHIU
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QUENTIN L. KOPP
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COMMISSIONER

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COMMISSIONER

LEEANN PELHAM
EXECUTIVE DIRECTOR

Date: May 4, 2018

To: Members of the Ethics Commission

From: LeeAnn Pelham, Executive Director

Subject: **AGENDA ITEM 6 – Discussion and possible action regarding letter received from the Angela Alioto for Mayor 2018 campaign, received May 3, 2018.**

Summary

This memo provides background and facts regarding the *Angela Alioto for Mayor 2018* committee's April 25th resubmission of its request for public financing and the events referred to in Angela Alioto's letter to Chair Chiu, which was received on May 3rd.

I. Procedural Background of this Agenda Item

At its April 20th regular meeting, the Commission heard an appeal by *Angela Alioto for Mayor 2018* (the "Committee") requesting that the Commission vacate the Executive Director's determination that the Committee's April 6th request for public financing failed to establish the Committee's eligibility for the program. The Commission voted to grant the Committee until noon on April 25th to submit another request for public financing, to include additional supporting documentation that the Committee had not yet submitted and contributions that the committee had received on March 27th. The Commission's motion required that the Executive Director's determination on this resubmission be delivered by noon on May 2nd and that this determination would be final and non-appealable.

At 11:35 AM on April 25th, the Committee timely resubmitted an amended request for public financing. Staff completed its review of the request and determined that, although the new request provided additional documentation that established a higher total of qualifying contributions, the request failed to establish that that Committee had raised \$50,000 in qualifying contributions and was therefore ineligible for public financing. The Executive Director transmitted her final determination of ineligibility to the Committee at 11:32 AM on May 2nd. (See Attachment 1).

At 12:29 PM on May 2nd, Angela Alioto requested an additional appeal of the Executive Director's final determination and made reference to impropriety on the part of Staff. (See Attachment 2). Staff relayed Ms. Alioto's email to Chair Chiu, who in turn requested the City Attorney to request in a May 3rd email that Ms. Alioto provide additional details about the alleged impropriety. (See Attachment 3). Ms. Alioto responded with a letter received on May 3rd, which is attached here as Attachment 4.

To allow the Commission to discuss the events that underlie Ms. Alioto's May 3rd letter, Chair Chiu directed Staff to add this item to the Commission's May 7th meeting agenda and to provide the Commission with background and facts to enable the Commission to engage in an informed discussion of these events.

II. The Committee's Use of *NetFile Professional* Computer Program

A. The *NetFile* and *NetFile Professional* computer software programs

The Ethics Commission contracts with NetFile, a software company, to host and maintain an electronic filing system that enables campaign finance documents to be filed electronically. This system that is used by the Commission is called *NetFile*. Filers are required to electronically file most campaign finance statements and reports and all requests for public funds under the City's public financing program. Any filer can use the Commission's *NetFile* system for free.

The software company NetFile also produces a separate software product called *NetFile Professional*. This program is marketed to campaign committees and treasurers as an alternative to the free government program, *NetFile*. *NetFile Professional* has more features than *NetFile*, such as the ability to do bookkeeping. Some campaign committees and treasurers choose to pay NetFile to use *NetFile Professional* to submit campaign finance filings. The Commission's *NetFile* system is fully compatible with *NetFile Professional* and can accept filings that are prepared in *NetFile Professional*. However, the Commission has no affiliation or connection with *NetFile Professional*. Committees and treasurers that purchase *NetFile Professional* do so through a contract with NetFile that in no way involves the Ethics Commission. Commission Staff do not direct or recommend any filers to use *NetFile Professional*. Staff does not have access to any filer's *NetFile Professional* account and do not provide technical assistance to *NetFile Professional* users. *NetFile Professional* users interact exclusively with NetFile regarding their use of that software product. Like any other third-party product or service that campaigns may purchase, *NetFile Professional* has no link to the Commission and Staff have no involvement with it.

B. The Committee's use of *NetFile Professional*

The Committee has communicated that the Committee and/or its treasurer used *NetFile Professional* to submit its requests for public financing and supporting documents, rather than using the Commission's free *NetFile* system.

On April 24th, Amy Li, the Staff auditor responsible for reviewing the Committee's public financing requests, communicated with Lia Scarborough, who was drafting the Committee's April 25th resubmission. Ms. Scarborough, an employee of Warren Enterprises, the Committee's treasurer, communicated to Ms. Li that she believed the Committee had filed supporting documentation for certain contributions on its April 6th request and asked why they had been deemed insufficient. (See Attachment 6). Ms. Li reviewed the April 6th submission and communicated by phone that no such supporting documentation had been received. Ms. Scarborough and Ms. Lee deduced that an error in *NetFile Professional* was likely the cause of this discrepancy.

