Date: August 12, 2019

To: Members of the Ethics Commission

From: Jeff Pierce, Director of Enforcement & Legal Affairs

Subject: AGENDA ITEM 12: Enforcement Report for the August 16, 2019 Meeting

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

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

Programmatic Highlights: Review of FY19

The Enforcement Division tracks various metrics as one tool in evaluating its efforts to fulfill the Commission’s enforcement mandate. A review of some of those metrics for Fiscal Year 2019 is provided below, along with a comparison to those same metrics from the prior fiscal year.

Among the seven matters the Commission settled in Fiscal Year 2019, the Division collected approximately $34,000 in penalties, with an average penalty just shy of $5,000. Those settlements included counts for the following kinds of violations:

1. Use of City resources for a personal or political purpose, in violation of SF C&GCC section 3.218;
2. Use of campaign funds for a prohibited purpose, in violation of SF C&GCC section 1.122;
3. Failure to register as a campaign consultant and to disclose campaign consulting activity, in violation of SF C&GCC section 1.510;
4. Failure to properly document contributions and expenditures, in violation of SF C&GCC sections 1.106 and 1.109;
5. Failure to file late contribution reports, in violation of SF C&GCC section 1.106;
6. Failure to adhere to advertising disclaimer requirements, in violation of SF C&GCC section 1.161.

The five proposed settlements the Enforcement Division placed on the agenda for today’s Commission Meeting indicate that the number of matters and the variety of alleged violations the Division has successfully investigated and resolved is expanding. Additionally, the amount...
of penalties the Commission stands to collect as a result of today’s proposed settlements suggests the Commission may exceed in Fiscal Year 2020 the corresponding metrics from the prior fiscal year.

**Enforcement Metrics for Fiscal Years 2018 and 2019**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Complaints added during Fiscal Year</th>
<th>No Jx / No Further Action Consult by Enf Dir</th>
<th>PRs Completed</th>
<th>Matters Dismissed or Referred</th>
<th>New Investigations Opened</th>
<th>Matters Resolved</th>
<th>Determined No PC Existed</th>
<th>Closed in Interest of Justice per Enf Regs</th>
<th>Settled</th>
<th>Total Penalties</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY18</td>
<td>163</td>
<td>34</td>
<td>181</td>
<td>120</td>
<td>61</td>
<td>15</td>
<td>5</td>
<td>2</td>
<td>8</td>
<td>$27,000</td>
</tr>
<tr>
<td>FY19</td>
<td>83</td>
<td>30</td>
<td>108</td>
<td>74</td>
<td>34</td>
<td>22</td>
<td>8</td>
<td>7</td>
<td>7</td>
<td>$34,000</td>
</tr>
</tbody>
</table>

**Enforcement Statistics**

The Commission now has 61 matters in preliminary review and 95 matters under investigation. Since the last Enforcement Report dated May 23, 2019, the Enforcement Division received 25 new complaints and opened ten new investigations, and the Executive Director resolved nine complaints, including by settling the five matters that appeared on this Meeting’s agenda.

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**

<table>
<thead>
<tr>
<th>Month</th>
<th>July 2018(^1)</th>
<th>June 2019(^2)</th>
<th>August 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>78</td>
<td>45</td>
<td>61</td>
</tr>
<tr>
<td>Avg. Age (mo.)</td>
<td>1.6</td>
<td>8.9</td>
<td>7.6</td>
</tr>
</tbody>
</table>

**Number and Average Age of Matters in Open Investigation**

<table>
<thead>
<tr>
<th>Month</th>
<th>July 2018</th>
<th>June 2019</th>
<th>August 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number</td>
<td>83</td>
<td>93</td>
<td>95</td>
</tr>
<tr>
<td>Avg. Age (mo.)</td>
<td>12.1</td>
<td>14.5</td>
<td>16.0</td>
</tr>
</tbody>
</table>

Attachment 1 contains additional data on the type and age of matters under preliminary review. Attachment 2 contains additional data on open investigations.

---

\(^1\) The Commission held no meeting in August 2018.

\(^2\) The Commission held no meeting in July 2019.
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. The Commission’s Fines Collections Officer continues to work with delinquent filers to collect outstanding late fees and to refer unpaid accounts to the Bureau. Since the Fines Collection Officer initiated her review of unpaid late fees she has successfully collected more than $34,000 in previously unpaid fees.

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, including several new accounts that the Fines Collection Officer referred in 2019.

