

**San Francisco
Ethics Commission**



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**2018 Election Cycle
Christine Johnson For District 6 Supervisor – 2018
FPPC ID #1402051
Report posted October 8, 2020**

San Francisco Charter section C3.699-11 authorizes the Ethics Commission to audit campaign statements that are filed with the Commission, along with other relevant documents, to determine whether a committee materially complied with applicable requirements of State and local laws. San Francisco Campaign & Governmental Conduct Code Section 1.150(a) requires audits of all candidates who received public financing in their campaigns and authorizes other audits to be initiated of other committees irrespective of whether the committee received any public funds. The Ethics Commission's audit program issues public reports that detail these committees' compliance with applicable campaign finance and reporting laws. The Commission posts its reports to its website and, in cases of apparent violations of law, forwards them to the appropriate enforcement agency.

As part of its audit program in connection with the June and November 2018 elections, the Ethics Commission engaged Macias Gini & O'Connell LLP (MGO) to assess compliance with applicable campaign laws for the 14 committees of candidates that received public funds during those elections. The report that follows is one of the reports issued by MGO pursuant to that engagement.

**CITY AND COUNTY OF SAN FRANCISCO
ETHICS COMMISSION**

**CANDIDATE COMMITTEE 2018 ELECTION
ASSESSMENT REPORT:**
Christine Johnson for District 6 Supervisor 2018

January 31, 2018 through December 31, 2018



Certified
Public
Accountants

Christine Johnson Committee 2018 Election Assessment Report

Executive Director, Ethics Commission
City and County of San Francisco

Macias Gini & O'Connell LLP (MGO) presents its report concerning the assessment of the Christine Johnson for District 6 Supervisor Committee (Candidate Committee, or Committee) for the period January 31, 2018 through December 31, 2018 as follows:

Background

The Committee was formed on January 31, 2018, to support the election of Christine Johnson to the City and County of San Francisco (City) Board of Supervisors, to represent District 6, in the general election of November 6, 2018. During the period covered by the assessment, the Committee's Treasurer was Patricia Mar.

MGO was engaged to assess candidate committees per the City's Campaign Finance Reform Ordinance, Section 1.150(a), which requires the Ethics Commission to audit all candidate committees that have received public financing.

Objectives and Scope

The objectives of this assessment were to reasonably conclude whether the Committee:

- Accurately reported all campaign contributions and expenditures, as required by City campaign finance law;
- Supported all contributions and expenditures with sufficient documentation, as required by City campaign finance laws;
- Accepted only contributions that comply with state and City campaign finance laws;
- Made only expenditures that comply with state and City campaign finance laws; and
- Complied with applicable campaign disclosure and disclaimer requirements and timeframes required by applicable laws and regulations.

The scope of our assessment included contributions and expenditures the Committee reported from January 31, 2018 through December 31, 2018. The assessment included determining whether funds remaining in the Campaign Contribution Trust Account on December 6, 2018, were subsequently remitted to the Ethics Commissions, as City campaign finance law requires.¹

Methodology

To meet the objectives of this assessment, we tested and reconciled contributions listed on the Form 460s² to deposits listed on the bank statements and vouched them to the Committee's verified records. We also

¹ December 6, 2018 is 30 days after the date of the election. Section 1.148(c) of the City's Campaign Finance Reform Ordinance states, "Any candidate who received public financing and whose committee has unexpended public funds shall pay to the City and County of San Francisco and deliver to the Ethics Commission those funds for deposit in the Election Campaign Fund no later than 30 days after the Ethics Commission completes its audit of the candidate's committee." The City's Campaign Finance Reform Ordinance defines unexpended public funds as, "... all funds remaining in the candidate committee's account on the 30th day after the candidate controlling committee is either elected or not elected to office regardless of the source of the funds, but shall not exceed the amount of public funds provided to the candidate."

² California Form 460 – Recipient Committee Campaign Statement.

reconciled expenditures listed on the Form 460s to the bank statements and vouched to the Committee's verified records. We performed other tests to determine whether the Committee complied with state and City campaign finance laws. We performed the following procedures: reviewed the Form 460s the Committee filed and the supporting documentation; conducted non-statistical testing of a random selection of contributions and expenditures to confirm that proper documentation was obtained; and reviewed mailings and other advertisements that were listed on the Form 161s³ for compliance with City campaign finance laws.

We conducted this assessment in accordance with the statements on standards for consulting services as issued by the American Institute of Certified Public Accountants (AICPA) and the terms of our contract agreement. Those standards require that we plan and perform the engagement to obtain sufficient, appropriate data to provide a reasonable basis for our conclusions based on our objectives. We believe that the data obtained provides a reasonable basis for our conclusions based on our assessment objectives.

Assessment Results

From January 30, 2018 through December 31, 2018, the Committee received \$129,431.54 in monetary contributions, and \$125,645.54 in public funds – or a total of \$255,077.08 – and expended \$256,477.94.⁴ The Committee owes no unexpended funds to the City. We found that the Committee, in general:

- Accurately and completely reported all campaign contributions and expenditures.
- Supported reported contributions and expenditures with sufficient documentation.
- Accepted only contributions that comply with state and City campaign finance laws.
- Only made expenditures that comply with state and City campaign finance laws.
- Complied with applicable campaign disclosure and disclaimer requirements and timeframes.

Conclusion

The observations identified in this report will be reviewed further by the Ethics Commission's Enforcement and Legal Affairs Department, who will determine whether or not the Committee substantially complied with state and City campaign finance laws as outlined in the objectives and scope section of this report.

The Committee was provided a copy of this report and an opportunity to respond. The Committee's response is attached to this report.

This report is intended solely for the information and use of the Ethics Commission and the Committee and is not intended to be and should not be used by any other party.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 17, 2019

³ San Francisco Ethics Commission Form 161 – Itemized Disclosure Statement for Mass Mailings.

⁴ In addition to monetary contributions, the Committee reported that it received \$1,400.86 in miscellaneous increases to cash – including refunds of previously reported expenditures – which are not identified as contributions on the Form 460.



December 13, 2019

LeeAnn Pelham
San Francisco Ethics Commission
25 Van Ness Avenue, Suite 220
San Francisco, CA 94102

RE: Response to Draft Assessment Report – Christine Johnson for District 6 Supervisor 2018

Dear Director Pelham,

Thank you for the opportunity to respond to the draft assessment report by Macias Gini & O'Connell LLP for Christine Johnson for District 6 Supervisor – 2018 ("Committee").

After thorough review of the draft assessment report, the Committee does not have additional comments and/or updates to make to the report.

If there are any questions that may arise during the finalization of the assessment report, please feel free to reach out to us via e-mail at pmar@viewavegrp.com or twaineo@viewavegrp.com or by phone at (628) 899-6180.

Regards,

Patricia Mar

Enclosure – Johnson 2018 Draft Assessment Report by MCO