

Dan Halloran, CD #19 (2009)

1. Accepting a contribution from an unregistered political committee \$125

Campaigns may not accept a contribution from a political committee unless the committee is registered with the CFB within ten days of receipt of the contribution. *See* Admin. Code §§ 3-703(k), 3-707; Board Rule 1-04(d). A campaign must return a prohibited contribution by bank check or certified check made out to the contributor. *See* Board Rule 1-04(c)(1).

The Campaign accepted a \$500 contribution from the Northeast Queens Republican Club, an unregistered political committee. CFB staff notified the Campaign about the prohibited contribution, and the Campaign timely refunded the contribution.

The Board assessed a penalty of \$125 for this violation.

2. Accepting an over-the-limit Doing Business contribution \$250

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 by bank check or certified check made out to the contributor within twenty days of being notified by the Board. *See* Board Rule 1-04(c)(1). The Doing Business contribution limit for City Council candidates in the 2009 election was \$250. *See* Admin. Code § 3-703(1-b).

The Campaign accepted a \$300 Doing Business contribution. CFB staff notified the Campaign on January 29, 2010 that the contribution exceeded the Doing Business limit by \$50. The excess contribution refund deadline was February 18, 2010. The Campaign refunded the \$50 overage on January 18, 2013.

The Board assessed a penalty of \$250 for this violation.

3. Filing a disclosure statement 67 days late \$750

Campaigns are required to file complete and timely disclosure statements on scheduled dates. *See* N.Y.C. Charter § 1052(a)(8); Admin. Code §§ 3-703(6), (11), (12), 3-708(8); Board Rules 1-09(a), 3-02.

The Campaign failed to file a disclosure statement by the due date. The Campaign filed Statement #15 sixty-seven days late.

The Board assessed a penalty of \$750 for this violation.

4. Failing to file daily disclosure statements \$100

During the two weeks preceding an election, a campaign is required to report all contributions or loans accepted from a single source exceeding \$1,000 and any expenditure that exceeds \$20,000, within 24 hours after they are accepted or made. These contributions and expenditures also must be reported in the Campaign's next disclosure statement. *See* Admin. Code §§ 3-703(1), (g), (6), (12); Board Rule 3-02(e).

The Campaign did not report two transactions timely: (1) a \$1,750 contribution and (2) a \$41,120.72 expenditure to the Traz Group. The transactions were not reported until February 5, 2010.

The Board assessed a penalty of \$100 for this violation.

5. Failing to timely provide bank statements \$250

Campaigns must maintain records, such as copies of bank records, merchant account statements, checks, bills, and other documentation, that enable the CFB to verify the contributions and expenditures reported in disclosure statements. *See* Admin. Code §§ 3-703(1)(d)(g); Board Rule 4-01. Campaigns are required to furnish such records to the CFB upon request. *See* Admin. Code § 3-703(1)(d), (g).

The Campaign did not submit bank statements for its TD Bank account for the period from June 1, 2012 to the present until the Campaign appeared at the February 21, 2013 Board meeting.

The Board assessed a penalty of \$250 for this violation.

6. Failing to properly report one transaction \$50

Campaigns are required to report every contribution, loan, receipt, and disbursement. *See* Admin. Code §§ 3-703(6); Board Rule 3-03.

The Campaign improperly reported a \$395 expenditure by the Campaign as an advance from the Candidate.

The Board assessed a penalty of \$50 for this violation.

7. Failing to provide deposit slips, resulting in a cash variance of 7.62% \$250

Campaigns must accurately report and document all receipts. *See* Admin. Code §§ 3-703(1)(d), (g), (6); Board Rule 3-303(c), 4-01(b)(1).

A review of the Campaign's bank records and information submitted indicates a 7.62% variance between total reported cash receipts and deposit slips. Specifically, the Campaign

reported receiving \$6,760 in cash, but only submitted deposit slips totaling \$6,245, resulting in a dollar variance of \$515.

The Board assessed a penalty of \$250 for this violation.

8. Accepting a contribution from a corporation, limited liability company, or partnership. \$1,050

Campaigns may not accept, either directly or indirectly, a campaign contribution or loan from any corporation. *See* Admin. Code § 3-703(1)(l); Board Rule 1-04(e). This prohibition also applies to contributions received after December 31, 2007 from any partnership, limited liability partnership, or limited liability company. *See* New York City Charter § 1052(a)(13); Admin. Code §3-703(1)(l); Board Rule 1-04(c), (e). Any unpaid debt owed to a prohibited entity that is outstanding beyond 90 days is also considered a prohibited contribution unless the entity is still seeking payment.

The Campaign did not provide documentation to substantiate a \$750 in-kind contribution by Il Bacco Ristorante, a registered New York corporation.

The Board assessed a penalty of \$1,050 for this violation.

9. Making cash payments greater than \$100 \$224

A campaign may not make cash expenditures in excess of \$100 per transaction or purchase. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (11); Board Rule 1-08(i), 4-01(e)(2).

The Campaign made three prohibited cash payments: (1) a \$200 check paid to the order of “cash;” (2) a misreported \$395 cash payment; and (3) a \$1,350 check paid to the order of “cash.”

The Board assessed a \$224 penalty for these violations.

10. Failing to maintain separate bank account and co-mingling campaign and TIE funds \$250

Receipts deposited in an account shall not be used for any purpose other than the election for which that account was established. Board Rule 1-03(a)(2). Receipts accepted for one election shall not be co-mingled in any account with receipts for any other election. Board Rule 2-06(b). Unspent campaign funds and other receipts raised by a candidate’s political committee may not be used for transition and inauguration activities. Board Rules 5-03(e)(2), 11-04(a), (b).

The Campaign held a fundraiser in March 2010 with contributions benefitting the Campaign and the Campaign’s Transition and Inauguration Entity (“TIE”). The TIE’s March 2010 bank statement includes contributions from the fundraiser, but no debits for fundraiser expenses, while the Campaign’s March 2010 bank statement includes fundraiser expenses. The Campaign’s April 2010 bank statement does not include deposits indicating that the TIE

reimbursed the Campaign for fundraiser expenses. However, Campaign documentation (including the March 2010 bank statement, checks, and information filed with the NY BOE) shows that the Campaign issued \$1,600 in checks for fundraiser expenses.

The Board assessed a penalty of \$250 for this violation.

11. Making impermissible post-election expenditures \$812

A campaign may make post-election expenditures only for routine activities involving nominal costs associated with winding up the campaign and responding to the post-election audit. *See* Admin. Code §§ 3-703(1)(d), (g), (6); Board Rules 1-03(a), 5-03(e)(2).

The Campaign did not provide an explanation or documentation for seventeen post-election expenditures.

The Board assessed a penalty of \$812 for this violation.

12. Failing to respond timely to Draft Audit Report \$2,051

A campaign is required to respond to the Draft Audit Report (“DAR”) by the due date. *See* Admin. Code §§ 3-703(1)(d), (g), (11), 3-708(5), 3-710(1), 3-711(1); Board Rules 1-09(a), 4-01, 4-05.

The deadline for the Campaign’s response to the Draft Audit Report (“DAR”) was May 5, 2011. The Campaign requested and was granted seven extensions of time to respond. The Campaign did not provide a DAR response and CFB staff sent the Campaign a no response letter on March 6, 2012. The Campaign requested and was granted an additional extension of time to respond, with a new due date of August 10, 2012. The Campaign did not provide a response, and CFB staff sent the Campaign another no response letter on August 16, 2012. The Campaign submitted its DAR response on August 23, 2012.

The Board assessed a penalty of \$2,051 for this violation.