



**New York City Campaign Finance Board**

100 Church Street, 12<sup>th</sup> Floor, New York, NY 10007  
212.409.1800 | www.nycffb.info

Rose Gill Hearn  
Chair

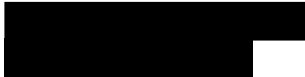
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Via C-Access  
February 25, 2016

Pedro Pena  
Friends of Antonio Reynoso



Dear Pedro Pena:

Please find attached the New York City Campaign Finance Board's ("CFB" or "Board") Final Audit Report for the 2013 campaign of Antonio Reynoso (the "Campaign"). CFB staff prepared the report based on a review of the Campaign's financial disclosure statements and documentation submitted by the Campaign.

This report incorporates the Board's final determination of August 13, 2015 (attached). The report concludes that the Campaign did not fully demonstrate compliance with the requirements of the Campaign Finance Act (the "Act") and Board Rules (the "Rules").

As detailed in the attached Final Board Determination, the Campaign was assessed penalties totaling \$2,060.

The full amount owed must be paid no later than **March 28, 2016**. Please send a check in the amount of 2060, payable to the "New York City Election Campaign Finance Fund," to: New York City Campaign Finance Board, 100 Church Street, 12th Floor, New York, NY 10007.

If the CFB is not in receipt of the full amount owed by **March 28, 2016**, the Candidate's name and the amount owed will be posted on the CFB's website. The CFB may also initiate a civil action to compel payment. In addition, the Candidate will not be eligible to receive public funds for any future election until the full amount is paid. Further information regarding liability for this debt can be found in the attached Final Board Determination.

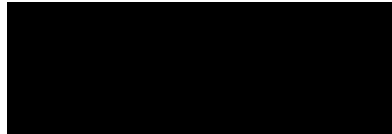
The Campaign may challenge a public funds determination in a petition for Board reconsideration within thirty days of the date of the Final Audit Report as set forth in Board Rule 5-02(a). However, the Board will not consider the petition unless the Campaign submits new information

and/or documentation and shows good cause for its previous failure to provide this information or documentation. To submit a petition, please call the Legal Unit at 212-409-1800.

The January 15, 2014 disclosure statement (#16) was the last disclosure statement the Campaign was required to file with the CFB for the 2013 elections. The Campaign is required to maintain its records for six years after the election, and the CFB may require the Campaign to demonstrate ongoing compliance. *See* Rules 3-02(b)(3), 4-01(a), and 4-03. In addition, please contact the New York State Board of Elections for information concerning its filing requirements.

The CFB appreciates the Campaign's cooperation during the 2013 election cycle. Please contact the Audit Unit at 212-409-1800 or [AuditMail@nyccfb.info](mailto:AuditMail@nyccfb.info) with any questions about the enclosed report.

Sincerely,



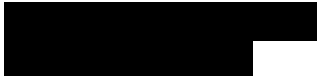
signature on  
original

Jonnathon Kline, CFE  
Director of Auditing and Accounting

c: Antonio Reynoso



Friends of Antonio Reynoso



Attachments



# **EC2013 Final Audit Report**

## Friends of Antonio Reynoso

February 2016

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## **RESULTS IN BRIEF**

The results of the New York City Campaign Finance Board's ("CFB" or "Board") review of the reporting and documentation of the 2013 campaign of Antonio Reynoso (the "Campaign") indicate findings of non-compliance with the Campaign Finance Act (the "Act") and Board Rules (the "Rules") as detailed below:

### ***Disclosure Findings***

Accurate public disclosure is an important part of the CFB's mission. Findings in this section relate to the Campaign's failure to completely and timely disclose the Campaign's financial activity.

- The Campaign did not disclose all of its accounts on the Certification (see Finding #1).
- The Campaign did not report or inaccurately reported financial transactions to the Board (see Finding #2).
- The Campaign did not file the required daily disclosure statements during the two weeks preceding the 2013 primary election (see Finding #3).
- The Campaign must disclose payments made by a vendor to subcontractors (see Finding #4).

### ***Contribution Findings***

All campaigns are required to abide by contribution limits and adhere to the ban on contributions from prohibited sources. Further, campaigns are required to properly disclose and document all contributions. Findings in this section relate to the Campaign's failure to comply with the requirements for contributions under the Act and Rules.

