



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, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California Dental Association Independent Expenditure PAC (1233321)	01/01/15 – 12/31/16
2. California Grocers Association Issues Committee (non-profit 501 (c) 6); Yes on Proposition 67 (1346973)	01/01/15 – 12/31/16
3. Californians Against Car and Gas Tax Hikes, a Committee to Recall Josh Newman, sponsored and funded by No New Taxes, a Project of the Howard Jarvis Taxpayers Association (1396447)	01/01/17 – 06/18/18
4. Consumer Watchdog Campaign - Yes on 61, Major Funding by Yes on Prop 61, Californians for Lower Drug Prices, with Major Funding by AIDS Healthcare Foundation and California Nurses Association PAC (1387641)	01/01/16 – 12/31/16
5. Democratic Central Committee of Marin (761428)	01/01/15 – 12/31/16
6. FWD.US (NONPROFIT 501 (C)(4)) IN SUPPORT OF PROPOSITION 57 WITH HELP FROM CITIZENS FOR PUBLIC SAFETY AND OPPORTUNITY (1392066)	01/01/16 – 12/31/16
7. Howard Jarvis Taxpayers Association State PAC (782376)	01/01/15 – 12/31/16

- | | |
|---|---------------------|
| 8. Orange County Professional Firefighters Assn. Local 3631 PAC (950925) | 01/01/15 – 12/31/16 |
| 9. Stanislaus County Democratic Central Committee – State (742328) | 01/01/15 – 12/31/16 |
| 10. Stop Prop 63, a grassroots, common-sense effort for rational policy sponsored by Firearms Policy Coalition (1380746)
(formerly Firearms Policy Coalition Second Amendment Defense Committee) | 01/01/15 – 12/15/16 |
| 11. Yes on Proposition 52 – a coalition of California Association of Hospitals and Health Systems and non-profit health care organizations (1362973)
(formerly Californians United for Medi-Cal Funding and Accountability, sponsored by California Association of Hospitals and Health Systems) | 01/01/14 – 12/31/16 |

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Tiffany E. Organ-Bowles
Committee to Elect Tiffany Organ-Bowles Judge 2016 (1377639)
2. Family Farmers Working for a Better California, Sponsored by Western
Growers Association, Opposed to Salas for Assembly 2018 (1349220)
(formerly Family Farmers Working for a Better California, with major support
by Western Growers Association)
3. Clinton J. Olivier
Clint Olivier for Assembly 2016 (1377495)



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:

Family Farmers Working for a Better California, Sponsored by Western Growers Association, Opposed to Salas for Assembly 2018 (1349220) (formerly Family Farmers Working for a Better California, with major support by Western Growers Association)

January 1, 2015 through December 31, 2016

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, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the Western Growers Association.

TREASURER: Ward Kennedy
Western Growers Association

FINANCIAL ACTIVITY

Total Contributions Received: \$ 25,000

Total Expenditures: \$ 34,230

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

Contributions totaling \$20,000 received from 5 contributors were not disclosed on the Form 496 Independent Expenditure Report filed with the Secretary of State on May 27, 2016. The independent expenditures made totaling \$28,796 were to support Cecilia Aguiar-Curry for Assembly District 4 in the 2016 Presidential Primary Election. The contributions received were disclosed on the Form 460 Semi-Annual Statement filed for the period ending June 30, 2016.

Reference Exhibit A

EXPENDITURES

Subvendor information was not disclosed for payments totaling \$22,967 made to Rally Campaigns. The subvendors provided printing, postage, and mailing services for a mailer to support Cecilia Aguiar-Curry. No other subvendors were required to be disclosed.

TREASURER'S COMMENT

Mr. Kennedy stated that he was unaware of the requirements to include the contributors on the Form 496 Independent Expenditure Report and to disclose additional information for subvendors. He added that the oversights were inadvertent.

**EXHIBIT A - CONTRIBUTIONS RECEIVED NOT DISCLOSED ON THE FORM 496
INDEPENDENT EXPENDITURE REPORT**

<u>Date</u>	<u>Contributor</u>	<u>Amount</u>
1. 05/10/16	California Cotton Ginners and Growers PAC	\$ 2,500
2. 05/10/16	Western Agricultural Processors Assn PAC	2,500
3. 05/13/16	California Citrus Mutual Political Action Committee	5,000
4. 05/13/16	California Fresh Fruit Association PAC	5,000
5. 05/17/16	California Dairies Inc.	<u>5,000</u>
	Total	\$ 20,000



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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Clinton J. Olivier
Clint Olivier for Assembly 2016 (1377495)
c/o DirectFile, Inc.

January 1, 2015 through April 23, 2016

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. 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 February 28, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by former Fresno City Council Member Clinton J. Olivier, a candidate for Assembly, District 31, in the April 5, 2016 Special Primary Election and the June 7 and November 8, 2016 Presidential Primary and General Elections. The committee terminated effective March 31, 2017.

TREASURER: Richard M. Egan
DirectFile, Inc.

FINANCIAL ACTIVITY

Total Contributions Received: \$ 156,311

Total Expenditures: \$ 157,652

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 7 contributions received totaling \$23,800. A Form 497 Contribution Report was timely filed for another contribution received totaling \$1,000.

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	01/14/16	J & J Farms	\$ 1,000
2.	01/16/16	Friends of Frank Bigelow for Assembly 2016	4,200
3.	01/20/16	Kevin McCarthy for Congress	4,200
4.	01/26/16	Fortune Family Farms	1,000
5.	01/26/16	Marc T Steinorth	4,200
6.	02/24/16	Olsen for Assembly 2014	4,200
7.	02/25/16	Greg Musson	5,000 *
			<hr/>
Total			\$ 23,800

* Contribution not itemized on Form 460 Preelection Statement filed for period ending March 19, 2016.

Mr. Egan stated he disagrees that Form 497 Contribution Reports were required to be filed.



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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Tiffany E. Organ-Bowles

Committee to Elect Tiffany Organ-Bowles Judge 2016 (1377639)

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 February 28, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Superior Court Judge Tiffany E. Organ-Bowles, Kern County. Ms. Organ-Bowles was elected in the 2016 General Election. The Committee terminated effective December 31, 2018.

TREASURER: Stephen J. Bowles

FINANCIAL ACTIVITY

Total Contributions Received: \$ 68,457

Total Expenditures: \$ 95,686

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 9 contributions received totaling \$13,868. Reports were filed for 16 other contributions received totaling \$33,800.

Reference Exhibit A

Mr. Bowles stated that he was unaware of the amounts from Western Pacific Research since they were not given to them until after the election. He added that he learned a lot about the process of running a campaign and will not make the same mistakes in the future.

MONETARY CONTRIBUTIONS RECEIVED

Contributions totaling \$8,575 received from 12 contributors were not disclosed or not timely disclosed on Form 460 Campaign Disclosure Statements filed for the audit period. Of this amount, \$2,575 was not disclosed and \$6,000 was disclosed after the election on an amended Form 460 Campaign Disclosure Statement for the period ending October 22, 2016, filed on February 9, 2017.

Reference Exhibit B

Mr. Bowles stated that some contributions were inadvertently not reported. He added that in regard to the untimely disclosed contributions, he filed the amendment as soon as he realized the mistake.

NONMONETARY CONTRIBUTIONS RECEIVED

Nonmonetary contributions totaling \$16,391 received from Western Pacific Research were not reported on the Form 460 Campaign Disclosure Statements filed for the period May 22 through October 22, 2016.

Mr. Bowles stated that since Western Pacific Research provided the invoices after the election, he did not know the contributor had made expenditures on behalf of the campaign.

EXPENDITURES

Subvendor information was not disclosed for payments totaling \$21,412 made to Western Pacific Research. The subvendors provided surveys, social media advertisements, and slate mailers.

Mr. Bowles stated that since the invoices from the vendor were received after the election, he was not aware of any subvendors.

LIST OF EXHIBITS

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

EXHIBIT B – CONTRIBUTIONS RECEIVED NOT DISCLOSED OR NOT TIMELY DISCLOSED

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

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	05/31/16	Western Pacific Research	\$ 1,753 *
2.	06/07/16	Western Pacific Research	1,695 *
3.	09/16/16	Western Pacific Research	1,883 *
4.	09/22/16	Western Pacific Research	2,165 *
5.	10/06/16	Western Pacific Research	1,025 *
6.	10/14/16	Western Pacific Research	1,387 *
7.	10/19/16	Western Pacific Research	1,677 *
8.	11/07/16	Western Pacific Research	1,283 *
9.	11/08/16	Kate Zimmermann	<u>1,000</u>

Total \$ 13,868

* Nonmonetary contribution

**EXHIBIT B - CONTRIBUTIONS RECEIVED NOT DISCLOSED OR NOT
TIMELY DISCLOSED**

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	01/21/16	Sandra Eudy	\$ 1,000
2.	02/02/16	Robert D. King	500
3.	02/18/16	Maynard Troost Sole Prop DBA Maynard Troost Entities	100
4.	02/19/16	Jerry Goree Trustee	100
5.	02/19/16	EvaJean J. Rush	100
6.	02/19/16	Bob Sherrill's Welding	100
7.	02/19/16	Ginger I. Spradlin	100
8.	03/16/16	Susan M. Young	100
9.	05/24/16	Ruth V. Darrington	225
10.	06/03/16	Arlana St. Clair	250
11.	10/21/16	Kern County Prosecutors-PAC	5,000 *
12.	10/22/16	Munniji, LLC DBA Tipton Shell	<u>1,000</u> *

Total \$ 8,575

* Contribution reported on a timely filed Form 497 Contribution Report and disclosed on an amended Form 460 Campaign Disclosure Statement filed after the election.