According to the Committee, the Committee subsequently communicated with NetFile and discovered that an error in *NetFile Professional* had resulted in certain documents that the Committee had uploaded into *NetFile Professional* not being included with the Committee's submission to the Commission on April 6th. According to the Committee, NetFile provided technical assistance to the

Committee on April 24th and 25th to ensure that this computer error in *NetFile Professional* did not happen again and that all supporting documents for the April 25th resubmission would properly be submitted. (See Attachment 7).

The Committee filed its resubmission at 11:35 AM on April 25th. The Executive Director acknowledged receipt of the resubmission at 11:57 AM and asked the Committee to confirm that all supporting documentation had been successfully attached. At 12:06 PM, Anika Steig, a finance consultant for the Committee, confirmed that the filing was complete. (See Attachment 7).

III. Committee's Stated Reasons for Vacating the May 2nd Final Determination of Ineligibility

A. The Committee asserts that a computer error in *NetFile Professional* prevented the committee from being able to submit a qualifying request.

The Committee has alleged that an error in *NetFile Professional* caused certain supporting documents to not be included in its April 6th submission. However, the Commission voted to allow the Committee to resubmit another request on April 25th, and the Committee has not asserted that its April 25th submission was affected by such a problem, nor that any supporting documents were missing from the April 25th submission. The Committee communicated that it worked with NetFile to resolve any problems with *NetFile Professional* before the April 25th filing and was able to submit its filing on April 25th with all relevant attachments.

Thus, the April 25th submission that Staff reviewed was not missing any documents as the result of any software error.

Any software error involving *NetFile Professional* that affected any of the Committee's past filings before the final April 25th resubmission would be outside of the Commission's duties, services, and capacities and would be a matter solely involving the Committee and the vendor that provides the service. This had been clearly communicated to the Committee. In early April, Michael Mallen, a representative of the Committee, left a phone message for the Executive Director inquiring about the resubmission process, including the adequacy of another third party software, ActBlue, which the Committee used to process credit card transactions. The Executive Director emailed Ms. Alioto and Nancy Warren, the principal of Warren Enterprises, on April 6th and stated that any technical problems with ActBlue were outside of the Commission's purview because "vendors are separate systems of private businesses" and are not "tied or linked to the Commission's online filing system." (See Attachment 8).

At all times Staff provided the Committee with assistance and answered its questions timely and accurately. There is no indication that any technical issues existed with the Commission's own *NetFile* system. This system was available to the Committee at all times to file its public financing requests.

B. The Committee asserts that, at the time of the Committee's April 20, 2018 appeal before the Commission, Staff failed to disclose a computer error in *NetFile Professional*.

In her May 3rd letter, Ms. Alioto alleged that Commission Staff had knowledge of an error in *NetFile Professional* that prevented certain supporting documents from being submitted and failed to disclose this to the Committee or the Commission. This is not the case. Staff first became aware of a potential problem in *NetFile Professional* on April 24th, at the same time as the Committee, when Ms. Li and Ms.

Scarborough discovered that certain files had not been transmitted in the April 6th submission. Although Staff do not provide any assistance regarding *NetFile Professional*, Staff would have notified the Committee of any known problems at the time they were discovered, as a courtesy.

Ms. Alioto also alleged in her May 3rd letter that David Montgomery, the CEO of NetFile, had informed Staff of an error in *NetFile Professional* on April 13th and that this indicates staff withheld knowledge of a defect that harmed the Committee. On April 13th, Mr. Montgomery did in fact notify Staff that an error had occurred in *NetFile Professional*. (See Attachment 5). However, Mr. Montgomery only mentioned this problem to explain why he had performed an unauthorized action in the Commission's *NetFile* system in relation to a different candidate's request for public funds. The purpose of this April 13th email was to apologize for this unauthorized action, which is unrelated to the problem with *NetFile Professional* that the Committee experienced. In this email, Mr. Montgomery did not elaborate on what the problem with *NetFile Professional* was, since this would be outside of the Commission's purview. Mr. Montgomery stated that the issue had been with *NetFile Professional* and did not involve the Commission's software in any way. In this email, Mr. Montgomery said that the *NetFile Professional* problem had been fixed. Thus, Staff were never informed of the nature of the problem with *NetFile Professional* and were under the impression that any problems had been resolved. In any event, as discussed above, *NetFile Professional* is separate and distinct from the Commission's *NetFile* system, and any problems with that software program would not fall to Commission to discover or remedy.

