



ETHICS COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

DAINA CHIU
CHAIR

Date: May 23, 2019

NOREEN AMBROSE
VICE-CHAIR

To: Members of the Ethics Commission

YVONNE LEE
COMMISSIONER

From: Jeff Pierce, Director of Enforcement & Legal Affairs

FERN M. SMITH
COMMISSIONER

Subject: **AGENDA ITEM 7: Enforcement Report for the May 29, 2019 Meeting**

VACANT
COMMISSIONER

Summary: This report highlights programmatic information and operational updates related to the Enforcement & Legal Affairs division.

LEEANN PELHAM
EXECUTIVE DIRECTOR

Action Requested: No action is required by the Commission, as this item is for informational purposes only.

Programmatic Highlights: Recent Staff Training

For four days at the end of April, senior investigators Jeffrey Zumwalt and Thomas McClain attended training regarding public corruption investigations that the federal Council of the Inspectors General on Integrity and Efficiency. The Council of the Inspectors General is an entity of the federal executive branch that addresses issues in the areas of governmental ethics, public integrity, and governmental efficiency and effectiveness. The training provided legal presentations by attorneys from the U.S. Department of Justice's Public Integrity Unit and the U.S. Office of Government Ethics, including Richard Pilger, Director of the Department of Justice's Elections Crime Branch. Presentations covered legal issues affecting public corruption, including in the areas of campaign finance, conflicts of interest, and public employee financial disclosures. The training featured case studies of investigations, investigative tools and methods, best practices in internal affairs and personnel investigations, and techniques for case development and case management.

In early May, senior investigator Eric Willett briefed the Enforcement Division on investigative audits, by which an audit may be performed to assess specific allegations of wrongdoing. Eric drew on his several years of experience as one of the Commission's campaign finance auditors in providing an overview of audit-related documents and analyses of campaign activity that may violate the Campaign & Governmental Conduct Code.

Enforcement Statistics

The Commission now has 57 matters in preliminary review and 88 matters under investigation. Since the last Enforcement Report dated April 8, 2019, the Enforcement Division received four new complaints, opened three new investigations, and combined two complaints based on overlapping allegations, and the Executive Director dismissed 18

complaints based on investigators’ analysis and findings. Two matters that had been under investigation were closed by the Commission.

The following tables compare the number and average age of the Commission’s enforcement docket to the same figures as reported last month and as reported in this month last year:

Number and Average Age of Matters in Preliminary Review

Month	May 2018	Apr. 2019	May 2019
Number	49	75	57
Avg. Age (mo.)	2.7	7.3	7.6

Number and Average Age of Matters in Open Investigation

Month	May 2018	Apr. 2019	May 2019
Number	79	87	88
Avg. Age (mo.)	10.5	14.5	14.9

Notably, six of the complaints currently in preliminary review are being handled pursuant to the Commission’s Fixed Penalty Policy, which is designed to allow a more expedited resolution of specified matters.

Attachment 1 contains additional data on the type and age of matters under preliminary review. Attachment 2 contains additional data on open investigations. Attachment 3 provides an historical perspective on the Enforcement Division’s caseload since April 2016 when Staff first started tracking the data and publicly reporting on it at Commission meetings.

Referrals to Bureau of Delinquent Revenues

Under San Francisco Charter section C3.699-13(c)(i)(3), the Ethics Commission must refer to the Bureau of Delinquent Revenue penalties—including late fees—that the Commission has assessed but which remain unpaid after a specified period of time. Since the April Commission Meeting, the Commission’s Fines Collection Officer has sent Final Warning Letters to some 42 filers who have not yet paid fees for late-filed campaign disclosure statements that the Commission assessed against them. The Fines Collection Officer sent 21 letters to delinquent filers in mid-April and another 21 in mid-May. The Commission has since received payment from 80 percent of those delinquent filers who received the first round of warning letters, and has referred the remainder of those delinquent filers to the Bureau. (Those additional debtors are not yet reflected in the table below.) The Fines Collection Officer will generate a third group of Final Warning Letters in the near future, will continue to monitor filers for their compliance with late fee payment obligations, and will generate additional referrals to the Bureau where necessary.

A summary of the status of accounts that remain after referral by the Ethics Commission to the City’s Bureau of Delinquent Revenues appears below.

