



**Campaign Finance Audit Report
Dean Preston for Supervisor 2024 (ID # 1462498)**

March 5, 2026

I. Introduction

This Audit Report summarizes the audit results for the committee Dean Preston for Supervisor 2024, FPPC ID # 1462498 (the “Committee”), for the period January 1, 2023, through December 31, 2024. The audit was conducted by Ethics Commission audit staff to determine whether the Committee materially complied with applicable state and local campaign finance laws during the November 2024 election.

II. Audit Authority

San Francisco Charter Section C3.699-11 authorizes the Ethics Commission (the “Commission”) to “audit campaign statements and other relevant documents” of campaign committees that file with the Commission. San Francisco Campaign and Governmental Conduct Code (“C&GCC”) Section 1.150(a) requires the Commission to audit all committees of candidates who have received public financing and authorizes the Commission to initiate targeted audits of other committees at its discretion.

III. Objective and Scope

The objective of the audit was to reasonably determine whether the Committee materially complied with requirements of the San Francisco Campaign Finance Reform Ordinance (C&GCC Section 1.100, et seq., and supporting regulations) and the California Political Reform Act (California Government Code Section 81000, et seq., and supporting regulations).

The audit was conducted based on an analysis of the Committee’s filings and support documentation obtained from the Committee. A complete summary of the audit’s objectives and the methods used to address those objectives appears in Appendix A.

IV. Committee Information

The Committee qualified as a committee on August 21, 2023, as a candidate-controlled committee supporting the election of Dean Preston (the “Candidate”) to the office of District 5 Supervisor in the November 5, 2024, election. The Committee remains active as of February 2026.

Albany Aroyan served as the Committee’s treasurer (the “Treasurer”) for the full period covered by the audit and was the primary audit contact on behalf of the Committee during the audit.

For the period covered by the audit, the Committee reported receiving \$607,063—including \$350,036 in monetary contributions, \$1,029 in nonmonetary contributions, and \$255,000 in public financing—and making or incurring \$612,986 in expenditures.

V. Material Audit Findings

Auditors identified the following material findings during the audit. These findings represent instances of noncompliance that Auditors determined to be significant based on the frequency of occurrence within a representative sample, or based on the significance of the dollar amount, the percentage of total activity, or the importance of the item to the purposes of state or local law.

Finding V-1. In connection with expenditures to two vendors, the Committee misreported payment dates and amounts, did not disclose accrued expenses, and did not report subvendor payments

Applicable Law

For each person to whom a committee has made an expenditure of \$100 or more, the committee must disclose the full name and street address of the payee, amount of each expenditure, and a brief description of the consideration received. *Id.* § 84211(k).

For purposes of Section 84211(k), the terms “expenditure” or “expenditures” mean any individual payment or accrued expense, unless it is clear from surrounding circumstances that a series of payments or accrued expenses are for a single service or product. *Id.*

Local law also requires a committee to report the date of each expenditure required to be disclosed. C&GCC § 1.112(a)(4). For purposes of this section, an expense is incurred on the date the payment is made or the date consideration is received or performed, whichever is earlier, and an accrued expense is incurred on the date the debt or obligation is contracted. C&GCC Reg. § 1.112-1(a)-(b).

Committees must report an accrued expense as of the date on which the goods or services are received, and must report outstanding accrued expenses on each campaign statement until extinguished. 2 CCR § 18421.6(a)-(b).

Committees are required to report expenditures made by an agent or independent contractor of a committee of \$500 or greater, other than expenditures for the agent’s or independent contractor’s overhead and normal operating expenses, as if the expenditures were made directly by the committee. Gov’t Code § 84303(a).

A subvendor who provides goods or services to or for the benefit of a committee must make known to the agent or independent contractor all of the information required to be reported by this section, who in turn must make that information known to the committee. *Id.* § 84303(b).

Funds in a candidate committee's campaign account may be used only on behalf of the candidacy for the office specified in the candidate's filed declaration of intention (FPPC Form 501) or for expenses associated with holding that office, provided that such expenditures are reasonably related to a legislative, governmental, or political purpose. C&GCC § 1.122(b)(1).