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AUDIT AUTHORITY, SCOPE, AND RESULTS

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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, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Coalition for Civil Liberties – No on 63, a Project of California Rifle & Pistol Association (1382067) (formerly California Rifle and Pistol Association Firearms Freedom Committee)	01/01/16 – 12/31/16
2. NO on 57 – STOP Early Release of Violent Criminals (SERVC) (1386627)	01/01/16 – 12/31/16
3. Clinton J. Olivier Clint Olivier for Assembly 2016 Special (1381959)	01/01/16 – 04/23/16
4. PUBLIC AND MENTAL HEALTH ADVOCATES AGAINST 64, SPONSORED AND MAJOR FUNDING BY SAM ACTION, INC. AND CALIFORNIA PUBLIC SAFETY INSTITUTE (1382568)	01/01/16 – 12/31/16
5. Yes on 64, Californians to Control, Regulate and Tax Adult Use of Marijuana while Protecting Children, sponsored by business, physicians, environmental and social-justice advocate organizations (1381808)	01/01/16 – 12/31/16
6. Yes on 67 - Protect the Plastic Bag Ban, sponsored by environmental and ocean protection organizations, businesses including grocers and reusable bag makers, and other nonprofit organizations (1372900) (formerly California vs. Big Plastic, Protect the Plastic Bag Ban, sponsored by environmental, ocean protection, grocery store, reusable bag manufacturer, business and other nonprofit organizations)	01/01/14 – 12/31/16

- | | |
|---|---------------------|
| 7. Yes on Proposition 51 – Californians for Quality Schools, sponsored and funded by Coalition for Adequate School Housing Issues Committee and California Building Industry Association Issues Committee (1374469) | 01/01/15 – 12/31/16 |
| 8. YES ON PROP 61, CALIFORNIANS FOR LOWER DRUG PRICES, WITH MAJOR FUNDING BY AIDS HEALTHCARE FOUNDATION AND CALIFORNIA NURSES ASSOCIATION PAC (1376791) | 01/01/15 – 12/31/16 |
| 9. Yolo County Democratic Central Committee State Account (1308176) | 01/01/15 – 12/31/16 |

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. California Association of Sheet Metal and Air Conditioning Contractors PAC (801777)
2. California Teachers Association/Association For Better Citizenship (741941)



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:

California Teachers Association/Association For Better Citizenship
(741941)

January 1, 2015 through December 31, 2016

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 March 29, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the California Teachers Association.

TREASURERS: David B. Goldberg
California Teachers Association

Mikki Cichocki (01/30/13 – 06/25/15)
California Teachers Association

REPRESENTATIVE: Scott Postel
California Teachers Association

FINANCIAL ACTIVITY

Total Contributions Received: \$ 4,337,000

Total Expenditures: \$ 4,392,694

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 Special Odd-Year Report was not filed with the Secretary of State for the period January 1 through March 31, 2015. Contributions made to elected state officers totaled \$32,800 during this period. Receipts and disbursements during this period totaled \$205,100 and \$177,515, respectively. This activity was reported on the Semi-annual Statement filed on July 21, 2015, for the period January 1 through June 30, 2015. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on August 31, 2017.

Mr. Postel stated that he is incorporating this knowledge in the Association's campaign filing schedule.



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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

California Association of Sheet Metal and Air Conditioning Contractors
PAC (801777)

January 1, 2015 through December 31, 2016

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 March 29, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the California Association of Sheet Metal and Air Conditioning Contractors National Association.

TREASURER: Karen L. Roberts

FINANCIAL ACTIVITY

Total Contributions Received: \$ 67,719

Total Expenditures: \$ 111,696

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.

NONMONETARY CONTRIBUTIONS RECEIVED

The fair market value of auction items donated by Technical Sales International exceeded the contribution limit by \$8,980. The nonmonetary contributions or the monetary amounts by which the values of the nonmonetary contributions exceeded the limits were not returned. The items were sold for less than the fair market value and less than the limit amount.

<u>Date Donated</u>	<u>Fair Market Value</u>	<u>Limit</u>	<u>Excess</u>
01/20/15	\$ 10,980	\$ 7,000	\$ 3,980
04/16/16	12,000	7,000	<u>5,000</u>
Total			\$ 8,980

Ms. Roberts stated she was unaware that annual contribution limits applied to nonmonetary contributions received for fundraiser events.



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

AUDIT AUTHORITY, SCOPE, AND RESULTS

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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 29, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California American Council of Engineering Companies Political Action Committee (CA ACEC PAC) (782143)	01/01/15 – 12/31/16
2. California Hotel & Lodging Association Political Action Committee (760808)	01/01/15 – 12/31/16
3. LABORERS LOCAL 652 PAC (1251912)	01/01/15 – 12/31/16
4. Safety for All, Yes on Prop. 63, Newsom Ballot Measure Committee (1380675)	01/01/15 – 12/31/16
5. No on Prop 61 – Californians Against the Deceptive Rx Proposition, a coalition of veterans doctors patient advocates seniors taxpayers and members of Pharmaceutical Research and Manufacturers of Amer. (1379198) (currently Pharmaceutical Research and Manufacturers of America California Initiative Fund – No on Proposition 10)	01/01/15 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. No on Prop 66, Californians for Fair Justice, sponsored by social justice organizations (1383946)



STATE OF CALIFORNIA

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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

No on Prop 66, Californians for Fair Justice, sponsored by social justice organizations (1383946)

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 April 30, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a primarily formed ballot measure committee opposing Proposition 66 in the 2016 General Election. The Committee is sponsored by PowerPAC.org and the American Civil Liberties Union of Northern California.

TREASURER: Lisa Le
PowerPAC.org

FINANCIAL ACTIVITY

Total Contributions Received: \$ 1,636,839

Total Expenditures: \$ 1,605,940

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 6 contributions received totaling \$236,131. Reports were filed for 44 other contributions received totaling \$1,368,208.

	<u>Date Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	05/23/16	Proteus Action League	\$ 20,000
2.	06/06/16 *	Proteus Action League	40,000
3.	06/23/16	Denise A Foderaro / Farfalla Trust	50,000
4.	08/04/16 *	M Quinn Delaney	100,000
5.	10/04/16	Roger Jadot Bamford	25,000
6.	11/08/16	ACLU San Diego & Imperial Counties	<u>1,131</u>
		Total	\$ 236,131

* Date of deposit.

No comments were provided.



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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, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California Kids Campaign, Yes on Props 55 & 56, sponsored and major funding by Common Sense Kids Action, Inc. (1385538)	01/01/16 – 12/31/16
2. Common Sense Kids Action, Inc., Yes on Props. 55 and 56 (Nonprofit 501(c)(4)) (1390602)	01/01/16 – 12/31/16
3. Proteus Action League Non-Profit 501 (C)(4) Organization, Opposing Measure 66 and Supporting Measures 54 and 59 (1386494)	01/01/16 – 12/31/16
4. San Mateo County Democratic Central Committee (882509)	01/01/15 – 12/31/16
5. SLO County Democratic Party (742552)	01/01/15 – 12/31/16
6. Steamfitters & Refrigeration U.A. Local 250 PAC Small Contributor Committee (743959)	01/01/15 – 12/31/16
7. Yes on 56 Stop Cancer – Planned Parenthood Advocates Mar Monte (non profit 501(c)(4)) (1388518)	01/01/16 – 12/31/16
8. Yes on 67 - Californians Against Waste - Protect the Plastic Ban (Non-Profit 501(c)(4)) (1374885)	01/01/14 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Liberty Mutual Insurance Company - PAC (1337192)
2. Jennifer S. Madden
Jennifer Madden for Judge 2016 (1383151)
(currently Jennifer Madden for Judge 2022)
3. Save the Bag Ban, Yes on 67, Sponsored by Environment California
(1329332)
4. The Adult Use Campaign for Proposition 64 (1386560)



STATE OF CALIFORNIA
Franchise Tax Board
POLITICAL REFORM AUDIT PROGRAM MS F387
PO BOX 651
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RECEIVED AND FILED
in the office of the Secretary of State
of the State of California

MAY 31 2019

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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Save the Bag Ban, Yes on 67, Sponsored by Environment California
(1329332)

January 1, 2015 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 May 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was a primarily formed ballot measure committee supporting Proposition 67 in the 2016 General Election. The Committee which was sponsored by Environment California, terminated effective December 31, 2016.