ATTACHMENT 1

From: Pelham, Leeann (ETH)

Sent: Wednesday, May 2, 2018 11:27 AM

To: [nwarren@\[REDACTED\]](mailto:nwarren@[REDACTED]); Angela M. Alioto, Esq <[REDACTED]>

Cc: Li, Amy (ETH) <amy.li@sfgov.org>; 'sribera [REDACTED]' <[REDACTED]>

Subject: Final Determination Regarding Public Financing Eligibility

Ms. Alioto and Ms. Warren,

Please see the attached in reference to the Angela Alioto for Mayor 2018 committee.

Sincerely,

LeeAnn Pelham

LeeAnn Pelham

Executive Director

San Francisco Ethics Commission

25 Van Ness Avenue Suite 220

San Francisco, CA 94102

415.252.3100

leeann.pelham@sfgov.org

<https://sfethics.org>



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

May 2, 2018

By Electronic Mail Only

nwarren@ [REDACTED]

DAINA CHIU
CHAIR

Angela Alioto

Angela Alioto for Mayor 2018

QUENTIN L. KOPP
VICE-CHAIR

700 Montgomery Street
San Francisco, CA 94111

PAUL A. RENNE
COMMISSIONER

Attention: Nancy Warren, Treasurer, Angela Alioto for Mayor 2018

YVONNE LEE
COMMISSIONER

Re: Final Determination of Ineligibility to Receive Public Financing under San Francisco Campaign and Governmental Conduct Code §1.100 et seq.

KEVIN V. RYAN
COMMISSIONER

Dear Ms. Alioto:

LEEANN PELHAM
EXECUTIVE DIRECTOR

At its regular meeting on April 20, 2018, the Ethics Commission considered your appeal pursuant to SF Campaign and Governmental Conduct Code ("Code") Section 1.142(g) of my April 11, 2018 determination that the Angela Alioto for Mayor 2018 committee ("Committee") was ineligible to receive public financing for the June 5, 2018 election. That determination of ineligibility was based on supporting documentation provided in the Committee's Qualifying Request filings through April 6, 2018.

As you know, based on the materials and information presented at its April 20th meeting, the Commission voted to vacate that prior determination and allow the Committee to submit by noon on April 25, 2018, additional documentation in support of its prior qualifying request, including any qualifying contributions it may have received on March 27, 2018. The Commission also directed that I review that new submission and notify you of my determination of eligibility based on that filing no later than noon on May 2, 2018. Finally, the Commission voted to establish that this decision will be the agency's final determination and that no further appeal of the matter will be heard by the Ethics Commission.

On April 25th, the Committee timely submitted additional supporting documentation in support of its prior qualifying request. We have now completed a review of those materials. Based on the Committee's April 25th Qualifying Request and supporting documentation provided in that request, the Committee remains ineligible to receive public financing in the June 5, 2018 election due to its failure to demonstrate qualifying contributions that totaled at least \$50,000, as required under the law.

The Committee's April 25th filing submitted 601 contributions showing \$101,994 in total contributions, of which \$52,623 was identified for qualifying purposes. Based on documentation submitted by the Committee, Ethics Commission staff determined that 555 of the 601 contributions (92 percent, or \$48,926) were eligible for qualification and that 46

contributions (8 percent, or \$3,697) were not eligible. In brief, the 46 contributions were determined not to be eligible for the reasons shown below in Table 1:

Table 1

Reason	Number of Instances	Amount Not Qualifying
Drawn on a business account [See "qualifying contribution" at SF C&GGC Sec. 1.104; Regulation 1.104-2(b)]	2 (4%)	\$200 (5%)
Insufficient documentation to verify S.F. residency [See Regulation 1.142-3(b)]	40 (87%)	\$3,177 (86%)
Lack of other required documentation (such as deposit slips; account holder verification) [See Regulation 1.142-3(a)(1)]	4 (9%)	\$320 (9%)
<i>Total</i>	46 (100%)	\$3,697 (100%)

A spreadsheet detailing contributions that were qualified and not-qualified, and the reasons for those determinations, is attached for reference.

Should you have any questions, please feel free to contact me at (415) 252-3100.