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

<table>
<thead>
<tr>
<th>Committee/Filer</th>
<th>ID #</th>
<th>Treasurer/Responsible Officer</th>
<th>Referral Date</th>
<th>Original Amount Referred</th>
<th>Current Balance</th>
<th>General Status</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chris Jackson</td>
<td>1347066</td>
<td>Chris Jackson</td>
<td>7/12/13</td>
<td>$6,601.00</td>
<td>$5,100.99</td>
<td>Judgment</td>
<td>No change in resident status, Debtor continue to evade collections. An Order of Examination Hearing is rescheduled to 1/16/2020 at 11:00am. Skip Tracing to locate Mr. Jackson’s place of residence, employment and additional assets.</td>
</tr>
<tr>
<td>Chris Jackson</td>
<td>22-12119</td>
<td>Chris Jackson</td>
<td>9/26/16</td>
<td>$6,100.00</td>
<td>$6,100.00</td>
<td>Judgment</td>
<td>See above.</td>
</tr>
<tr>
<td>Committee to Elect Norman for Supervisor</td>
<td>14-131112</td>
<td>Jacqueline Norman</td>
<td>5/1/15</td>
<td>$9,000.00</td>
<td>$9,000.00</td>
<td>Judgment</td>
<td>No change in resident status, Debtor continue to evade collections. An Order of Examination Hearing is rescheduled to 1/16/2020 at 11:00am. Skip Tracing to locate Ms. Norman’s place of residence, employment and additional assets.</td>
</tr>
<tr>
<td>Isabel Urbano</td>
<td>SFO-153993</td>
<td>Isabel Urbano</td>
<td>3/23/16</td>
<td>$7,000.00</td>
<td>$6,850.00</td>
<td>Pending Agency Assignment</td>
<td>Debtor not responsive to collections recovery actions. Ethics provided approval to assign to Bureau of Delinquent Review collections agency.</td>
</tr>
<tr>
<td>Committee/ Filer</td>
<td>ID #</td>
<td>Treasurer/ Responsible Officer</td>
<td>Referral Date</td>
<td>Original Amount Referred</td>
<td>Current Balance</td>
<td>General Status</td>
<td>Status</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------</td>
<td>--------------------------------</td>
<td>----------------</td>
<td>--------------------------</td>
<td>----------------</td>
<td>-------------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>Lynette Sweet</td>
<td>1324331</td>
<td>Lynette Sweet</td>
<td>12/29/16</td>
<td>$74,408.19</td>
<td>$74,408.19</td>
<td>Bankruptcy</td>
<td>Response to the Order to Show Cause regarding the status of Bankruptcy due by July 28, 2019-August 13,2019. Legal Department negotiating repayment with debtor per Bankruptcy.</td>
</tr>
<tr>
<td>SF Latino Democratic Club</td>
<td>1342652</td>
<td>Sarah Souza</td>
<td>6/21/19</td>
<td>$10,979.00</td>
<td>$10,979.00</td>
<td>Payment Plan</td>
<td>Debtor will begin payment of $733.60 starting 8/11/2019. Payment will be due every 10th of the month.</td>
</tr>
<tr>
<td>San Franciscans for Democracy, Yes on D Committee</td>
<td>1391630</td>
<td>Jeremy Pollock</td>
<td>6/21/19</td>
<td>$1,625.00</td>
<td>$1,625.00</td>
<td>No response from Debtor</td>
<td>Debtor has not responded to delinquency letter. Emailed company representative to contact the Senior Collections Officer.</td>
</tr>
<tr>
<td>Noe Valley Democratic Club</td>
<td>963103</td>
<td>Hunter Stern</td>
<td>6/21/19</td>
<td>$3,275.00</td>
<td>$3,275.00</td>
<td>No response from Debtor</td>
<td>Debtor has not responded to delinquency letter. Emailed company representative to contact the Senior Collections Officer.</td>
</tr>
<tr>
<td>Arlo Smith For Democratic County Central Committee</td>
<td>1388142</td>
<td>Hunter Stern</td>
<td>4/30/2019</td>
<td>$1,750</td>
<td>$1,750</td>
<td>No response from Debtor</td>
<td>Debtor has not responded to delinquency letter. Emailed company representative to contact the Senior Collections Officer.</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$119,088.18</strong></td>
</tr>
</tbody>
</table>

I look forward to answering any questions you might have at the upcoming Commission meeting.
Agenda Item 12, Attachment 1

7.6 months = average age of matters pending in preliminary review

Average Age of Matters in Preliminary Review by Type

Campaign: 11.23
Ethics: 5.89
Lobbying: 1.00
Retaliation: 3.38
Sunshine: 11.43

Matters in Preliminary Review by Type

Total Cases: 61

- Campaign: 21 (34.43%)
- Ethics: 19 (31.15%)
- Lobbying: 6 (9.84%)
- Sunshine: 7 (11.48%
- Retaliation: 8 (13.11%)
Agenda Item 12, Attachment 2

Age of Matters under Open Investigation

16.0 months = average age of open investigations

Open Investigations by Type

Total 95
- Campaign 46 (48.42%)
- Ethics 37 (38.85%)
- Lobbying 5 (5.26%)
- Retaliation 7 (7.37%)

Average Age of Matters under Open Investigation by Type

- Campaign: 16.69
- Ethics: 14.86
- Lobbying: 19.30
- Retaliation: 15.43