Summary of the status of accounts that remain after referral by the Ethics Commission to the City's Bureau of Delinquent Revenues

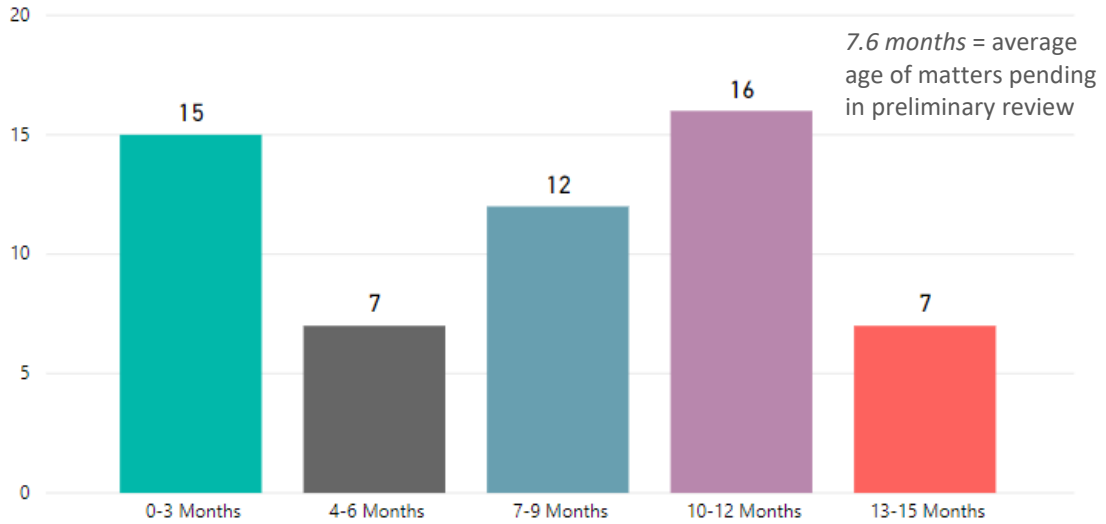
Committee/ Filer	ID #	Treasurer/ Responsible Officer	Referral Date	Original Amount Referred	Current Balance	General Status	Status
Chris Jackson	1347066	Chris Jackson	7/12/13	\$6,601.00	\$5,100.99	Judgment	No change in resident status, Debtor continue to evade collections. An Order of Examination Hearing is rescheduled to 8/22/2019 @ 11:00 AM. Skip Tracing to locate Mr. Jackson's place of residence, employment and additional assets.
Chris Jackson	22-12119	Chris Jackson	9/26/16	\$6,100.00	\$6,100.00	Judgment	<i>See above.</i>
Committee to Elect Norman for Supervisor	14- 131112	Jacqueline Norman	5/1/15	\$9,000.00	\$9,000.00	Judgment	No change in resident status, Debtor continue to evade collections. An Order of Examination Hearing is rescheduled to 8/22/2019 @ 11:00 AM. Skip Tracing to locate Ms. Norman's place of residence, employment and additional assets.
Isabel Urbano	SFO- 153993	Isabel Urbano	3/23/16	\$7,000.00	\$6,850.00	Legal Review	The Legal Department mailed their Intent to File Lawsuit letter via registered mail to all known addresses, since BDR could not confirm where the debtor lives. Pursuing process to serve out of state.
Lynette Sweet	1324331	Lynette Sweet	12/29/16	\$74,408.19	\$74,408.19	Bankruptcy	The debtor refiled under BK case 18-31033. Bankruptcy has been dismissed per Judge April 16, 2019 entry of Order of Dismissal Prior to Confirmation. Defendant Sweet has

Committee/ Filer	ID #	Treasurer/ Responsible Officer	Referral Date	Original Amount Referred	Current Balance	General Status	Status
							filed no response to the Complaint therein. The Court has set a Case Management Conference Status for Bankruptcy for May 29, 2019.
Total:							\$101,459.18

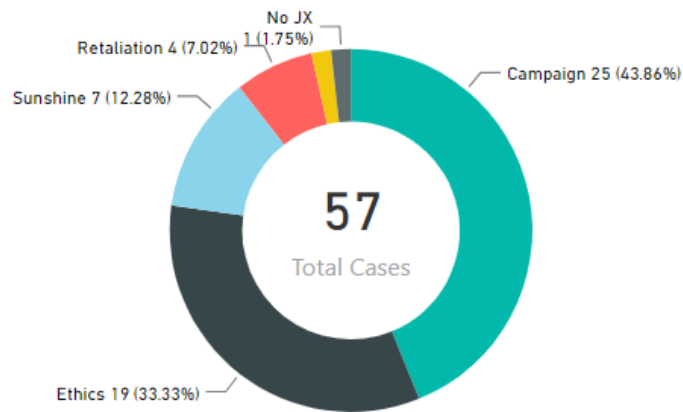
I look forward to answering any questions you might have at the upcoming Commission meeting.