- The Campaign accepted a contribution from an unregistered political committee (see Finding #5).
- The Campaign did not disclose in-kind contributions received (see Finding #6).

### ***Expenditure Findings***

Campaigns participating in the Campaign Finance Program are required to comply with the spending limit. All campaigns are required to properly disclose and document expenditures and disburse funds in accordance with the Act and Rules. Findings in this section relate to the Campaign's failure to comply with the Act and Rules related to its spending.

- The Campaign did not properly report and/or document its joint expenditures (see Finding #7).
- The Campaign made expenditures that were not in furtherance of the Campaign (see Finding #8).
- The Campaign made post-election expenditures that are not permissible (see Finding #9).
- The Campaign must provide requested documentation related to reported expenditures (see Finding #10).

**BACKGROUND**

The Campaign Finance Act of 1988, which changed the way election campaigns are financed in New York City, created the voluntary Campaign Finance Program. The Program increases the information available to the public about elections and candidates' campaign finances, and reduces the potential for actual or perceived corruption by matching up to \$175 of contributions from individual New York City residents. In exchange, candidates agree to strict spending limits. Those who receive funds are required to spend the money for purposes that advance their campaign.

The CFB is the nonpartisan, independent city agency that administers the Campaign Finance Program for elections to the five offices covered by the Act: Mayor, Public Advocate, Comptroller, Borough President, and City Council member. All candidates are required to disclose all campaign activity to the CFB. This information is made available via the CFB's online searchable database, increasing the information available to the public about candidates for office and their campaign finances.

All candidates must adhere to strict contribution limits and are banned from accepting contributions from corporations, partnerships, and limited liability companies. Additionally, participating candidates are prohibited from accepting contributions from unregistered political committees. Campaigns must register with the CFB, and must file periodic disclosure statements reporting all financial activity. The CFB reviews these statements after they are filed and provides feedback to the campaigns.

The table below provides detailed information about the Campaign:

Name: Antonio Reynoso	Contribution Limit:
ID: 1550	\$2,750
Office Sought: City Council	
District: 34	Expenditure Limit:
	2010–2012: \$45,000
Committee Name: Friends of Antonio Reynoso	2013 Primary: \$168,000
Classification: Participant	2013 General: \$168,000
Certification Date: June 7, 2013	
	Public Funds:
Ballot Status: Primary, General	Received: \$115,500
Primary Election Date: September 10, 2013	Returned: \$1,347
General Election Date: November 5, 2013	
Party: Democratic, Working Families	Campaign Finance Summary:
	<a href="http://bit.ly/1yS5KfL">http://bit.ly/1yS5KfL</a>

## SCOPE AND METHODOLOGY

Pursuant to Admin. Code § 3-710(1), the CFB conducted this audit to determine whether the Campaign complied with the Act and Rules. Specifically, we evaluated whether the Campaign:

1. Accurately reported financial transactions and maintained adequate books and records.
2. Adhered to contribution limits and prohibitions.
3. Disbursed funds in accordance with the Act and Rules.
4. Complied with expenditure limits.
5. Received the correct amount of public funds, or whether additional funds are due to the Campaign or must be returned.

Prior to the election, we performed preliminary reviews of the Campaign's compliance with the Act and Rules. We evaluated the eligibility of each contribution for which the Campaign claimed matching funds, based on the Campaign's reporting and supporting documentation. We also determined the Candidate's eligibility for public funds by ensuring the Candidate was on the ballot for an election, was opposed by another candidate on the ballot, and met the two-part threshold for receiving public funds. In January of 2013, we requested all bank statements to date from the Campaign and reconciled the activity on the statements provided to the Campaign's reporting. We then provided the results of this preliminary bank reconciliation to the Campaign on April 24, 2013. After the election, we performed an audit of all financial disclosure statements submitted for the election (see summary of activity reported in these statements at Appendix #1).

