



# EXECUTIVE STAFF REPORTS

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*November 16, 2023, Commission Hearing*

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# I. ENFORCEMENT DIVISION

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STAFF: JAMES M. LINDSAY, CHIEF OF ENFORCEMENT

## A. Overview

During the period of October 1, 2023 through October 31, 2023 the Enforcement Division received the following complaints and referrals:

	Sworn	Non-Sworn	Anonymous	Referrals
Number Received	15	5	22	260

When compared to the Annual Statistics chart in Section B, the number of complaints was standard for a non-election year, but the number of referrals was significantly higher than normal.

For the month of September, more time to respond beyond the 14-day statutory period was needed for approximately 3<sup>1</sup> sworn complaints.

Additionally, the Enforcement Division opened 105 cases from complaints and referrals received, rejected 177 complaints and referrals, and closed a total of 114 cases including:

- 71 warning letters – advertisement violations (10), behested payment violations (2), campaign violations (17), conflict of interest code violation (1), statement of economic interests violations (41);
- 12 no action closure letters: PREP completed – statement of economic interests violations;
- 20 no action closure letters alleging – advertisement violations (7), campaign violations (4), conflict of interest violation (1), mass mailing violations (2), and statement of economic interests violations (4);
- 7 approved stipulations from the September and October Commission meetings;
- 3 committees were administratively terminated; and
- 1 closed as a duplicate.

The Division had 1,143 cases in various stages of resolution at the time of the October Monthly Report and currently has approximately 1,132 cases in various stages of resolution, including the 8 cases before the Commission as listed in the November Agenda. (2 for mainline consideration and 6 streamline listed in the Executive Staff Report).

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<sup>1</sup> This figure includes 2 sworn complaints received in September 2023.

The minimal net reduction in cases is due to the abnormally high volume of cases opened in October, as case closures remained high volume as well.

## B. Annual Statistics

On the next page, you will find a chart that details the annual statistics for enforcement complaints, referrals and cases. This chart has appeared in previous Enforcement Division reports but provides useful historical data for comparison to the monthly data provided in Section A.

	<b>Year</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
1	Complaints Received	1,352	744	1,390	606	1,379
2	Referrals Received	1,529	1,950	1,518	1,751	1,724
3	Total Complaint and Referrals Received	2,881	2,694	2,908	2,357	3,103
4	Cases opened	1,561	1,820	1,155	1,185	990
5	Cases closed <sup>3</sup>	1,243	1,465	1,526	1,058	1,075
6	Cases with penalties <sup>2</sup>	235	343	278	269	161
	a Streamline cases	173	263	194	234	142
	b Mainline cases	56	73	77	32	14
	c Default cases	6	7	7	3	5
7	Total fines imposed	\$499,606	\$797,384	\$1,940,107	\$472,248	\$617,548
8	Warning letters issued	554	584	777	475	681
9	Administrative terminations	177	104	62	59	53
10	Cases closed with violations found <sup>3</sup>	966	1,031	1,117	803	895
11	Advisory letters issued	20	9	7	16	8
12	No action closure letters	252	423	402	237	217

<sup>2</sup> Total for lines 6a, 6b, and 6c.

<sup>3</sup> Total for lines 6, 8, and 9.

<sup>3</sup> Total cases closed includes Commission approved cases from the previous year and Commission approved administrative judgements. It does not include Commission approved cases not yet closed.

### C. 2022-2023 Quarterly Caseload Summary

	December 2022	March 2023	June 2023	September 2023	Difference in Existing Caseload Overall
2016	3	3	0	0	-3
2017	5	5	2	2	-3
2018	89	68	56	34	-55
2019	195	166	125	69	-126
2020	301	269	234	201	-100
2021	382	346	298	232	-150
2022	440	365	329	295	-145

### D. Presentations

None to report.

### E. Unexecuted Streamline Stipulations

Streamline penalty stipulations are approved by the Chief of Enforcement and reported to the Commission for discussion only before they are executed. The following streamline stipulations are presented for that purpose. After the close of the hearing, the Chief of Enforcement may execute all or any of the streamline penalty stipulations, at the Chief's discretion per Regulation 18360.2.

