



San Francisco Ethics Commission

25 Van Ness Avenue, STE 220
San Francisco, CA 94102-6053
ethics.commission@sfgov.org
415-252-3100 | sfethics.org

August 9, 2021

To: Members of the Ethics Commission

From: Eric Willett, Senior Investigator and Streamlined Program Administrator

Subject: **AGENDA ITEM 7: Proposed SARP Stipulation, Decision and Order**

- ***In the Matter of Jennifer Stojkovic (SFEC Complaint No. 1920-011).***

Summary

This memorandum provides information regarding the Proposed SARP Stipulation appearing in this agenda item and what the Commission may do next regarding this Proposed SARP Stipulation.

Action Requested

The Commission may approve the Proposed SARP Stipulation by majority vote, or it may provide guidance to Commission Staff regarding the Proposed SARP Stipulation.

Regulatory Background

Pursuant to the Commission's Enforcement Regulations, the Executive Director may enter negotiations with a respondent at any time to resolve the factual and legal allegations in a complaint by way of a stipulated order (*i.e.* a negotiated settlement). Enf. Reg. § 12(A). The Regulations require that the stipulated order set forth the pertinent facts and may include an agreement as to anything that could be ordered by the Commission under its authority pursuant to Charter section C3.699-13. *Id.*

Immediately after the Executive Director enters a stipulated order with a respondent, the Executive Director must inform the Commission of the proposed stipulation. Enf. Reg. § 12(E). Thereafter, any member of the Commission may request that the stipulated order be reviewed in public session by the full panel of the Commission during its next meeting. *Id.*

This proposed stipulation was reached pursuant to the Commission's [Streamlined Administrative Resolution Program](#). As of today, no Commissioner had requested review of the attached streamlined stipulated order in public session by the full panel of the Commission. It therefore appears on the Consent Calendar. The Commission may approve the stipulation by majority vote, or it may provide guidance to Commission Staff regarding the Proposed SARP Stipulation. Enf. Reg. § 12(F).

Members of the public may comment on the Proposed SARP Stipulation, noting that the Commission receives public comment once for all consent items collectively.

Additional Background

This item was continued from the July meeting of the Ethics Commission at the request of the Commission. Before taking action on this item, the Commission wished more fully to review how the

Lobbying Ordinance treats lobbying on behalf of nonprofit entities and whether the lobbying Respondent Stojkovic conducts on behalf of her nonprofit employer sf.citi is subject to the registration and disclosure requirements of the Lobbying Ordinance.

The Lobbying Ordinance excludes from the definition of reportable contacts any lobbying activity that an officer or employee of a nonprofit organization conducts on behalf of their organization. SF C&GCC § 2.106(b)(16). However, such lobbying activity is exempt only for officers and employees lobbying on behalf of the following nonprofit organizations:

- an organization with tax exempt status under 26 U.S. Code section 501(c)(3);
- an organization with tax exempt status under 26 U.S. Code section 501(c)(4) whose most recent federal tax filing included an IRS Form 990-N or an IRS Form 990-EZ; or
- an organization whose next federal tax filing is reasonably likely to include an IRS Form 990-N or an IRS Form 990-EZ.

See id. Generally, a tax-exempt organization may file a 990-N if its total annual income (irrespective of costs or expenses) is normally \$50,000 or less. A tax-exempt organization may file a 990-EZ if its total annual income (irrespective of costs or expenses) is \$200,000 or less *and* its total assets at the end of the year are worth less than \$500,000.

In summary, officers and employees of a 501(c)(3) organization lobbying on behalf of their employer need not register and disclose their lobbying activity regardless of their annual revenue or assets, while the officers and employees of other exempt organizations (including 501(c)(4) and 501(c)(6) organizations) lobbying on behalf of their employer need not register and disclose their lobbying activity *if* their organization's annual revenue and/or assets are modest enough to qualify them for specifically enumerated abbreviated tax filings.

Here, because sf.citi is a 501(c)(6) ineligible to file a 990-N or 990-EZ, Respondent Stojkovic's lobbying activities are subject to the Commission's oversight jurisdiction.

LeeAnn Pelham
Executive Director
Eric Willett
Senior Investigative Analyst

San Francisco Ethics Commission
25 Van Ness Avenue, Suite 220
San Francisco, CA 94102
(415) 252-3100 Telephone
(415) 252-3112 Facsimile

BEFORE THE SAN FRANCISCO
ETHICS COMMISSION

In the Matter of) SFEC Complaint No. 1920-011
)
JENNIFER STOJKOVIC,)
) Streamlined Administrative Resolution Program
Respondent.) STIPULATION, DECISION, AND ORDER
)
)
)

THE PARTIES STIPULATE AS FOLLOWS:

1. This Streamlined Administrative Resolution Program Stipulation, Decision, and Order (Stipulation) is made and entered into by and between Jennifer Stojkovic (Respondent) and the San Francisco Ethics Commission (the Commission).
2. Respondent and the Commission agrees to settle and resolve all factual and legal issues in this matter and to reach a final disposition through the Commission's Streamlined Administrative Resolution Program and without an administrative hearing. Upon approval of this Stipulation and full performance of the terms outlined in this Stipulation, the Commission will take no future action against Respondent, and this Streamlined Stipulation shall constitute the complete resolution of all claims by the Commission against Respondent related to the violations of law described in Exhibit A. Respondent understands and knowingly and voluntarily waives all rights to judicial review of this Streamlined Stipulation and any action taken by the Commission or its staff on this matter.

