



San Francisco Ethics Commission

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March 18, 2024

To: Members of the Ethics Commission
From: Jeffrey Zumwalt, Acting Director of Enforcement
Subject: **Agenda Item 5: Quarterly Enforcement Report**

Summary and Action Requested

This report provides general programmatic updates and data about the cases handled by the Commission's Enforcement Division.

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

Cases Resolved

Fiscal Year 2024

So far in Fiscal Year 2024 (July 1, 2023 – March 1, 2024), the Enforcement Division has concluded a total of 99 enforcement matters. Five of these matters resulted in stipulated settlements approved by the Commission. In total, these settlements represented penalties of \$57,725.

Cases In Progress

So far in FY24, 131 enforcement matters have been initiated. Fifty-six of these matters began from complaints that the Commission received from the public, but this also includes 71 matters that the Division initiated based on media reports, observations in public disclosures, independent research, findings from audit reports, and interactions with regulated persons. Six matters were initiated based on a referral from the Controller's Whistleblower Program. Seventy-nine matters initiated in FY24 have already been resolved.

In total, 62 matters are currently in progress, including matters that were initiated during FY24 and matters that were initiated in prior fiscal years. Of these matters, 14 are in preliminary review, and 48 are open investigations. Twenty-one of the investigations pertain to individuals who failed to file the Form 700 in calendar year 2023. These matters were initiated as part of the Enforcement Division's new protocol for addressing Form 700 noncompliance.

The current cases in progress are broken down by program area in Charts 1 and 2 on the next page.

Chart 1 – Matters in Preliminary Review by Program Area

Matters Currently in preliminary review: **15**

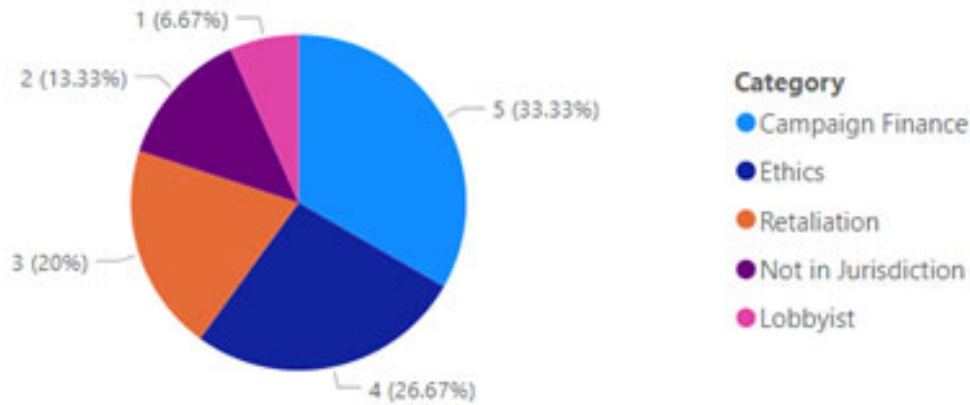
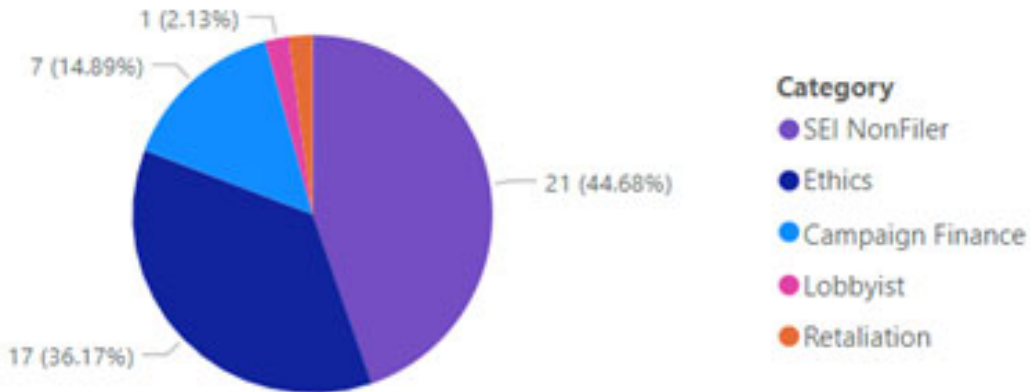


Chart 2 – Open Investigations by Program Area

Current open investigations: **47**



Transitions within the Enforcement Division

With Patrick Ford’s selection as the Ethics Commission’s new Executive Director which became effective January 29, 2024, I assumed the role of Director of Enforcement in an acting capacity. I previously served in this same capacity from late 2021 to early 2022 when the Enforcement Division went through a similar transition prior to Patrick’s then-appointment to Director of Enforcement. During the transition period until a new permanent Director of Enforcement is appointed, the Division will focus on continuity of the team’s operations and current objectives.

The Enforcement Division has established several protocols to handle the day-to-day administrative, investigative, and settlement processes. The Enforcement Division is already continuing to following these protocols since the time I took over the leadership position. As a result, complaints from the general public are still being responded to, preliminary reviews completed in an average of less than 90 days, and investigations and subsequent settlements pursued consistent with the annual divisional goals. I did find it necessary to reassign cases I was previously investigating to other Senior Investigators which has led to some minor delays in certain investigations which I expect to dissipate over the coming months. Because the Enforcement Division will be short one full-time investigator while I am in the role of Acting Director of Enforcement, I will still need to assist with a portion of investigative duties in addition to management responsibilities to ensure that case resolution targets are met.

With the March 4th election behind us and what is likely to be a busy November election this year, the Enforcement Division will continue to review campaign finance statement filings for potential violations of the City's Campaign Finance Reform Ordinance and campaign finance related provisions of the Political Reform Act. Investigators are exploring new ways to utilize campaign finance datasets to automate searches of campaign finance statements that previously would have required further manual research. Through this process Investigators are planning to formalize the investigative procedures in new enforcement protocols with the hope that future investigative efforts can be streamlined by following an established processes. These efforts will continue the Enforcement Division's goals of initiating proactive investigations to identity potential violations that are not reported through complaints.