To verify that the Campaign accurately reported and documented all financial transactions, we requested all of the Campaign's bank statements and reconciled the financial activity on the bank statements to the financial activity reported on the Campaign's disclosure statements. We identified unreported, misreported, and duplicate disbursements, as well as reported disbursements that did not appear on the Campaign's bank statements. We also calculated debit and credit variances by comparing the total reported debits and credits to the total debits and credits amounts appearing on the bank statements. Because the Campaign reported that more than 25% of the dollar amount of its total contributions were in the form of credit card contributions—or had a variance between the total credit card contributions reported and the credits on its merchant account statements of more than 4%—we reconciled the transfers on the submitted merchant account statements to the deposits on the bank account statements.

As part of our reconciliation of reported activity to the bank statements the Campaign provided, we determined whether the Campaign properly disclosed all bank accounts. We also determined if the Campaign filed disclosure statements timely and reported required activity daily during the two weeks before the election. Finally, we reviewed the Campaign's reporting to ensure it disclosed required information related to contribution and expenditure transactions, such as intermediaries and subcontractors.



To determine if the Campaign adhered to contribution limits and prohibitions, we conducted a comprehensive review of the financial transactions reported in the Campaign's disclosure statements. Based on the Campaign's reported contributions, we assessed the total amount contributed by any one source and determined if it exceeded the applicable limit. We also determined if any of the contribution sources were prohibited. We reviewed literature and other documentation to determine if the Campaign accounted for joint activity with other campaigns.

To ensure that the Campaign disbursed funds in accordance with the Act and Rules, we reviewed the Campaign's reported expenditures and obtained documentation to assess whether funds were spent in furtherance of the Candidate's nomination or election. We also reviewed information from the New York State Board of Elections and the Federal Election Commission to determine if the Candidate had other political committees active during the 2013 election cycle. We determined if the Campaign properly disclosed these committees, and considered all relevant expenditures made by such committees in the assessment of the Campaign's total expenditures.

We requested records necessary to verify that the Campaign's disbursement of public funds was in accordance with the Act and Rules. Our review ensured that the Campaign maintained and submitted sufficiently detailed records for expenditures made in the election year that furthered the Candidate's nomination and election, or "qualified expenditures" for which public funds may be used. We specifically omitted expenditures made by the Campaign that are not qualified as defined by the Campaign Finance Act § 3-704.

We also reviewed the Campaign's activity to ensure that it complied with the applicable expenditure limits. We reviewed reporting and documentation to ensure that all expenditures—including those not reported, or misreported—were attributed to the period in which the good or service was received, used, or rendered. We also reviewed expenditures made after the election to determine if they were for routine activities involving nominal costs associated with winding up a campaign and responding to the post-election audit.

To ensure that the Campaign received the correct amount of public funds, and to determine if the Campaign must return public funds or was due additional public funds, we reviewed the Campaign's eligibility for public matching funds, and ensured that all contributions claimed for match by the Campaign were in compliance with the Act and Rules. We determined if the Campaign's activity subsequent to the pre-election reviews affected its eligibility for payment. We also compared the amount of valid matching claims to the amount of public funds paid pre-election and determined if the Campaign was overpaid, or if it had sufficient matching claims, qualified expenditures, and outstanding liabilities to receive a post-election payment. As part of this review, we identified any deductions from public funds required under Rule 5-01(n).

We determined if the Campaign met its mandatory training requirement based on records of training attendance kept throughout the 2013 election cycle. Finally, we determined if the Campaign submitted timely responses to post-election audit requests sent by the CFB.

Following an election, campaigns may only make limited winding up expenditures and are not going concerns. Because the activity occurring after the post-election audit is extremely limited, the audit focused on substantive testing of the entire universe of past transactions. The results of

the substantive testing served to establish the existence and efficacy of internal controls. The CFB also publishes and provides to all campaigns guidance regarding best practices for internal controls.

To determine if contributors were prohibited sources, we compared them to entities listed in the New York State Department of State's Corporation/Business Entity Database. Because this was the only source of such information, because it was neither practical nor cost effective to test the completeness of the information, and because candidates could provide information to dispute the Department of State data, we did not perform data reliability testing. To determine if reported addresses were residential or commercially zoned within New York City, we compared them to a database of addresses maintained by the New York City Department of Finance. Because this was the only source of such data available, because it was not cost effective to test the completeness of the information, and because campaigns had the opportunity to dispute residential/commercial designations by providing documentation, we did not perform data reliability testing.

