

Jumaane Williams, CD #45 (2009)

1. Accepting an over-the-limit contribution

\$250

Campaigns may not accept contributions from a single source in excess of the applicable contribution limit for the entire election cycle. *See* Admin. Code §§ 3-702(8), 3-703(1)(f), (11), (12); Board Rules 1-04(h), 1-07(c). The contribution limit for candidates running for City Council in the 2009 election was \$2,750. *See* Admin. Code § 3-703(1)(f). If a candidate accepts more than one contribution from a single source, the contributions shall be totaled to determine the candidate's compliance with the applicable contribution limit. A "single source" includes any person, persons in combination, or entity who or which establishes, maintains, or controls another entity and every entity so established, maintained, or controlled, including every political committee established, maintained, or controlled by the same person, persons in combination, or entity. Board Rule 1-04(h). When a candidate has received a contribution in excess of the contribution limit, the candidate must return the excess portion to the contributor by bank check or certified check made out to the contributor. *See* Board Rule 1-04(c)(1).

The Campaign accepted contributions totaling \$5,500 (\$2,750 over the limit) from a single source as follows: NY HTC Committee on POL EDUCATION: \$2,750 and LOCAL 6 Committee on POL ED: \$2,750. The Campaign was informed on July 21, 2009 that it must refund the over-the-limit portion of the contribution by July 23, 2009, and issued a refund on July 27, 2009.

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

2. Accepting over-the-limit Doing Business contributions

\$550

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), 3-719(2); 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 Campaign accepted contributions from one contributor totaling \$300 (\$50 over the limit) and a \$1,000 contribution from a second contributor (\$750 over the limit). The Campaign was notified on September 29, 2009 that it must refund the first contribution by October 19, but did not issue a refund of that contribution. The Campaign was notified on June 2, 2009 that it must return the other contribution by June 22, but did not issue a refund until July 13.

The Board assessed total penalties of \$550 for these violations.

3. Failing to provide bank statements and merchant account statements **No penalty**

Campaigns are required to provide bank records, including periodic bank statements. *See* Admin. Code §§ 3-703(1)(d), (g); Board Rules 4-01(a), (b)(6), (f). Candidates must maintain copies of all required records for six years following the date of the election. *See* Board Rule 4-03.

The Campaign failed to produce statements from February 1, 2010 through the present for its Bank of America account. Additionally, the Campaign reported credit card contributions, but did not disclose or provide any statements for its merchant account. The Board treated this violation as part of the Campaign's failure to respond timely to the draft audit report (*see* #9).

The Board did not assess a penalty for this violation.

4. Failing to accurately report disbursements, resulting in a 12.12% variance **\$500**

Campaigns are required to report every contribution, loan, receipt, and disbursement. *See* Admin. Code § 3-703(6); Board Rule 3-03. Campaigns must also 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 the candidate's 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 reported \$286,775.59 in disbursements, but its bank statements reflected disbursements totaling \$255,779.34. This is a reporting variance of \$30,996.25 (12.12%).

The Board assessed a penalty of \$500 for this violation.

5. Failing to report and document in-kind contributions **No penalty**

In-kind contributions include goods or services donated to a candidate free of charge or at a special discount not available to others. *See* Admin. Code § 3-702(8); Board Rule 1-02. Liabilities for goods or services which are forgiven, in whole or part, are in-kind contributions. *See* Admin. Code § 3-702(8); Board Rules 1-02, 1-04(g). A debt owed by the campaign which is forgiven or settled for less than the amount owed is a contribution, unless the debt was forgiven or settled by a creditor who has treated the outstanding debt in a commercially reasonable manner. *See* Board Rule 1-04(g)(5). Candidates must report in-kind contributions in disclosure statements filed with the Board. *See* Admin. Code § 3-703(6)(a); Board Rules 1-04(a), (g), 3-03(c), 4-01(c). Campaigns are required to maintain and provide documentation concerning the in-kind contribution, such as the date the contribution was made, the name and address of the contributor, a detailed description of the goods or services provided, and the fair market value of the goods or services. *See* Admin. Code §§ 3-703(1)(d), (g); Board Rules 1-04(g)(2), 4-01(c).

The Campaign failed to provide documentation for two reported advances from the candidate in the amounts of \$119 and \$24. The Campaign stated that it had received two in-kind contributions totaling \$69.46 from the Local 32BJ American Dream Fund for lists of union members and GOTV-related expenses, as well as an in-kind contribution from CWA Local 1109 for use of phone lines at the union's headquarters. The Campaign did not provide documentation for the in-kind contributions received from 32BJ and did not report or document the one received from 1109.

The Board did not assess a penalty for these violations.

6. Failing to respond adequately to questions regarding expenditures \$1,500

Campaigns must maintain records, such as copies of checks, bills and other documentation, that enable the CFB to verify the contributions and expenditures reported in the candidate's disclosure statements. *See* Admin. Code §§ 3-703(1)(d), (g), (11), (12); Board Rule 4-01. Campaigns are required to furnish such records to the CFB upon request. *See* Admin. Code §§ 3-703(1)(d), (g). Candidates must timely furnish any information the Board requests relating to campaign expenditures and contributions, including a response to post-election audit notices. *See* Admin. Code §§ 3-703(1)(d), (g), 3-710(1), 3-711(2)(b); Board Rule 4-05.

The Campaign did not respond to several questions regarding expenditures to Data and Field Services, Inc. ("DFS") and the Working Families Party ("WFP"). The DAR and Penalty Notice requested that the Campaign submit sworn statements, separate from its regular DAR response, to address certain questions. The Campaign failed to do so.

The Board assessed a penalty of \$1,500 for this violation.

7. Making cash disbursements in excess of \$100 \$100

Campaigns are prohibited from spending amounts greater than \$100 except by checks from a bank account reported to the Board and signed by the Campaign's authorized signatory. *See* Board Rule 1-08(i).

The Campaign made two ATM withdrawals in excess of \$100: \$200 on September 22, 2008, and \$257 on September 28, 2009.

The Board assessed total penalties of \$100 for this violation.

8. Failing to respond timely to the Draft Audit Report

\$3,094

Campaigns must maintain records, such as copies of checks, bills and other documentation, that enable the CFB to verify the contributions and expenditures reported in the candidate's disclosure statements. *See* Admin. Code §§ 3-703(1)(d), (g); Board Rule 4-01. *See* Admin. Code §§ 3-703(1)(d), (g). Upon request by the CFB, campaigns are required to furnish such records and to provide documentation to verify transactions reported in their disclosure statements. *See* Admin. Code §§3-703(1)(d), (g); Board Rule 4-01. Candidates must timely furnish any information the Board requests relating to campaign expenditures and contributions, including a response to post-election audit notices. *See* Admin. Code §§ 3-703(1)(d), (g), 3-710(1), 3-711(2)(b); Board Rule 4-05.

The Campaign's DAR was sent on June 29, 2012, with a due date of July 30, 2012. The Campaign was granted several extensions to respond, but did not submit a response. On April 19, 2013, the Campaign submitted a response to the Penalty Notice, which addressed, but failed to resolve fully, many of the issues cited in the DAR. The Board treated the Campaign's response to the Penalty Notice as a late response to the DAR. In addition, the Campaign failed to report 24 transactions totaling \$6,024.55 that appeared on its bank statements. The Board included this violation as part of the overall late response to the DAR, rather than penalizing for it separately.

The Board assessed a penalty of \$3,094 for this violation.