Analysis

Auditors reviewed a sample of 51 expenditures, including four reported expenditures to Rough House Productions, LLC ("Rough House") and two reported expenditures to Universe Digital Inc. ("Universe"). Based on a review of support records, Auditors identified irregularities in the reporting of these expenses and consequently expanded their review to all payments made by Rough House and Universe. The Committee reported a total of \$612,690 in itemized expenditures during the audit period, of which payments to Rough House comprised \$183,884 and payments to Universe comprised \$4,751.

Rough House Productions

In reporting expenditures made to Rough House, the Committee aggregated the total amounts paid during each reporting period and inaccurately reported expenditure dates required by Section 1.112. The Committee's bank statements show that the Committee made 22 payments to Rough House totaling \$179,728, which Auditors were able to reconcile to 21 invoices sent by Rough House to the Committee, including one invoice that was split into two payments. Each invoice was related to the production and dissemination of a specific advertisement.

However, the Committee reported only seven payments to Rough House, which totaled \$183,884. The Committee aggregated all payments made to Rough House in a reporting period and generally reported the expenditure date as the end date of that reporting period. In addition to overstating the total amount paid by \$4,156, the Committee did not report accurate expenditure dates. Pursuant to Section 1.112 and accompanying regulations, the Committee was required to report the date on which consideration was received or performed for each reported expenditure, where Section 84211 defines an expenditure as any individual payment. Because each payment was related to the production of a distinct product, these payments were not a "series" of expenditures.

The table below summarizes the expenditure dates and amounts reported by the Committee, and the related invoice dates and amounts as they should have been reported:

Payee	Reported Date	Reported Amount	Invoice Date	Invoice Amount
Rough House Productions, LLC	6/13/2024	\$21,104	2/4/2024	\$3,064
			2/4/2024	\$1,973
			2/5/2024	\$4,470
			4/9/2024	\$2,523
			5/29/2024	\$4,742
			5/29/2024	\$4,332

Payee	Reported Date	Reported Amount	Invoice Date	Invoice Amount
	9/21/2024	\$8,684	7/13/2024	\$4,156
			8/3/2024	\$2,456
			8/3/2024	\$2,073
	10/19/2024	\$4,843	9/12/2024	\$4,843
	10/19/2024	\$39,113	10/7/2024	\$21,844
			10/7/2024	\$17,269
	10/30/2024	\$51,730	10/7/2024	\$1,878
			10/7/2024	\$1,387
			10/11/2024	\$17,947
			10/14/2024	\$15,187
	10/30/2024	\$35,532	10/18/2024	\$15,331
			10/24/2024	\$15,426
			10/27/2024	\$18,900
	12/31/2024	\$22,878	10/28/2024	\$1,207
			10/29/2024	\$18,722
[Over-reported]			\$4,156	

Auditors also determined that the Committee incompletely reported payments made by Rough House to subvendors. Auditors reviewed subvendor reports for seven of the 21 Rough House invoices, which Rough House had submitted to the Committee in accordance with Section 84303(b) to make known to the Committee information about subvendor payments of \$500 or greater. In those seven subvendor reports, Auditors identified 32 individual payments to the subvendors Cornerstone, Claro Creative, and SF VAN that were greater than \$500 and therefore required to be disclosed pursuant to Section 84303(a). These 32 subvendor payments, totaling \$77,839, are summarized in the table below:

Agent Name	Invoice Date	Subvendor Name	Subvendor Payment Amount
Rough House Productions, LLC	10/11/2024	Claro Creative Inc.	\$800
		Cornerstone	\$6,879
		Cornerstone	\$4,500
		Cornerstone	\$907
		SF VAN	\$870
	10/14/2024	Claro Creative Inc.	\$850
		Cornerstone	\$5,119
		Cornerstone	\$3,000
		Cornerstone	\$701
		SF VAN	\$640
	10/18/2024	Claro Creative Inc.	\$800
		Cornerstone	\$5,520
		Cornerstone	\$3,286