Agenda Item 7, Attachment 1

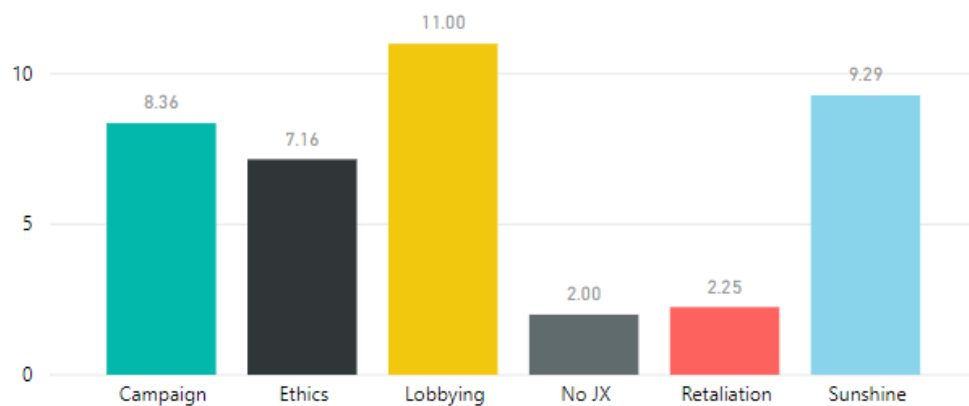
Age of Matters in Preliminary Review



Matters in Preliminary Review by Type

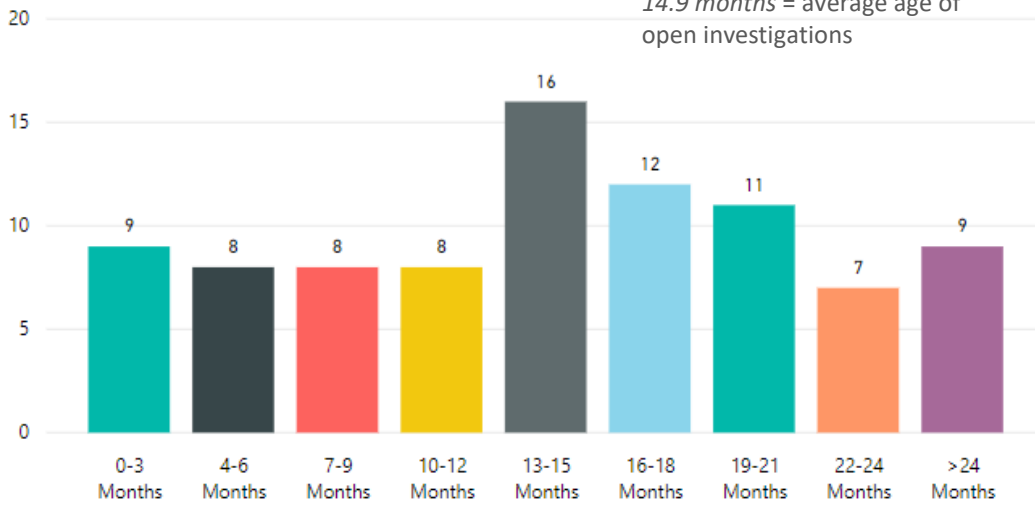


Average Age of Matters in Preliminary Review by Type

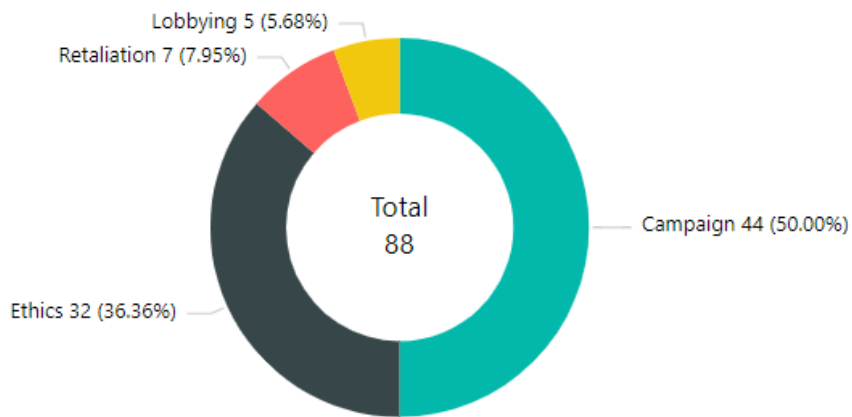


Agenda Item 7, Attachment 2

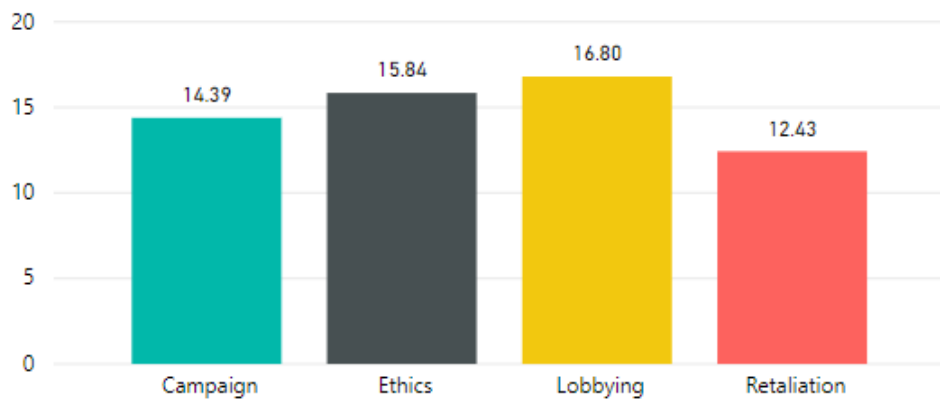
Age of Matters under Open Investigation



Open Investigations by Type



