



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on January 31, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Dave Jones Fighting for California Ballot Measure Committee (1365283) (formerly Californians for Affordable Health Insurance: A Ballot Measure Committee supported by consumer advocates, working families, and Insurance Commissioner Dave Jones – Yes on Proposition 45)	01/01/14 – 12/31/14
2. Hector Diaz Diaz for Assembly 2016 (1379406)	01/01/15 – 12/31/16
3. Richard Kinney Kinney for Senate 2016 (1375357)	01/01/15 – 06/30/16
4. Peter Scott Markovich Committee to Elect Scott Markovich for Assembly 2016 (1377820)	01/01/15 – 12/31/16
5. No on Prop. 48 – Keep Vegas-Style Casinos Out of Neighborhoods, a project of Stand Up for California (1359207)	01/01/13 – 12/09/14

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Associated Builders and Contractors Central California Chapter PAC (ABC-PAC) (1222327)
2. Steve Fazio for Senate 2016 (1379420)
3. Mike Gatto for Senate 2016 (1373673)
4. Independent Women's Voice (Nonprofit 501(c)(4) organization) (Support Steve Glazer/Oppose Susan Bonilla – Senate 2015) (1377468)
5. Kevin Mullin for Assembly 2016 (1373406)
6. Open Society Policy Center (Non-Profit 501 (c) (4) – Yes on 47) (1365560)
7. Standing Committee on Political Education of the California Labor Federation, AFL-CIO (741504)



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Standing Committee on Political Education of the California Labor Federation, AFL-CIO (741504)

January 1, 2013 through December 31, 2014

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. General purpose committees were selected by the Fair Political Practices Commission. Selected committees that raised or spent more than \$10,000 supporting or opposing state candidates or state measures during any calendar year were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the California Labor Federation, AFL-CIO.

TREASURER: Art Pulaski
California Labor Federation, AFL-CIO

REPRESENTATIVE: Emily A. Andrews
Olson, Hagel & Fishburn, LLP

FINANCIAL ACTIVITY

Total Contributions Received: \$ 2,528,345

Total Expenditures: \$ 1,521,853

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not filed with the Secretary of State for 4 contributions made totaling \$79,100.

Reference Exhibit A

Reports were timely filed for 68 contributions made totaling \$847,100.

The beginning and ending cash balances reported on all the initial Form 460 Campaign Disclosure Statements filed for the audit period were understated. These cash balance understatements ranged from \$744,038 to \$790,846 per the amendments filed on April 14 and April 17, 2017.

Reference Exhibit B

REPRESENTATIVE'S COMMENTS

Ms. Andrews stated that, during the audit period, the Committee's reporting was handled by internal staff unfamiliar with some of the nuances of campaign finance reporting, and that the Committee has since hired a law firm to ensure it complies with all reporting requirements going forward. Ms. Andrews further stated that the Committee's failure to file the Form 497 Contribution Reports was inadvertent and that 3 of the 4 missed reports were made in connection with special elections. Ms. Andrews also noted that amendments were filed to correct the understatements of the beginning and ending cash balances.

LIST OF EXHIBITS

EXHIBIT A – FORM 497 CONTRIBUTION REPORTS NOT FILED WITH THE SECRETARY OF STATE

EXHIBIT B – CASH BALANCE DIFFERENCES

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED WITH THE SECRETARY OF STATE

<u>Date Made</u>	<u>Recipient</u>	<u>Amount</u>
1. 03/25/13	California Democratic Party	\$ 25,000 (1)
2. 06/14/13	Democratic State Central Committee of CA	25,000 (2)
3. 09/17/13	Rodriguez for Assembly 2013	4,100 (3)
4. 10/07/14	Sacramento County Democratic Central Committee	<u>25,000</u> (4)
	Total	\$ 79,100

- (1) Required due to SD 32 Special General Election: 05/14/13
 24-Hour Reporting Period: 03/13/13 - 05/13/11
- (2) Required due to SD 16 Special Primary Election: 07/23/13
 24-Hour Reporting Period: 05/22/13 - 07/22/13
- (3) Required due to AD 52 Special General Election: 09/24/13
 24-Hour Reporting Period: 07/24/13 - 09/23/13
- (4) Contribution was not disclosed on initial Form 460 Preelection Statement filed for the period ending 10/18/14 but was added by an amendment filed on 04/14/17.

EXHIBIT B - CASH BALANCE DIFFERENCES

<u>Date</u>	<u>Initial Cash Balance</u>	<u>Amended Cash Balance</u>	<u>Difference</u>
01/01/13	\$ 1,400,710	\$ 2,184,868	\$ 784,158 (1)
06/30/13	1,846,148	2,636,994	790,846
09/30/13	2,113,003	2,903,849	790,846
12/31/13	2,405,227	3,183,422	778,195
03/17/14	2,540,738	3,318,933	778,195
05/17/14	2,305,620	3,083,815	778,195
06/30/14	2,431,432	3,209,627	778,195
09/30/14	2,558,989	3,337,184	778,195
10/18/14	2,443,288	3,187,326	744,038
12/31/14	2,460,128	3,229,774	769,646 (2)

- (1) Beginning cash balance per Form 460. Initial statement filed for the period 01/01/13 - 03/31/13.
- (2) Ending cash balance per Form 460.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Associated Builders and Contractors Central California Chapter PAC
(ABC-PAC) (1222327)

January 1, 2013 through December 31, 2014

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. General purpose committees were selected by the Fair Political Practices Commission. Selected committees that raised or spent more than \$10,000 supporting or opposing state candidates or state measures during any calendar year were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by Associated Builders and Contractors Central California Chapter.

TREASURER: Laura Barnes
Associated Builders and Contractors Central California Chapter

FINANCIAL ACTIVITY

Total Contributions Received: \$ 68,266

Total Expenditures: \$ 65,009

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filers, in our opinion, have not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Copies of contributors' checks and credit card authorizations were not maintained for monetary contributions received totaling \$48,446. The lack of records precluded a determination as to whether additional contributors of \$100 or more were required to be itemized. Bank statements and contributor listings were provided. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on November 30, 2015.

Ms. Barnes explained that these contributions are from a PAC "add-on" option that is included on the annual dues invoice. She added that these funds are initially deposited in an association bank account and later transferred to the PAC bank account.

REPORTS AND STATEMENTS

Six Form 460 Campaign Disclosure Statements were not filed or not timely filed in paper format with the Secretary of State (SOS). Three of these were timely filed electronically. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on November 30, 2015. A Warning Letter was issued by the Fair Political Practices Commission on July 18, 2014, for failure to timely file Form 460 Campaign Disclosure Statements for the period January 1, 2011 through March 17, 2014.

Reference Exhibit A

Ms. Barnes stated that not filing the statement for the period ending October 18, 2014, was an inadvertent oversight. She added that procedures will be implemented to avoid this issue in the future. Ms. Barnes also stated that the statement filed in paper format for the period ending December 31, 2014, was mailed the same day the electronic filing was submitted, but proof of mailing was not kept. In regard to the 2013 statements filed late, Ms. Barnes stated that there was a misinterpretation of prior correspondence with the Secretary of State and she thought that paper filings were not required when submitting all forms electronically. Ms. Barnes added that, upon clarifying the misunderstanding, paper copies of the 2013 statements were filed.

Form 497 Contribution Reports were not filed with the SOS for 12 contributions made totaling \$40,700.

Reference Exhibit B

A report was filed 1 day late for a \$4,100 contribution made.

A report was timely filed for a \$3,000 contribution made.

Ms. Barnes stated that this was an inadvertent oversight and added that procedures will be implemented to avoid this issue in the future.

MONETARY CONTRIBUTIONS RECEIVED

Monetary contributions were understated by a net amount of \$17,442 on the campaign statements filed.

Ms. Barnes stated that this was an inadvertent oversight and added that procedures will be implemented to avoid this issue in the future.

EXPENDITURES

Eight expenditures totaling \$18,089 were not disclosed on Payments Made, Schedule E, or carried to the Summary Page of the Form 460 Campaign Disclosure Statements filed. Of these 8 expenditures, 7 totaling \$13,469 were disclosed on Summary of Expenditures, Schedule D.

Reference Exhibit C

Ms. Barnes stated that this was an inadvertent oversight. She added that the required information was disclosed for 7 of the expenditures, albeit on the wrong schedule, thus the public was aware of the contributions made.

SUMMARY OF EXPENDITURES

Eleven contributions made totaling \$16,100 were not disclosed on Summary of Expenditures, Schedule D, of the Form 460 Campaign Disclosure Statements filed. These contributions were reported as expenditures on Schedule E and coded as contributions.

Reference Exhibit D

Ms. Barnes stated that this was an inadvertent oversight and added that the required information was disclosed, albeit on the wrong schedule, thus the public was aware of the contributions made.

LIST OF EXHIBITS

EXHIBIT A – FORM 460 CAMPAIGN DISCLOSURE STATEMENTS NOT FILED OR NOT TIMELY FILED WITH THE SECRETARY OF STATE

EXHIBIT B – FORM 497 CONTRIBUTION REPORTS NOT FILED WITH THE SECRETARY OF STATE FOR CONTRIBUTIONS MADE

EXHIBIT C – EXPENDITURES NOT DISCLOSED ON PAYMENTS MADE, SCHEDULE E

EXHIBIT D – CONTRIBUTIONS MADE NOT DISCLOSED ON SUMMARY OF EXPENDITURES, SCHEDULE D

EXHIBIT A - FORM 460 CAMPAIGN DISCLOSURE STATEMENTS NOT FILED OR NOT TIMELY FILED WITH THE SECRETARY OF STATE

<u>Statement Period</u>	<u>Contributions</u>			<u>Date</u>	<u>Days</u>
	<u>Made</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Filed</u>	<u>Late</u>
1. 01/01/13 - 06/30/13	\$ 4,100	\$ 22,858	\$ 4,100	03/20/14	232 (1)
2. 07/01/13 - 12/31/13	7,100	14,404	14,059	03/20/14	48 (1)
3. 01/01/14 - 03/17/14	800	28,293	800	06/24/14	92 (3)
4. 03/18/14 - 05/17/14	9,700	0	9,700	06/24/14	33 (3)
5. 10/01/14 - 10/18/14	16,100	12,240	16,100		(2)
6. 10/19/14 - 12/31/14	2,269	4,000	4,219		(1)

(1) Timely filed in electronic format.

(2) The activity for this period was reported on the Form 460 Semi-annual Statement filed electronically for the period ending December 31, 2014.

(3) The Form 460 Preelection Statement filed on June 24, 2014, indicated on page 1 that it was for the period January 1 through March 17, 2014, but it actually reported activity through May 17, 2014.

**EXHIBIT B - FORM 497 CONTRIBUTION REPORTS NOT FILED WITH
 THE SECRETARY OF STATE FOR CONTRIBUTIONS MADE**

	<u>Date Made</u>	<u>Recipient [sic]</u>	<u>Amount</u>
1.	04/29/13	Vidak for Senate 2013, FPPC #1356181	\$ 4,100 (1)
2.	03/20/14	Vidak for Senate 2014, FPPC #1356181	4,100
3.	05/07/14	Lackey for Assembly 2014 FPPC 1363532	4,100
4.	08/07/14	Lackey for Assembly 2014 FPPC 1363532	4,100
5.	08/19/14	Shannon Grove for Assembly	4,100
6.	08/21/14	No on P	5,000 (2)
7.	08/21/14	Pedro Rios for Assembly 2014	4,100
8.	10/08/14	Young Kim for Assembly 2014 1358868	2,000
9.	10/08/14	Friends of Janet Nguyen for Senate	4,100
10.	10/08/14	Phillip Peters for School Board 2014	1,000 (3)
11.	10/09/14	David Hadley for Assembly ID 1359992	2,000
12.	10/09/14	Rob McCoy for Assembly 2014 1362963	<u>2,000</u>
Total			\$ 40,700

(1) Senate District 16 Special Primary Election: 05/21/13
 24-Hour Reporting Period: 03/08/13 - 05/21/13

(2) Santa Barbara County Consolidated General Election: 11/04/14
 24-Hour Reporting Period: 08/06/14 - 11/04/14

(3) Kern County Consolidated General Election: 11/04/14
 24-Hour Reporting Period: 08/06/14 - 11/04/14

EXHIBIT C - EXPENDITURES NOT DISCLOSED ON PAYMENTS MADE, SCHEDULE E

	<u>Date</u> <u>Made</u>	<u>Payee</u>	<u>Amount</u>
1.	04/29/13	Vidak for Senate 2013, FPPC #1356181	\$ 4,100 (1)
2.	07/09/13	Vidak for Senate 2013, FPPC #1356181	4,100 (1)
3.	07/26/13	Scrivner for Supervisor 2014	500 (1)
4.	08/22/13	Scott Wilk for Assembly	2,000 (1)
5.	12/20/13	Mike Maggard for Supervisor 2014	500 (1)
6.	09/19/14	Kern County Gun Club	4,620
7.	11/17/14	Office Team	1,666 (1)(2)
8.	11/18/14	Office Team	<u>603 (1)(2)</u>
		Total	\$ 18,089

(1) Contributions made were disclosed on the Summary of Expenditures, Schedule D.

(2) Nonmonetary contribution made to oppose Measure P in the November 4, 2014 Santa Barbara County Consolidated General Election.