Agent Name	Invoice Date	Subvendor Name	Subvendor Payment Amount
		Cornerstone	\$698
		SF VAN	\$675
	10/24/2024	Claro Creative Inc.	\$850
		Cornerstone	\$5,824
		Cornerstone	\$3,427
		Cornerstone	\$737
		SF VAN	\$680
	10/27/2024	Claro Creative Inc.	\$950
		Cornerstone	\$6,291
		Cornerstone	\$5,289
		Cornerstone	\$819
		SF VAN	\$772
	10/28/2024	Cornerstone	\$2,553
		Cornerstone	\$640
	10/29/2024	Claro Creative Inc.	\$850
		Cornerstone	\$6,061
		Cornerstone	\$5,325
		Cornerstone	\$789
		SF VAN	\$737

However, in Schedule G (Payments Made by an Agent) of its Form 460 filings, the Committee reported only eight subvendor payments to the aforementioned subvendors totaling \$68,239. Because the Committee again aggregated amounts by subvendor and reporting period, the Committee did not report expenditure dates as required by Section 1.112, and Auditors were unable to determine from which invoices the Committee had derived the reported amounts. The table below summarizes all subvendor payments reported by the Committee for which Rough House was the agent:

Payee	Subvendor	Date	Amount
Rough House Productions, LLC	Claro Creative Inc.	9/21/2024	\$1,600
		10/19/2024	\$5,950
		10/30/2024	\$3,300
	Cornerstone Printing Inc	9/21/2024	\$8,068
		10/19/2024	\$26,234
		10/30/2024	\$17,220
	SF Van LLC	10/19/2024	\$3,716
		10/30/2024	\$2,151

Because the sample of seven subvendor reports reviewed by Auditors contained \$77,839 in reportable payments greater than \$500, and the Committee reported only \$68,239 in subvendor payments made by Rough House for the audit period, Auditors conclude that the Committee likely significantly

underreported subvendor payments. For the seven invoices reviewed, subvendor payments exceeding \$500 comprised 75.8% of the total invoice costs. Auditors note that each of the 21 invoices were substantively identical, listing the line items, “Production – Taxable” and “Production – Non-Taxable”, and indicating a print quantity. Accordingly, Auditors conclude that the remaining Rough House expenditures likely contain similar portions of underreported subvendor payments.

Universe Digital

The Committee reported three expenditures to Universe Digital Inc. totaling \$4,751. As support records, the Committee provided screenshots of the Committee’s Universe account dashboard, as it appeared in November 2024. The simple interface shows a monthly amount charged to the Committee during the periods June to August 2021 and March to November 2024, and corresponding payments made. This dashboard contains insufficient detail for Auditors to determine the dates on which the Committee made each payment, or the specific date on which Universe charged the Committee for each month.

As summarized in the table below, the Committee again reported aggregated payment amounts based on the end date of the reporting period in which the payment had been made, rather than the date on which consideration had been received for each expenditure as required by Section 1.112. While the Committee made only three payments for these expenses, dated October 1, 2024; November 1, 2024; and December 2, 2024, the expenditures were incurred during 12 separate months.

Payee	Reported Date	Reported Amount	Month incurred	Payment amount
Universe Digital Inc	10/19/2024	\$470	Jun 2021	\$27
			Jul 2021	\$442
	12/31/2024	\$2,420	Aug 2021	\$65
			Mar 2024	\$30
			Apr 2024	\$597
			May 2024	\$545
			Jun 2024	\$531
			Jul 2024	\$348
			Aug 2024	\$304
	12/31/2024	\$1,862	Sep 2024	\$479
			Oct 2024	\$1,207
			Nov 2024	\$175

In addition to not reporting accurate expenditure dates, the Committee did not properly report accrued expenses. As required by Regulations 18421.6 and 1.112-1, the Committee was required to accrue the expenditures as of the dates on which the services were received. As summarized in the table below, the Committee should have accrued eight expenditures that were incurred in a previous reporting period. Auditors note that the account screenshots do not indicate whether the Committee incurred each monthly expense on the first or the last of the respective month; for purposes of the table, Auditors assume that the amount was incurred on the last day of each month.

Additionally, as noted in the table below, the three payments totaling \$535 made in connection with the months June 2021, July 2021, and August 2021 were likely prohibited. Because these expenses had been incurred two years prior to the Committee’s formation and the Candidate’s filing of a Form 501 statement of intention on August 17, 2023, the Committee expended funds that could not have been in connection with the Candidate’s candidacy for the specified office as required by Section 1.122(b).