Average Age of Matters under Open Investigation by Type



Agenda Item 7, Attachment 3

Chart I
 SF Ethics Enforcement Division Caseload, April 2016 through April 2019
 Data as reported on monthly public reports to the Commission

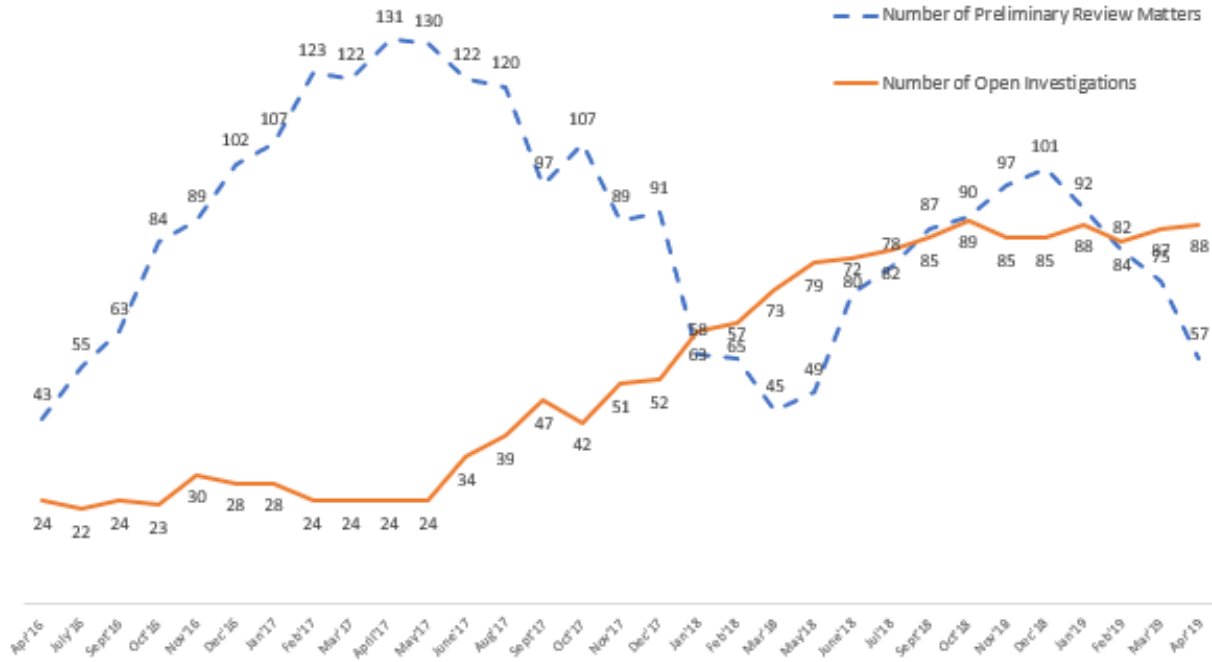


Chart II
 Average Age of Ethics Commission Enforcement Caseload, April 2016 through April 2019
 (In months since matter was opened)