TREASURER: Carla Musumeci Environment
California, Inc.

REPRESENTATIVE: Betsy Grossman
The Public Interest Network

FINANCIAL ACTIVITY

Total Contributions Received: \$ 771,650

Total Expenditures: \$ 1,794,418

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.

ACCRUED EXPENSES

Accrued expenses were overstated by \$778,169 on Form 460 Campaign Statements filed for the period April 1 through December 31, 2015. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on June 30, 2014.

Ms. Grossman stated that the Committee initially did not understand the reporting software used to complete Schedule F of the Form 460 and this resulted in the inadvertent overstatement of accrued expenses in 2015. She added that as a result of the audit, the Committee understands how to properly complete these forms and will not make this error in the future.



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Franchise Tax Board
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MAY 31 2019

VB

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Liberty Mutual Insurance Company - PAC (1337192)

January 1, 2015 through December 31, 2016

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 May 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by Liberty Mutual Insurance Company.

TREASURERS: Melissa A. Cyr
Liberty Mutual Insurance Company

Laurance Yahia (03/02/11 –07/25/17)
Liberty Mutual Insurance

REPRESENTATIVE: Adrienne Olson
Quarles & Brady LLP

FINANCIAL ACTIVITY

Total Contributions Received: \$40,000

Total Expenditures: \$40,000

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 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

Two Form 460 Semi-annual Statements were not timely filed with the Secretary of State. These statements were filed in electronic format on June 1, 2016, and as a result of the audit, in paper format on January 10, 2019. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on September 30, 2015.

<u>Statement Period</u>	<u>Receipts</u>	<u>Expenditures</u>
01/01/15 - 06/30/15	\$ 0	\$ 0
07/01/15 - 12/31/15	10,500	10,500

Ms. Olson stated that the Committee has filed all paper copies brought to its attention by this audit. She added that the Committee implemented additional compliance measures in 2017 to prevent any such errors in the future.



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LB

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

Jennifer S. Madden
Jennifer Madden for Judge 2016 (1383151)
(currently Jennifer Madden for Judge 2022)

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 May 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by Superior Court Judge Jennifer S. Madden, Alameda County. Ms. Madden was elected in the 2016 Presidential Primary Election.

TREASURER: Linda J. Perry

FINANCIAL ACTIVITY

Total Contributions Received: \$ 83,891

Total Expenditures: \$ 67,304

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 were not provided for contributions of \$100 or more received totaling \$42,401. Duplicate deposit slips, a contribution list, and bank statements were provided.

Ms. Madden explained in September 2018 that she requested copies of these records from the bank and provided them immediately upon receipt. However, she later realized the bank did not provide copies of contributors' checks, but only duplicate deposit slips. Ms. Madden added that she is in the process of checking with the bank to see if copies of these checks can be obtained.

Receipts or invoices were not provided for expenditures made totaling \$29,885. Canceled checks, bank statements, and a check register were provided. Copies of a flyer, signs, a contribution envelope, and a walk card were provided.

Ms. Madden explained that due to campaign communication issues, she could only provide the invoices and records that she had in her possession.

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) in paper or electronic format. Receipts and expenditures for the period totaled \$9,713 and \$18,374, respectively.

Ms. Madden explained that during the campaign it was her understanding that the statements were being filed as required and she cannot speak to why that didn't happen.

Form 497 Contribution Reports were not filed with the SOS for 13 contributions received totaling \$19,200. Form 497 Contribution Reports were filed with the Alameda County Registrar of Voters to report 11 of these contributions totaling \$16,500. No other reports were required to be filed.

Reference Exhibit A

Ms. Madden explained that during the campaign she was informed of the requirement to file the Form 497 Contribution Reports and she believed the reports were being properly filed.

TREASURER'S COMMENT

Ms. Perry stated that original records were kept; however, most of them were destroyed due to unforeseen circumstances. She explained that she was initially misinformed as to the filing jurisdiction and, therefore, filed some of the Form 497 Contribution Reports only at the local office. Ms. Perry added that she had numerous health issues during the past 3 years.

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

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	03/12/16	Gordon Greenwood	\$ 2,500 (1)
2.	03/13/16	Andrea Phillips	1,000 (1)
3.	03/19/16	CJ Group (Oakland) Inc.	2,500 (1)
4.	03/21/16	Cynthia Johnson	1,000 (1)
5.	04/04/16 *	Goins & Associates	1,000 (1)(2)
6.	04/15/16	Duy Nguyen	2,500 (1)
7.	04/20/16	Sharmin Bock	1,000 (1)
8.	05/05/16	Miriam Castro	1,000 (1)
9.	05/16/16	Eugene Clark-Herrera	1,000 (1)
10.	05/19/16 *	Yolanda Smith	1,000
11.	05/23/16 *	Rick Dumas	1,200
12.	05/24/16	Deputy Sheriffs Association of Alameda County PAC	2,500 (1)
13.	06/06/16	Construction & General Laborers Local Union 304 PAC	<u>1,000 (1)</u>
		Total	\$ 19,200

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

(1) Form 497 Contribution Report was filed with Alameda County Registrar of Voters.

(2) The Form 497 Contribution Report filed reported only \$500, rather than the cumulative amount of \$1,000.



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MAY 31 2019 *LB*

AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

The Adult Use Campaign for Proposition 64 (1386560)

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 May 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was a primarily formed ballot measure committee supporting Proposition 64 in the 2016 General Election. The Committee terminated effective December 31, 2016.

TREASURER: Claus Norby Cedillo

REPRESENTATIVE: Cynara Velazquez

FINANCIAL ACTIVITY

Total Contributions Received: \$ 21,369

Total Expenditures: \$ 21,465

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 for 4 contributions received totaling \$13,000. No other reports were required to be filed.

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>
1.	08/16/16	Naturewell Incorporated	\$ 5,000
2.	09/05/16	Dr. Bronner's Magic Soaps	5,000
3.	11/03/16	Rich Riel	1,000
4.	11/04/16	Naturewell Incorporated	<u>2,000</u>
		Total	\$ 13,000

Ms. Velazquez stated that a Form 497 Contribution Report was sent on November 5, 2016, via a fax application on her phone for the contributions received in November. She explained that the data on her phone was deleted when she purchased a new phone. Ms. Velazquez added that reports were not filed for the other two contributions since they were not initially aware of the filing requirement. She further stated that the reporting was completed by volunteers. She added that it was the first time any of the responsible parties had been involved in reporting for a statewide campaign committee.



MAY 31 2019 *LSB*

**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, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California Apartment Association Independent Expenditure Committee (1294628)	01/01/15 – 12/31/16
2. California Landscape Contractors Association, Inc. LandPAC (770272)	01/01/15 – 12/31/16
3. Californians to Mend, Not End, The Death Penalty. No on Prop 62, Yes on Prop 66. Supported by prosecutors, law enforcement, and families of victims. (1346266) (formerly Californians for Death Penalty Reform and Savings)	07/01/15 – 12/31/16
4. Independent Coalition of Educators Sponsored by the California Association of Private Postsecondary Schools (901751)	01/01/15 – 12/31/16
5. No on Proposition 60, Californians Against Worker Harassment, sponsored by the Free Speech Coalition (1385139)	01/01/16 – 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. The Doctors Company Political Action Committee AKA "DOCPAC" (923140)



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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

The Doctors Company Political Action Committee AKA "DOCPAC"
(923140)

January 1, 2015 through December 31, 2016

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 June 28, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by The Doctors Company.

TREASURERS:

Elizabeth Healy
The Doctors Company

Harry Dasinger (07/03/12 –01/07/16)
Civil Justice Association of California

FINANCIAL ACTIVITY

Total Contributions Received: \$ 917,449

Total Expenditures: \$ 1,370,325

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 Preelection Statement for the period ending May 21, 2016, which was due at the Secretary of State on May 26, 2016, was filed in paper format 356 days late on May 17, 2017. Contributions totaling \$175,300 were made during this reporting period. Reported receipts and expenditures for this period totaled \$25,067 and \$186,747, respectively. The statement was timely filed electronically.