Payee	Month incurred	Payment amount	Date paid, per bank statement	Reporting period incurred (end date)	Required to be accrued
Universe Digital Inc	Jun 2021	\$27	10/1/2024	6/30/2021	N/A, prohibited
	Jul 2021	\$442	10/1/2024	12/31/2021	N/A, prohibited
	Aug 2021	\$65	11/1/2024		N/A, prohibited
	Mar 2024	\$30	11/1/2024	6/30/2024	Yes
	Apr 2024	\$597	11/1/2024		Yes
	May 2024	\$545	11/1/2024		Yes
	Jun 2024	\$531	11/1/2024		Yes
	Jul 2024	\$348	11/1/2024	9/21/2024	Yes
	Aug 2024	\$304	11/1/2024		Yes
	Sep 2024	\$479	12/2/2024	10/19/2024	Yes
	Oct 2024	\$1,207	12/2/2024	10/30/2024	Yes
	Nov 2024	\$175	12/2/2024	12/31/2024	No

Committee Response to Finding

The Treasurer provided the following comment: “The Committee reported the vendor payments referenced in the report by aggregating total amounts paid to each vendor within each reporting period. This reporting methodology was based on the FPPC Campaign Disclosure Manual 2 for Candidate Controlled Committees, Chapter 12 (Form 460, Schedule E instructions), which provides: ‘If several expenditures are made to one vendor during the same reporting period, all of the payments to the vendor may be reported in a single record.’ In accordance with that published guidance, the Committee disclosed for each reporting period the vendor name, the total amount paid during the reporting period, and the campaign purpose.”

Auditor Comment

Notwithstanding the guidance in the FPPC’s Campaign Disclosure Manual allowing for the aggregation of reported expenditures, local law requires committees to report the date of each expenditure required to be disclosed, a requirement that does not exist in state law. C&GCC § 1.112(a)(4). Accordingly, and because under Regulation 1.112-1 an individual expense is considered incurred on the earlier of the date of payment or the date consideration was received, aggregating expenditures will cause the reported dates for each expenditure to be inaccurate or incomplete under local law.

Finding V-2. The Committee did not maintain or provide required support records for contributions made by check, nonmonetary contributions, or reported refunds

Applicable Law

Committees must maintain detailed accounts, records, bills, receipts, and other original source documentation as necessary to prepare financial statements for a period of four years. C&GCC § 1.109(a), 2 CCR § 18401(b).

For each contribution received of \$25 or more, and for other receipts of \$25 or more, committees must maintain records containing the date of each contribution or other receipt, the amount, and the full name and street address of the contributor or the source of the other receipt, and original source documentation including copies of contributor checks, any other record of all items deposited, and contributor cards. 2 CCR § 18401(a)(2)(A)-(B). For each contribution received of \$100 or more, committees must additionally maintain records of the contributor's occupation and employer and any communication used to secure that information. *Id.* § 18401(a)(3)(A)-(B).

For each nonmonetary contribution received of \$25 or more, the fair market value must also be recorded, along with a description of the goods or services received. *Id.* § 18401(a)(2)(A)-(B). If the contributor has not provided the value of the nonmonetary contribution, the original source documentation must include a memorandum or other record describing the method used to determine the value of the goods or services contributed. *Id.*

A committee must return any contribution of \$100 or more within 60 days if the committee does not have on file in its records the name, address, occupation, and employer of the contributor. Gov't Code § 85700(a). Fair Political Practices Commission ("FPPC") Advice Letter A-04-110 notes that the information required to be obtained by Section 85700 does not need to be obtained firsthand from a contributor, and no particular method for obtaining the information is required. However, "recordkeeping is a separate obligation of candidates and treasurers" and "the sufficiency of any recordkeeping in a particular instance will be assessed against the requirements of regulation 18401."

Analysis

Auditors reviewed a sample of credit transactions for compliance with reporting and recordkeeping requirements, including 174 contributions reported on Schedule A (Monetary Contributions Received), all four nonmonetary contributions reported on Schedule C (Nonmonetary Contributions Received), and all six transactions reported on Schedule I (Miscellaneous Increases to Cash).