**EXHIBIT D - CONTRIBUTIONS MADE NOT DISCLOSED ON SUMMARY OF
EXPENDITURES, SCHEDULE D**

	<u>Date Made</u>	<u>Recipient [sic]</u>	<u>Amount</u>
1.	10/08/14	ABC Northern California PAC / ABC Golden Gate Chapter	3,000
2.	10/08/14	Brooke Ashjian for School Board 2014	250
3.	10/08/14	Baber for City Council 2014 1365514	500
4.	10/08/14	Alex Galacia for Otay Water 2014	250
5.	10/08/14	Young Kim for Assembly 2014 1358868	2,000 (1)
6.	10/08/14	Friends of Janet Nguyen for Senate	4,100 (1)
7.	10/08/14	Phillip Peters for School Board 2014	1,000 (1)
8.	10/08/14	Bob Smith for City Council 1348552	\$ 500
9.	10/08/14	Mike Williams for KHSD 2014 1370405	500
10.	10/09/14	David Hadley for Assembly ID 1359992	2,000 (1)
11.	10/09/14	Rob McCoy for Assembly 2014 1362963	<u>2,000 (1)</u>
		Total	\$ 16,100

(1) A Form 497 Contribution Report was required but not filed.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Open Society Policy Center (Non-Profit 501 (c) (4) – Yes on 47)
(1365560)

January 1, 2014 through December 31, 2014

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Committees that supported or opposed one or more state measures and spent more than \$10,000 were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was a primarily formed ballot measure committee supporting Proposition 47 in the 2014 General Election. The Committee terminated effective December 31, 2014.

TREASURER: Lynthia Gibson-Price
Open Society Policy Center

REPRESENTATIVE: Matthew T. Sanderson
Caplin & Drysdale, Chartered

FINANCIAL ACTIVITY

Total Contributions Received: \$ 1,460,112

Total Expenditures: \$ 1,460,112

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

The Form 460 Quarterly Statement for the period ending March 31, 2014, was not on file with the Secretary of State in paper format. A \$ 210,112 contribution was made to a ballot measure committee supporting Proposition 47 during the reporting period. An electronic version of the statement was timely filed on April 30, 2014.

REPRESENTATIVE'S COMMENT

Mr. Sanderson stated that paper and electronic copies were filed concurrently with the Secretary of State. He added that proof of mailing cannot be located at this time.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Kevin C. Mullin
Kevin Mullin for Assembly 2016 (1373406)

January 1, 2014 through December 31,
2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Assembly Member Kevin C. Mullin, District 22. Mr. Mullin was re-elected in the 2016 General Election. The Committee terminated effective March 7, 2017.

TREASURER: Russell H. Miller
Miller & Olson, LLP

REPRESENTATIVE: Rebecca J. Olson
Miller & Olson, LLP

FINANCIAL ACTIVITY

Total Contributions Received: \$ 855,659

Total Expenditures: \$ 709,854

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

A Form 497 Contribution Report was not filed with the Secretary of State and another was filed after the election. These reports for contributions made were required due to the Senate District 7 Special General Election held on May 19, 2015.

<u>Date</u> <u>Made</u>	<u>Recipient</u>	<u>Amount</u>	<u>Date</u> <u>Filed</u>	<u>Days</u> <u>Late</u>
04/29/15	Susan Bonilla for Senate 2015	\$ 2,500		
05/18/15	California Democratic Party	35,200	06/01/15	13

Reports were filed for 160 other contributions received or made totaling \$531,087.

Ms. Olson had no comment.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Mike Gatto
Mike Gatto for Senate 2016 (1373673)
c/o Leiderman & Associates, Inc.

January 1, 2014 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by former Assembly Member Mike Gatto, District 43. Mr. Gatto was a candidate for State Senate, District 25, in the 2016 Presidential Primary Election. Mr. Gatto filed a Form 501 Candidate Intention Statement for this office. However, he withdrew from the election and was not listed on the ballot. The committee terminated effective June 30, 2016.

TREASURER: Jane Leiderman
Leiderman & Associates, Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 2,114,314

Total Expenditures: \$ 2,114,803

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were filed with the Secretary of State between 4 and 22 days late for 7 contributions received totaling \$49,800. A report was timely filed for an \$8,400 contribution received.

Reference Exhibit A

No comment was provided.

MONETARY CONTRIBUTIONS RECEIVED

Contributions received from 13 contributors in connection with the 2016 Primary and General Elections exceeded the contribution limits by \$24,040. Of this amount, \$3,500 was refunded to the contributor and the balance was reattributed and transferred to Mike Gatto for Lt. Governor 2018 (1373671), which was also controlled by the candidate.

Reference Exhibit B

Ms. Leiderman stated that it is difficult not to accept excess amounts due to the different methods of receiving contributions, such as online services. She added that it was also difficult to send all the money back and request two separate checks for the different committees because most of the contributions were received prior to the filing deadline. She further stated that the Committee had every intention to comply with the regulations and made timely transfers to the Mike Gatto to Lt. Governor 2018 committee once the donors' permissions were acquired.

LIST OF EXHIBITS

EXHIBIT A – FORM 497 CONTRIBUTION REPORTS NOT TIMELY FILED FOR CONTRIBUTIONS RECEIVED

EXHIBIT B – CONTRIBUTIONS RECEIVED IN EXCESS OF THE LIMITS

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT TIMELY FILED FOR CONTRIBUTIONS RECEIVED

	<u>Date Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Date Filed</u>	<u>Days Late</u>
1.	04/23/15	Blue Shield of California	\$ 8,400	05/15/15	8
2.	04/27/15	Motor Vehicle Software Corporation	8,400	05/15/15	4
3.	05/08/15	International Brotherhood of Electrical Workers Local Union 40 Political Action Committee	5,000	06/10/15	19
4.	06/09/15	California Nurses Association Political Action Committee	5,000	07/15/15	22
5.	06/25/15	Craig Piligian	8,400	07/21/15	12
6.	06/25/15	Gretchen Stockdale	6,200	07/21/15	12
7.	06/25/15	Pilgrim Films	<u>8,400</u>	07/21/15	12
		Total	\$ 49,800		

EXHIBIT B - CONTRIBUTIONS RECEIVED IN EXCESS OF THE LIMITS

	<u>Contributor</u>	<u>Date Exceeded</u>	<u>Excess</u>	<u>Amount Refunded</u>	<u>Date Refunded</u>
1.	Blue Shield of California	04/23/15	\$ 8,200		
2.	California Building Industry Assoc PAC	03/12/15	300		
3.	California Credit Union League PAC	06/30/15	1,500		
4.	California Defense Counsel PAC	09/08/15	800		
5.	Charter Communications	08/17/15	1,400		
6.	Entertainment Partners	06/16/15	1,750		
7.	William Karns	05/29/15	2,200		
8.	Mayer Brown LLP	06/25/15	500		
9.	Sempre Energy	10/19/15	500		
10.	Southern California Edison / Edison International	05/22/15	300		
11.	Southern California Fund	06/30/15	790		
12.	Time Warner Cable Shared Service Center	05/11/15	1,800		
13.	Viejas Tribal Government	06/29/15	<u>4,000</u>	<u>3,500</u>	06/30/15 (1)
	Totals		\$ 24,040	\$ 3,500	

(1) A \$4,200 check was received on 6/29/15 and deposited into the Committee's bank account on 7/6/15. A \$3,500 refund check was issued to the contributor on 6/30/15. The net amount of \$700 was reported as received on the campaign statement.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Independent Women's Voice (Nonprofit 501(c)(4) organization) (Support Steve Glazer/Oppose Susan Bonilla – Senate 2015) (1377468)
c/o Pillsbury Winthrop Shaw Pittman LLP

January 1, 2015 through May 19, 2015

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Committees that spent more than \$10,000 and primarily supported or opposed a candidate for a legislative office being audited were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee, which was sponsored by the Independent Women's Voice (Nonprofit 501(c)(4) organization), was primarily formed to support Steve Glazer for Senate 2015 and oppose Susan Bonilla for Senate 2015 in the Special General Election held on May 19, 2015, for Senate District 7. The Committee terminated effective May 19, 2015.

TREASURER: Peter D. Lips
Independent Women's Voice

REPRESENTATIVE: Emily B. Erlingsson
Pillsbury Winthrop Shaw Pittman LLP

FINANCIAL ACTIVITY

Total Contributions Received: \$ 18,900

Total Expenditures: \$ 15,998

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not timely filed in electronic format with the Secretary of State (SOS) for 6 contributions received totaling \$18,900. The contributions were received prior to the election but the reports were filed electronically on May 26, 2015, after the election. No other Form 497 Contribution Reports were required to be filed. A 5-page fax was transmitted to the SOS on May 22, 2015; however, this filing could not be located at the SOS.

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Days</u> <u>Late</u>
1.	04/17/15	Peter L. Farrell	\$ 1,000	36
2.	04/17/15	Boyd C. Smith	1,000	36
3.	04/19/15	Norman Hapke	1,000	36
4.	04/20/15	Joel C. Peterson	1,000	35
5.	05/09/15	Mortimer D.A. Sackler	5,000	15
6.	05/14/15	Richard Weekley	<u>9,900</u>	11

Total \$ 18,900

Form 496 Independent Expenditure Reports for expenditures totaling \$4,859 made to support Steve Glazer and oppose Susan Bonilla were not filed until May 26, 2015, after the election. Reports for independent expenditures totaling \$8,600 were filed prior to the election.

REPRESENTATIVE’S COMMENT

Ms. Erlingsson stated that initially there was confusion as to the Committee’s filing requirements and, as a result, the Committee sought advice and attempted to correct the requirement by faxing the reports. She added that paper copies were faxed prior to the election.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Steve Fazio
Steve Fazio for Senate 2016 (1379420)

January 1, 2015 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate Districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Steve Fazio, a candidate for State Senate, District 27, in the 2016 General Election. The Committee terminated effective June 30, 2017.

TREASURER: Bryan Burch
Political Finance Solutions, Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 1,347,416

Total Expenditures: \$ 1,345,726

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not filed with the Secretary of State for 11 contributions received totaling \$25,123.

Reference Exhibit A

Reports were filed between 1 and 4 days late for 4 contributions received totaling \$5,800. Reports were timely filed for 218 contributions received totaling \$728,121.

TREASURER'S COMMENT

Mr. Burch stated that the reports were inadvertently omitted. He added that, due to the amount for which reports were timely filed, he believes that the Committee substantially complied with the requirement.

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED WITH THE SECRETARY OF STATE

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	04/12/16	California Republican Party	\$ 2,500
2.	04/12/16	Paul Schifino	2,500
3.	05/12/16	George Shakiban	1,000
4.	05/17/16	Scotia Alves	2,000
5.	05/17/16	The Clark Law Group	1,000
6.	08/13/16	Bobby Ahn	1,000
7.	09/26/16	Dave E. Chrisman	1,000
8.	09/26/16	Thomas A. Heymann	2,000
9.	09/28/16	Central City Association of LA Political Action Committee	1,000
10.	09/28/16	Wonderful Orchards LLC	4,200
11.	10/03/16	California Republican Party	<u>6,923</u>
		Total	\$ 25,123



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on February 28, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California Forward, Yes on Proposition 2 (Nonprofit 501(c)(3)) (1373184)	01/01/14 – 12/31/14
2. Yes on Prop 46, Families for Patient Safety (1362225)	01/01/14 – 11/06/14
3. South Bay & Harbor Area Communities in Support of Warren Furutani for Senate 2016 (1388400)	01/01/16 – 12/31/16
4. Promoting Common Sense Solutions-The Mike Gatto Ballot Initiative Policy Committee (1383665)	01/01/16 – 06/30/16
5. Michael Harrison Harrison for Assembly 2016 (1365440)	01/01/14 – 06/30/16
6. No on 46 – Patients, Providers, and Healthcare Insurers to Contain Health Costs (1359222)	01/01/13 – 12/31/14
7. Katherine A. Perez-Estolano Katherine Perez-Estolano for Senate 2016 (1377251)	01/01/15 – 06/30/16
8. Randy G. Voepel Voepel for Assembly 2016 (1375848)	01/01/15 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Chad Mayes for Assembly 2016 (1374095)
2. Greg Rodriguez for 42nd State Assembly, 2016 (1375843)



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Chad J. Mayes
Chad Mayes for Assembly 2016 (1374095)

January 1, 2014 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on March 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by Assembly Member Chad J. Mayes, District 42. Mr. Mayes was re-elected in the 2016 General Election.

TREASURER: Bryan Burch
Political Finance Solutions, Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 1,504,349

Total Expenditures: \$ 1,291,010

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not filed or were not timely filed with the Secretary of State for 7 contributions received totaling \$23,350. Reports were timely filed for 331 other contributions received totaling \$743,323.

Reference Exhibit A

Mr. Burch stated that the reports were inadvertently omitted or filed late. He added that it was not the Committee's intention to withhold contributor information from the public. He further stated that the Committee believes given the scope of the campaign activity, it substantially complied with the reporting requirements.

MONETARY CONTRIBUTIONS RECEIVED

Contributions received from 4 contributors in connection with the 2016 Presidential Primary and General Elections exceeded the contribution limits by \$8,797. Of this amount, \$7,597 was refunded to the donors.

