



# San Francisco Ethics Commission

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July 1, 2022

To: Members of the Ethics Commission

From: Eric Willett, Senior Investigator and Streamlined Program Administrator

Subject: **AGENDA ITEM 5: Proposed SARP Stipulation, Decision and Order**

- ***In the Matter of Gabriela López (SFEC Complaint No. 2021-038).***

## 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](#). The Proposed SARP Stipulation attached here is available for review in public session by the full panel of the Commission during its next meeting. The Commission may therefore discuss this item, and it may either approve the Proposed SARP Stipulation by majority vote or 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.

LeeAnn Pelham  
Executive Director

Patrick Ford  
Director of Enforcement

San Francisco Ethics Commission  
25 Van Ness Avenue, Suite 220  
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(415) 252-3100

BEFORE THE SAN FRANCISCO  
ETHICS COMMISSION

In the Matter of	)	SFEC Complaint Nos. 2021-038
	)	
Gabriela López,	)	
	)	<b>Streamlined Administrative Resolution Program</b>
Respondent.	)	<b>STIPULATION, DECISION, AND ORDER</b>
	)	
	)	
_____	)	

THE PARTIES STIPULATE AS FOLLOWS:

1. This Streamlined Administrative Resolution Program Stipulation, Decision, and Order (Stipulation) is made and entered into by and between Gabriela López (hereinafter “Respondent”) and the San Francisco Ethics Commission (the Commission).

2. Respondent and the Commission agree 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. Respondent represents that Respondent has accurately furnished to the Commission all information and documents that are relevant to the conduct described in Exhibit A. Upon approval of this Stipulation and full performance of the terms outlined in this Stipulation, the Commission will take no future action against Respondent regarding the violations of law described in Exhibit A, and this Streamlined Stipulation shall constitute the complete resolution of all claims by the Commission against Respondent related to such violations. 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.

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

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

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

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

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

7. Respondent understands and acknowledges that this Stipulation is not binding on any other government agency with the authority to enforce the San Francisco Campaign & Governmental Conduct Code section 1.100 *et seq.*, and does not preclude the Commission or its staff from cooperating

with or assisting any other government agency in its prosecution of Respondent for any allegations set forth in Exhibit A, or any other matters related to those violations of law set forth in Exhibit A.

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

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

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

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

12. The parties hereto may sign different copies of this Stipulation, which will be deemed to have the same effect as though all parties had signed the same document.

Dated: 06-29-2022 | 12:54:48 PDT

DocuSigned by:  
*LeeAnn Pelham*  
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LEEANN PELHAM, EXECUTIVE DIRECTOR  
SAN FRANCISCO ETHICS COMMISSION

Dated: 06-29-2022 | 14:16:59 CDT

DocuSigned by:  
*Gabriela López*  
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GABRIELA LÓPEZ

**DECISION AND ORDER**

The foregoing Stipulation of the parties in the matter of “Gabriela López, SFEC Complaint No. 2021-038,” 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: \_\_\_\_\_

\_\_\_\_\_

YVONNE LEE, CHAIRPERSON  
SAN FRANCISCO ETHICS COMMISSION

## Exhibit A

On January 8, 2019, Gabriela López assumed office as a Member of the San Francisco Unified School District Board of Education. On March 13, 2022, López left office as a Member of the Board of Education. The Board of Education is responsible for establishing educational goals and standards; approving curriculum; setting the district budget; confirming appointment of all personnel; approving purchases of equipment, supplies, and services; and approving lease, renovation, construction, and union contracts.

No later than 30 days after assuming office as a School Board Member and annually thereafter, López was required to file a Form 700 with the Ethics Commission disclosing (1) her interests in real property located entirely or partly within School District boundaries, or within two miles of School District boundaries, or of any land owned or used by the School District held on the date of assuming office; and (2) investments or business positions in or income from sources which are engaged in the acquisition or disposal of real property within the School District, *are contractors or subcontractors which are or have been within the past two years engaged in work or services of the type used by the School District, or manufacturer or sell supplies, books, machinery, or equipment of the type used by the School District.* C&GCC §§ 3.1-103(a)(2) (emphasis added), 3.1-420; *see also* Gov't Code § 87302.

From August 12, 2019, through April 12, 2020, López received income from Mission Neighborhood Centers (MNC) as the organization's Chief Academic Officer. MNC provides services that are of the type used by the School District, such as comprehensive child development services. MNC is also a "contractor;" the organization is a party to several contracts with the City as well as state and federal agencies. Thus, at the time that López received income from and had a business position in MNC, MNC was, and had been within the past two years, a "contractor" engaged in work or services of the type used by the School District. Thus, López was required to report the income from and business position in MNC on the Form 700.

**Description of Violation:** On two Form 700s López filed timely, she failed to report a source of income from a source which is or had been within the past two years engaged in work or services of the type used by the School District, in violation of SF C&GCC section 3.1-102(a).

1. An Annual Form 700 covering calendar year 2019; and
2. An Annual Form 700 covering calendar year 2020.

**Specific SARP Eligibility Requirements:** In order for a respondent to be eligible for SARP, the respondent must meet the program's general eligibility criteria and any specific eligibility criteria that apply to the violations at issue. For a financial interest omitted on the respondent's Form 700, SARP requires that the respondent amend the Form 700 to disclose the interest. In response to contact by the Commission's Enforcement Division, in April 2022 López amended her Annual Form 700s for the years 2019 and 2020 to disclose her income from MNC.

López disclosed receiving between \$10,001 and \$100,000 in salary from MNC during both calendar year 2019 and 2020. This is the only economic interest that the Respondent failed to report, and Investigators found no evidence that MNC had contracts with the School District.

**Specific Financial Penalty Modifiers:**

SARP sets forth the fixed penalties that apply to SARP-eligible violations. The fixed penalties are based on the number of violations and the amount of time it takes for the respondent to settle the matter after being contacted by the Enforcement Division, including any necessary remedial actions.

The penalty that applies to the violations at issue is \$1,400. This represents a \$700 penalty per economic interest not disclosed on a Form 700 when the respondent amends any the relevant forms to disclose the undisclosed interest within 60 days of contact by the Enforcement Division and the stipulation was timely signed and returned. The respondent failed to report one interest on two separate Form 700s, took remedial action within 60 days of contact by the Enforcement Division, and timely signed and returned this stipulation.