

Robert Rodriguez CD #8 (2009)

1. Accepting four over-the-limit doing business contributions \$2,700

Campaigns may not accept contributions from individuals or entities that have business dealings with New York City government (“the City”) in excess of the applicable Doing Business contribution limit for the entire election cycle. *See* Admin. Code §§ 3-702(8), (18), (20), 3-703(1-a), (1-b); Board Rules 1-02, 1-04(c)(1), 1-04(h). When a candidate receives a contribution in excess of the limit from contributors who have business dealings with the City, the candidate must return the excess portion to the contributor within twenty days of being notified by the CFB. *See* Board Rule 1-04(c)(1). The Doing Business contribution limit for candidates running for City Council in the 2009 election was \$250. *See* Admin. Code § 3-703(1-a).

The Campaign accepted four contributions that exceeded this limit: \$400 from Gerald Capano, \$1,000 from Adela Cepeda, \$300 from Irma Laguerre, and \$1,000 from George Prepis. The Campaign was notified of the contributions in 2009 and given deadlines for returning them. No refunds were ever issued.

The Board assessed penalties of \$400 for Gerald Capano; \$1,000 for Adela Cepada; \$300 for Irma Laguerre; and \$1,000 for George Prepis, for total penalties of \$2,700.

2. Accepting one corporate contribution \$125

Campaigns may not accept, either directly or indirectly, a campaign contribution, loan, guarantee or other security for such loan, from any corporation. *See* Admin. Code § 3-703(1)(l); Board Rule 1-04(e).

The Campaign accepted a contribution from Carlin B. Vickery, M.D., P.C., on July 9, 2009, in the amount of \$250. The Campaign was notified of the contribution on July 22, 2009, with a refund due date of July 24, 2009. The Campaign provided a copy of a timely refund check to Carlin B. Vickery dated July 24, 2009, but the refund was not reported.

The penalty for accepting a timely-refunded corporate contribution is \$125. The Board assessed a penalty for this violation of \$125 for the Vickery contribution.

3. Filing a disclosure statement three days late \$150

Campaigns are required to file disclosure statements on scheduled dates. *See* New York City Charter § 1052(a)(8), Admin. Code §§ 3-703(6), 3-708(8); Board Rules 1-09(a), 3-02. The due date for Disclosure Statement No. 10 was August 14, 2009, but the Campaign filed it 3 days late, on August 17, 2009. The Board assessed a penalty of \$150 for this violation.

4. Failing to report a transaction \$50

Campaigns are required to report every contribution, loan, receipt, and disbursement. *See* Admin. Code § 3-703(6); Board Rule 3-03. A \$3,500 withdrawal appeared on the Campaign's bank statement on July 21, 2009. The Campaign reported a \$100 refund on July 21, 2009, to Kelvin Crucey, which accounts for that portion of the withdrawal, but the Campaign failed to report the remaining \$3,400. The Board assessed a penalty for this violation of \$50. .

5. Failing to comply with subcontractor reporting requirements \$100

Campaigns are required to report the use of subcontractors by vendors who receive payments of more than \$5,000 for goods or services. A campaign that pays a vendor more than \$5,000 during an election must inquire of the vendor whether it used a subcontractor for any part of the delivered goods or services. *See* Admin. Code §§ 3-703(1)(d), (g), 3-703(6); Board Rules 3-03(e)(3), 4-01(h).

Cornerstone Management Partners was paid \$36,100 as a vendor for the Campaign, but the Campaign did not submit the required documentation. The Board assessed a penalty for this violation of \$100.

6. Failing to report an in-kind contribution \$50

Candidates must timely report all contributions received by the Campaign. *See* Admin. Code § 3-703(6)(a), Board Rule 3-03(c). In addition, campaigns are required to report all in-kind contributions they receive. *See* Admin. Code §3-703(6); Board Rule 3-03. In-kind contributions are goods or services provided to a campaign for free, paid by a third party, or provided at a discount not available to others. The amount of the in-kind contribution is the difference between the fair market value of the goods or services and the amount the campaign paid. *See* Admin. Code §3-702(8); Board Rules 1-02, 1-04(g).

The campaign received and failed to report an in-kind contribution from Cornerstone Management Partners in the amount of \$2,200. The Board assessed a penalty for this violation of \$50.

7. Exceeding the expenditure limit \$5,224

Candidates who participate in the Campaign Finance Program must abide by limits on the amount of money they can spend on their campaigns. *See* Admin. Code §§ 3-703(1)(i), 3-706, 3-711(2)(a); Board Rules 1-08(d), (l). The expenditure limit for candidates running for City Council in the 2009 primary election was \$161,000. *See* Admin. Code §3-706(1)(a). The Campaign exceeded the expenditure limit by \$5,224, which is 3.2% over the limit.

The Board assessed a penalty for this violation equal to the overage amount. The penalty for this violation reflects the fact that exceeding the expenditure limit is one of the most serious violations of the Act and Board Rules and undermines the purpose of the Campaign Finance Program. The penalty serves to deter participating candidates from violating the spending limit.

8. Cash payment in excess of \$100; petty cash fund in excess of \$500 \$340

Candidates may not maintain petty cash funds in excess of \$500, nor may they make cash expenditures in excess of \$100 per transaction or purchase. Board Rule 4-01(e)(2). Expenditures in excess of \$100 must be paid using a check from the Campaign's bank account. Board Rule 1-08(i).

On July 21, 2009, the Campaign made a \$3,500 cash withdrawal, which causes a petty cash fund in excess of \$500. The Campaign reported a \$100 refund on July 21, 2009 to Kelvin Crucey, but failed to report the remaining \$3,400. *See* alleged violation #7. Therefore, it is presumed that this withdrawal is a transaction of petty cash in excess of \$500.

The Board assessed a penalty for this violation of \$340.