Since the last Monthly Report, the Enforcement Chief has not used discretion to increase the penalties for Tier Two advertising violations resulting in public confusion, under Regulation 18360.3(d)(7)(B)(i)(b), or to increase the penalties for Tier Two violations involving the same candidate, committee, or principal officer who has paid a Tier One penalty to the Commission or received a Warning Letter from the Commission for the same type of violation occurring within the last five years, based on the resulting public harm.

### Advertisements

**In the Matter of Our Republic Our Future; FPPC No. 22/694.** Staff: Alex Rose, Commission Counsel and Alethea Perez, Special Investigator. The respondent is represented by Tal Finney of Finney Arnold, LLP. Our Republic Our Future is an independent expenditure committee. Michael Kipp is the Committee's treasurer and principal officer. The Committee and Kipp failed to include the proper advertising disclosure on a mailer distributed prior to the November 8, 2022

General Election, in violation of Government Code Sections 84502 and 84506.5 (2 counts). In addition, the Committee and Kipp failed to timely file an independent expenditure committee campaign statement and a 24-hour independent expenditure report for the mailers above, in violation of Government Code Sections 84200 and 84204 (2 counts). **The Enforcement Chief used discretion under Regulations 18360.1 and 18360.3 to exclude violations in this case. The discretion used was the Chief of Enforcement may include or exclude any filer from receiving a streamline penalty based upon mitigating or aggravating circumstances and the totality of the circumstances, including situations where an exclusion may apply. Specifically, the violations charged when taken together could have caused exclusion from streamline; however, the Chief of Enforcement weighed mitigating factors and the totality of circumstances (non-profit status and lack of understanding of obligations, unsuccessful efforts and cooperation) to include violation in streamline program. Total Penalty: \$3,066 (Tier Two).**

### **Campaign Late Filer**

**[In the Matter of Vikrum Aiyer; FPPC No. 23/450.](#)** Staff: James M. Lindsay, Chief of Enforcement and Ginny Brown, Political Reform Consultant. The respondent was represented by Jim Sutton of the Sutton Law Firm. Vikrum Aiyer, a major donor committee for the calendar year 2022, failed to file five 24-hour reports, in violation of Government Code Section 84203 (5 counts). **Total Penalty: \$2,000 (Tier One).**

**[In the Matter of Dublin Teachers Association Political Action Committee, Nancy Karell; FPPC No. 22/743.](#)** Staff: Alex Rose, Commission Counsel and Kristin Hamilton, Special Investigator. Dublin Teachers Association PAC is a local general purpose committee. Nancy Karell served as the Committee's treasurer. The Committee and Karell failed to timely file three semi-annual and two pre-election campaign statements, in violation of Government Code Section 84200 and 84200.5 (5 counts). **Total Penalty: \$1,083 (Tier One).**

**[In the Matter of Committee to Elect Robert Ocampo Board Member, Alisal Union Elementary School, District Area 2 2022, Robert Ocampo, and Sandra Ocampo; FPPC No. 23/036.](#)** Staff: James M. Lindsay, Chief of Enforcement and Amber Rodriguez, Staff Services Analyst. Robert Ocampo was a successful candidate for the Alisal Unified School District Board of Trustees in the November 8, 2022 General Election. Committee to Elect Robert Ocampo Board Member, Alisal Union Elementary School, District Area 2 2022 was their candidate-controlled committee. Sandra Ocampo served as the Committee's treasurer. The Committee, Ocampo, and Ocampo failed to timely file one 24-hour report, in violation of Government Code Section 84203 (1 count). **Total Penalty: \$265 (Tier One).**

### **Statement of Economic Interests Late Filer**

**[In the Matter of Ariel Kelley; FPPC No. 23/707.](#)** Staff: James M. Lindsay, Chief of Enforcement and Taylor Culberson, Staff Services Analyst. Ariel Kelley, Alternate Commissioner for the Transmission Agency of Northern California, failed to timely file the Assuming Office Statement of Economic Interests, in violation of Government Code Section 87300 (1 count). **Total Penalty: \$200 (Tier One).**