Sincerely,

LeeAnn Pelham

LeeAnn Pelham
Executive Director

Enclosures

cc: Daina Chiu, Commission Chair
Quentin L. Kopp, Vice-Chair
Paul A. Renne, Member
Yvonne Lee, Member
Andrew Shen, Deputy City Attorney

ATTACHMENT 2

From: Angela M. Alioto, Esq. [REDACTED] >
Sent: Wednesday, May 2, 2018 12:29 PM
To: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>; nwarren@[REDACTED]
Cc: Li, Amy (ETH) <amy.li@sfgov.org>; sribera@[REDACTED]; mikeceo@[REDACTED];
[jberge000@\[REDACTED\]](mailto:jberge000@[REDACTED]); [joe@\[REDACTED\]](mailto:joe@[REDACTED])
Subject: RE: Final Determination Regarding Public Financing Eligibility

Ms. Pelham,

I am formally requesting an appeal of your decision to the Ethics Commission at the next hearing. Due to new evidence of malfeasance on the part of the Ethics department, we have a right to another appeal.

The fact that you knew the software did not upload, and you knew that fact at the last commission hearing, and you did not tell us or the commissioners, is unconscionable and illegal.

Please notify the commission of our request and please let us know as soon as possible, as time is of the essence for our Superior Court Writ of Mandate.

Thank you,
Angela Alioto

Angela M. Alioto, Esq.
Law Offices of Joseph L. Alioto & Angela Alioto
Alioto-Veronese Building
700 Montgomery Street
San Francisco, CA 94111-2104
<http://www.AliotoLawOffices.com>
<http://www.KnightsOfSaintFrancis.com>
www.piazzasf.org

On Wednesday, May 2, 2018 Pelham, Leeann (ETH) (ETH) <leeann.pelham@sfgov.org> wrote:

Ms. Alioto and Ms. Warren,

Please see the attached in reference to the Angela Alioto for Mayor 2018 committee.

Sincerely,

LeeAnn Pelham

ATTACHMENT 3

From: Shen, Andrew (CAT) <Andrew.Shen@sfcityatty.org>

Sent: Wednesday, May 2, 2018 4:00 PM

To: 'angelaav@[REDACTED]' >

Cc: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>; 'nwarren@[REDACTED]' <[nwarren@\[REDACTED\]](mailto:nwarren@[REDACTED])>; Li, Amy (ETH) <amy.li@sfgov.org>; 'sribera@[REDACTED]' <[sribera@\[REDACTED\]](mailto:sribera@[REDACTED])>; 'mikeceo@[REDACTED]' <[mikeceo@\[REDACTED\]](mailto:mikeceo@[REDACTED])>; 'jberge000@[REDACTED]' <[jberge000@\[REDACTED\]](mailto:jberge000@[REDACTED])>; 'joe@[REDACTED]' <[joe@\[REDACTED\]](mailto:joe@[REDACTED])>

Subject: RE: Final Determination Regarding Public Financing Eligibility

Dear Ms. Alioto,

We have notified the Chair of the Ethics Commission of your request for a further appeal. Chair Chiu has asked that you provide additional information in order to assess your request:

1. Please provide further information regarding the “new evidence of malfeasance” you mention below. Such information should include specifying when you and/or your campaign learned of such actions, and what evidence supports this claim. If you are referencing a software-related concern, please specify and provide additional information regarding any such technical issue.
2. With respect to any software-related issue, please identify how that issue impacted your campaign’s April 25 resubmission of its qualifying request to the Ethics Commission and specify how that issue prevented your campaign from submitting any supplemental information for any qualifying contributions.
3. If the Ethics Commission considers a further appeal of this matter, please explain what relief you would seek from the Commission.

Chair Chiu has asked that you provide this additional information to me and Director Pelham by no later than tomorrow, Thursday, May 3 at 1pm. The Commission’s next meeting is scheduled for Monday, May 7 at 1pm. For that meeting, the Commission will be required to post its agenda by Friday, May 4 at 1pm, and Chair Chiu will need to make her final decision about your request before this deadline.

Thank you.

Andrew Shen, Deputy City Attorney
Office of the San Francisco City Attorney
1 Dr. Carlton B. Goodlett Place, Suite 234
San Francisco, CA 94102
Direct dial: (415) 554-4780
E-mail: andrew.shen@sfcityatty.org

ATTACHMENT 4

LAW OFFICES OF
MAYOR JOSEPH L. ALIOTO
&
‡***ANGELA ALIOTO**

700 MONTGOMERY STREET
SAN FRANCISCO, CALIFORNIA 94111-2104
(415) 434-8700 • FAX (415) 438-4638
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‡ADMITTED IN CALIFORNIA-WASHINGTON, D.C.

*A PROFESSIONAL LAW CORPORATION

May 4, 2018

Dear Madam Chair Chiu,

I was informed today, May 3, 2018, that you would like my campaign to provide additional information in order to assess my request for an appeal of today's determination due to newly discovered evidence.