Ms. Healy 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 June 28, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California Business Roundtable Issues PAC (1264590)	01/01/15 – 12/31/16
2. California Fresh Fruit Association Political Action Committee (800697) (formerly California Grape & Tree Fruit League FruitPAC Sponsored by: California Grape & Tree Fruit League)	01/01/15 – 12/31/16
3. Californians for Better Communities, Opposing the Recall of Senator Josh Newman, sponsored by California Alliance for Jobs and the State Building & Construction Trades Council of California (1396135)	01/01/17 – 05/24/18
4. Duane Morris LLP Government Committee PA ID#7900289 (1255069)	01/01/15 – 12/31/16
5. Ernst & Young LLP – California Political Action Committee (782408)	01/01/15 – 12/31/16
6. Farmers Employees and Agents Political Action Committee (901422)	01/01/15 – 12/31/16
7. National Education Association (MPO) (981293)	01/01/15 – 12/31/16
8. California Citizens Against Special Interests and Wasteful Taxes, No on Prop. 56 (1389484)	01/01/16 – 12/31/16
9. Protect Prop. 13, A Project of the Howard Jarvis Taxpayers Association (931447)	01/01/15 – 12/31/16

- | | | |
|-----|--------------------------------------|---------------------|
| 10. | Sandoval for Assembly 2017 (1397499) | 01/01/17 – 12/31/17 |
| 11. | Sandoval for Assembly 2018 (1396865) | 01/01/17 – 08/19/17 |

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. California Thoroughbred Breeders Association PAC (861577)
2. We Are California, A Sponsored Committee of Mobilize the Immigrant Vote Action Fund (1332307)



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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

California Thoroughbred Breeders Association PAC (861577)

January 1, 2015 through December 31, 2016

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 July 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the California Thoroughbred Breeders Association.

TREASURER: Thomas Retchless
California Thoroughbred Breeders Association

FORMER TREASURERS: Jason Sellnow
California Thoroughbred Breeders Association

James Murphy
California Thoroughbred Breeders Association

ASSISTANT TREASURER: David L. Gould
Gould & Orellana, LLC

FINANCIAL ACTIVITY

Total Contributions Received: \$ 66,000

Total Expenditures: \$ 122,801

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

An amendment to the Form 410 Statement of Organization was not filed with the Secretary of State (SOS) to update treasurer information when Mr. Murphy retired in 2016. Mr. Sellnow was shown as the treasurer on the Form 460 Campaign Disclosure Statement for the period April 24 through May 21, 2016, filed on May 26, 2016, and all subsequent Form 460 Campaign Disclosure Statements filed for the audit period. Thomas Retchless was shown as the treasurer on the Form 460 Campaign Disclosure Statement for the period July 1 through September 22, 2018, filed on November 13, 2018, and all subsequent Form 460 Campaign Disclosure Statements filed to date.

Mr. Retchless stated that James Murphy was replaced by Jason Sellnow and then Mr. Retchless replaced Mr. Sellnow.

Auditor's Note: Mr. Gould provided a copy of an amendment to the Form 410 Statement of Organization executed and signed only by Mr. Gould on August 28, 2018, to change the treasurer to Thomas Retchless. However, this amendment was not signed by Mr. Retchless and is not on file with the SOS.

Form 497 Contribution Reports were not filed with the SOS for 4 contributions made totaling \$5,000. Reports were timely filed for 5 other contributions made totaling \$6,700. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on September 29, 2017, and agreed to in the Fair Political Practices Commission Stipulation, Decision and Order, FPPC Case No. 17/1357, approved on January 18, 2018.

	<u>Date</u> <u>Made</u>	<u>Recipient</u>	<u>Amount</u>	
1.	02/09/16	The California Republican Party	\$ 1,000	(1)
2.	03/22/16	Friends of Frank Bigelow for Assembly 2016	1,000	
3.	04/15/16	Jim Cooper for Assembly 2016	1,500	
4.	05/12/16	Wilk for Senate 2016	<u>1,500</u>	
		Total	\$ 5,000	

(1) Required due to AD 31 Special Primary Election: 04/05/16
24-Hour Reporting Period: 01/06/16 - 04/05/16

Mr. Gould stated that the Committee likely missed the first 2 reports due to not being aware of the beginning dates of the reporting period.



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AUDIT REPORT OF THE POLITICAL REFORM AUDIT PROGRAM FOR:

We Are California, A Sponsored Committee of Mobilize the Immigrant
Vote Action Fund (1332307)

January 1, 2015 through December 31, 2016

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 July 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by Mobilize the Immigrant Vote Action Fund.

TREASURERS:

Luis Sanchez
Power California

Aparna V. Shah (10/08/10 to 01/06/19)
Power California

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

FINANCIAL ACTIVITY

Total Contributions Received: \$ 25,511

Total Expenditures: \$ 26,036

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

Subvendor information was not disclosed for payments totaling \$11,083 made to Bus Federation Action Fund on the initial Form 460 Preelection Statement filed for the period ending October 22, 2016. The subvendor provided printing and shipping services. An amendment was filed on February 27, 2017, after the pertinent election, to disclose the subvendor information. No other subvendors were required to be disclosed. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on January 29, 2016.

TREASURER'S COMMENT

Ms. Shah stated that an amendment was filed once the actual expense and subvendor totals were available.



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, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California Credit Union League PAC (760225)	01/01/15 – 12/31/16
2. California Nurses Association Initiative Political Action Committee (941597)	01/01/15 – 12/31/16
3. Californians for Responsible Marijuana Reform, sponsored by Drug Policy Action, Yes on Prop. 64 (1343793)	01/01/16 – 12/31/16
4. Californians for Hospital Accountability and Quality Care - No on 52, Sponsored by Service Employees International Union – United Healthcare Workers West (1381488)	01/01/15 – 12/31/16
5. Drug Policy Action - Non Profit 501c4, Yes on Prop. 64 (1385506)	01/01/16 – 12/31/16
6. Michael Fong Mike Fong for Assembly 2017 – Special Election (1397926)	01/01/17 – 12/31/17
7. Michael Fong Mike Fong for Assembly 2018 (1396821)	01/01/17 – 08/19/17
8. Fund for a Better Future Issues Committee (1400733) (formerly Fund for a Better Future, Committee for 2018 Clean Water and Safe Parks Bond – Yes on 68)	01/01/17 – 06/30/18

- | | | |
|-----|---|---------------------|
| 9. | FUND FOR POLICY REFORM (NONPROFIT 501(C)(4)), SPONSORED BY FUND FOR POLICY REFORM, YES ON PROPOSITION 64, IN SUPPORT OF MARIJUANA LEGALIZATION (1385745)
(formerly Fund for Policy Reform Nonprofit 501(c)(4), sponsored by Fund for Policy Reform, Yes on Propositions 57, 62, and 64, K, and L and No on Proposition 66, in support of marijuana legalization, parole for nonviolent offenders, repeal of the death penalty, November runoffs and voting on initiatives and referenda in November) | 01/01/16 – 12/31/16 |
| 10. | Cameron J. Gharabiklou
Cameron Gharabiklou for Lieutenant Governor 2018 (1394820) | 01/01/17 – 06/30/18 |
| 11. | Heat & Frost Insulators and Allied Workers Local Union 16 PAC (1250907) | 01/01/15 – 12/31/16 |
| 12. | San Diego County Democratic Party (741906) | 01/01/15 – 12/31/16 |
| 13. | San Francisco Police Officers Association Issues PAC (1317554)
(formerly San Francisco Police Officers Association Issues PAC – Yes on 66, No on 62) | 05/22/16 – 12/31/16 |
| 14. | Service Employees International Union, United Healthcare Workers West (Nonprofit 501 (c) (5)) - Yes on 8 – Californians for Kidney Dialysis Patient Protection (1373047)
(formerly Service Employees International Union, United Healthcare Workers West (Nonprofit 501 (c) (5))) | 01/01/15 – 12/31/16 |
| 15. | Service Employees International Union Local 721 CTW, CLC Workers' Strength Committee (1296889) | 01/01/15 – 10/11/16 |
| 16. | United Teachers Los Angeles – Political Action Council of Educators (PACE) Issues (931704)
(formerly United Teachers Los Angeles – Political Action Council of Educators (PACE) Issues, a Committee for Propositions 55 and 58) | 01/01/15 – 12/31/16 |



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 August 30, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. California-Nevada Conference of Operating Engineers Political Action Committee (1237671)	01/01/15 – 12/31/16
2. Californians for Fiscal and Economic Leadership, primarily formed to support John Chiang for Governor 2018 sponsored by United Nurses Associations of California / Union of Health Care Professionals (1405076)	01/01/18 – 06/30/18
3. Construction & General Laborers Local Union 304 Political Action Committee (902565)	01/01/15 – 12/31/16
4. Josh B. Newman Friends of Josh Newman Opposed to the Recall (1396225)	01/01/17 – 06/30/18
5. Health Care Providers for Fiscal Accountability Opposed to John Chiang (Governor 2018) (1400864)	05/07/18 – 06/30/18
6. Orange County Dignity PAC, sponsored by Orange County Federation of Labor, AFL-CIO (1344592)	01/01/15 – 12/31/16
7. Service Employees International Union Local 721 CTW, CLC State & Local (743794)	01/01/15 – 12/31/16

- | | |
|--|---------------------|
| 8. Saves Lives California, a coalition of Doctors, Dentists, Health Plans, Labor, Hospitals, Law Enforcement, and Non-profit Health Advocate Organizations (1377991)
(formerly Yes on 56 – Saves Lives California, a coalition of Doctors, Dentists, Health Plans, Labor, Hospitals, Law Enforcement, and Non-profit Health Advocate Organizations) | 01/01/15 – 12/31/16 |
| 9. UNITE HERE TIP State and Local Fund (NY ID# A01199) (810437) | 01/01/15 – 12/31/16 |
| 10. United Nurses Associations of California / Union of Health Care Professionals PAC (UNAC PAC) (1295768) | 01/01/15 – 12/31/16 |

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. Marijuana Policy Project of California, Yes on 64 (1371855)



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:

Marijuana Policy Project of California, Yes on 64 (1371855)
c/o California Cannabis Industry Association

January 1, 2014 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 September 30, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was a primarily formed ballot measure committee supporting Proposition 64 in the 2016 General Election. The Committee was sponsored by the Marijuana Policy Project and terminated effective January 30, 2017.