Auditors' sample of 174 contributions included five contributions made by check, for which the Committee did not retain contributor cards, or any communications or other records, to support the reported occupation and employer information. Auditors were unable to verify the reported information, and it is unclear how the Committee determined this information to be accurate. In reviewing support records provided by the Committee, Auditors noted that no contributor cards or

similar records had been provided. Consequently, Auditors requested contributor cards for all individual contributions made by check, not limited to the sampled items. The Committee did not provide any such contributor cards or equivalent records for any contribution by check.

The table below summarizes the sampled check contributions that lacked required support records, though Auditors note that the Committee did not maintain such records for any check contribution:

Contributor Name	Date	Amount
Jesus Barragan	12/24/2023	\$500
Conor Ryan	4/11/2024	\$100
Connie Rubiano	6/14/2024	\$100
Jennifer Hamamoyo	7/1/2024	\$250
Van Okamura	7/1/2024	\$500

The Committee did not provide any records to support four reported nonmonetary contributions totaling \$985. For each transaction summarized in the table below, the Committee was required by Regulation 18401 to maintain a description of the goods or service received and a record describing the method of valuation. The Committee provided no such records, and Auditors were unable to verify the completeness or accuracy of the reported nonmonetary contributions.

Contributor Name	Description	Date	Amount
Katz-Hyman	Campaign literature	07/31/2024	\$418
Tenants and Families United PAC Sponsored by Center for Empowered Politics	Food and beverage for campaign event	08/23/2024	\$146
Tenants and Families United PAC Sponsored by Center for Empowered Politics	Staff time	09/06/2024	\$90
San Francisco League of Pissed Off Voters Slate Mail Organization	Staff time	10/02/2024	\$331

Finally, the Committee did not provide any records to support two reported refunds totaling \$815 reported on Schedule I and summarized in the table below. As required by Regulation 18401, the Committee must maintain original source documentation for each receipt of \$25 or more for a period of four years. The Committee provided no such records, and Auditors were unable to verify the completeness or accuracy of the reported refunds.

Source Name	Description	Date	Amount
Gusto, Inc.	Refund	8/28/2024	\$516
Cycon Office Systems	Refund	12/31/2024	\$299

Committee Response to Finding

The Treasurer provided the following comment: "Regulation 18401 requires that a committee 'maintain' records containing specified information, including a contributor's occupation and employer for contributions of \$100 or more, and retain 'any communication used to obtain' that information. The

regulation does not prescribe the format of those records, does not require that a communication be used to obtain the information, and does not require the creation of documentation beyond the records that exist. Its structure is preservation-based: it specifies what must be maintained if such records exist. The Committee's electronic finance database forms part of its maintained accounts and records, and contemporaneous entry of occupation and employer information into that system satisfies the requirement that the information be contained in the Committee's records. Minor clarifications, such as correcting spelling or expanding an abbreviated employer name, do not independently create a separate documentation obligation absent an underlying communication that would itself be required to be retained."

Auditor Comment

For the contributions discussed in this finding, Auditors did not review support records demonstrating how or when the Committee obtained the reported contributor employer or occupation information and were therefore unable to determine the accuracy of the reported information. Auditors interpret state regulation as generally requiring committees to maintain record of the means by which they obtained information. For example, "original source documentation must also include contributor cards, letters of transmittal, and notices received from contributors" (2 CCR § 18401(a)(2)(B)); "original source documentation must consist of . . . all communications caused to be sent by the candidate, treasurer, elected officer, or committee to secure [contributor] information" (*Id.* § 18401(a)(3)(B)); and a committee "shall maintain in its files a record of the date on which the information required by Government Code section 85700 was obtained, if that date is different from the date the contribution is received" (*Id.* § 18570(d)). FPPC Advice Letter I-07-152 notes, "a committee may use online databases to find needed contributor information," but cautions, "if the information is found to be inaccurate, the committee is not exempted from the requirement to return contributions under Section 85700."

VI. Other Identified Findings

Auditors identified the following non-material findings during the audit. These findings represent instances of noncompliance discovered through review of the Committee's filings and support documentation and through testing of sampled transactions that were determined not to be material in terms of frequency or dollar amount. This information is reported for the awareness of committees and treasurers and to facilitate the tracking of trends across audit reports.