### Statement of Economic Interests Late Reporter

**In the Matter of Loretta Sanchez, FPPC No. 19/1315.** Staff: Marissa Corona, Commission Counsel and George Aradi, Special Investigator. The respondent was represented by Wylie A. Aitken. Loretta Sanchez was a candidate for Orange County District 3 Supervisor in the March 12, 2019 Special Election. Loretta Sanchez failed to timely report a source of income on their Candidate Statement of Economic Interest, in violation of Government Code Sections 87201 and 87207 (1 count). **Total Penalty: \$100 (Tier One).**

## II. AUDIT DIVISION

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STAFF: SHRDHA SHAH, CHIEF OF AUDITS

*Audits are conducted per Government Code sections 90000 - 90008 of the Political Reform Act (the Act). The Act requires full disclosure of receipts and expenditures of candidates and committees and disclosure of the finances of lobbyists. The purpose of the audits is to determine the level of compliance of the auditees with the Act. The opinions expressed in the audit report reflect the level of compliance with the Act. The FPPC is not responsible for the contents of the candidate's documents. Audit reports are then submitted to the Enforcement Division for further review.*

### A. Overview

The audit reports prepared by the FPPC summarize findings with respect to the filer's conformity with the disclosure and recordkeeping requirements of the Political Reform Act. Copies of audit reports are always sent to the auditees and those included in the audit report (such as the prior treasurer, current treasurer, and/or their representatives). These reports are public documents.

### B. Current Period Updates

During the period of October 1, 2023, through October 31, 2023, the Audits and Assistance Division adopted 1 audit report, with one finding. Currently, the team has 35 audits in progress at various stages, including fieldwork, post-fieldwork, and quality review.

Details of the audit report adopted during the period are as follows:

#### 1. Friends of John McMahon for SB County Sheriff-Coroner-2018 (ID# 1374332)

- A payment made from the campaign bank account to the San Bernardino County Registrar of Voters (SBCRV) totaling \$31,238 on February 27, 2018 for the Candidate Statement fee was not reported. In addition, the \$31,238 refund received from the SBCRV deposited into the campaign bank account April 12, 2018 was not reported. A copy of the canceled check for the payment made and the bank statements were maintained.



## III. LEGAL DIVISION

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STAFF: DAVE BAINBRIDGE, GENERAL COUNSEL

### A. Pending Litigation

None

### B. Outreach and Training

#### *Webinars & Workshops*

- October 3, the FPPC presented a Statement of Economic Interests Filers and Candidate/Treasurer webinar requested by the County of Santa Clara. Political Reform Consultants, Alexandra Castillo and Stephen Hernandez presented. 6 people attended.
- October 17, the FPPC hosted a Campaign Filing Officer webinar. Political Reform Consultants, Stephen Hernandez and Katie Trumbly, presented. 17 people attended.
- October 24, the FPPC hosted a Candidate/Treasurer webinar. Education and External Affairs Unit Manager, Chloe Hackert, and Political Reform Consultant, Katie Trumbly, presented. 11 people attended.
- October 26, the FPPC presented a Statement of Economic Interests Filing Officer and Campaign Filing Officer workshop requested by the City Clerks Association of California. Political Reform Consultant, Alexandra Castillo, presented. 75 people attended.

#### *Scheduled Webinars*

- November 1, the FPPC is hosting a Section 84308 (Levine Act) webinar.
- November 14, the FPPC is hosting a General Purpose Committee webinar.
- November 29, the FPPC is hosting a Statement of Economic Interests Filing Officer webinar.

*Video Tutorials:* Commission video tutorials were accessed a total of 408 times in October. Form 700 videos were accessed 272 times, the Candidate/Treasurer video was accessed 80 times, and the filing officer videos were accessed 56 times.

### C. New and Updated Educational Resources

- [Section 84308 Guide for Officers](#)
- [Section 84308 Guide for Parties, Participants, and Agents](#)

## D. Political Reform Education Program (PREP):

In October, PREP received 31 referrals for the Statement of Economic Interests course. During this time, 6 learners completed PREP and 43 learners are enrolled but have not yet completed the course.

Overall, since June 2021, PREP has received 161 referrals for the Statement of Economic Interests course. During this time, 105 learners (89%) completed PREP, 11 learners (9%) failed to complete PREP, and 2 learners (2%) were withdrawn from PREP. As noted above, 43 learners are enrolled but have not yet completed the course.