TREASURER: Lindsay Robinson
California Cannabis Industry Association

FINANCIAL ACTIVITY

Total Contributions Received: \$ 789,898

Total Expenditures: \$ 789,556

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 credit card authorizations were not provided for 9 monetary contributions received totaling \$276,200. Bank statements, duplicate deposit slips, contributor listings, emails, and major donor notifications were provided.

Invoices, receipts, valuation letters, payroll records or other supporting documents were not provided for 14 nonmonetary contributions totaling \$24,441 reported as staff time and information technology received from the sponsoring organization.

Ms. Robinson stated the Committee's day-to-day activity was tracked and monitored by the sponsoring organization's executive director in Washington, D.C. and that all monetary donations to the Committee were processed through the Washington office. Ms. Robinson further stated that she and the sponsoring organization's staff tried to locate the requested information.



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 30, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Birnbaum for Assembly 2017 (1397155)	01/01/17 - 12/06/17
2. Birnbaum for Assembly 2018 (1395577)	01/01/17 - 09/14/17
3. Californians for Affordable Housing, Chiang Ballot Measure Committee (1394100)	01/01/17 - 06/30/18
4. John Chiang For Governor 2018 (1385799)	01/01/16 - 06/30/18
5. John Chiang For Treasurer 2014 (1333963)	01/01/16 - 06/30/18
6. John Chiang For Treasurer 2014 – Officeholder Account (1386272)	01/01/16 - 06/30/18
7. De Ocampo for Assembly 2017 (1397405)	01/01/17 - 12/31/17
8. De Ocampo for Assembly 2018 (1396946)	01/01/17 - 08/19/17
9. United Food and Commercial Workers Western States Council Issues PAC (971911)	01/01/15 - 12/31/16

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. American Federation of State, County and Municipal Employees Local 3299
PAC (1312649)
2. California Tow Truck Association PAC aka CTTA PAC Fund (880824)
3. Jesse Gabriel for Assembly 2018 (1400729)
4. Local 18 Water & Power Defense League (IBEW) (744817)
5. Ruben Major for Secretary of State 2018 (1399244)
6. Santa Clara County Republican Party (741925)
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, 2015 through December 31, 2016

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 October 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

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

TREASURER: Art Pulaski
California Labor Federation

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

FINANCIAL ACTIVITY

Total Contributions Received: \$ 2,165,420

Total Expenditures: \$ 838,641

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 an \$8,500 contribution made to Susan Bonilla for State Senate 2015 on April 13, 2015, and a \$25,000 contribution made to the California Democratic Party on May 7, 2015. These reports were required due to the Senate District 7 Special Election held on May 19, 2015; the 24-hour reporting period began on March 18, 2015. Form 497 Contribution Reports were filed for 34 other contributions made totaling \$240,000. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on February 28, 2018.

Ms. Andrews stated that the two missed reports occurred during 2015 when reporting was handled by an internal staff member who was unfamiliar with some of the requirements for special elections. She added that the failure to file these reports was inadvertent and unintentional.

MONETARY CONTRIBUTIONS RECEIVED

Monetary contributions received totaling \$196,400 were not disclosed on the initial Form 460 Campaign Disclosure Statements filed with the Secretary of State for the period July 1 through October 22, 2016. The contributions were collected by the Committee's sponsor through payroll deductions for the months of June and July 2016, and transferred to the Committee on January 18, 2017. None of the contributions were required to be itemized. Amendments were filed on February 1, 2017, to disclose the contributions.

Ms. Andrews stated that the failure to timely include these receipts was an unintentional administrative error, and did not significantly harm public disclosure given that the contributions were unitemized and were a small percentage of the total contributions received.



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:

Santa Clara County Republican Party (741925)

January 1, 2015 through December 31, 2016

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 October 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose political party committee.

TREASURERS: James A. Russell

Shane Patrick Connolly (01/10/13 – 02/25/18)

REPRESENTATIVE: Kelly Lawler
The KAL Group

FINANCIAL ACTIVITY

Total Contributions Received: \$ 371,999

Total Expenditures: \$ 404,082

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 28 expenditures totaling \$92,444 disclosed as made for member communications on the Form 460 Campaign Disclosure Statements filed for the audit period. Reports were filed between 6 and 23 days late for expenditures totaling \$10,758 made for member communications to support Lan Diep in the April 7, 2015, City of San Jose Special Primary Election.

Reference Exhibits A and B

Form 497 Contribution Reports were not filed with the Secretary of State for nonmonetary contributions totaling \$20,697 made to 3 state candidates. The contributions made were for legal and reporting services incurred during the month of March 2016 and paid on May 24, 2016. Although a designated “all purpose” bank account was maintained by the Committee, the contributions were made from the Committee’s “restricted use” bank account.

Reference Exhibit C

Reports were timely filed for 17 contributions received totaling \$250,875, and for 17 other contributions made/member communications totaling \$62,941.

FILER COMMENT

Ms. Lawler stated that the information for the activity on October 27, 2016, was not received until after the election. Ms. Lawler also explained that at the time, the reporting software did not capture aggregated contributions for reporting on a Form 497. Further, Ms. Lawler stated that the Committee paid the nonmonetary contributions from the Committee’s “restricted use” bank account since they originally thought the expenses were administrative in nature.

LIST OF EXHIBITS

EXHIBIT A – FORM 497 CONTRIBUTION REPORTS NOT FILED FOR MEMBER COMMUNICATIONS

EXHIBIT B – MEMBER COMMUNICATIONS IN SUPPORT OF LAN DIEP FOR CITY COUNCIL REPORTED AFTER THE APRIL 7, 2015 CITY OF SAN JOSE SPECIAL PRIMARY ELECTION

EXHIBIT C – FORM 497 CONTRIBUTION REPORTS NOT FILED FOR NONMONETARY CONTRIBUTIONS MADE

**EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED
FOR MEMBER COMMUNICATIONS**

	<u>Date Made</u>	<u>Candidate Supported</u>	<u>Office</u>	<u>Amount</u>
1.	05/13/15 *	Manh Nguyen	City Council	\$ 1,227 (1)
2.	06/11/15 *	Manh Nguyen	City Council	1,239 (1)
3.	06/15/15	Manh Nguyen	City Council	1,029 (1)
4.	06/15/15	Manh Nguyen	City Council	1,029 (1)
5.	06/15/15	Manh Nguyen	City Council	1,029 (1)
6.	05/23/16	Georgia Acosta	Assembly District 30	4,511
7.	05/23/16	Tom Arnett	Board of Education	3,227 (2)
8.	05/23/16	Tom Arnett	Board of Education	1,238 (2)
9.	05/23/16	Dev Davis	City Council	3,448 (3)
10.	05/23/16	Johnny Khamis	City Council	3,928 (3)
11.	05/23/16	Chuck Page	Senate District 15	20,092
12.	05/23/16	Patrick Waite	City Council	3,225 (3)
13.	05/27/16	Georgia Acosta	Assembly District 30	1,799
14.	05/27/16	Tom Arnett	Board of Education	3,700 (2)
15.	05/27/16	Steve Brown	City Council	2,624 (3)
16.	05/27/16	Dev Davis	City Council	5,205 (3)
17.	05/27/16	Johnny Khamis	City Council	1,640 (3)
18.	05/27/16	Chuck Page	Senate District 15	7,840
19.	05/27/16	Patrick Waite	City Council	5,835 (3)
20.	06/01/16	Steve Brown	City Council	2,114 (3)
21.	06/01/16	Dev Davis	City Council	4,698 (3)
22.	10/05/16	Jim Davis	City Council	1,100 (5)
23.	10/27/16	Mario Bouza	City Council	1,185 (5)
24.	10/27/16	Steve Brown	City Council	3,075 (4)
25.	10/27/16 *	Dev Davis	City Council	2,679 (4)
26.	10/27/16 *	Lynette Eng	City Council	1,428 (5)
27.	10/27/16 *	Paul Kloecker	City Council	1,150 (5)
28.	10/27/16 *	Rolando Velasco	City Council	<u>1,150 (5)</u>
Total				\$ 92,444

* Date cumulative amount exceeded the \$1,000 reporting threshold.