Finding VI-1. The Committee did not maintain required support records for several expenditures

Applicable Law

Committees must maintain detailed accounts, records, bills, receipts, and other original source documentation as necessary to prepare financial statements for a period of four years. C&GCC § 1.109(a), 2 CCR § 18401(b).

For each expenditure made of \$25 or more, or a series of payments for a single product or service totaling \$25 or more, committees must maintain records containing the date and amount of the expenditure, the full name and street address of the payee, and a description of the goods or services received, as well as original source documentation including cancelled checks, wire transfers, credit card charge slips, bills, receipts, invoices, statements, or vouchers. Id § 18401(a)(4)(A)-(B).

Analysis

Auditors reviewed a sample of 51 expenditure transactions totaling \$456,437 and identified five expenditures totaling \$2,069 for which the Committee did not provide any support records. As required by Regulation 18401, the Committee is required to maintain original source documentation, such as invoices or receipts, for all expenditures of \$25 or more for a period of four years. Without adequate support records, Auditors were unable to confirm the reported payee information, amounts, or campaign-related purposes of the expenditures.

The table below summarizes the expenditures discussed in this finding:

Payee Name	Date	Amount
City Copy & Print	10/31/2023	\$587
Amazon	9/21/2024	\$318
Recology Sunset Scavenger	10/3/2024	\$182
Bob's Donuts	12/31/2024	\$430
Escape from New York Pizza	12/31/2024	\$552

Committee Response to Finding

The Treasurer provided the following comment: “Auditors reviewed 51 sampled expenditures totaling \$456,437 and identified five transactions totaling \$2,069 which represent approximately 0.45% of the dollar value of expenditures reviewed in the sample and approximately 0.34% of total reported expenditures during the audit period. The Committee maintained bank records reflecting the payee, date, and amount for these transactions, and all expenditures were disclosed in the Committee’s filings.”

Finding VI-2. Contributor information reported by the Committee did not match support records for several contributions

Applicable Law

For each individual from whom a committee has received cumulative contributions of \$100 or more, the committee must disclose the contributor’s full name, street address, occupation, employer, or, if self-employed, the name of the business, the date and amount of the contribution, and the cumulative amount of contributions received. Gov’t Code § 84211(f), C&GCC § 1.114.5(a).

For each contribution received of \$25 or more, committees must maintain records containing the date and amount of the contribution and the full name and street address of the contributor, and original source documentation including copies of contributor checks, any other record of all items deposited, and contributor cards. 2 CCR § 18401(a)(2)(A)-(B). For each contribution received of \$100 or more, committees must additionally maintain records of the contributor’s occupation and employer and any communication used to secure that information. *Id.* § 18401(a)(3)(A)-(B).

A committee must return any contribution of \$100 or more within 60 days if the committee does not have on file in its records the name, address, occupation, and employer of the contributor. Gov’t Code § 85700(a). Fair Political Practices Commission (“FPPC”) Advice Letter A-04-110 notes that the information required to be obtained by Section 85700 does not need to be obtained firsthand from a contributor, and no particular method for obtaining the information is required. However, “recordkeeping is a separate obligation of candidates and treasurers” and “the sufficiency of any recordkeeping in a particular instance will be assessed against the requirements of regulation 18401.”

Analysis

Auditors reviewed a sample of 174 contributions and identified five transactions (2.9% of the sample) for which the Committee reported contributor occupation or employer information that did not match support records maintained by the Committee. In each instance, the Committee altered information contained in credit card contribution reports provided by the platforms ActBlue and NationBuilder, and did not maintain communications or other records supporting the altered information as required by Regulation 18401.