There are several newly learned evidence/discrepancies and consistent misinformation that I could discuss. (For example, on the rejection list there is a Rudy Colombini, who resides at 1353 Bush Street, unit 112. Ethics declares, in its comments, that his drivers license has a business address, the license has 1353 Bush, his home, apartment 112. He lives and works there. If one looks at Google maps, one would see that the entire block has residences on top of businesses.)

Moreover, the Ethics Director is rejecting new submissions that had already been accepted.

But due to the lack of time, for purposes of this appeal, I will explain the most grievous errors and omissions that I have a good faith belief are fraudulent on the part of your Director of Ethics, Ms. LeAnn Pelham.

On April 24, 2018, one day before our submission was due, Amy Li of Ethics and Lia Scarborough, from our treasurer's office, were on the phone discussing the backup documents, when Amy realized that there were no backup documents for the first and second filings because of a software malfunction. (Exhibit A) This of course was the original cause of much stress, loss of precious time and the harassing of donors in the March 27th and April 6th submissions.

On April 25th, at 5:20 P.M Nancy Warren, our treasurer, sent us an email stating that David Montgomery, the CEO of Netfile called and apologized about the malfunction of the City's software. (Exhibit B attached) The Ethics Department's software had not previously uploaded all of our backup documentation for the March 27th and April 6th submissions, as Amy discovered on April 24th. Which means that we spent all of April 6th and then again from April 20th to the submission of the April 25th document, relooking up and calling/harassing dozens of donors to get PGE bills, that the department already should have had, had their software not malfunctioned. We have more than 1000 hours spent in this endeavor!

We would have had more time. This whole fairness issue is about the time given the other candidates and the time needed to get the overly burdensome proof of residence that the Ethics Director is demanding, that we believe was not demanded of the other candidates. Indeed, we know it was not, as a

simple comparative study of the candidate's submission shows. As we understand it, the controls on the other candidates is NOW stricter, after they have received hundreds of thousands of dollars.

The shocking revelation was when the CEO of Netfile, David Montgomery, emailed us on April 30th, this week, and stated that he had told the Ethics Department on April 13th, that the software was malfunctioning. In other words, the Ethics Director KNEW at the Commission hearing of April 20th, that the software had malfunctioned and she never told the Commission or us, the Committee. For all we know, she still hasn't told the Commission. She certainly has never told us.

This fraudulent omission resulted in serious damage to our ability to actually receive the public funds, because had we known of this malfunction, our April 6th documentation would have been hand-delivered and on April 13th, we could have fixed the problems and delivered the backup documentation in a physical document. We made two separate official filings, where both were incomplete filings, because the Ethics Department did not have the proper software to utilize our attached donor contribution documentation. Moreover, had we known of this malfunction, we would have asked the Commission for more time to re-gather all of the documentation.

We are requesting the right to Due Process at an appeal, before we file a Writ of Mandate in the Superior Court. In my 18 years as a Civil Rights Trial Attorney, I have turned away literally hundreds of cases against the City, and many people know this. The irony now is that I am in this position of having to sue the City myself, because of intentional and negligent acts. These actions have, possibly, caused our Committee to lose a million dollars in a special election that is a month away. Money we have relied on to our detriment.

We are seeking relief in the form of one day of fundraising, as we had been misinformed of our ability to raise money on March 27th, 2018. All other campaigns had that extra day AND extra time. As you might recall, the Director revealed her "mistake" at the Commission meeting of April 20th.

We are seeking one more day of fundraising to pass the \$50 thousand threshold, and one more day to prove to the commission that at least 11 of the rejections are in fact true and correct residences in the City and County of San Francisco, which would pass the \$50 thousand required amount. Thereby allowing us to receive the funding we, as citizens, deserve.

The intent of the Public Funding Law is to encourage people to run for office, this experience has proven to be an "us versus the government" battle. The exact opposite of the legislative intent.

Thank you for your consideration. Pax et Bonum,

Angela Alioto
Candidate for Mayor of San Francisco

EXHIBIT A

On Wednesday, April 25, 2018, Contributions <contributions@wepacca.com> wrote:

Yesterday, April 24, 2018, I discovered that Netfile failed to transmit all the uploaded documents that were tied to contributions made by credit card.

I was only able to discover this because of the exchange I had with Amy regarding the apparent rejection of the voter registration documents. I wrote an email and followed up by phone to ask Amy at Ethics why the voter registration pdfs were not accepted as proof of residency and what I needed to do differently. While on the phone with Amy, she attempted to pull up the voter registration for a donor that I knew had the attachment during the filing, but there was nothing attached for that donation.