Reference Exhibit B

Mr. Burch stated that the Committee received contributions from over 500 contributors and the contributions received in excess of the limits were an inadvertent oversight. He added that the Committee refunded the excess to the donors as soon as it recognized the clerical error. He further stated that there was no intention of raising funds beyond the allowable contributor limits and made a concerted effort to correct the issues.

LIST OF EXHIBITS

EXHIBIT A – FORM 497 CONTRIBUTION REPORTS NOT FILED OR NOT TIMELY FILED WITH THE SECRETARY OF STATE

EXHIBIT B – CONTRIBUTIONS RECEIVED IN EXCESS OF THE LIMITS

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED OR NOT TIMELY FILED WITH THE SECRETARY OF STATE

	<u>Date Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Date Filed</u>	<u>Days Late</u>
1.	03/18/16	Anheuser Busch Companies	\$ 4,200		
2.	03/18/16	Capital One Services, LLC	1,000		
3.	04/16/16	Johnson Machinery	4,200		
4.	05/16/16	Valero Services, Inc.	4,200		
5.	11/07/16	Best Best & Krieger LLP	4,200	11/28/16	20
6.	11/07/16	CAL PT PAC	1,350	11/28/16	20
7.	11/07/16	Frederick W. Noble	<u>4,200</u>	11/28/16	20
			Total	\$ 23,350	

EXHIBIT B - CONTRIBUTIONS RECEIVED IN EXCESS OF THE LIMITS

	<u>Contributor</u>	<u>Date Exceeded</u>	<u>Excess</u>	<u>Amount Refunded</u>	<u>Date Refunded</u>
1.	Morongo Band of Mission Indians	12/20/15	\$ 2,897	\$ 2,897	12/30/15 (1)
2.	Johnson Machinery	07/12/16	4,200	4,200	09/23/16
3.	United Auburn Indian Community of the Auburn Rancheria	08/19/16	1,200 (2)		
4.	Richard J. Gottlieb	10/26/16	<u>500</u>	<u>500</u>	12/31/16
		Totals	\$ 8,797	\$ 7,597	

(1) The Committee issued check #1074 for \$2,997 (\$100 more than excess amount) on 12/30/15; however, the check was still outstanding on 12/31/16.

(2) \$1,200 was received on 6/8/16; however, the Committee did not have net debt from the Presidential Primary Election held on 6/7/16 and another \$4,200 was received on 8/19/16.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Gregory L. Rodriguez
Greg Rodriguez for 42nd State Assembly, 2016 (1375843)

January 1, 2015 through December 8, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on March 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Gregory L. Rodriguez, a candidate for Assembly, District 42, in the 2016 General Election. The Committee terminated effective December 8, 2016.

TREASURERS: Gregory L. Rodriguez
Rebecca Cooke (02/25/15 - 08/25/16)

FINANCIAL ACTIVITY

Total Contributions Received: \$ 222,802

Total Expenditures: \$ 222,802

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filers, in our opinion, have not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Copies of contributors' checks or credit card authorization forms, daily records showing lump sum amounts, and duplicate deposit slips were not maintained for contributions received totaling \$222,802. Bank statements were provided.

Mr. Rodriguez stated that he maintained copies of the checks but shredded them once he lost the race. He added that he tried unsuccessfully to obtain copies from the bank.

Receipts and/or invoices were not maintained for expenditures made totaling \$206,169. Copies of processed checks, bank statements, and a check register were maintained to verify the names of the payees and the amounts paid.

Mr. Rodriguez stated he maintained copies but shredded them once he lost the race.

CAMPAIGN BANK ACCOUNT

Campaign expenditures totaling \$5,701 were not processed through the Committee's designated bank account. Instead, the expenditures were paid by the candidate using his personal funds. Of this amount, \$4,088 was reported as nonmonetary contributions from the candidate and \$1,613 was reimbursed to the candidate and reported as office expenses.

Mr. Rodriguez stated he was unaware he could not pay expenses from personal funds and be reimbursed.

MONETARY CONTRIBUTIONS RECEIVED

P.O. Box addresses in lieu of street addresses were disclosed for 24 contributors for contributions received totaling \$20,550. The records were not maintained and the contributions were not returned to the donors.

Mr. Rodriguez stated that best efforts were made at obtaining the addresses.

Contributions totaling \$479 were reported as being received from anonymous contributors. The contributions were not sent to the Secretary of State for deposit in the State General Fund.

<u>Date</u> <u>Received</u>	<u>Amount</u>
10/31/16	\$ 148
11/04/16	<u>331</u>
	\$ 479

Mr. Rodriguez stated that the anonymous contributors donated small cash amounts and did not fill out envelopes.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on March 30, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Travis Allen Travis Allen for Assembly 2016 (1373831)	01/01/15 – 12/31/16
2. Michael D. Antonovich Antonovich for Senate 2016 (1379080)	01/01/15 – 12/31/16
3. Phlunté Riddle Friends of Phlunte Riddle for State Senate 2016 (1376646)	01/01/15 – 06/30/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Citizens Against Taxpayer Funding of BDCP in 2014 Water Bond (1351860)
(formerly Californians Against More Debt, Misplaced Spending –
No on Prop. 1)
2. Wilma Chan for State Senate 2016 (1374562)
3. Kansen Chu for Assembly 2016 (1374408)
4. Jeff Hewitt for Assembly District 42 2016 (1378802)



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Citizens Against Taxpayer Funding of BDCP in 2014 Water Bond
(1351860) (formerly Californians Against More Debt, Misplaced
Spending – No on Prop. 1)

January 1, 2014 through December 31, 2014

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Committees that supported or opposed one or more state measures and spent more than \$10,000 were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on April 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was initially registered as a general purpose committee. On July 10, 2014, it registered as a primarily formed ballot measure committee opposing Proposition 1 in the 2014 General Election. The Committee terminated effective June 30, 2015.

TREASURER: Stephen K. Hopcraft
Stephen K. Hopcraft Communications Consulting

FINANCIAL ACTIVITY

Total Contributions Received: \$ 87,649

Total Expenditures: \$ 80,947

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Copies of contributors' checks and duplicate deposit slips were not maintained for contributions received totaling \$22,650. Bank statements and a check register were provided.

MONETARY CONTRIBUTIONS RECEIVED

Monetary contributions totaling \$15,999 received from 8 contributors were not itemized on the Form 460 Semi-annual Statement filed for the period ending December 31, 2014. The contributions were disclosed on Form 497 Contribution Reports filed on the dates the contributions were received.

Reference Exhibit A

TREASURER'S COMMENT

Mr. Hopcraft did not provide a comment.

**EXHIBIT A - CONTRIBUTIONS RECEIVED NOT ITEMIZED ON FORM 460
CAMPAIGN DISCLOSURE STATEMENTS**

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	10/24/14	J. Armanino Farms, Inc.	\$ 2,000
2.	10/24/14	Michael Frost	100 (1)
3.	10/24/14	Heritage Land Co., Inc.	2,500
4.	10/24/14	Zuckerman Mandeville, Inc.	2,500
5.	10/27/14	Kevin F. Jones	400
6.	10/27/14	R Doornenbal Ranches	999
7.	10/29/14	Giovannoni Farms	2,500 (1)
8.	10/31/14	Cerri Farms, Inc.	<u>5,000 (1)</u>
		Total	\$ 15,999

(1) Copies of contributors' checks were not maintained.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Kansen Chu
Kansen Chu for Assembly 2016 (1374408)

January 1, 2014 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on April 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by Assembly Member Kansen Chu, District 25. Mr. Chu was re-elected in the 2016 General Election.

TREASURER: Steve Blomquist

REPRESENTATIVE: Daisy Chu

FINANCIAL ACTIVITY

Total Contributions Received: \$ 392,263

Total Expenditures: \$ 418,965

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Records of the dates of receipt were not maintained for 2 monetary contributions totaling \$8,800 reported as received after the General Election in the absence of net debt. Of this amount, \$8,500 was reported as received from SEIU Local 2015 State PAC and \$300 was reported as received from Huey-Chiang MA on November 15 and December 14, respectively. The lack of records precluded a determination as to whether these contributions could be received and whether a Form 497 Contribution Report was required to be filed for the \$8,500 contribution.

Ms. Chu stated that she misunderstood the requirements pertaining to recording and disclosing the dates contributions are received and that new procedures will be enacted to record the date of receipts for contributions received.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Wilma Chan
Wilma Chan for State Senate 2016 (1374562)

January 1, 2015 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on April 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by Alameda County Supervisor Wilma Chan, a candidate for State Senate, District 9, in the 2016 Presidential Primary Election. However, she withdrew from the election and was not on the ballot.

TREASURER: Susan Reyes

FINANCIAL ACTIVITY

Total Contributions Received: \$ 210,494

Total Expenditures: \$ 154,650

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

A Form 460 Preelection Statement was not filed with the Secretary of State for the period January 1 through April 23, 2016. Contributions totaling \$3,250 were made in connection with the June 7, 2016 election during this period. Receipts and expenditures for the period totaled \$0 and \$41,990, respectively. The activity for this period was disclosed on the Form 460 Semi-annual Statement for the period ending June 30, 2016, which was filed 247 days late in paper format on April 5, 2017, but timely filed in electronic format on July 31, 2016.

Ms. Reyes stated that this was an unintentional error as it was her understanding that no preelection statements were required to be filed since her client announced in September 2015 that she was withdrawing from the 2016 election. Ms. Reyes added that changes have been made in her procedures so as to not miss required filings.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Jeffrey F. Hewitt

Jeff Hewitt for Assembly District 42 2016 (1378802)

January 1, 2015 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on April 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by Calimesa Mayor Jeffrey F. Hewitt. Mr. Hewitt was a candidate for Assembly, District 42, in the 2016 Presidential Primary Election.

TREASURERS: Wendy Hewitt

David Castaldo (03/10/16 – 05/04/16)

FINANCIAL ACTIVITY

Total Contributions Received: \$ 15,386

Total Expenditures: \$ 13,943

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filers, in our opinion, have not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 460 Campaign Disclosure Statements were filed with the Secretary of State (SOS) between 94 and 279 days late.

Reference Exhibit A

Form 497 Contribution Reports were filed with the SOS between 19 and 53 days late for 5 contributions received totaling \$16,000. All of the reports were filed prior to the election. No other reports were required to be filed.

A similar finding was noted in an Audit Report issued by Franchise Tax Board on September 30, 2016.

An amendment to the Form 410 Statement of Organization was not filed with the SOS within 10 days to report the new treasurer as Wendy Hewitt. On May 5, 2016, Wendy Hewitt signed the Form 460 Semi-annual Statements that were due in 2015 but filed on May 5, 2016. An amendment to the Form 410 Statement of Organization, due no later than May 14, 2016, was not filed until January 26, 2017.

CANDIDATE'S COMMENT

Mr. Hewitt did not provide a comment.

**EXHIBIT A - FORM 460 CAMPAIGN DISCLOSURE STATEMENTS FILED LATE WITH THE
SECRETARY OF STATE**

<u>Period</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Due Date</u>	<u>Date Filed</u>	<u>Days Late</u>
06/29/15 - 06/30/15	\$ 1,111	\$ -	07/31/15	05/05/16	279
07/01/15 - 12/31/15	\$ -	\$ 32	02/01/16	05/05/16	94
01/01/16 - 04/23/16	\$ 14,375	\$ 5,665	04/28/16	01/25/17 (1)	272
04/24/16 - 05/21/16	\$ 2,500	\$ 8,062	05/26/16	01/26/17 (2)	245
05/22/16 - 06/30/16	\$ -	\$ 2,900	08/01/16	01/25/17 (3)	177

Presidential Primary Election: 06/07/16

- (1) Preelection Statement was filed in electronic format on June 6, 2016.
- (2) Preelection Statement was filed in electronic format on June 8, 2016.
- (3) Semi-annual Statement in electronic format was required but not filed.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on April 30, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. American Civil Liberties Union, Inc. (Nonprofit 501(c)(4)) (1373039)	01/01/14 – 12/31/14
2. Autumn Burke Autumn Burke for Assembly 2016 (1373562)	01/01/14 – 12/31/16
3. Nora E. Campos Nora Campos for Assembly 2014 Officeholder Account (1373838)	01/01/16 – 12/31/16
4. Nora. E. Campos Nora Campos for Senate 2016 (1383455)	01/01/16 – 12/31/16
5. Nora. E. Campos Nora Campos for Senate 2020 (1377753)	01/01/15 – 12/31/16
6. Laura Friedman Laura Friedman for Assembly 2016 (1368792)	01/01/14 – 12/31/16
7. Timothy S. Grayson Tim Grayson for State Assembly 2016 (1376431)	01/01/15 – 12/31/16
8. David B. Pollock David Pollock for State Senate 2016 (1374756)	01/01/15 – 06/30/16

9. Mae Cendaña Torlakson
Mae Torlakson for Assembly 2016 (1378565)

01/01/15 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Shawn Bayliss for Senate 2016 (1377178)
2. Buchanan for Senate 2015 (1374519)
3. Dennis Bullock for Assembly 2016 (1374559)



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Joan T. Buchanan
Buchanan for Senate 2015 (1374519)

January 1, 2015 through June 30, 2015

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Legislative candidates in a special primary or special runoff election who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on May 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by former Assembly Member Joan T. Buchanan, a candidate for State Senate, District 7, in the March 17, 2015 Special Primary Election. The Committee terminated effective December 9, 2015.