## E. Advice

The [October Advice Letter Report](https://fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2023-advice-letter-reports.html) is available on the FPPC website at <https://fppc.ca.gov/advice/advice-opinion-search/advice-letter-reports/2023-advice-letter-reports.html>.

In October, the Legal Division responded to the following requests for advice:

- **Education:** The Education unit responded to 380 requests for technical assistance via telephone.
- **Requests for Advice:** Political Reform Consultants and Legal Division attorneys collectively responded to 488 email requests for advice, 164 of which were not responded to within 24 hours and 87 of those were not responded to within 48 hours.
- **Advice Letters:** The Legal Division received 4 advice letter requests under the Political Reform Act and completed 7.
- **Section 1090 Letters:** The Legal Division received 6 advice letter request concerning Section 1090 and completed 8. This year to date, we have received 59 advice requests regarding Section 1090.

## F. Miscellaneous Decisions

None

## G. Upcoming Regulation Projects

*January*

- Streamline - Revisions to Enforcement streamline regulations (Regulations 18360.1 – 18360.3) (Adoption)
- Regulation Calendar for 2024

## H. Conflict of Interest Codes

### Adoptions and Amendments

#### *State Agencies*

- CA State Lottery Commission

#### *Multi-County Agencies*

- Alameda Contra Costa Transit District
- CA Statewide Automated Welfare System
- Gateway Community Charters
- Delano Mosquito Abatement District
- South Coast Air Quality Management District
- Truckee Sanitary District

### Exemptions

None

### Extensions

- CA Rehabilitation Oversight Board

## I. Probable Cause Proceedings

Probable cause proceedings are conducted per Government Code section 83115.5. A finding of probable cause does not constitute a finding a violation occurred. Respondents are presumed innocent of any violation of the Act until a violation is proven in a subsequent proceeding.

***In the Matter of Irma Lopez for Hartnell College 2015, Irma Lopez or Trustee 4 2018, Irma Lopez for Hartnell College 2020, Irma Lopez, Gloria Lockwood and Laura Rodriguez, Case No. 2018-00587.*** On October 27, 2023, probable cause was found, on the papers, that Respondents committed the following violations of the Act:

As to the 2015 Committee, Lopez, and Lockwood

#### Count 16: Failure to Timely File a Semi-Annual Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2020 through June 30, 2020, due July 31, 2020, in violation of Government Code section 84200.

#### Count 17: Failure to Timely File a Pre-Election Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file a pre-election campaign statement for the reporting period of July 1, 2020 through September 19, 2020, due September 24, 2020, in violation of Government Code section 84200.5.

#### Count 18: Failure to Timely File a Pre-Election Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file a pre-election campaign statement for the reporting period of September 20, 2020 through October 17, 2020, due October 22, 2020, in violation of Government Code section 84200.5.

Count 19: Failure to Timely File a Semi-Annual Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file the semi-annual campaign statement for the reporting period of October 18, 2020 through December 31, 2020, due February 1, 2021 in violation of Government Code section 84200.

Count 20: Failure to Timely File a Semi-Annual Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2021 through June 30, 2021, due August 2, 2021 in violation of Government Code section 84200.

Count 21: Failure to Timely File a Semi-Annual Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file the semi-annual campaign statement for the reporting period of July 1, 2021 through December 31, 2021, due January 31, 2022, in violation of Government Code section 84200.

Count 22: Failure to Timely File a Semi-Annual Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2022 through June 30, 2022, due August 1, 2022 in violation of Government Code section 84200.

Count 23: Failure to Timely File a Semi-Annual Campaign Statement

The 2015 Committee, Lopez, and Lockwood failed to timely file the semi-annual campaign statement for the reporting period of July 1, 2022 through December 31, 2022, due January 31, 2023, in violation of Government Code section 84200.

As to the 2018 Committee, Lopez, and Rodriguez

Count 24: Failure to Timely File a Semi-Annual Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2020 through June 30, 2020, due July 31, 2020, in violation of Government Code section 84200.

Count 25: Failure to Timely File a Pre-Election Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file a pre-election campaign statement for the reporting period of July 1, 2020 through September 19, 2020, due September 24, 2020, in violation of Government Code section 84200.5.

Count 26: Failure to Timely File a Pre-Election Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file a pre-election campaign statement for the reporting period of September 20, 2020 through October 17, 2020, due October 22, 2020, in violation of Government Code section 84200.5.