We proceeded to check another 3 contributors who I knew had supporting documents and none of them were attached in her application. Amy made a comment that she was able to see all the check images and that is when I figured out what happened. ActBlue has a PAC that makes contributions to campaigns, therefore we are required to report it as an intermediary for all of the contributions made via the ActBlue credit card merchant. The data entry for reporting an intermediary is different than reporting other direct contributions. I suspected this difference is the handing of intermediaries was the culprit of why the attachments were not transmitted with the application. Amy confirmed my hypothesis that there were no attachments for any credit card contribution.

I called Netfile to report this issue and spoke with Dana. After describing and troubleshooting the issue with Dana, he said he was going to take this information to the top and call me back. When Dana called me back, I was informed that they fixed this bug on 4/12. Later in the afternoon, I also received a call from Liz at Netfile to discuss my discovery and the fix. I expressed my frustration that this issue was known and resolved on 4/12 but we were never informed.

Lia Scarborough
Contributions



warren enterprises :: political accounting & compliance

O :: (415) 884-5500

F :: (415) 884-5501

Contributions@wepacca.com

www.wepacca.com

20 Galli Drive, Suite A, Novato, CA 94949-5731

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EXHIBIT B

From: David Montgomery <[REDACTED]>

Date: Monday, April 30, 2018 at 2:50 PM

To: Mike Mallen <[REDACTED]>

Subject: Re: NetFile / public financing in SF

Hi Mike,

From our records, there were three qualifying request submissions to the SFEC by the Alioto committee (3/27, 4/6, and 4/10) where the submissions were guaranteed to be incomplete due to the missing feature of sending the attachments for the detail transactions from the filer-side software. I personally notified the SFEC about the missing feature for detail attachments on April 13th. After the most recent qualifying request document was transmitted to SFEC on April 25th, the SFEC contacted me (in the context of me representing Nancy Warren's filing software) to double-check that I believed all of the transaction attachments that should have been transmitted to SFEC were in fact transmitted to SFEC. After a spot check of the submission, I concluded that any transaction that did NOT have an attachment was due to there being no attachment stored with the contribution transaction or the contributor record. (i.e. there was no software or transmission error that prevented the transmission of intended attachments).

Best Regards,

David Montgomery
[REDACTED]

ATTACHMENT 5

-----Original Message-----

From: David Montgomery <[REDACTED]>

Sent: Friday, April 13, 2018 10:31 AM

To: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>

Cc: Lal, Manisha (ETH) <manisha.lal@sfgov.org>

Subject: Jane Kim for Mayor, Filing ID#170763822

Importance: High

Hi LeeAnn,

I'm writing to you about a matching request filing for Jane Kim for Mayor that you approved yesterday, twice.

For that particular filing, the majority of the expected transaction attachments were not transmitted from the filer to the SFEC system. The filer's treasurer contacted our support staff in a frenzy yesterday to get our staff to fix this problem. (As an aside, the problem was caused by a bug in the treasurer's e-filing software, and not because of a bug in your system)

My intent to fix the problem was to:

- 1) Move the document from the 'Ready' state to the 'Building' state
- 2) Have the filer re-transmit the attachments in the evening
- 3) Move the document back to the 'Ready' state last night
- 4) Manisha could then review the attachments today

There were several major problems within my plan caused by my haste and panic: 1) We didn't directly speak with Manisha in advance, 2) I failed to remember the requirement for a four-day turnaround in the agency's responses, 3) the document was actually in an 'Approved' state after 3:39pm (since you approved the request then), and no longer in a 'Ready' state, and 4) because it was in an 'Approved' state my actions working in the database moved the document out of the 'Approved' state, which you fixed by re-approving the request at 7:40pm last night.

In a nutshell, this was a major cock-up on our part that was completely my fault.

On a positive note, our developers have already completed a review of your data, and the only issue is the second 'Approval' entry in the activity journal. Otherwise, everything in the system appears correct and normal.

The treasurer will be submitting a new matching request this coming Tuesday to re-apply for the transactions affected by the missing attachments.

If you would like to discuss this episode further, please feel free to call my cell phone at [REDACTED].

Best Regards,

David Montgomery
[REDACTED]

ATTACHMENT 6

From: Li, Amy (ETH)
Sent: Tuesday, April 24, 2018 2:14 PM
To: 'Contributions' <contributions@wepacca.com>; Nancy L Warren <nwarren@[REDACTED]>
Cc: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Subject: RE: Alioto - proof of residency

Hello Lia,

Thank you for your email and phone call.