TREASURER: Rebecca J. Olson
Miller & Olson, LLP

FINANCIAL ACTIVITY

Total Contributions Received: \$ 386,775

Total Expenditures: \$ 407,948

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

MONETARY CONTRIBUTIONS RECEIVED

Funds totaling \$21,000 received in transfers from Buchanan for Senate 2016 (1358141) were not reported on Schedule A as monetary contributions attributed to specific contributors. Instead, the transfers were reported on Schedule I as miscellaneous increases to cash. Records for the attribution method and the specific contributors were not provided. The lack of records precluded a determination as to whether the contribution limits were exceeded.

<u>Date of Transfer</u>	<u>Amount</u>
01/31/15	\$ 17,000
02/20/15	<u>4,000</u>
Total	\$ 21,000

Ms. Olson had no comment.

LOANS RECEIVED

The outstanding balance of loans received from the candidate totaled \$142,991 on June 30, 2015, \$42,991 over the \$100,000 limit. The loans were reported as forgiven on August 10, 2015. In addition, Form 497 Contribution Reports were not filed for 2 of the loans received nor for the forgiveness of the loans.

<u>Date Received</u>	<u>Amount</u>	<u>Outstanding Balance</u>
02/28/15	\$ 75,000	\$ 75,000
03/20/15	35,000 (1)	110,000
06/23/15	32,991 (1)	142,991

(1) Form 497 Contribution Reports were not filed.

Ms. Olson stated that due to a miscommunication in the treasurer's office, the loan forgiveness dates were inadvertently entered incorrectly into the committee's campaign reporting software. Ms. Olson added that as such, the dates that were reported showed outstanding loan amounts incorrectly.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Dennis R. Bullock
Dennis Bullock for Assembly 2016 (1374559)

January 1, 2015 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly Districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on May 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Dennis R. Bullock, a candidate for Assembly, District 43, in the 2016 Presidential Primary Election. The Committee terminated effective January 8, 2017.

TREASURER: Mary Bullock

FINANCIAL ACTIVITY

Total Contributions Received: \$ 22,602

Total Expenditures: \$ 24,495

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

MONETARY CONTRIBUTIONS RECEIVED

Occupation and/or employer information was not disclosed for contributions totaling \$1,450 received from 11 individuals. A record of this information was not maintained and the contributions were not returned.

Mr. Bullock stated that the Committee inadvertently omitted the occupation and employer information because it was unfamiliar with campaign finance reporting and unable to afford professional assistance.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Shawn Bayliss
Shawn Bayliss for Senate 2016 (1377178)
c/o Kaufman Legal Group

January 1, 2015 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on May 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Shawn Bayliss, a candidate for State Senate, District 27, in the 2016 Presidential Primary Election. The Committee terminated effective July 31, 2016.

TREASURER: Shawn Bayliss

REPRESENTATIVE: Leilani Rudow Beaver
Kaufman Legal Group

FINANCIAL ACTIVITY

Total Contributions Received: \$ 414,964

Total Expenditures: \$ 422,745

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were filed with the Secretary of State between 7 and 41 days late for 8 contributions received totaling \$64,900. Of this amount, \$4,200 was received prior to the June 7, 2016 Presidential Primary Election, but reported after the election. Reports were timely filed for 33 contributions received totaling \$83,950.

Reference Exhibit A

Ms. Beaver stated that the Committee made its best efforts to disclose all contributions on a timely basis. She added that with the exception of one \$4,200 contribution, all contributions were disclosed well before the primary election.

**EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT TIMELY FILED WITH
 THE SECRETARY OF STATE**

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Date</u> <u>Filed</u>	<u>Days</u> <u>Late</u>
1.	12/30/15	Shawn Bayliss	\$ 34,000	01/21/16	7 (1)
2.	12/30/15	Howard Brenner	8,400	01/21/16	7 (1)
3.	12/30/15	Joshua M. Brenner	8,400	01/21/16	7 (1)
4.	12/30/15	Sherman for Congress	6,200	01/21/16	7
5.	04/04/16 *	Yitzchok Pearson	1,000	05/16/16	41 (2)
6.	04/08/16	AP Properties Ltd.	1,700	05/16/16	35
7.	04/08/16	Naty Saidoff	1,000	05/16/16	35
8.	05/31/16	Beverly Pacifica LLC	<u>4,200</u>	06/16/16	15 (3)
		Total	\$ 64,900		

* Date cumulative contributions met or exceeded the \$1,000 reporting threshold.

(1) Loan received.

(2) Contributions received from the contributor were understated by \$500 on the Form 497 Contribution Report filed.

(3) Reported after the election.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on May 31, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Jim Beall Jim Beall for Senate 2016 (1354578)	01/01/13 – 12/31/16
2. Andrew J. Blumenfeld Andrew Blumenfeld for Assembly 2016 (1375992)	01/01/15 – 06/30/16
3. Joan T. Buchanan Buchanan for Senate 2016 (1358141)	01/01/13 – 06/30/15
4. Rajiv P. Dalal Dalal for Assembly 2016 (1376212)	01/01/15 – 06/30/16
5. Warren T. Furutani Warren Furutani for State Senate 2016 (1375758)	01/01/15 – 12/31/16
6. Henry Stern Stern for Senate 2016 (1374003)	01/01/14 – 12/31/16
7. Katherine Grace Welch Elect Katherine Welch for State Senate 2016 (1380051)	01/01/15 – 06/30/16
8. Yes on Prop. 46, Your Neighbors for Patient Safety, a coalition of consumer attorneys and patient safety advocates (1361562)	01/01/13 – 12/31/14

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Philip Y. Ting
Phil Ting for Assembly 2016 (1373572)



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Philip Y. Ting
Phil Ting for Assembly 2016 (1373572)

January 1, 2014 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on June 29, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Assembly Member Philip Y. Ting, District 19. Mr. Ting was re-elected in the 2016 General Election. The committee terminated effective May 31, 2017.

TREASURER: Stacy E. Owens
S. E. Owens & Company

REPRESENTATIVE: Marissa Quaranta
S. E. Owens & Company

FINANCIAL ACTIVITY

Total Contributions Received: \$ 1,167,004

Total Expenditures: \$ 789,622

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not timely filed with the Secretary of State for 7 contributions received totaling \$26,300 and 4 contributions made totaling \$9,200. Form 497 Contribution Reports were timely filed for 240 contributions received and made totaling \$739,000.

Reference Exhibit A

Ms. Quaranta stated she believes the issue described in the finding is immaterial as the number and amount for reports filed late are small in comparison to the timely filed reports.

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT TIMELY FILED

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Days</u> <u>Late</u>	
1.	04/24/15	California State Association of Electrical Workers	\$ 5,000	78	
2.	05/01/15	California State Pipe Trades Council Political Action Fund	5,000	71	
3.	06/19/15	California State Council of Laborers PAC Small Contributor Committee	8,500	22	
4.	04/04/16	PricewaterhouseCoopers LLP	2,000	13	
5.	05/11/16	NRG Energy Inc.	1,500	13	
6.	05/13/16	California State Council of Unite Here	1,000	9	
7.	11/08/16 *	Sheet Metal Workers 104 District 2 Small Contributor Committee	3,300	6	(1)
			Total	\$ 26,300	

	<u>Date</u> <u>Made</u>	<u>Recipient</u>	<u>Amount</u>	<u>Days</u> <u>Late</u>
1.	10/13/16	Warren Furutani for State Senate 2016	\$ 2,000	10
2.	10/13/16	Ash Kalra for California Assembly 2016	2,000	10
3.	10/13/16	Jane Kim For Senate 2016	4,200	10
4.	10/13/16	Mae Torlakson for State Assembly	<u>1,000</u>	10
			Total	\$ 9,200

* Date cumulative contributions met or exceeded the \$1,000 reporting threshold.

(1) Reported after the election.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on June 29, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Cheryl Cook-Kallio Cook-Kallio for Assembly 2016 (1381077)	01/01/15 – 12/31/16
2. Mark J. DeSaulnier Mark DeSaulnier for Assembly 2016 (1354084)	01/01/12 – 12/31/14
3. Isadore Hall, III Hall for Senate 2016 (1354418)	01/01/15 – 06/30/16
4. Mark J. MacCarley MacCarley for Assembly 2016 (1379878)	01/01/15 – 06/30/16
5. Jose J. Medina Medina for Assembly 2016 (1373424)	01/01/15 – 12/31/16
6. Million Voter Project Action Fund – Yes on 55, 56, 57, 58, 62, and No on 66, Sponsored by Social Justice Advocates and Organizations (1391170)	01/01/16 – 12/20/16
7. Nancy Skinner Skinner for Assembly 2012 (1334307)	01/01/13 – 03/24/15

8. Nancy Skinner
Skinner for Senate 2016 (1354462) 01/01/13 – 12/31/16
9. Sandré R. Swanson
Swanson for Senate 2016 (1347713) 01/01/12 – 12/31/16
10. Working for a Healthier California to Support Cheryl Cook-Kallio and Bryan
Urias for Assembly 2016, Sponsored by Service Employees International
Union – United Healthcare Workers West (1385596) 01/01/16 – 12/31/16
11. Yes on 56 Stop Cancer – Planned Parenthood of Orange and San
Bernardino Counties' Community Action Fund
(non profit 501(c)(4)) (1389668) 01/01/16 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Baron P. Bruno
Bruno for 62nd Assembly CA 2016 (1385823)
2. Janice Kamenir-Reznik
Janice Kamenir-Reznik for Senate 2016 (1381876)
3. Harmesh Kumar
Committee to Elect Dr. Kumar for Assembly (District 14) 2016 (1381210)
4. Anthony J. Portantino
Anthony Portantino for Senate 2016 (1334175)
5. Anthony J. Portantino
Moving California Forward A Committee Controlled by Anthony Portantino
(1303923)
6. SAM Action, Inc., a Committee Against Proposition 64 with Help from Citizens
(Nonprofit 501 (C)(4)) (1387789)



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Anthony J. Portantino
Moving California Forward A Committee Controlled by
Anthony Portantino (1303923)
c/o Gould & Orellana, LLC

January 1, 2011 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit. In addition, each controlled committee of the candidate was subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on July 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a ballot measure committee controlled by State Senator Anthony J. Portantino, District 25. Mr. Portantino was elected in the 2016 General Election.

TREASURER: David L. Gould
Gould & Orellana, LLC

FINANCIAL ACTIVITY

Total Contributions Received: \$ 72,500

Total Expenditures: \$ 67,978

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

A Form 496 Independent Expenditure Report was not filed with the Secretary of State for a \$33,120 expenditure made on May 24, 2016, for a mailer in support of Proposition 50 in the 2016 Presidential Primary Election. The Committee disclosed the expenditure as a nonmonetary contribution made on the Form 460 Preelection Statement filed on July 25, 2016. No other Form 496 Independent Expenditure Reports were required to be filed. A Form 497 Contribution Report was filed for a \$1,500 contribution made to another measure.

Mr. Gould did not provide a comment.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Anthony J. Portantino
Anthony Portantino for Senate 2016 (1334175)
c/o Gould & Orellana, LLC

January 1, 2010 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on July 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by State Senator Anthony J. Portantino, District 25. Mr. Portantino was elected in the 2016 General Election.

TREASURER: David L. Gould
Gould & Orellana, LLC

FINANCIAL ACTIVITY

Total Contributions Received: \$ 4,057,069

Total Expenditures: \$ 4,059,017

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

The reported cash balances were overstated on the Form 460 Campaign Disclosure Statements filed for the period June 30, 2015 through September 24, 2016. The overstatements were due to receipts being overstated by \$350,000 on the initial Form 460 Semi-annual Statement filed for the period ending June 30, 2015. Of this amount, \$75,000 was from reporting a gain on an investment that was not actually received and \$275,000 was from reporting a transfer from another controlled committee when the funds were not in the possession of the Committee.

The \$75,000 investment gain was initially reported as a miscellaneous receipt on June 30, 2015. An amendment was filed on March 11, 2016, to remove this investment gain.

The \$275,000 transfer from Anthony Portantino Congressional Exploratory Committee (C00479188), including 945 attributed itemized contributions totaling \$262,540, was reported as received on June 30, 2015. A \$175,000 return of the contribution to Anthony Portantino Congressional Exploratory Committee was reported on June 30, 2016. Although the funds reported as transferred from and returned to Anthony Portantino Congressional Exploratory Committee did not go through the campaign bank account as of June 30, 2016, the Committee received a \$100,000 deposit into its campaign bank account on August 1, 2016. A copy of an unsigned \$100,000 check from Anthony Portantino Congressional Exploratory Committee dated June 30, 2016, was provided.

<u>Date</u>	<u>Overstatement</u>
06/30/15	\$ 350,000
12/31/15	350,000
04/23/16	275,000
05/21/16	275,000
06/30/16	100,000
09/24/16	0

Mr. Gould stated that the receipts reflected the transfer of securities held in an investment account from Anthony Portantino Congressional Exploratory Committee to Anthony Portantino for Senate 2016 without an actual liquidation of those securities.

Form 497 Contribution Reports were not filed with the Secretary of State for 4 contributions received totaling \$18,300.