For contributions from Matthias Wabl, V. Roy Lefcourt, Marlene Martin, and Danielle Otlin, the contributors had reported a specific occupation in ActBlue or NationBuilder but listed “N/A” under employer. It is unclear what the contributors intended by reporting N/A, but the Committee reported that each contributor was “Retired” or “Not Employed” without maintaining records to support this determination. Based on a search of public information available online, these contributors appear not to be retired or unemployed. Additionally, for a contribution from Matthew Cieplak, the contributor reported a specific employer name, but the Committee reported “Self-employed” without maintaining any record to support the altered information. The table below summarizes the contributions discussed in this finding:

Contributor Name	Amount	Date	Reported Occupation/ Employer	Occupation/Employer per Support
Matthias Wabl	\$500	1/30/2024	Not Employed / N/A	Consultant / N/A
V. Roy Lefcourt	\$500	2/19/2024	Retired / N/A	Lawyer / N/A
Marlene Martin	\$100	2/25/2024	Retired / N/A	Doctor / N/A
Danielle Otlin	\$100	2/27/2024	Not Employed / N/A	OT [Occupational Therapist] / N/A
Matthew Cieplak	\$100	7/2/2024	Software Developer / Self-Employed	Embedded hardware engineer / Nevados Engineering

Committee Response to Finding

The Treasurer provided the following comment: “Auditors identified five contributions out of a sample of 174 (2.9%) for which the reported occupation or employer differed from platform entries. In each instance, the contributor provided incomplete or ambiguous information. The Committee exercised due diligence by clarifying those entries to ensure that meaningful, complete occupation and employer information was maintained and disclosed. The differences reflect diligent efforts to improve accuracy and transparency.”

Finding VI-3. The Committee did not provide requested audit records to the Ethics Commission within the time required by local law

Applicable Law

Committees must maintain detailed accounts, records, bills, receipts, and other original source documentation as necessary to prepare financial statements for a period of four years. C&GCC § 1.109(a), 2 CCR § 18401(b).

City law requires committees to provide the Ethics Commission with any requested documents they are required to retain under state or local laws or regulations within 10 business days of receiving a request from the Ethics Commission. C&GCC § 1.109(b).

Analysis

During the audit, the Committee did not provide records in response to requests by Commission Auditors for records required to be maintained by state and local law within the 10 days required by Section 1.109(b). Following an initial request for records in January 2025, in response to which the Committee provided a majority of the records it was required to maintain, Auditors sent the Committee follow-up requests during the normal course of the audit as specific documentation was discovered to be missing. Throughout the audit, the Committee did not respond to requests for records required to be maintained by Section 1.109(a) and Regulation 18401 within 10 business days.

Committee Response to Finding

The Treasurer provided the following comment: “The Committee provided substantial records during the audit. Certain follow-up requests required compilation of materials from multiple sources and careful review to ensure complete and accurate production. The Committee worked in good faith to provide complete and responsive records.”

Finding VI-4. The Committee received contributions that were likely prohibited under the City's contractor contribution prohibition

Applicable Law

Under local law, no City contractor or affiliate of a City contractor may make any contribution to a candidate for an office for which the individual holding that office, or the board on which such an individual serves, must approve the contractor's contract, for a period of 12 months after the date of contract approval. C&GCC § 1.126(b)-(c).

An individual holding City elective office, or the clerk of the board on which such an individual serves, must notify the Ethics Commission by filing Form SFEC-126 within five business days of the approval of each contract by the relevant officer or board. Id. § 1.126(f)(4), C&GCC Reg. § 1.126-4(a)-(b).

Pursuant to the contribution ban in Section 1.126, a committee will meet due diligence requirements if the contributor certifies under penalty of perjury, in writing, including in an electronic format, that the contributor does not meet the aforementioned criteria in Section 1.126. C&GCC Reg. § 1.126-7.

Analysis

Utilizing Form SFEC-126 filing data made publicly available on the Ethics Commission's website, Auditors compared the affiliates and subcontractors reported by the Board of Supervisors to the contributors disclosed by the Committee. Auditors identified seven contributors who appeared to be listed as either affiliates or subcontractors to contracts that were approved by the Board of Supervisors. Because the Candidate was a candidate for the office of District 5 Supervisor, these contributions appear to have been prohibited by the City's contractor contribution prohibition.