(1) City of San Jose Special Runoff Election: 06/23/15
24-Hour Reporting Period: 03/25/15 - 06/22/15

(2) Presidential Primary Election (Santa Clara County): 06/07/16
24-Hour Reporting Period: 03/09/16 - 06/07/16

(3) Presidential Primary Election (City of San Jose): 06/07/16
24-Hour Reporting Period: 03/09/16 - 06/07/16

(4) General Election (City of San Jose): 11/08/16
24-Hour Reporting Period: 08/10/16 - 11/08/16

(5) General Election (Santa Clara County): 11/08/16
24-Hour Reporting Period: 08/10/16 - 11/08/16

**EXHIBIT B - MEMBER COMMUNICATIONS IN SUPPORT OF LAN DIEP
FOR CITY COUNCIL REPORTED ATER THE APRIL 7, 2015 CITY OF
SAN JOSE SPECIAL PRIMARY ELECTION**

	<u>Date Made</u>	<u>Amount</u>	<u>Date Filed</u>	<u>Days Late</u>
1.	03/16/15 *	\$ 1,215	04/09/15	23
2.	04/02/15	4,320	04/09/15	6
3.	04/02/15	3,491	04/09/15	6
4.	04/02/15	<u>1,732</u>	04/09/15	6
	Total	\$ 10,758		

* Date cumulative amount exceeded the \$1,000 reporting threshold.

**EXHIBIT C - FORM 497 CONTRIBUTION REPORTS NOT FILED FOR
NONMONETARY CONTRIBUTIONS MADE**

<u>Date</u>	<u>Recipient</u>	<u>Amount</u>
1. 03/11/16 - 03/25/16	Ryan Brown for Assembly 2016	\$ 6,899
2. 03/11/16 - 03/25/16	Tim Gorsulowsky for Assembly 2016	6,899
3. 03/11/16 - 03/25/16	Kain for Senate 2016	<u>6,899</u>
	Total	\$ 20,697



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:

Local 18 Water & Power Defense League (IBEW) (744817)

January 1, 2015 through December 31, 2016

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 the 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, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose small contributor committee sponsored by the International Brotherhood of Electrical Workers Local 18.

TREASURER: Brian D'Arcy
Local 18 Water and Power Defense League (IBEW)

REPRESENTATIVE: Leilani Rudow Beaver
Kaufman Legal Group

FINANCIAL ACTIVITY

Total Contributions Received: \$ 405,446

Total Expenditures: \$ 338,460

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 a \$25,000 contribution made to Citizens for Increased Voter Participation, A Committee Supporting Yes on Charter Amendments 1 and 2 on February 26, 2015. The report was required in connection with the City of Los Angeles election held on March 3, 2015.

A Form 497 Contribution Report for a \$100,000 contribution to No on Prop 53 and a \$15,000 contribution to the California Democratic Party made on October 26, 2016, was filed 89 days late on January 24, 2017.

Reports were timely filed for 13 contributions made totaling \$77,000.

Ms. Beaver stated that the Committee made its best efforts to timely disclose all contributions made within the applicable 90-day reporting periods and all contributions in question were timely disclosed on the Form 460s filed by the Committee.



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:

California Tow Truck Association PAC aka
CTTA PAC Fund (880824)

January 1, 2015 through December 31, 2016

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 October 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the California Tow Truck Association.

TREASURERS: Laura Ann Stephen
Stephen Company

Vickie Young (01/19/16 – 06/12/18)
California Tow Truck Association

Laszlo Muzamel (01/20/14 – 01/18/16)
California Tow Truck Association

FINANCIAL ACTIVITY

Total Contributions Received: \$ 13,964

Total Expenditures: \$ 37,440

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, duplicate deposit slips, and/or credit card authorizations were not provided for 42 contributions received totaling \$6,235. Bank statements were provided.

REPORTS AND STATEMENTS

A Form 460 Preelection Statement for the period July 1 through September 24, 2016, was not filed with the Secretary of State. Contributions totaling \$5,800 were made during this period. Receipts and expenditures for this period totaled \$350 and \$7,100, respectively. The activity for this period was reported on the Form 460 Preelection Statement filed for the period ending October 22, 2016. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on March 30, 2010.

A Form 497 Contribution Report was not filed with the Secretary of State for a \$4,200 contribution made to Jim Frazier on June 3, 2016. Reports were timely filed for 3 contributions made totaling \$4,800.

TREASURER'S COMMENT

Ms. Stephen stated that the California Tow Truck Association PAC is a small committee which raises less than \$50,000 a year from its membership. Ms. Stephen explained that the organization used volunteers to serve as PAC treasurers to save on expenses and as a result, there were some missing records and overlooked filings. Ms. Stephen further stated that a professional treasurer has been hired.



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:

American Federation of State, County and Municipal Employees
Local 3299 PAC (1312649)

January 1, 2015 through December 31, 2016

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 October 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the American Federation of State, County and Municipal Employees Local 3299.

TREASURER: Kathryn Lybarger
American Federation of State, County and Municipal
Employees Local 3299

REPRESENTATIVE: Erika M. Boyd
Olson, Hagel & Fishburn, LLP

FINANCIAL ACTIVITY

Total Contributions Received: \$ 214,421

Total Expenditures: \$ 230,097

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

Monetary contributions were understated by \$25,202 on the initial Preelection Statement filed for the period ending May 21, 2016. An amendment was filed on July 28, 2016, to correct the misreporting. In addition, records maintained by the sponsor were not provided for April 2015 and May 2015 dues collected for the Committee. The lack of records precluded the determination of the amount of additional monetary contributions required to be disclosed on the Form 460 Semi-annual Statement for the period May 3 through June 30, 2015.

Ms. Boyd stated the delay in disclosure resulted in little harm to the public since no contributors were required to be itemized on Form 460 Preelection Statement filed for the period ending May 21, 2016. Ms. Boyd added that the delay was due to an administrative error wherein the dues were not forwarded in time to be included on the initial statement, and an amendment was filed when the error was identified. Ms. Boyd further stated that the funds used for activity during the period had already been publicly disclosed.



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:

Ruben K. Major

Ruben Major for Secretary of State 2018 (1399244)

January 1, 2017 through June 30, 2018

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Statewide candidates who raised or spent \$25,000 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, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is controlled by Ruben K. Major, a candidate for Secretary of State in the 2018 Statewide Direct Primary Election.

TREASURER: Ruben K. Major

FINANCIAL ACTIVITY

Total Contributions Received: \$153,496

Total Expenditures: \$188,045

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 loans received from the candidate totaling \$56,550. No other reports were required for contributions received.

Reference Exhibit A

Mr. Major stated that although he can't specifically recall the exact reason for the missed reports, he believes that either he was not aware of the requirement or it was an unintentional oversight.

A Form 497 Contribution Report was not filed with the Secretary of State for a \$1,000 contribution made on October 5, 2017, to the San Diego County Democratic Party. This report was required due to the Special General Election held on December 5, 2017, for Assembly District 51. A report for one other \$3,500 contribution made was timely filed.

Mr. Major stated that it was an inadvertent oversight since he was not fully aware of this provision of the law.

LOANS RECEIVED

The outstanding balance of loans received from the candidate totaled \$137,300 on June 30, 2018, \$37,300 over the \$100,000 limit. An amendment to the Form 460 Semi-annual Statement for the period ending June 30, 2018, was filed on February 1, 2019, to disclose \$35,550 as a monetary contribution instead of as loans.

<u>Statement Period</u>	<u>Amount Received</u>	<u>Outstanding Balance</u>
07/01/17 - 12/31/17	\$ 36,100	\$ 36,100
01/01/18 - 04/21/18	63,650	99,750
04/22/18 - 05/19/18	2,000	101,750 *
05/20/18 - 06/30/18	35,550	137,300

* Exceeded \$100,000 on 05/07/18

Mr. Major stated that he filed an amendment to explain the oversight in previously reporting amounts over \$100,000 as loans.

**EXHIBIT A - FORM 497 CONTRIBUTION REPORTS NOT FILED
FOR LOANS RECEIVED FROM THE CANDIDATE**

	<u>Date</u> <u>Received</u>	<u>Amount</u>	
1.	03/07/18	\$ 2,850	(1)
2.	03/12/18	3,800	(1)
3.	03/14/18	2,850	(1)
4.	03/20/18	2,850	(1)
5.	04/02/18 *	4,750	(1)
6.	04/12/18 *	1,900	(1)
7.	05/07/18	1,000	(2)
8.	05/14/18 *	1,000	(2)
9.	05/23/18 *	1,250	(3)
10.	05/29/18 *	8,550	(3)
11.	05/30/18	1,900	(3)
12.	05/31/18	3,800	(3)
13.	06/01/18	2,850	(3)
14.	06/04/18	12,350	(3)
15.	06/05/18	<u>4,850</u>	(3)
	Total	\$ 56,550	

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

(1) Disclosed as loans received on the Form 460 Preelection Statement filed on April 30, 2018.