<u>Date Received</u>	<u>Contributor</u>	<u>Amount</u>
06/30/11	A Faculty for Our University's Future	\$ 7,800
04/23/16 *	Canada Crescenta Democratic Club	1,000
05/18/16 *	Beth Gertmenian	1,000
06/24/16	California Federation of Teachers Cope	8,500
		Total \$ 18,300

* Date cumulative contributions met or exceeded the \$1,000 reporting threshold.

Mr. Gould did not provide a comment.

Contributions received were overstated by \$357,111 on Form 497 Contribution Reports filed. Of this amount, \$347,461 was on the Form 497 Contribution Report filed on September 17, 2016, and was attributable to the following:

	<u>Amount</u>
Duplicate Reporting of Contributions Received	\$ 292,051
Reporting of Cumulative Contributions Received < \$1,000	17,310
Reporting of Contributions Received Outside the 90-day Reporting Period	<u>38,100</u>
Total	\$ 347,461

Mr. Gould did not provide a comment.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Harmesh Kumar
Committee to Elect Dr. Kumar for Assembly (District 14) 2016 (1381210)
Therapeutic Residential Care Services Inc.

January 1, 2015 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on July 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Harmesh Kumar, a candidate for Assembly, District 14, in the 2016 Presidential Primary Election. The Committee terminated effective October 4, 2016.

TREASURER: Alexandre Cardoso
Therapeutic Residential Care Services Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 18,716

Total Expenditures: \$ 18,716

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not filed with the Secretary of State for 4 contributions received totaling \$6,444. A Form 497 Contribution Report was filed for a \$1,000 contribution received on April 27, 2016.

Reference Exhibit A

CAMPAIGN BANK ACCOUNT

Personal funds from the candidate totaling \$5,382 were not deposited into the campaign bank account prior to being used to pay for campaign expenditures. These expenditures were disclosed on the Form 460 Campaign Disclosure Statements.

MONETARY CONTRIBUTIONS RECEIVED

Cash contributions of \$100 or more each totaling \$3,300 were received from 17 contributors. In addition, the cash was not deposited into the campaign bank account. The contributions were not returned to the donors.

Reference Exhibit B

EXPENDITURES

A \$1,700 payment to Stephanie Simms for campaign services was made in the form of cash. A check, written to Alex Cardoso on June 10, 2016, was cashed and used to pay Stephanie Simms. Stephanie Simms was not disclosed as the payee on the Form 460 Semi-annual Statement filed for the period ending June 30, 2016; instead, the payee was disclosed as Alex Cardoso.

FILERS' COMMENTS

Mr. Cardoso stated the \$3,300 cash was used to reimburse the candidate for campaign expenditures paid with personal funds. He further stated they were not aware of the reporting requirements related to receipts, contributions, and expenditures of the candidate, and the filing requirements for Form 497 Contribution Reports. Mr. Cardoso also stated internal procedures have since been updated for future campaigns.

Auditor's Note: Records to substantiate the disposition of the cash were not provided.

LIST OF EXHIBITS

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED FOR CONTRIBUTIONS RECEIVED

EXHIBIT B - CONTRIBUTIONS OF \$100 OR MORE RECEIVED IN THE FORM OF CASH

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED FOR CONTRIBUTIONS RECEIVED

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	04/11/16	Alexandre Cardoso	\$ 1,350 (1)
2.	04/22/16 *	Harmesh Kumar	2,094 (2)
3.	05/04/16	Join-Hands, LLC DBA Sierra Villa	1,500 (3)
4.	05/19/16	Join-Hands, LLC DBA St. Michael	<u>1,500 (3)</u>
		Total	\$ 6,444

* Date cumulative contributions met or exceeded the \$1,000 reporting threshold.

(1) A campaign expense was paid by the treasurer.

(2) Campaign expenses were paid with the Candidate's personal funds.

(3) Entity owned by the candidate. Disclosed on Form 460 Campaign Disclosure Statements as loans from the candidate. Checks were not deposited into the campaign bank account until June 7, 2016, the day of the election.

**EXHIBIT B - CONTRIBUTIONS OF \$100 OR MORE RECEIVED
IN THE FORM OF CASH**

	<u>Date</u> <u>Received</u>	<u>Contributor Disclosed</u>	<u>Amount</u>
1.	04/16/16	Karam Bangar	\$ 500
2.	04/16/16	Malkit Bangar	250
3.	04/16/16	Kashmir Chand	200
4.	04/16/16	Santokh Narr	200
5.	04/16/16	Rattan Pal	250
6.	04/16/16	Rajinder Sodhi	500
7.	04/22/16	O. P. Balley	100
8.	04/22/16	P. K. Chumber	100
9.	04/22/16	Gurpal Singh Dhaliwal	100
10.	04/22/16	Hoshiar S Dhaliwal	100
11.	04/22/16	Harjinder Dhami	100
12.	04/22/16	Satinder Paul Hayer	100
13.	04/22/16	Shashi K Paul	100
14.	04/22/16	Parmit Randhawa	100
15.	04/22/16	Bhupinder (Gagan) Singh	200
16.	04/22/16	Karanjit Singh	100
17.	04/22/16	Satpaul Surila	<u>300</u>
		Total	\$ 3,300



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Janice Kamenir-Reznik
Janice Kamenir-Reznik for Senate 2016 (1381876)
c/o Leiderman & Associates, Inc.

January 1, 2016 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on July 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Janice Kamenir-Reznik, a candidate for State Senate, District 27, in the 2016 Presidential Primary Election. The Committee terminated effective December 31, 2016.

TREASURER: Jane Leiderman
Leiderman & Associates, Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 964,625

Total Expenditures: \$ 974,499

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not filed with the Secretary of State for 12 contributions received totaling \$30,425. Reports were filed for 148 contributions received totaling \$478,465.

Reference Exhibit A

Ms. Leiderman stated that their intention is to comply and report accurately but it was her understanding that nonmonetary contributions by the candidate were allowed and no special reports were required. Ms. Leiderman also stated that the Sandel contribution was incorrectly reported as received from Joyce when she believes it should have been split between Joyce and Dan since both names were on the remittance envelope. She added that they constantly improve their ability to check for contributions that require reporting but some were inadvertently missed.

CAMPAIGN BANK ACCOUNT

Campaign expenditures totaling \$22,657 were not processed through the Committee's designated campaign bank account. Instead, these expenditures were paid directly by the candidate using her personal funds and/or personal credit card. These expenditures were reported on the campaign statements as nonmonetary contributions from the candidate to the Committee. Although descriptions of the goods were reported for these expenses, the payees and amounts paid were not itemized for the 14 expenditures totaling \$20,903 that were required to be itemized.

Reference Exhibit B

Ms. Leiderman stated that the candidate put expenses on her personal credit card with the intention to make in-kind contributions. She added that she was notified of these payments after the fact and tried to be in compliance.

MONETARY CONTRIBUTIONS RECEIVED

Contributions totaling \$8,400 were received in the form of cashier's checks from Steve B. Mikhov for \$4,200 and Inna Mikhov for \$4,200 on February 18, 2016.

Ms. Leiderman stated that this was an inadvertent oversight as the campaign unfortunately missed these 2 cashier's checks that were deposited into the campaign bank account.

LIST OF EXHIBITS

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED

EXHIBIT B - EXPENDITURES NOT ITEMIZED ON FORM 460 CAMPAIGN DISCLOSURE STATEMENTS

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	01/15/16	Janice Kamenir-Reznik	\$ 5,000
2.	01/27/16	Joyce Sandel	5,000
3.	04/01/16	Adam Weiss	1,000
4.	04/09/16	Robert Green	1,000
5.	04/10/16	Evelyn Baran	1,000
6.	04/10/16	Wendy Greuel	1,000
7.	04/10/16	Janice Kamenir-Reznik	2,169
8.	04/10/16	Dean Schramm	1,000
9.	04/21/16 *	Ben Reznik	1,012
10.	05/16/16 *	Ed Bernstein	1,099
11.	06/06/16	Janice Kamenir-Reznik	1,054
12.	06/07/16	Janice Kamenir-Reznik	<u>10,091</u>
		Total	\$ 30,425

* Date cumulative contributions met or exceeded the \$1,000 reporting threshold.

**EXHIBIT B - EXPENDITURES NOT ITEMIZED ON FORM 460
CAMPAIGN DISCLOSURE STATEMENTS**

	<u>Date</u> <u>Made</u>	<u>Payee</u>	<u>Amount</u>
1.	01/15/16	Mark Deitch & Associates Inc.	\$ 5,000
2.	02/08/16	Woodland Hills Printing	1,328
3.	02/09/16	Southwest Airlines	220
4.	02/15/16	Office Depot	160
5.	02/18/16	Greater Conejo Valley Chamber of Commerce	250
6.	02/22/16	Woodland Hills Printing	392
7.	02/23/16	Hotels.Com	273
8.	04/10/16	Factor's Famous Deli	2,120
9.	06/02/16	Political Data Inc.	277
10.	06/03/16	The Baker	200
11.	06/05/16	American Kitchen	198
12.	06/06/16	Daphne's California Greek	260
13.	06/07/16	Cornerstone Printing, Inc.	10,091
14.	06/07/16	Office Depot	<u>134</u>
		Total	\$ 20,903



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Baron P. Bruno
Bruno for 62nd Assembly CA 2016 (1385823)

January 1, 2016 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

The audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on July 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Baron P. Bruno, a candidate for Assembly, District 62, in the 2016 General Election. The committee terminated effective December 31, 2017.

TREASURER: Baron P. Bruno

FINANCIAL ACTIVITY

Total Contributions Received: \$ 30,794

Total Expenditures: \$ 30,665

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filers, in our opinion, have not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Canceled checks and/or credit card statements were not provided for 20 expenditures made totaling \$11,517. Invoices and receipts were provided for 9 of these expenditures made totaling \$2,998 and check stubs were provided for 7 of these expenditures made totaling \$5,955. Bank transaction summaries and a check register were also provided.

No comment was provided.

REPORTS AND STATEMENTS

A Form 460 Semi-annual Statement for the period ending June 30, 2016, was not filed with the Secretary of State (SOS). The activity for this period was reported on the Form 460 Preelection Statement filed for the period ending September 24, 2016, which was filed 12 days late. The Form 460 Preelection Statement for the period ending October 22, 2016, and the Semi-annual Statement for the period ending December 31, 2016, were not timely filed with the SOS.

Reference Exhibit A

The beginning cash balance was overstated by \$5,377 on the Summary Page of the initial Form 460 Preelection Statement filed for the period ending September 24, 2016, and the cash balance was understated by \$14,562 on the initial Form 460 Preelection Statement filed for period ending October 22, 2016. This understatement was carried over on subsequent Form 460 Campaign Disclosure Statements initially filed. An amendment was filed on December 31, 2017, after the election, to correct the beginning balance for period ending September 24, 2016, and additional amendments were filed on January 8, 2018, to correct the cash balances for subsequent periods.

Mr. Bruno stated he was not aware of the campaign statement disclosure requirements. He added that he sought guidance.

Form 497 Contribution Reports were not filed with the SOS for 8 contributions received totaling \$11,305.

Reference Exhibit B

Mr. Bruno stated he was not aware of the reporting requirements since this was his first time running with no help or guidance.

CAMPAIGN BANK ACCOUNT

Campaign expenditures made totaling \$7,864 were not processed through the Committee’s designated campaign bank account. Instead, the expenditures were paid directly by the candidate using his personal funds and/or personal credit card. These expenditures made were reported on the Form 460 Campaign Disclosure Statements as loans from the candidate to the Committee; however, the payees for expenditures totaling \$7,195 were not disclosed on the initial Form 460 Campaign Disclosure Statements filed. Although amendments were filed on December 31, 2017, and January 8, 2018, to disclose the payees for \$4,313 of this amount, the payees and amounts paid were not itemized for another 9 expenditures made totaling \$2,344 that were required to be itemized.

Reference Exhibit C

Mr. Bruno stated he only used personal funds when he didn’t have sufficient funds to pay out of the campaign bank account or didn’t have the campaign credit card or check book with him. He added that a lack of education and full understanding of the requirements led to these errors.

LIST OF EXHIBITS

EXHIBIT A – FORM 460 CAMPAIGN DISCLOSURE STATEMENTS NOT FILED/NOT TIMELY FILED

EXHIBIT B – FORM 497 CONTRIBUTION REPORTS NOT FILED

EXHIBIT C – EXPENDITURES NOT ITEMIZED ON FORM 460 CAMPAIGN DISCLOSURE STATEMENTS

EXHIBIT A - FORM 460 CAMPAIGN DISCLOSURE STATEMENTS NOT FILED/NOT TIMELY FILED

	<u>Statement Period</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Date Filed</u>	<u>Days Late</u>
1.	01/01/16 - 06/30/16	\$ 2,258	\$ 1,970		
2.	07/01/16 - 09/24/16	13,935	8,702	10/11/16	12 (1)
3.	09/25/16 - 10/22/16	4,430	8,515	03/24/17	148 (2)
4.	10/23/16 - 12/31/16	3,310	4,618	03/24/17	52 (3)

(1) The statement was filed electronically on 10/10/16.

(2) The statement was filed electronically on 11/07/16.

(3) The statement was filed electronically on 3/14/17.