Committees that have submitted proof of San Francisco voter registration identification numbers attached to the individual contributor's transaction record in Netfile have regularly and routinely been approved. PDFs that contain lists of this information for multiple contributions are not approved.

As I advised Nancy Warren in an email dated April 6, 2018, it is necessary to separate the information into single pages and then attach each page to the individual transaction in NetFile, as other committees also have been required to do.

Thank you,
Amy Li
Campaign Finance Auditor
Ethics Commission
City and County of San Francisco
25 Van Ness Avenue, Suite 220
San Francisco, CA 94102
415-252-3100



From: Contributions <contributions@wepacca.com>
Sent: Tuesday, April 24, 2018 10:50 AM
To: Li, Amy (ETH) <amy.li@sfgov.org>; Nancy L Warren <[REDACTED]>
Cc: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Subject: RE: Alioto - proof of residency

Hi Amy,

It appears all of the voter ID's were rejected as proof of residency. Can you explain why they were not accepted? I attached one of pdfs that was used but rejected.

Lia

From: Li, Amy (ETH) [<mailto:amy.li@sfgov.org>]
Sent: Friday, April 06, 2018 2:52 PM

To: Nancy L Warren <[REDACTED]>
Cc: Contributions <contributions@wepacca.com>; Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Subject: RE: Alioto - proof of residency

Yes, the County voter IDs are acceptable.
Thank you,
Amy

From: Nancy L Warren <[REDACTED]>
Sent: Friday, April 6, 2018 2:50 PM
To: Li, Amy (ETH) <amy.li@sfgov.org>
Cc: Contributions <contributions@wepacca.com>; Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Subject: RE: Alioto - proof of residency

And the voter reg information is now proper with the addition of the county numbers?

Nancy L. Warren
Principal



warren enterprises :: political accounting & compliance

O :: (415) 884-5500
F :: (415) 884-5501

[REDACTED]
www.wepacca.com

20 Galli Drive, Suite A, Novato, CA 94949-5731

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From: Li, Amy (ETH) <amy.li@sfgov.org>
Sent: Friday, April 06, 2018 2:42 PM
To: Nancy L Warren <[REDACTED]>
Cc: Contributions <contributions@wepacca.com>; Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Subject: RE: Alioto - proof of residency

Hello Nancy,
You need to separate the file into single pages and then attach each page to the individual transaction in NetFile, as other committees have been doing.

Sorry for the inconvenience.
Thank you,
Amy

From: Nancy L Warren [REDACTED] >
Sent: Friday, April 6, 2018 2:31 PM
To: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Cc: Li, Amy (ETH) <amy.li@sfgov.org>; Contributions <contributions@wepacca.com>
Subject: FW: Alioto - proof of residency

Can we submit this in pdf form along with the uploaded file or do we have to separate this into single pages and hook them to the data record? My staff estimates that it will take 4 hours to pull the pdf apart and then attach the pdfs in Netfile – we would really like to be able to send as is.

Please let me know ASAP.

Thanks,

Nancy

Nancy L. Warren
Principal



warren enterprises :: political accounting & compliance

O :: (415) 884-5500

[REDACTED]

F :: (415) 884-5501

[REDACTED]

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ATTACHMENT 7

From: Anika Steig <[REDACTED]>
Sent: Wednesday, April 25, 2018 12:06 PM
To: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Cc: Angela M. Alioto, Esq <[REDACTED]>; Mike Mallen <[REDACTED]>;
[nwarren@\[REDACTED\]](mailto:nwarren@[REDACTED])
Subject: Re: Alioto for Mayor - Today's filing

Ms. Pelham,

Thank you for your email confirmation that the Ethics Commission received the Qualifying Request from Nancy Warren on behalf of the Angela Alioto for Mayor 2018 committee this morning at 11:35:51 am.

As Lia from Nancy's staff indicated, the filing is now complete. We look forward to the Ethics Commission response within 5 business days.

Thank you,
Anika

--

Anika Steig
Finance Consultant
206-579-0465

Angela Alioto for Mayor 2018
AliotoforMayor.com

On Wed, Apr 25, 2018 at 11:57 AM, Pelham, Leeann (ETH) <leeann.pelham@sfgov.org> wrote:

Ms. Steig,

This email is to confirm that the Ethics Commission has just received via its Netfile system a Qualifying Request from Nancy Warren on behalf of the Angela Alioto for Mayor 2018 committee. The filing is dated April 25, 2018, with a time stamp of 11:35:51 am.

Our Staff also received a phone call a few moments ago from Lia from Nancy Warren's office. According to Lia, the filing submitted includes all the information and supporting documentation the committee intends to file today by the deadline established by the Ethics Commission at its Regular meeting on Friday April 20, 2018.

