

## **Robert Schwartz, Borough President – Queens (2009)**

### **1. Failing to Report and Document Advances \$250**

Candidates must accurately report advances made on behalf of their Campaigns. *See* Admin. Code §§ 3-703(1)(d), (6), Board Rule 3-03(c). Candidates must maintain “clear and accurate” records to demonstrate compliance with the Act and Rules. *See* Board Rules 4-01(a), (d), (e)(4), (l), 4-04.

The Campaign contracted with Elmhurst Dairy and Milk Jug Media (“Elmhurst”) to place advertisements for \$70,000, and reported making a \$15,000 payment. The Campaign stated that it then sued Elmhurst for defaulting on the contract. The Campaign was instructed to report the expenditures for legal fees related to the lawsuit. Instead, the Campaign stated that Schwartz had advanced the money for the legal fees. However, it failed to report the advances or provide any documentation of them.

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

### **2. Accepting a Contribution from a Limited Liability Company \$425**

Candidates are prohibited from accepting contributions from limited liability companies. *See* Admin. Code § 3-703(1)(l), Board Rule 1-04(e). When a candidate has received a prohibited contribution, the candidate must refund the contribution by bank check or certified check made out to the contributor. *See* Board Rule 1-04(c)(1).

On May 20, 2009, the Campaign received a \$175 contribution from John F. Kruse, DDS, a limited liability company. CFB staff notified the Campaign of the prohibited contribution on five occasions, but the Campaign failed to refund the contribution.

The Board assessed a penalty of \$425 for this violation.

### **3. Failing to Demonstrate that Spending was in Furtherance of the Campaign \$108**

A candidate may use public funds only to further his or her nomination or election. *See* Admin. Code § 3-702(21); Board Rule 1-03(a).

Between January 19, 2010 and April 30, 2010, the Campaign incurred 24 expenditures, totaling \$1,082.16, that do not appear to be in furtherance of the campaign.

The Board assessed a penalty of \$108 for this violation.

**4. Responding late to the Draft Audit Report**

**\$454**

Candidates must timely furnish to the Board any information it requests relating to campaign expenditures and contributions. *See* Admin. Code §§ 3-703(1)(d), (6).

The Campaign's original deadline to submit its response to the Draft Audit Report was May 22, 2010. The Campaign requested and received many extensions, and its final extension was to December 17, 2010, but it did not submit its response until December 29, 2010.

The Board assessed a penalty of \$454 for this violation.