Auditors were unable to confirm that the Committee included the language specified in Regulation 1.126-7 on its online contribution landing platform. The table below summarizes the contributions discussed in this finding:

Contributor/Affiliate Name	Contractor Name	Contract Approval Date	Contribution Date	Contribution Amount
Shanti Singh	SFCLT TNFF Holdings LLC	5/23/2023	8/25/2023	\$100
			12/12/2023	\$100
			12/19/2023	\$300
Shamus Roller	Brilliant Corners	9/12/2023	10/6/2023	\$300
Hope Williams	SFCLT TNFF Holdings LLC	5/23/2023	10/21/2023	\$200
Kyle Smeallie	SFCLT TNFF Holdings LLC	5/23/2023	11/15/2023	\$150
Buck Bagot	Bernal Heights Neighborhood Corporation	9/26/2023	12/30/2023	\$100
Deepa Varma	Housing Rights Committee of San Francisco, Inc.	5/7/2024	10/2/2024	\$300
Luis Barahona	4200 Geary Associates, L.P.	02/28/2023	10/10/2023	\$150
	681 Florida Street Commercial LLC	09/26/2023	12/3/2023	\$75
	Jamestown Community Center	7/16/2024	10/26/2024	\$175

Committee Response to Finding

The Treasurer provided the following comment: “The Committee relied on contributor certifications obtained through its online contribution platform, in which contributors certified under penalty of perjury that they were not prohibited sources under C&GCC section 1.126. The Committee did not have independent knowledge that the identified contributors were affiliates or subcontractors of City contractors at the time contributions were received.”

VII. Conclusion

Except as noted in the audit findings sections above, and based on the evidence obtained, Auditors conclude that the Committee substantially complied with the requirements of the California Political Reform Act and the San Francisco Campaign and Governmental Conduct Code. The Committee was provided a copy of this report and an opportunity to respond. The Committee’s comments are included in this report alongside the relevant finding.

This report and the support documentation on which it is based will be forwarded to the Commission’s Enforcement Division for further investigation and/or enforcement action as warranted. The scope of the audit is not exhaustive of all conduct of the Committee during the audit period, and any subsequent enforcement action may include conduct not covered in this report.

This Audit Report is intended to provide information about the Committee’s activities and its compliance with campaign finance requirements to the Commission, the Committee and its Treasurer, and San Francisco voters. This report, and all Audit Reports prepared by the Commission, will be posted to the Commission’s website at **sfethics.org**.

Appendix A

Objectives and Methodology

Audit Objective	Methodology
<p>Determine whether disclosed campaign finance activity materially agrees with activity in the Committee’s bank account.</p>	<ul style="list-style-type: none"> • Calculated total reported contributions and expenditures in the Committee’s filings and total reported credits and debits in the Committee’s bank statements. • Applied adjustments as needed to account for variations in transaction reporting between sources.
<p>Determine whether the Committee accepted contributions from allowable sources and in accordance with limits, appropriately disclosed those contributions, and maintained required contribution records.</p>	<ul style="list-style-type: none"> • Reviewed contributions submitted for public funds matching for compliance with limits and accuracy of contributor information. • Selected a statistically significant sample at a 95% confidence level and a 3.5% margin of error based on the total number of reported contribution transactions. Selected samples for testing from a range of periods, sources, and payment methods. • Reviewed each sampled transaction for compliance with state and local requirements regarding contribution restrictions, disclosure, and recordkeeping. • Performed additional targeted testing of contributions identified through analysis of filing data and support records. • Utilized automated procedures to analyze data extracted from the Committee’s filings. Identified contributions from prohibited sources and late-reported transactions. Verified identified noncompliance against support records.
<p>Determine whether the Committee made expenditures for allowable purposes, appropriately disclosed those expenditures, and maintained required expenditure records.</p>	<ul style="list-style-type: none"> • Selected a statistically significant sample at a 95% confidence level and a 3.5% margin of error based on the total number of reported expenditure transactions. Selected samples for testing from a range of periods, sources, amounts, vendors, and agents. • Reviewed each sampled transaction for compliance with state and local requirements regarding expenditure restrictions, disclosure, and recordkeeping, including any expenditures made to subvendors by agents or contractors of the committee. • Performed additional targeted testing of expenditures identified through analysis of filing data and support records. • Utilized automated procedures to analyze data extracted from the Committee’s filings. Identified late-reported transactions and verified identified noncompliance against support records.
<p>Identify any other evidence of potential noncompliance for inclusion in the audit report or referral for further investigation.</p>	<ul style="list-style-type: none"> • Analyzed data extracted from the Committee’s filings. • Analyzed support records obtained from the Committee.