(2) Disclosed as loans received on the Form 460 Preelection Statement filed on May 29, 2018.

(3) Initially disclosed as loans received on the Form 460 Semi-annual Statement filed on July 30, 2018, after the election. An amended Form 460 Semi-annual Statement was filed on February 1, 2019, to disclose the loans as a monetary contribution received.



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:

Jesse S. Gabriel
Jesse Gabriel for Assembly 2018 (1400729)
c/o Leilani Rudow Beaver
Kaufman Legal Group

January 1, 2017 through June 30, 2018

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 October 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Assembly Member Jesse S. Gabriel, District 45. Mr. Gabriel was elected in the Special General Election held on June 5, 2018, and re-elected in the 2018 General Election. The Committee terminated effective July 27, 2018.

TREASURER: Daniel Gryczman
c/o Leilani Rudow Beaver
Kaufman Legal Group

REPRESENTATIVE: Leilani Rudow Beaver
Kaufman Legal Group

FINANCIAL ACTIVITY

Total Contributions Received: \$ 931,307

Total Expenditures: \$ 887,620

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

Contributions totaling \$26,400 received from 3 contributors after the April 3, 2018 Special Primary Election exceeded the contribution limits for the Special General Election held on June 5, 2018, by \$4,400, for each contributor. The amounts in excess of the limits were reported as miscellaneous increases to cash received from the contributors and were transferred to the candidate's other controlled committee, Elect Jesse Gabriel for Assembly 2018 (1402641), within 4 days of deposit.

<u>Contributor</u>	<u>Date Received</u>	<u>Date Designation Letter Signed</u>	<u>Contribution Deposit Date</u>	<u>Date Funds Transferred</u>
1. Anna Morfit	04/09/18	04/10/18	04/12/18	04/13/18
2. Garrison Mason Morfit	04/09/18	04/10/18	04/12/18	04/13/18
3. Stern for Senate 2020	04/12/18	04/12/18	04/16/18	04/20/18

Ms. Beaver stated the Committee acted as an intermediary for the contributions and, therefore, did not exceed the contribution limits. She explained that Mr. Gabriel was on the same ballot for two separate elections for the same office and that two separate committees were required. She added that simultaneous fundraising was occurring for the committees and contributors were frequently confused and made contributions using incorrect committee names or combined contributions. She further stated that prior to depositing the contributions, the Committee obtained letters signed by the contributors confirming their intent to designate the excess contributions to Elect Jesse Gabriel for Assembly 2018 (1402641).

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. California RoofPAC (1277668)
2. Paul Song for Insurance Commissioner 2018 (1393194)



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:

California RoofPAC (1277668)

January 1, 2015 through December 31, 2016

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 November 27, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the Roofing Contractors Association of California.

TREASURER: Marc Connerly
Roofing Contractors Association of California

FINANCIAL ACTIVITY

Total Contributions Received: \$ 14,005

Total Expenditures: \$ 36,400

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 Preelection Statements for the periods ending April 23 and May 21, 2016, which were due at the Secretary of State (SOS) on April 28 and May 26, 2016, respectively, were filed more than 2 years late on June 11, 2018. The activity for these periods was reported on the Form 460 Semi-annual Statement filed for the period ending June 30, 2016.

<u>Statement Period</u>	<u>Contributions</u>		
	<u>Made</u>	<u>Receipts</u>	<u>Expenditures</u>
01/01/16 - 04/23/16	\$ 12,500	\$ 2,500	\$ 12,500 *
04/24/16 - 05/21/16	2,700	0	2,700 *

* Agreed to in the Fair Political Practices Commission (FPPC) Stipulation, Decision and Order, FPPC Case No. 16/039, approved on June 21, 2018.

The Form 460 Preelection Statement for the period ending September 24, 2016, due at the SOS on September 29, 2016, was filed 29 days late on October 28, 2016.

Form 497 Contribution Reports were not filed with the SOS for 5 contributions made totaling \$11,400. No other reports were required to be filed.

<u>Date Made</u>	<u>Recipient</u>	<u>Amount</u>
1. 03/11/15	Sharon Runner for Senate 2015	\$ 4,200 * (1)
2. 03/24/16	Wilk for Senate 2016	1,500 *
3. 04/07/16	Dante Acosta for Assembly 2016	2,000 *
4. 05/18/16	Scott Wilk for Senate 2016	2,700 *
5. 09/28/16	David Hadley for Assembly 2016	<u>1,000</u>
Total		\$ 11,400

* Agreed to in the FPPC Stipulation, Decision and Order, FPPC Case No. 16/039, approved on June 21, 2018.

(1) SD21 Special Primary Election: 03/17/15
 24-Hour Reporting Period: 01/13/15 - 03/17/15

Similar findings were noted in an Audit Report issued by the Franchise Tax Board on September 30, 2015, and were agreed to in the Fair Political Practices Commission Stipulation, Decision and Order, FPPC Case No. 16/039, approved on June 21, 2018.

TREASURER'S COMMENT

Mr. Connerly stated that he was unfamiliar with the filing requirements. He added that corrective action was taken once contacted by the Fair Political Practices Commission in 2017.



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:

Paul Y. Song
Paul Song for Insurance Commissioner 2018 (1393194)
c/o Leilani Rudow Beaver
Kaufman Legal Group

January 1, 2017 through June 30, 2017

AUDIT AUTHORITY AND SCOPE

This audit is authorized under Section 90001 of the California Government Code. Statewide candidates who raised or spent \$25,000 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 27, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee was controlled by Paul Y. Song. Mr. Song was a candidate for Insurance Commissioner in the 2018 Statewide Direct Primary Election. Mr. Song filed a Form 501 Candidate Intention Statement for this office. However, he withdrew from the election and was not on the ballot. The Committee terminated effective June 30, 2017.

TREASURER: Paul Y. Song

REPRESENTATIVE: Leilani Rudow Beaver
Kaufman Legal Group

FINANCIAL ACTIVITY

Total Contributions Received: \$ 48,855

Total Expenditures: \$ 48,855

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

On June 29, 2017, Mr. Song was returned \$1,999 of a \$4,500 monetary contribution the Committee received from him on June 21, 2017. The contribution and return were timely reported on the initial Semi-annual Statement for the period ending June 30, 2017, filed on July 11, 2017. On September 12, 2019, after completion of the audit, an amendment to this campaign disclosure statement was filed electronically to reclassify the \$4,500 monetary contribution as a loan received from the candidate and the \$1,999 returned as a repayment of the loan.

Ms. Beaver stated that after withdrawing his candidacy, Mr. Song made a loan to the Committee in order to pay some final expenses incurred by it. After paying these expenses, the remaining balance was repaid to Mr. Song. She added that the Committee amended the campaign statement to properly reflect the receipt of the \$4,500 loan and the repayment.



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 27, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Californians for Strong Communities: Ian Calderon Ballot Measure Committee (1382643)	12/07/16 – 12/31/18
2. Ian Calderon for Assembly 2018 (1392684)	01/01/16 – 12/31/18
3. Martinez for Senate 2018 (1396806)	01/01/17 – 12/31/17
4. Mark Vargas for Assembly 2017 (1397902)	01/01/17 – 12/31/17
5. Mark Vargas for Assembly 2018 (1396601)	01/01/17 – 09/12/17

POLITICAL REFORM AUDIT REPORTS

State Campaigns

1. American Association of Chinese Medicine and Acupuncture Political Action Committee (970546)
2. Million More Voters, Sponsored by the California Labor Federation, AFL-CIO (1291923)



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:

American Association of Chinese Medicine and Acupuncture Political
Action Committee (970546)
(formerly United California Practitioners of Chinese Medicine Political
Action Committee)

January 1, 2015 through December 31, 2016

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 December 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

The Committee is a general purpose committee sponsored by the American Association of Chinese Medicine and Acupuncture.

TREASURERS: Wei Wei

Philip Yang (12/09/16 – 01/09/19)
Nine Star University of Health Sciences

Amy Matecki (06/06/16 – 12/08/16)

Helen Q. Y. Huang Ma (01/16/15 – 06/05/16)

Fajin Li, Acting Treasurer (01/30/08 – 01/15/15)

FINANCIAL ACTIVITY

Total Contributions Received: \$ 59,430

Total Expenditures: \$ 46,262

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, details of items deposited, and/or applicable source documents from contributors were not provided for contributions received totaling \$28,400. A list provided indicated that 355 individual \$80 contributions were received and that 20 of these contributions totaling \$1,600 were received in the form of cash. For 6 of these contributions in cash totaling \$480, the names and addresses of the contributors were not maintained. The lack of records for these 6 contributions precluded the determination of whether additional contributors were required to be itemized. For 32 other contributions totaling \$2,560, addresses were not maintained.