EXHIBIT B - FORM 497 CONTRIBUTION REPORTS NOT FILED

	<u>Date</u> <u>Received</u>		<u>Contributor</u>		<u>Amount</u>	
1.	06/06/16	*	Baron Bruno	\$	1,035	(1)
2.	08/19/16	*	Baron Bruno		1,035	(1)
3.	09/01/16		Speiser Trust Agreement		2,600	(2)
4.	09/05/16	*	Baron Bruno		1,033	(1)
5.	09/08/16	*	Baron Bruno		1,433	(1)
6.	10/15/16	*	Baron Bruno		1,169	(1)
7.	10/21/16	*	Baron Bruno		2,000	(1)
8.	11/04/16	*	Baron Bruno		<u>1,000</u>	(1)
				Total	\$ 11,305	

* Date cumulative contributions met or exceeded the \$1,000 reporting threshold.

(1) Amount reported as loans to the Committee.

(2) Date of check was 09/1/16 and date of deposit was 9/12/16.

EXHIBIT C - EXPENDITURES NOT ITEMIZED ON FORM 460 CAMPAIGN DISCLOSURE STATEMENTS

	<u>Date</u> <u>Made</u>		<u>Payee</u>		<u>Amount</u>
1.	06/28/16		Serving Those Who Rock	\$	117
2.	07/20/16		Boa Restaurant		106
3.	07/29/16		Los Angeles County Registrar/Recorder		146
4.	08/28/16		On the Waterfront Café		128
5.	09/04/16		Larry's		116
6.	09/08/16		Alex Allen		450
7.	09/08/16		Victor Bradford		850
8.	09/22/16		C & O - Trattoria		316
9.	10/23/16		Yard House		<u>115</u>
				Total	\$ 2,344



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

SAM Action, Inc., a Committee Against Proposition 64 with Help from
Citizens (Nonprofit 501 (C)(4)) (1387789)

January 1, 2016 through December 13, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Committees that supported or opposed one or more state measures and spent more than \$10,000 were subject to audit.

The audit, performed by the Political Reform Audit Program of the Franchise Tax Board, was limited to the verification of transactions other than those considered in a Fair Political Practices Commission (FPPC) investigation and further stipulated to by SAM Action, Inc., a Committee Against Proposition 64 with Help from Citizens (Nonprofit 501 (C)(4)) (1387789) in the Stipulation, Decision, and Order, FPPC Case No. 16/19641, approved on April 20, 2017. The Franchise Tax Board's audit was performed using generally accepted auditing standards and the auditing standards set by the FPPC. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the FPPC, the Secretary of State, and the Attorney General on July 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was a primarily formed ballot measure committee opposing Proposition 64 in the 2016 General Election. The Committee terminated effective December 13, 2016.

TREASURERS: Jeffrey Zinsmeister
SAM Action, Inc.

David Bauer (08/01/16 – 09/07/16)
David Bauer & Co.

REPRESENTATIVE: Kevin Sabet-Sharghi
SAM Action, Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 1,364,000

Total Expenditures: \$ 1,364,000

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in the FPPC investigation, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on July 31, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Emergency Doctors and Building Trades for Arambula for Assembly 2016 (1383063)	01/01/16 – 04/23/16
2. Healthcare Providers for the Central Valley supporting Arambula and opposing Olivier for Assembly 2016, sponsored by doctors and dentists organizations (1382900)	01/01/16 – 04/23/16
3. Million Voter Project Action Fund – Yes on 55 and 57, Sponsored by Social Justice Organizations (1384591) (formerly Million Voter Project Action Fund, Sponsored by Social Justice Organizations)	01/01/16 – 12/31/16
4. NextGen CA Committee (1385903) (formerly NextGen California to support Jim Beall for State Senate 2016)	01/01/16 – 06/30/16
5. Valley Neighborhoods United to Support Jim Beall and Oppose Nora Campos for Senate 2016 (1385499)	01/01/16 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Steve G. Fox
Steve Fox for Assembly 2016 (1375246)
2. Isaac J. Galvan
Galvan for Senate 2016 (1379950)
3. Volunteers for Yes on 62 (1390529)



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Steve G. Fox
Steve Fox for Assembly 2016 (1375246)

January 1, 2015 through December 28, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on August 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by former Assembly Member Steve G. Fox, a candidate for Assembly, District 36, in the 2016 General Election. The Committee terminated effective December 28, 2016.

TREASURER: Sharon Fox

FINANCIAL ACTIVITY

Total Contributions Received: \$ 152,927

Total Expenditures: \$ 157,465

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not filed with the Secretary of State (SOS) for 3 contributions received totaling \$85,400. Reports were filed with the SOS between 1 and 8 days late for 4 contributions received totaling \$12,500. Reports were overstated and understated by \$4,000 and \$900, respectively. Reports were timely filed for 16 contributions received totaling \$46,650.

Reference Exhibit A

The Form 460 Semi-annual Statement for the period October 23 through December 28, 2016, was not filed in paper format with the SOS. Receipts and expenditures for the period totaled \$8,817 and \$14,013, respectively. The Form 460 Semi-annual Statement was timely filed in electronic format.

MONETARY CONTRIBUTIONS RECEIVED

Monetary contributions totaling \$6,170 received from 7 contributors were not disclosed on the Form 460 Campaign Disclosure Statements filed for the audit period. Of this amount, contributions totaling \$5,500 from 2 contributors were disclosed on Form 497 Contribution Reports.

Reference Exhibit B

EXPENDITURES

Expenditures were understated by \$23,349 on Form 460 Preelection Statements filed for the period July 1 through October 22, 2016. The expenditures were reported on the Form 460 Semi-annual Statement filed electronically for the period ending December 31, 2016.

CANDIDATE'S COMMENT

Mr. Fox stated that there was some confusion as to whether he should use the Form 460 or the Form 497. He further stated that all expenditures and contributions were listed on either Forms 460 or Forms 497 filed with the Secretary of State.

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	11/22/15 **	Steve Fox Attorney at Law Bar No. 170879	\$ 33,000
2.	11/22/15 **	Steve Fox	51,000
3.	11/03/16 *	Steve Fox Attorney at Law Bar No. 170879	<u>1,400</u>
		Total	\$ 85,400

* Date cumulative contributions met or exceeded the \$1,000 reporting threshold.

** Reported on the Form 460 as received on 12/01/15.

**EXHIBIT B - CONTRIBUTIONS RECEIVED NOT DISCLOSED ON
 FORM 460 CAMPAIGN DISCLOSURE STATEMENTS**

	<u>Check</u> <u>Date</u>	<u>Contributor</u>	<u>Amount</u>
1.	08/01/15	Brian R. Johnson	\$ 100
2.	08/13/15	Manuel J. Magana	100
3.	08/24/15	Marie Brown	100
4.	08/24/15	Margo Doll	120
5.	04/18/16 *	BCP Commercial Properties, LLC	2,500
6.	07/25/16	Los Angeles/Orange Counties Building and Construction Trades Council	250
7.	09/23/16 *	UA Journeymen & Apprentices Local # 250	3,000
		Total	<u>\$ 6,170</u>

* Contributions disclosed on a Form 497 Contribution Report.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Isaac J. Galvan
Galvan for Senate 2016 (1379950)

January 1, 2015 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit. The audit for the period July 1, 2016 through December 31, 2016 is authorized under Section 90003 of the California Government Code.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on August 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by Isaac J. Galvan, a candidate for State Senate, District 35, in the 2016 Presidential Primary Election.

TREASURER: Isaac J. Galvan

REPRESENTATIVE: Gary Crummitt
Crummitt & Associates

FINANCIAL ACTIVITY

Total Contributions Received: \$ 225,643

Total Expenditures: \$ 235,042

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Copies of contributors' checks or other records were not provided for contributions totaling \$8,400 reported as received from 2 contributors on the Form 460 Semi-annual Statement filed for the period ending December 31, 2015. The contributions were reported as \$4,200 each received from Mirabux Inc. on December 29, 2015, and Businessrocket.Net, Inc. on December 30, 2015. These contributions were not deposited into the campaign bank account. They were reported as "check not deposited" on Schedule E of the Form 460 Preelection Statement filed for the period ending May 21, 2016.

Copies of bank statements or other documents were not provided to verify the source of a \$12,000 loan reported as received from the candidate on December 30, 2015. A copy of the check from the candidate was provided.

Receipts and/or invoices were not maintained for expenditures made totaling \$29,901, including a copy of a \$12,000 cashier's check purchased on July 28, 2016, from the campaign bank account. A bank statement and a copy of the bank issued debit memo were provided but the debit memo did not state the payee of the cashier's check.

An invoice or valuation letter was not maintained for a \$3,000 nonmonetary contribution of fundraising event expenses reported as received from Albert Robles for Mayor 2017 on September 29, 2015.

MONETARY CONTRIBUTIONS RECEIVED

An \$8,400 contribution received from Galvan for Compton City Council 2013 (1357222) on October 5, 2015, via credit card was not attributed to specific contributors to Galvan for Compton City Council 2013. No records for attribution were provided. The lack of records precluded verification of the source of the contributions and precluded the determination of whether contribution limits were exceeded.

No transfers or disbursements from Galvan for Compton City Council 2013 to Galvan for Senate 2016 were reported by Galvan for Compton City Council 2013 (1357222) during the period ending December 31, 2015.

Occupation and employer information was not disclosed for contributions totaling \$16,800 received from 4 individuals. A record of this information was not maintained and the contributions were not returned.

CANDIDATE'S COMMENTS

Mr. Galvan did not provide comments.



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Volunteers for Yes on 62 (1390529)

January 1, 2016 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Committees that supported or opposed one or more state measures and spent more than \$10,000 were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on August 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was a primarily formed ballot measure committee supporting Proposition 62 in the 2016 General Election. The Committee terminated effective May 24, 2017.

TREASURER: Corrina Clover Miller

REPRESENTATIVE: Leilani Rudow Beaver
Kaufman Legal Group

FINANCIAL ACTIVITY

Total Contributions Received: \$147,949

Total Expenditures: \$152,581

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

A Form 497 Contribution Report was not filed with the Secretary of State for an \$11,131 nonmonetary contribution received from Triple O on December 30, 2016. A report was filed 7 days late on November 8, 2016, the date of the General Election, for a \$74,951 contribution made on October 31, 2016, to Yes on 62, No on 66, Replace the Costly, Failed Death Penalty System, Sponsored by Taxpayers for Sentencing Reform. Reports were timely filed for contributions received totaling \$38,845.

TREASURER'S COMMENT

Ms. Beaver stated that the \$11,131 nonmonetary contribution, received seven weeks after the election, was disclosed on the Form 460 Semi-annual Statement filed only two weeks after the Form 497 Contribution Report was due. Ms. Beaver further stated that the \$74,951 contribution made was timely reported by the recipient and this information was available to the public prior to the election.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on August 31, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Efrain M. Aceves EM Aceves for Judge 2016 (1379049)	01/01/15 – 12/31/16
2. Overturn Citizens United, Yes on 59 (1386909)	01/01/16 – 12/28/16
3. Susan Jung Townsend Susan Jung Townsend for Judge 2016 (1377866)	01/01/15 – 12/31/16
4. David E. Wolf David Wolf for Judge 2016 (1378784)	01/01/15 – 06/30/16
5. Cory J. Woodward Committee to Re-Elect Judge Cory Woodward 2016 (1383989)	01/01/16 – 11/12/16
6. Voters First, Not Special Interests – Sponsored by Hold Politicians Accountable (1381029) (formerly Yes on 54 – Voters First, Not Special Interests – Sponsored by Hold Politicians Accountable)	01/01/15 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Californians in Support of Mike Antonovich State Senate 2016 (1384178)
2. Committee to Elect Joaquin Arturo Revelo Judge, 2016, Seat Number 34 (1382645)



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Joaquin Arturo Revelo
Committee to Elect Joaquin Arturo Revelo Judge, 2016, Seat Number 34
(1382645)

January 1, 2016 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Superior Court offices were randomly selected by the Fair Political Practices Commission. Candidates for selected offices who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on September 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Joaquin Arturo Revelo, a candidate for Superior Court Judge, Kern County, in the 2016 Presidential Primary Election. The Committee terminated effective July 30, 2016.

TREASURER: David L. Kelly

FINANCIAL ACTIVITY

Total Contributions Received: \$ 18,919

Total Expenditures: \$ 18,919

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filers, in our opinion, have not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Copies of contributors' checks or credit card authorizations, and duplicate deposit slips were not maintained for contributions received totaling \$6,254. The Committee's bank statements were provided. Of this amount, \$3,769 was reported as loans received from the candidate; however, the source of these funds could not be verified. The lack of records precluded the determination of whether contributions of \$100 or more were received in cash and if other Form 497 Contribution Reports were required to be filed.

Receipts and/or invoices were not maintained for expenditures made totaling \$18,629. Canceled checks and bank statements were maintained to verify the names of the payees and the amounts paid.

TREASURER'S COMMENTS

Mr. Kelly did not provide comments.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Californians in Support of Mike Antonovich State Senate 2016
(1384178)

January 1, 2016 through December 13, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Committees that spent more than \$10,000 and primarily supported or opposed a candidate for a legislative office being audited were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on September 28, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was a primarily formed committee supporting Michael D. Antonovich, a candidate for State Senate, District 25, in the 2016 General Election. The Committee terminated effective December 13, 2016.