1 3. Respondent acknowledges responsibility for and agree to pay an administrative penalty
2 as set forth in Exhibit A. Respondent agrees that the administrative penalty set forth in Exhibit A is a
3 reasonable administrative penalty.

4 4. Within ten business days of the Commission's approval of this Stipulation, Respondent
5 shall either pay the penalty through the City's online payment portal or otherwise deliver to the
6 following address the sum as set forth in Exhibit A in the form of a check or money order made payable
7 to the "City and County of San Francisco":
8

9 San Francisco Ethics Commission
10 Attn: Enforcement & Legal Affairs Division
11 25 Van Ness Avenue, Suite 220
12 San Francisco, CA 94102

13 5. If Respondent fails to comply with the terms of this Stipulation, then the Commission
14 may reopen this matter and prosecute Respondent under Section C3.699-13 of the San Francisco
15 Charter for any available relief.

16 6. Respondent understands, and hereby knowingly and voluntarily waives, any and all
17 procedural rights under Section C3.699-13 of the San Francisco Charter and the Commission's
18 Enforcement Regulations with respect to this matter. These include, but are not limited to, the right to
19 appear personally at any administrative hearing held in this matter, to be represented by an attorney at
20 Respondent's expense, to confront and cross-examine all witnesses testifying at the hearing and to
21 subpoena witnesses to testify at the hearing.

22 7. Respondent understands and acknowledges that this Stipulation is not binding on any
23 other government agency with the authority to enforce the San Francisco Campaign & Governmental
24 Conduct Code section 1.100 *et seq.*, and does not preclude the Commission or its staff from cooperating
25 with or assisting any other government agency in its prosecution of Respondent for any allegations set
26 forth in Exhibit A, or any other matters related to those violations of law set forth in Exhibit A.
27

1 8. This Stipulation is subject to the Commission's approval. In the event the Commission
2 declines to approve this Stipulation, the Stipulation shall become null and void, except Paragraph 9,
3 which shall survive.

4 9. In the event the Commission rejects this Stipulation, and further administrative
5 proceedings before the Commission are necessary, Respondent agrees that the Stipulation and all
6 references to it are inadmissible. Respondent moreover agrees not to challenge, dispute, or object to
7 the participation of any member of the Commission or its staff in any necessary administrative
8 proceeding for reasons stemming from his or her prior consideration of this Stipulation.

9 10. This Stipulation, along with the attached Exhibit A, reflects the entire agreement
10 between the parties hereto and supersedes any and all prior negotiations, understandings, and
11 agreements with respect to the transactions contemplated herein. This Stipulation may not be amended
12 orally. Any amendment or modification to this Stipulation must be in writing duly executed by all parties
13 and approved by the Commission at a regular or special meeting.

14 11. This Stipulation shall be construed under, and interpreted in accordance with, the laws
15 of the State of California. If any provision of the Stipulation is found to be unenforceable, the remaining
16 provisions shall remain valid and enforceable.

17 12. The parties hereto may sign different copies of this Stipulation, which will be deemed to
18 have the same effect as though all parties had signed the same document.
19
20
21
22
23
24
25
26
27
28

1 Dated: 06-21-2021 | 08:36:54 PDT

DocuSigned by:

LeeAnn Pelham

2ACC7A331EF7459...

2 LEEANN PELHAM, EXECUTIVE DIRECTOR
3 SAN FRANCISCO ETHICS COMMISSION

4 Dated: 06-17-2021 | 09:50:49 PDT

DocuSigned by:

Jennifer Stojkovic

EA4AAD3592634F7...

5 JENNIFER STOJKOVIC

DECISION AND ORDER

The foregoing Stipulation of the parties in the matter of “Jennifer Stojkovic, SFEC Complaint No. 1920-011,” including the attached Exhibit A, is hereby accepted as the final Decision and Order of the San Francisco Ethics Commission, effective upon execution below by the Chairperson.

IT IS SO ORDERED.

Dated: _____

NOREEN AMBROSE, CHAIRPERSON
SAN FRANCISCO ETHICS COMMISSION

Exhibit A

Description of Respondent: Jennifer Stojkovic is the Executive Director at sf.citi and has made lobbyist contacts for her employer since at least July 2017.

Description of Violation: Since she qualified as a contact lobbyist in January of 2018, Jennifer Stojkovic has made 40 lobbyist contacts on behalf of her employer, sf.citi and has failed to disclose contacts she made for her employer and payments that she received from her employer in violation of SF C&GCC section 2.110(c).

Specific Eligibility Requirements: Jennifer Stojkovic must file 22 amended monthly lobbyist reports and disclose the contacts she made for her employer and/or the payments she received from her employer on the following reports:

- 1) May 2021
- 2) February 2021
- 3) October 2020
- 4) September 2020
- 5) June 2020
- 6) May 2020
- 7) January 2020
- 8) October 2019
- 9) September 2019
- 10) June 2019
- 11) May 2019
- 12) March 2019
- 13) February 2019
- 14) January 2019
- 15) November 2019
- 16) October 2018
- 17) September 2018
- 18) June 2018
- 19) May 2018
- 20) April 2018
- 21) March 2018
- 22) January 2018

and then Jennifer Stojkovic must sign and return this stipulated agreement within 90 days of contact by the Commission's Enforcement Division.

Specific Financial Penalty Modifiers:

- ☐ \$931 if corrective action is taken and the stipulation is signed and returned by June 18, 2021
- ☐ \$1,418 if corrective action is taken and the stipulation is signed and returned by July 16, 2021
- ☐ \$1,905 if corrective action is taken and the stipulation is signed and returned by August 16, 2021