Similar findings were noted in the Audit Report issued by the Franchise Tax Board on November 30, 2017.

REPORTS AND STATEMENTS

A Form 460 Special Odd-Year Report for the period ending March 31, 2015, and a Form 460 Preelection Statement for the period ending September 24, 2016, were not filed with the Secretary of State (SOS). The activity for these periods was reported on the Form 460 Semi-annual Statement filed on July 30, 2015, for the period ending June 30, 2015, and the Form 460 Preelection Statement filed on November 12, 2016, for the period ending October 22, 2016. Similar findings were noted in an Audit Report issued by the Franchise Tax Board on November 30, 2017, and were agreed to in the Fair Political Practices Commission Stipulation, Decision and Order, FPPC Case No. 17/104, approved on November 15, 2018.

<u>Statement Period</u>	<u>Contributions</u>		
	<u>Made</u>	<u>Receipts</u>	<u>Expenditures</u>
1. 01/01/15 - 03/31/15	\$ 11,250 *	\$ 22,538	\$ 12,444
2. 07/01/16 - 09/24/16	\$ 1,500	\$ 4,640	\$ 1,500

* Includes contributions totaling \$10,500 made to elected state officers.

The Form 460 Preelection Statement for the period ending April 23, 2016, was filed on March 14, 2016, using the ending date of March 17, 2016. Receipts and expenditures for the period March 18 through April 23, 2016, totaled \$5,280 and \$1,900, respectively, and were disclosed on the Form 460 Semi-annual Statement filed on July 20, 2016, for the period ending June 30, 2016.

The Form 460 Preelection Statement for the period ending October 22, 2016, due at the SOS on October 27, 2016, was filed in paper format on November 12, 2016, after the election. Contributions totaling \$750 were made in connection with the 2016 General Election. Receipts and expenditures for the period September 25 through October 22, 2016, totaled \$320 and \$750, respectively. The statement was timely filed electronically.

Form 497 Contributions Reports were not filed with the SOS for 3 contributions made totaling \$7,500. No other reports were required to be filed. A similar finding was noted in an Audit Report issued by the Franchised Tax Board on November 30, 2017. This finding was agreed to in the Fair Political Practices Commission Stipulation, Decision and Order, FPPC Case No. 17/1014, approved on November 15, 2018.

<u>Date</u>	<u>Made</u>	<u>Recipient</u>	<u>Amount</u>
1. 01/31/15		Susan Bonilla for Senate 2015	\$ 4,000 ⁽¹⁾
2. 05/22/16		Rob Bonta for State Assembly 2016	\$ 2,500
3. 05/22/16		Anthony Rendon for Assembly 2016	\$ 1,000
Total			\$ 7,500

(1) SD 7 Special Primary Election: 03/17/15
 24-Hour Reporting Period: 01/13/15 - 03/17/15

COMMITTEE BANK ACCOUNT

A \$16,218 contribution received on February 25, 2015, from the Political Action Committee of the California Certified Acupuncturist Association exceeded the contribution limit by \$9,218 when it was deposited into the Committee's sole bank account used to make contributions to state candidates. The \$16,218 was received upon the merger of the United California Practitioners of Chinese Medicine, Inc. with the California Certified Acupuncturist Association, to become the American Association of Chinese Medicine and Acupuncture. After the deposit and through the end of the audit period, contributions to state candidates totaling \$30,750 were made from the sole bank account.

MONETARY CONTRIBUTIONS RECEIVED

Monetary contributions received totaling \$2,080 from 13 contributors were not itemized when cumulative contributions met or exceeded the \$100 reporting threshold. The contributions were included in the total of unitemized contributions of less than \$100. A similar finding was noted in an Audit Report issued by the Franchise Tax Board on November 30, 2017.

Reference Exhibit A

TREASURER'S COMMENT

Ms. Wei stated that the main cause of all the issues was the lack of a standardized tracking system in recording the contributions received and made. She stated that there was a high turnover rate and all the positions were voluntary which made it difficult for them to learn the rules and pass the knowledge down.

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

	<u>Date</u> <u>Received</u>	<u>Contributor</u>	<u>Amount</u>	<u>Cumulative</u> <u>Amount</u>
1.	04/17/16	Randy SF Lam	\$ 80	\$
	12/04/16	Randy SF Lam	80	160
2.	12/13/15	Chengguang Shi	160	160
3.	02/25/16	Qui Mei Chen	80	
	12/04/16	Qui Mei Chen	80	160
4.	04/17/16	Ho Wai Cheung	80	
	12/04/16	Ho Wai Cheung	80	160
5.	02/14/16	Sean Ching-Yao Hsieh	80	
	11/14/16	Sean Ching-Yao Hsieh	80	160
6.	04/16/16	Kei Kurotani	80	
	12/04/16	Kei Kurotani	80	160
7.	07/12/15	Lixia Liao	80	
	12/13/15	Lixia Liao	80	160
8.	04/17/16	Hui Lin	80	
	12/04/16	Hui Lin	80	160
9.	01/02/16	Brian Chee-C Loh	80	
	11/01/16	Brian Chee-C Loh	80	160
10.	01/14/16	Shu Wheeler	80	
	12/04/16	Shu Wheeler	80	160
11.	01/15/16	Yan Ping Xiao	80	
	12/04/16	Yan Ping Xiao	80	160
12.	08/07/16	Hongji Zhong	80	
	12/04/16	Hongji Zhong	80	160
13.	04/17/16	Yu Ying Zhu	80	
	12/04/16	Yu Ying Zhu	80	<u>160</u>
		Total	\$	2,080



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:

Million More Voters, Sponsored by the California Labor Federation,
AFL-CIO (1291923)

January 1, 2015 through December 31, 2016

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 December 31, 2019.

ABOUT THE COMMITTEE

BACKGROUND INFORMATION

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

TREASURER: Art Pulaski
Million More Voters, Sponsored by the California Labor Federation, AFL CIO

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

FINANCIAL ACTIVITY

Total Contributions Received: \$ 3,893,351

Total Expenditures: \$ 3,313,736

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

Monetary contributions received totaling \$294,600 were not disclosed on the initial Form 460 Preelection Statement filed with the Secretary of State for the period July 1 through October 22, 2016. The contributions were collected by the Committee's sponsor through payroll deductions for the months of June and July 2016 and transferred to the Committee in December 2016. None of the contributions were required to be itemized. An amendment was filed on February 1, 2017, disclosing the contributions.

Ms. Andrews stated that failure to timely include these deposits was an unintentional administrative error and that corrective actions have been taken to include receipts timely.

ACCRUED EXPENSES

Accrued expenses totaling \$482,871 were not disclosed on the initial Form 460 Preelection Statements filed for the periods ending May 21, 2016 and October 22, 2016. The expenses were disclosed on amendments filed on July 29, 2016, February 1, 2017, May 25, 2017, and July 24, 2017. Accrued expenses were timely disclosed for other expenditures made totaling \$321,386.

Reference Exhibit A

Ms. Andrews did not provide a comment regarding this finding.

**EXHIBIT A - ACCRUED EXPENSES NOT DISCLOSED ON INITIAL
FORM 460 PREELECTION STATEMENTS**

<u>Date(s) Incurred</u>	<u>Amount</u>	<u>Date Amendment was Filed</u>
03/06/16 - 03/11/16	\$ 95,400	07/29/16
03/24/16 - 03/31/16	157,125	07/29/16
09/16/16	9,346	02/01/17
09/15/16	25,000	05/25/17
07/20/16 - 07/29/16	170,000	07/24/17
10/13/16 - 10/15/16	13,000	07/24/17
10/13/16 - 10/15/16	<u>13,000</u>	07/24/17
Total	\$ 482,871	



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, 2019.

<u>CAMPAIGNS</u>	<u>PERIOD COVERED</u>
1. Apartment Association of Greater Los Angeles PAC (811735) (formerly Apartment Association of Los Angeles PAC)	01/01/15 – 12/31/16
2. Rudolph A. Bermudez Bermudez for Senate 2018 - Primary (1402922)	01/01/18 – 08/31/18
3. Rudolph A. Bermudez Bermudez for Senate 2018 – Special (1402924)	01/01/18 – 08/31/18
4. Raquel Monica Garcia Monica Garcia for Senate 2018 (1400248)	01/01/17 – 06/30/18
5. Laborers' International Union of North America, Local Union No. 324 (952148)	01/01/15 – 12/31/16
6. Political Committee of IBEW Local Union No. 617 (990208)	01/01/15 – 12/31/16