Count 27: Failure to Timely File a Semi-Annual Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of October 18, 2020 through December 31, 2020, due February 1, 2021 in violation of Government Code section 84200.

Count 28: Failure to Timely File a Semi-Annual Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2021 through June 30, 2021, due August 2, 2021 in violation of Government Code section 84200.

Count 29: Failure to Timely File a Semi-Annual Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of July 1, 2021 through December 31, 2021, due January 31, 2022, in violation of Government Code section 84200.

Count 30: Failure to Timely File a Semi-Annual Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2022 through June 30, 2022, due August 1, 2022 in violation of Government Code section 84200.

Count 31: Failure to Timely File a Semi-Annual Campaign Statement

The 2018 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of July 1, 2022 through December 31, 2022, due January 31, 2023, in violation of Government Code section 84200.

As to the 2020 Committee, Lopez, and Rodriguez

Count 32: Failure to Timely File Qualifying Statement of Organization or Amended Statement of Organization for Redesignation

The 2020 Committee, Lopez, and Rodriguez failed to timely file a qualifying statement of organization or an amended statement of organization with the Secretary of State to report the redesignation of the Committee for the 2020 election, in violation of Government Code section 84103 and Regulation 18521.

Count 33: Failure to Timely File a 24-Hour Contribution Report

The 2020 Committee, Lopez, and Rodriguez failed to timely file a 24-hour contribution report for a \$1,000 contribution from Candice S. Depauw received on September 5, 2020 and due by September 7, 2020 in violation of Government Code section 84203.

Count 34: Failure to Timely File a 24-Hour Contribution Report

The 2020 Committee, Lopez, and Rodriguez failed to timely file a 24-hour contribution report for a \$1,000 contribution from Candice S. Depauw received on September 14, 2020 and due by September 15, 2020 in violation of Government Code section 84203.

Count 35: Failure to Timely File a 24-Hour Contribution Report

The 2020 Committee, Lopez, and Rodriguez failed to timely file a 24-hour contribution report for the \$5,000 contribution from the Salinas Valley Leadership Group received on September 17, 2020 and due by September 18, 2020 in violation of Government Code section 84203.

Count 36: Failure to Timely File a Pre-Election Campaign Statement

The 2020 Committee, Lopez, and Rodriguez failed to timely file a pre-election campaign statement for the reporting period of July 1, 2020 through September 19, 2020, due September 24, 2020, in violation of Government Code section 84200.5.

Count 37: Failure to Timely File a Pre-Election Campaign Statement

The 2020 Committee, Lopez, and Rodriguez failed to timely file a pre-election campaign statement for the reporting period of September 20, 2020 through October 17, 2020, due October 22, 2020, in violation of Government Code section 84200.5.

Count 38: Failure to Timely File a Semi-Annual Campaign Statement

The 2020 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of October 18, 2020 through December 31, 2020, due February 1, 2021 in violation of Government Code section 84200.

Count 39: Failure to Timely File a Semi-Annual Campaign Statement

The 2020 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2021 through June 30, 2021, due August 2, 2021 in violation of Government Code section 84200.

Count 40: Failure to Timely File a Semi-Annual Campaign Statement

The 2020 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of July 1, 2021 through December 31, 2021, due January 31, 2022, in violation of Government Code section 84200.

Count 41: Failure to Timely File a Semi-Annual Campaign Statement

The 2020 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of January 1, 2022 through June 30, 2022, due August 1, 2022 in violation of Government Code section 84200.

Count 42: Failure to Timely File a Semi-Annual Campaign Statement

The 2020 Committee, Lopez, and Rodriguez failed to timely file the semi-annual campaign statement for the reporting period of July 1, 2022 through December 31, 2022, due January 31, 2023, in violation of Government Code section 84200.

## **IV. ADMINISTRATION & TECHNOLOGY DIVISION**

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STAFF: LORESSA HON, CHIEF OF ADMINISTRATION

### **A. New Employee Report**

#### **Legal Division**

Daniel Vo, Political Reform Consultant I (Promotion)

### **B. Statement of Economic Interest (Form 700)**

As of November 1, 2023, 208 persons out of 17,110 who were required under their state or local agency conflict of interest code to file a 2022/2023 Annual Form 700 have not timely done so.