TREASURER: Shelley Levine

FINANCIAL ACTIVITY

Total Contributions Received: \$ 100,000

Total Expenditures: \$ 113,411

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filers, in our opinion, have not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

A copy of the contributor's check was not maintained for a \$100,000 contribution reported as received from DeAnza Properties on April 4, 2016. A check register, a duplicate deposit slip, and a bank statement were provided.

Receipts and/or invoices were not maintained for expenditures made totaling \$25,627. Canceled checks, bank statements, and a check register were provided.

A canceled check or an electronic image was not provided for a \$9,000 payment reported as made to Integrated Political Strategies on November 16, 2016.

REPORTS AND STATEMENTS

An amendment to the Form 410 Statement of Organization was not filed with the Secretary of State (SOS) to indicate that the Committee was sponsored by De Anza Building and Maintenance and also to include the name of the sponsor as part of the name of the Committee. Based on contributions reported by the Committee, De Anza Building and Maintenance provided more than 80 percent of the contributions received by the Committee. De Anza Building and Maintenance reported making contributions totaling \$180,000 to this Committee on filings with the SOS for this period.

Form 460 Campaign Disclosure Statements were not filed or were not timely filed with the SOS in paper format. Form 460 Campaign Disclosure Statements were filed in electronic format for the periods January 1 through September 24, 2016, and from November 6 through December 13, 2016.

Reference Exhibit A

Form 497 Contribution Reports were not timely filed with the SOS for 2 contributions received totaling \$13,000. The contributions were received prior to the election but reported on November 13, 2016, after the election. Reports were timely filed for 2 contributions received totaling \$180,000.

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Days</u> <u>Late</u>
1.	10/18/16	Fieldstead & Company	\$ 10,000	25
2.	11/01/16	Margaret A. Perenchio	<u>3,000</u>	11
		Total	\$ 13,000	

COMMITTEE BANK ACCOUNT

A \$3,500 cash withdrawal was made from the campaign bank account on April 6, 2016. Receipts and/or invoices were not provided to verify the expenditures made with these funds. The lack of these records precluded the determination of whether expenditures of \$100 or more were made in cash and whether additional independent expenditures were required to be reported on Form 496 Late Independent Expenditure Reports.

TREASURER’S COMMENT

Ms. Levine did not provide a comment.

**EXHIBIT A - FORM 460 CAMPAIGN STATEMENTS NOT FILED OR NOT TIMELY FILED
 IN PAPER FORMAT**

<u>Statement Period</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Date Due</u>	<u>Date Filed</u>	<u>Days Late</u>
01/01/16 - 04/23/16	\$ 100,000	\$ 4,250	04/28/16	06/19/17 *	417
04/24/16 - 05/21/16	0	93,973	05/26/16	06/02/16	7
05/22/16 - 06/30/16	0	890	08/01/16	06/19/17 *	322
07/01/16 - 09/24/16	0	0	09/29/16	06/19/17 *	263
09/25/16 - 10/22/16	90,000	69,370	10/27/16	Not Filed	(1),(2)
10/23/16 - 12/13/16	3,000	24,500	01/31/17	Not Filed	(3)

* Filed after the General Election.

- (1) A Form 460 Preelection Statement was not filed in electronic format.
- (2) The activity for this period was disclosed on Form 497 Contribution Reports and on Form 496 Late Independent Expenditure Reports filed with the SOS.
- (3) A Form 460 Termination Statement was filed in electronic format for the period 11/06/16 - 12/13/16. Receipts for the period 10/23/16 - 12/13/16 were disclosed on the Form 497 Contribution Report filed on 11/13/16. Expenditures totaling \$15,500 were reported on Form 496 Late Independent Expenditure Reports and expenditures totaling \$14,300 were disclosed on the electronic Form 460 Termination Statement.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on September 28, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. CA Business PAC, sponsored by CA Chamber of Commerce (aka CALBUSPAC) (761010) (formerly CA Business PAC, sponsored by CA Chamber of Commerce (aka CALBUSPAC) – No on Proposition 53)	01/01/16 – 12/31/16
2. NO On 56 – STOP THE SPECIAL INTEREST TAX GRAB. MAJOR FUNDING BY PHILIP MORRIS USA INC. AND R.J. REYNOLDS TOBACCO COMPANY, WITH A COALITION OF TAXPAYERS, EDUCATORS, HEALTHCARE PROFESSIONALS, LAW ENFORCEMENT, LABOR, AND SMALL BUSINESSES (1386637)	01/01/16 – 12/31/16
3. STOP BLANK CHECKS (1376040) (formerly Yes ON 53 – STOP BLANK CHECKS)	01/01/15 – 12/31/16
4. Yes on 58, Californians for English Proficiency sponsored by teachers and service employees organizations (1386477)	01/01/16 – 06/30/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Bill Brough State Assembly 2016 (1373595)



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

William P. "Bill" Brough
Bill Brough State Assembly 2016 (1373595)

January 1, 2014 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Assembly districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on October 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Assembly Member William P. "Bill" Brough, District 73. Mr. Brough was re-elected in the 2016 General Election. The Committee terminated effective June 30, 2017.

TREASURER: Jen Slater
Campaign Compliance Group, Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 502,207

Total Expenditures: \$ 512,263

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

EXPENDITURES

Campaign funds totaling \$3,572 were used for personal purposes. These expenses, which were paid with the campaign debit card, were incurred between July 4 and July 11, 2016, on a trip to Paris, France. The payees, descriptions, and amounts for payments of \$100 or more were not itemized on the Form 460 Preelection Statement filed for the period ending September 24, 2016; instead, the candidate was disclosed as the payee for the total of these expenses. The expenses were reimbursed by the candidate on September 22, 2016.

Reference Exhibit A

Ms. Slater stated that the expenditures were for travel costs incurred prior to a California Legislative Irish Caucus trip. Ms. Slater added that a campaign attorney subsequently determined that Committee funds could not be used to pay for these expenses.

EXHIBIT A - PERSONAL USE OF CAMPAIGN FUNDS

	<u>Date</u>	<u>Payee</u>	<u>Amount</u>
1.	07/04/16	Aerling 2nnben Brou Dublin	\$ 1,744
2.	07/04/16	Aga International NL Elvia Insuran	43
3.	07/06/16	AirBNB Inc	455
4.	07/06/16	Viator Tours and Attrac	789
5.	07/10/16	Café de Flore	205
6.	07/10/16	Moulin Rouge	46
7.	07/11/16	La Fregate	56
8.	07/11/16	Le Balzac	114
9.	Unknown	Unknown	<u>120</u>
		Total	\$ 3,572



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on October 31, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. AMERICAN PROGRESSIVE BAG ALLIANCE, A PROJECT OF THE SOCIETY OF THE PLASTICS INDUSTRY (NON-PROFIT 501(c)(6)), YES ON 65 AND NO ON 67 (1372902)	01/01/14 – 12/31/16
2. Susan Bonilla for Senate 2015 (1374544)	01/01/15 – 06/30/15
3. Susan Bonilla for Senate 2016 (1368171)	01/01/14 – 06/30/15
4. Susan Bonilla Assembly 2014 Officeholder Account (1376103)	01/01/15 – 06/30/15
5. Fight Cancer – Yes on 56, sponsored by American Cancer Society, Inc. and American Cancer Society Cancer Action Network, Inc. (1383858)	01/01/16 – 12/31/16
6. Los Angeles Police Protective League Issues PAC (1336580) (formerly Los Angeles Police Protective League Issues PAC – Yes on 66, No on 57)	01/01/16 – 12/31/16
7. Save the Bay Action Fund PAC (1389817) (formerly Save the Bay Action Fund Committee to Support Proposition 67)	01/01/16 – 12/31/16

8. Community College Facility Coalition Issues Committee, Yes on 51
(1220380)

07/01/15 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Khatchik "Chris" Chahinian
Chris Chahinian for State Senate 2016 (1380368)
2. Javier Perez
Javier Perez for Judge 2016 (1379474)



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Javier Perez
Javier Perez for Judge 2016 (1379474)

January 1, 2015 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Superior Court offices were randomly selected by the Fair Political Practices Commission. Candidates for selected offices who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on November 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Javier Perez, a candidate for Superior Court Judge, Los Angeles County, in the 2016 General Election. The Committee terminated effective December 31, 2016.

TREASURERS: Jane Leiderman
Leiderman & Associates, Inc.

David L. Gould (08/25/15 –
03/27/16) Gould & Orellana, LLC

FINANCIAL ACTIVITY

Total Contributions Received: \$ 212,716

Total Expenditures: \$ 211,554

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Documents were not provided to verify the source of a \$9,000 cash deposit on December 28, 2015, into the candidate's personal bank account prior to the candidate writing a \$9,000 check on December 29, 2015, as a loan to the Committee. Copies of the deposit slip, the bank statement, and the check written to the Committee were provided.

Mr. Perez stated that he deposited cash that he had on hand and that it belonged to him.

For contributions received examined, copies of contributors' checks or credit card authorization forms were not maintained for contributions totaling \$6,000 reported as received from 2 contributors. Bank statements were maintained.

Ms. Leiderman did not provide a comment.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Khatchik "Chris" Chahinian
Chris Chahinian for State Senate 2016 (1380368)

January 1, 2015 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on November 30, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Khatchik "Chris" Chahinian, a candidate for State Senate, District 25, in the 2016 Presidential Primary Election. The Committee terminated effective June 30, 2016.

TREASURER: Shahe Guiragossian

FINANCIAL ACTIVITY

Total Contributions Received: \$ 59,262

Total Expenditures: \$ 59,262

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filers, in our opinion, have not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Copies of contributors' checks, credit card authorization records, and/or duplicate deposit slips were not maintained for contributions received totaling \$37,152. Of this amount, \$23,986 was reported as loans received from the candidate. Copies of bank statements or other documents were not provided to verify the source of these loans. In addition, the lack of records precluded the determination of whether Form 497 Contribution Reports were required to be filed with the Secretary of State (SOS) for 7 contributions totaling \$26,987 reported as received during the 24-hour reporting period. No Form 497 Contribution Reports were filed.

Reference Exhibit A

Receipts, invoices, vouchers, and/or check registers were not maintained for expenditures made totaling \$44,577. Canceled checks were not maintained for expenditures made totaling \$34,403. The lack of records precluded the determination of whether accrued expenses and subvendors were required to be disclosed.

REPORTS AND STATEMENTS

Three Form 460 Campaign Disclosure Statements were not timely filed with the SOS in paper format.

Reference Exhibit B

CAMPAIGN BANK ACCOUNT

Contributions received totaling \$24,008 and expenditures made totaling \$22,201 were not processed through the Committee's designated campaign bank account with Wells Fargo Bank. The activity was processed through a second bank account opened with Umpqua Bank on January 19, 2016, and closed on March 29, 2016.

MONETARY CONTRIBUTIONS RECEIVED

Occupation and/or employer information was not disclosed for contributions totaling \$16,810 received from 34 individuals. Of this amount, records with the information were not maintained for contributions totaling \$14,510 received from 29 individuals, and contributions totaling \$14,410 received from 28 of these individuals were not returned.

CANDIDATE’S COMMENT

Mr. Chahinian stated that this was his and his treasurer’s first experience with campaign finance rules and regulations, adding that it was not easy and the requirements were confusing. He further stated that they did their best to gather the required documents and comply.

LIST OF EXHIBITS

EXHIBIT A - CONTRIBUTIONS REPORTED RECEIVED FOR WHICH FORM 497
CONTRIBUTION REPORTS WERE NOT FILED

EXHIBIT B - FORM 460 CAMPAIGN DISCLOSURE STATEMENTS NOT TIMELY FILED

EXHIBIT A - CONTRIBUTIONS REPORTED RECEIVED FOR WHICH FORM 497 CONTRIBUTION REPORTS WERE NOT FILED

	<u>Date</u> <u>Received</u>	<u>Contributor</u> <u>Reported</u>	<u>Amount</u> <u>Reported</u>
1.	03/28/16	Chris Chahinian	\$ 5,000
2.	03/29/16	Chris Chahinian	3,673
3.	04/21/16	Armen Musadaryan	1,000
4.	04/21/16	Moris Musharbash	1,000
5.	04/21/16	Grigor Sedrakyan	1,000
6.	05/19/16	Chris Chahinian	3,250
7.	06/06/16	Chris Chahinian	<u>12,064</u>
		Total	\$ 26,987

EXHIBIT B - FORM 460 CAMPAIGN DISCLOSURE STATEMENTS NOT TIMELY FILED

<u>Statement Period</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Date Due</u>	<u>Date Filed</u>	<u>Days</u> <u>Late</u>
01/01/15 - 12/31/15	\$ 3,907	\$ 2,764	02/01/16	05/10/16	99 (1)
01/01/16 - 04/23/16	36,908	36,225	04/28/16	05/10/16	12 (2)
04/24/16 - 05/21/16	7,328	6,179	05/26/16	06/17/16 *	22

* Filed after the Primary Election.