Please confirm by return email that the filing is now complete, as Ms. Warren's staff has indicated to us.

Thank you.

LeeAnn

From: Anika Steig <[REDACTED]>
Sent: Wednesday, April 25, 2018 11:31 AM
To: Pelham, Leeann (ETH) <leeann.pelham@sfgov.org>
Cc: Ethics Commission, (ETH) <ethics.commission@sfgov.org>; Angela M. Alioto, Esq
[REDACTED]; Mike Mallen <[REDACTED]>
Subject: Alioto for Mayor - Today's filing

Dear Ms. Pelham,

We will be submitting our application for public funds and supporting documentation shortly.

Our treasurer discovered yesterday that in our two previous applications for public funds, none of the documentation for ActBlue contributions was transferred to Ethics via NetFile. She was told that this was an error in the backend code of NetFile. We have been instructed by NetFile have our treasurer on the line with them when we submit so that they can verify through the admin backend that all of the attachments are successfully transferred.

We wanted to keep you informed of the situation.

Sincerely,

Anika

--

Anika Steig

Finance Consultant

206-579-0465

Angela Alioto for Mayor 2018

AliotoforMayor.com

ATTACHMENT 8

From: Pelham, Leeann (ETH)
Sent: Friday, April 6, 2018 11:22 AM
To: [angelaav@](#); [nwarren@](#)
Cc: Li, Amy (ETH) <amy.li@sfgov.org>
Subject: Fw: Questions Today from Mike Mallen

Please note a correction to the sentence below:

"They are NOT tied or linked to the Commission's online filing system."

I see that I inadvertently did not include the "not" in that sentence in my prior email, shown below.

Thank you.
LeeAnn

From: Pelham, Leeann (ETH)
Sent: Friday, April 6, 2018 11:06:24 AM
To: [angelaav@](#); [nwarren@](#)
Cc: Li, Amy (ETH)
Subject: Re: Questions Today from Mike Mallen

Dear Ms. Alioto and Ms. Warren,

This is a follow up to a message my office received this morning from Mike Mallen of the Alioto for Mayor 2018 committee. I am forwarding my responses to you directly as I do not have an email for Mr. Mallen and he was unavailable when I returned his call.

This email is to confirm information from our office regarding a possible re-submission by the Alioto for Mayor 2018 committee of its public financing eligibility certification request.

As I conveyed on a phone call with Ms. Alioto yesterday afternoon, the Ethics Commission's online system for submitting requests for public financing eligibility and submitting public financing claims is available 24/7. Consequently, filers may submit statements at any time of the day. The filing system automatically notes the date and time of the filing. If a filing is submitted anytime through 11:59 p.m. tonight, for example, the system would automatically note the date as an April 6 filing. A filing submitted at midnight or beyond, however, would show a date other than April 6th.

To confirm what I relayed in our phone call yesterday, any filing submitted through the Ethics Commission's online public financing system that is dated with an April 6th date will be considered to have been filed by the 60th day before the election -- the deadline for eligibility re-submissions that is referenced in Regulation 1.142-6 and highlighted below:

Ethics Commission Regulation 1.142-6: Certification

(c) Resubmission.

Any candidate who is notified by the Executive Director that the candidate is ineligible to receive public funding may, within five business days of the date of notification, resubmit his or her declaration and supporting documentation. If the candidate does not timely resubmit, the Executive Director's determination is final. If, after reviewing resubmitted materials, the Executive Director does not certify the candidate, the Executive Director shall notify the candidate of his or her final determination. Additional resubmissions may be permitted in the Executive Director's discretion, *provided that no resubmissions for certification may be made later than the 60th day before the election.* If the candidate fails to resubmit in the time specified by the Executive Director, or if no further resubmissions are permitted, the Executive Director's determination is final.
(emphasis added)

I understand Ms. Warren received information earlier today from our office that the deadline was earlier in the day. That is incorrect and we apologize for any confusion that may have caused.

Mr. Mallen also relayed a question about ACT Blue and whether there exists a "glitch" or incompatibility between their software and our website regarding the acceptance of campaign contributions. We are not aware of any such glitch, nor would one exist as the record keeping systems of credit card/online contribution vendors are separate systems of private businesses. They are tied or linked to the Commission's online filing system. Information provided by committee vendors is typically provided through the committee as part of its claim. In some instances vendors have provided information directly to our review staff in coordination with candidate committees in response to inquiries made by our review staff.

I hope this information is helpful in response to Mr. Mallen's call.

Regards,
LeeAnn