- (1) A Form 460 Quarterly Statement was filed on 11/02/15 for the period 07/01/15 - 09/30/15. Receipts and expenditures totaling \$3,150 and \$1,919 were reported. The statement for the period ending 12/31/15 was timely filed in electronic format.
- (2) Initially, a Form 460 Quarterly Statement was filed on 05/10/16 for the period 01/01/16 - 03/31/16. Receipts and expenditures totaling \$32,681 and \$21,757 were reported. An amendment was filed on 06/22/16, after the election, to correct the ending date and to report the activity through 04/23/16.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on November 30, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Apartment Association of Orange County PAC (980470) (Formerly Multi-County Rental Housing PAC sponsored by Apartment Assn of Orange County)	01/01/15 – 12/31/16
2. The California Academy of Physician Assistants PAC (981553)	01/01/15 – 12/31/16
3. Californians for a 21st Century Economy, A Ricardo Lara Ballot Measure Committee (1374153) (formerly Californians for a 21st Century Economy – Yes on 58, A Ricardo Lara Ballot Measure Committee)	01/01/16 – 12/31/16
4. James A. Kaddo Re-Elect Superior Court Judge James Kaddo 2016 (1384077)	01/01/16 – 06/30/16
5. Los Angeles County Firefighters Local 1014 Legislative Fund Committee (742008)	01/01/15 – 12/31/16
6. United Agribusiness League PAC (861050)	01/01/15 – 12/31/16
7. Aaron J. Weissman Aaron Weissman for Superior Court Judge 2016 (1375133)	01/01/15 – 06/30/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Stepan W. Baghdassarian
Friends of Stepan Baghdassarian for Judge 2016 (1383521)
2. Steven C. Bradford
Steven Bradford for Senate 2016 (1354953)



STATE OF CALIFORNIA

Franchise Tax Board

POLITICAL REFORM AUDIT PROGRAM MS F387

PO BOX 651

SACRAMENTO CA 95812-0651

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Steven C. Bradford
Steven Bradford for Senate 2016 (1354953)
c/o Kaufman Legal Group

January 1, 2013 through December 31, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. State Senate districts were randomly selected by the Fair Political Practices Commission. Candidates in selected districts who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on December 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by State Senator Steven C. Bradford, District 35. Mr. Bradford was elected in the 2016 General Election.

TREASURER: Steven C. Bradford

REPRESENTATIVE: Leilani Rudow Beaver
Kaufman Legal Group

FINANCIAL ACTIVITY

Total Contributions Received: \$ 1,491,348

Total Expenditures: \$ 1,514,862

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

Except as indicated in this Audit Report, the filers have, in our opinion, substantially complied with the disclosure and recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were filed between 8 and 60 days late with the Secretary of State (SOS) for 4 contributions received totaling \$26,200. Form 497 Contribution Reports were timely filed for 207 other contributions received totaling \$586,872.

Reference Exhibit A

Form 497 Contribution Reports were not filed or were not timely filed with the SOS for 4 contributions made totaling \$5,404. Form 497 Contribution Reports were timely filed for 6 other contributions made totaling \$11,850.

Reference Exhibit B

Ms. Beaver stated that the Committee made its best efforts to disclose all contributions on a timely basis. She added that for contributions received, the information was available to the public on Form 460 Campaign Disclosure Statements or Form 497 Contribution Reports filed prior to the applicable elections. She further stated that for contributions made, the information was disclosed by the recipient committees prior to the applicable elections.

MONETARY CONTRIBUTIONS RECEIVED

Contributions received from 5 contributors exceeded the contribution limits by \$8,000. A total of \$9,700 was refunded to the contributors between 4 and 63 days after the contributions in excess of the limits were received.

Reference Exhibit C

Ms. Beaver stated that the Committee refunded all excess contributions prior to the elections and the contributions were not used by the Committee for campaign expenditures.

LIST OF EXHIBITS

EXHIBIT A – FORM 497 CONTRIBUTION REPORTS NOT TIMELY FILED FOR CONTRIBUTIONS RECEIVED

EXHIBIT B – FORM 497 CONTRIBUTION REPORTS NOT FILED OR NOT TIMELY FILED FOR CONTRIBUTIONS MADE

EXHIBIT C – CONTRIBUTIONS RECEIVED IN EXCESS OF THE LIMITS

EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT TIMELY FILED FOR CONTRIBUTIONS RECEIVED

	<u>Date Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Date Filed</u>	<u>Days Late</u>
1.	05/01/14	Southern California Pipe Trades District Council #16 Political Action Committee ID#760715	\$ 8,200	07/14/14	60
2.	05/24/16	Ernst & Young LLP Cal. PAC ID782408	1,000	06/02/16	8
3.	07/18/16	Peace Officers Research Association of California Political Action Committee (PORAC PAC) Small Contributor Committee	8,500	08/22/16	21
4.	08/24/16	American Federation of State, County & Municipal Employees - CA People Small Contributor Committee	8,500	09/26/16	32
			<u> </u>		
			Total	\$ 26,200	

EXHIBIT B - FORM 497 CONTRIBUTION REPORTS NOT FILED OR NOT TIMELY FILED FOR CONTRIBUTIONS MADE

	<u>Date Made</u>	<u>Recipient</u>	<u>Amount</u>	<u>Date Filed</u>	<u>Days Late</u>
1.	10/27/14	Ben Allen for Senate 2014	\$ 1,000	02/05/15	100
2.	10/27/14	Jim Cooper for Assembly 2014	1,000	02/05/15	100
3.	02/27/16	California Democratic Party	2,404		(1)
4.	10/24/16 *	Michael Tubbs for Stockton Mayor 2016	<u>1,000</u>		(2)
			Total	\$ 5,404	

* Date cumulative contributions made met the \$1,000 reporting threshold.

(1) Assembly District 31 Special Primary Election: 04/05/16
 24-Hour Reporting Period: 01/06/16 - 04/05/16

(2) City of Stockton Municipal General Election: 11/08/16
 24-Hour Reporting Period: 08/10/16 - 11/08/16

EXHIBIT C - CONTRIBUTIONS RECEIVED IN EXCESS OF THE LIMITS

<u>Contributor</u>	<u>Date Exceeded</u>	<u>Excess</u>	<u>Amount Refunded</u>	<u>Date Refunded</u>
1. Los Angeles Airport Peace Officers Association PAC	05/12/14	\$ 3,700	\$ 3,900 ⁽¹⁾	07/14/14
2. California Nurses Association Political Action Committee (CNA PAC) Small Contributor Committee	03/19/15	200	200	04/13/15
3. PG&E Corporation	05/21/15 ⁽²⁾	600	600	05/27/15
4. Verizon Communications, Inc. and It's Affiliates	07/25/16 ⁽²⁾	2,300	2,500 ⁽³⁾	08/15/16
5. Brian Kabateck	10/21/16	<u>1,200</u>	<u>2,500</u> ⁽³⁾	10/25/16
	Totals	\$ 8,000	\$ 9,700	

(1) The amount in excess of the 2013/2014 limits was refunded.

(2) Date reported as received.

(3) The entire amount of the contribution received that caused the excess was refunded.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Stepan W. Baghdassarian
Friends of Stepan Baghdassarian for Judge 2016 (1383521)

January 1, 2016 through June 30, 2016

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Superior Court offices were randomly selected by the Fair Political Practices Commission. Candidates for selected offices who raised or spent \$15,000 or more were subject to audit.

The audit was performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on December 31, 2018.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Stepan W. Baghdassarian, a candidate for Superior Court Judge, Los Angeles County, in the 2016 Presidential Primary Election. The Committee terminated effective July 13, 2016.

TREASURER: Stepan W. Baghdassarian

FINANCIAL ACTIVITY

Total Contributions Received: \$ 22,724

Total Expenditures: \$ 27,999

The totals for contributions received and expenditures were taken from the unaudited statements as filed in paper and/or electronic format with the Secretary of State for the period indicated above.

FINDINGS AND RESPONSES

OPINION

The filer, in our opinion, has not substantially complied with the disclosure and/or recordkeeping provisions of the Political Reform Act (Government Code Section 81000 et seq.) and related rules and regulations of the Fair Political Practices Commission.

RECORDKEEPING

Bank statements or other documents were not provided to verify the source of a \$5,000 loan reported as received from the candidate. A copy of the check was provided.

Copies of contributors' checks and duplicate deposit slips were not maintained for contributions received totaling \$3,848. Bank statements were provided.

Receipts and/or invoices were not maintained for expenditures made totaling \$22,558. In addition, canceled checks were not provided for \$17,880 of these expenditures. Bank statements were provided.

REPORTS AND STATEMENTS

Form 497 Contribution Reports were not filed with the Secretary of State for 6 contributions received totaling \$10,000. A valuation letter, invoice, or other source document was not provided for a \$3,000 nonmonetary contribution of a reception reported as received from Gary Taglyan on May 24, 2016. The lack of records precluded the determination of whether a Form 497 Contribution Report was required to be filed. No other reports were required to be filed.

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>	
1.	03/11/16	Stepan W. Baghdassarian	\$ 5,000	(2)
2.	04/18/16	Bobken Amirian	1,000	
3.	05/02/16	B&H Foods, Inc.	1,000	(3)
4.	05/02/16	Milton Group, Inc.	1,000	(3)
5.	05/20/16	Haig Armaghanian	1,000	(1)
6.	05/31/16	Silvias Costumes	<u>1,000</u>	(3)
		Total	\$ 10,000	

(1) Date cumulative contributions met the \$1,000 reporting threshold.

(2) Loan reported as from the candidate.

(3) Date reported as received.

CANDIDATE'S COMMENT

The candidate did not provide a comment.



AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR SUBSTANTIALLY ACCURATE AND COMPLETE FILINGS

AUDIT AUTHORITY, SCOPE, AND RESULTS

The filings, records, and documentation of the filers listed below were audited in accordance with Section 90001 of the California Government Code.

The audits were performed by the Political Reform Audit Program of the Franchise Tax Board using generally accepted auditing standards and the auditing standards set by the Fair Political Practices Commission. This included tests of disclosure, accounting records, and other auditing procedures considered necessary.

The examinations indicate that the statements and/or reports filed, for the periods covered, were substantially accurate and complete.

This Audit Report was submitted to the Fair Political Practices Commission, the Secretary of State, and the Attorney General on December 31, 2018.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Alicia Molina Alicia Molina for Judge 2016 (1382240)	01/01/16 – 12/31/16
2. Joaquin Arambula Dr. Joaquin Arambula for Assembly 2016 (1376879)	01/01/15 – 04/23/16
3. Joaquin Arambula Dr. Joaquin Arambula for Assembly 2016 Special Election (1381864)	01/01/16 – 04/23/16
4. Catharine Bailey Baker Catharine Baker for Assembly 2016 (1373797)	01/01/14 – 12/31/16
5. California Calls Action Fund for Schools and Communities First (Nonprofit 501(C)(4)) (1378703) (formerly California Calls Action Fund (Nonprofit 501(C)(4)))	01/01/16 – 12/31/16
6. Americans for Sensible Reform, Sponsored by Ghost Management Group, LLC dba Weedmaps (1376077) (formerly Californians for Sensible Reform, Sponsored by Ghost Management Group, LLC dba Weedmaps)	01/01/15 – 12/31/16

7. California Correctional Peace Officers Association Truth in American Government Fund; No on Proposition 62, Yes on Proposition 66 (non-profit 501 (c) 5) (1302403) 01/01/15 – 12/31/16
8. Civic Participation Action Fund – Yes on 57 (Nonprofit 501(C)(4)) (1387575) 01/01/16 – 12/31/16
9. W. Steven Shayer
Commissioner Steven Shayer for Judge #20 2016 (1382756) 01/01/16 – 06/30/16
10. Cynthia A. Zuzga
Cyndy Zuzga for Judge 2016 (1379830) 01/01/15 – 06/30/16
11. New Approach PAC (MPO) (1382525) 01/01/16 – 12/31/16
12. No on Prop 53 – Californians to Protect Local Control, a coalition of public safety, local government, business and labor organizations, Governor Brown and taxpayers (1378875) 01/01/15 – 12/31/16
(formerly Citizens to Protect California Infrastructure sponsored by business and construction trades organizations)
13. Open Philanthropy Action Fund Yes on 57 (Nonprofit 501(C)(4)) (1391327) 01/01/16 – 11/08/16
14. Superintendent Tom Torlakson's Invest in California A Ballot Measure Committee to Support Proposition 51 (1282321) 01/01/15 – 12/31/16
15. Yes on 55 – Californians for Budget Stability, Sponsored by Teachers, Health Care Providers, Doctors and Labor Organizations (1381382) 01/01/15 – 12/31/16
16. Yes on 62, No on 66. Replace the Costly, Failed Death Penalty System. Sponsored by Taxpayers for Sentencing Reform. (1380590) 01/01/15 – 12/31/16
17. California Statewide Law Enforcement Association Issues Committee (nonprofit 501 (c) (5)); Yes on Proposition 57 (1346267) 01/01/16 – 12/31/16
18. Yes on Prop. 57, Californians and Governor Brown for Public Safety and Rehabilitation (1382912) 01/01/16 – 12/31/16
(formerly Californians for Public Safety and Rehabilitation)
19. YES ON PROP 60, FOR ADULT INDUSTRY RESPONSIBILITY (FAIR) COMMITTEE, WITH MAJOR FUNDING BY AIDS HEALTHCARE FOUNDATION (1356566) 10/01/14 – 12/31/16