In the course of our reviews, we determined that during the 2013 election cycle a programming error affected C-SMART, the application created and maintained by the CFB for campaigns to disclose their activity. Although the error was subsequently fixed, we determined that certain specific data had been inadvertently deleted when campaigns amended their disclosure statements and was not subsequently restored after the error was corrected. We were able to identify these instances and did not cite exceptions that were the result of the missing data or recommend violations to the Board. The possibility exists, however, that we were unable to identify all data deleted as a result of this error.

The CFB's Special Compliance Unit investigated any complaints filed against the Campaign that alleged a specific violation of the Act or Rules. The Campaign was sent a copy of all formal complaints made against it, as well as relevant informal complaints, and was given an opportunity to submit a response.

The Campaign was provided with a preliminary draft of this audit report and was asked to provide a response to the findings. The Campaign responded, and the CFB evaluated any additional documentation provided and/or amendments to reporting made by the Campaign in response. The Campaign was subsequently informed of its alleged violations, and was asked to respond. The Campaign responded and the CFB evaluated any additional information provided by the Campaign. CFB staff recommended that the Board find that the Campaign committed violations subject to penalty. The Campaign chose not to contest the CFB staff recommendations. The Board's actions are summarized as a part of each Finding in the Audit Results section. The finding numbers and exhibit numbers, as well as the number of transactions included in the findings, may have changed from the Draft Audit Report to the Final Audit Report.

## AUDIT RESULTS

### *Disclosure Findings*

#### **1. Bank Accounts – Identifying Information**

Campaigns are required to report all bank, depository, and merchant accounts used for campaign purposes on their Certification. *See* Admin. Code § 3-703(1)(c); Rules 1-11(d), 2-01(a) and 2-06(a).

The bank statements provided by the Campaign revealed that information concerning a Litle & Co.<sup>1</sup> merchant account, (account number unknown), was not reported to the CFB as part of the candidate's Certification.

#### **Previously Provided Recommendation**

The Campaign must explain why it failed to disclose the account listed above and amend its Certification using a Change of Bank Account Form to include all missing account information. The form can be downloaded at [http://www.nyccfb.info/PDF/forms/change\\_of\\_bank\\_account.pdf](http://www.nyccfb.info/PDF/forms/change_of_bank_account.pdf).

#### **Campaign's Response**

In response to the Draft Audit Report, the Campaign did not address this finding. In response to the Notice of Alleged Violations and Recommended Penalties, the Campaign submitted a Change of Bank Account form to disclose its Litle & Co. merchant account. However, the Campaign did not provide the account number for Litle & Co., instead it provided the ActBlue account number.

#### **Board Action**

The Board found the Campaign in violation and assessed \$250 in penalties.

#### **2. Financial Disclosure Reporting - Discrepancies**

Campaigns are required to report every disbursement made, and every contribution, loan, and other receipt received. *See* Admin. Code § 3-703(6); Rule 3-03. In addition, campaigns are required to deposit all receipts into an account listed on the candidate's Certification. *See* Admin. Code § 3-703(10); Rule 2-06(a). Campaigns are also required to provide the CFB with bank

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<sup>1</sup> The Campaign disclosed its ActBlue account. However, the Campaign must also disclose Litle & Co., which is the merchant account associated with credit card contributions processed by Act Blue.

records, including periodic bank statements and deposit slips. *See* Admin. Code §§ 3-703(1)(d), (g); Rules 4-01(a), (b)(1), (f).

The Campaign provided the following bank statements:

BANK	ACCOUNT #	ACCOUNT TYPE	STATEMENT PERIOD
Chase	XXXXXX7927	Checking	Mar 2012 – Jul 2014
Flagship Merchant Service	XXXXXXXXXXXX1565	Merchant	Nov 2012 – Jan 2014
ActBlue	XX8508	Merchant	Apr 2013 – Sep 2013
Litle & Co.	Unknown	Merchant	Apr 2013 – Jun 2015

Below are the discrepancies and the additional records needed, as identified by a comparison of the records provided and the activity reported by the Campaign on its disclosure statements.

a) The Campaign must provide the bank statements listed below:

BANK	ACCOUNT #	STATEMENT PERIOD
Flagship Merchant Service	XXXXXXXXXXXX1565	Feb 2014 – Jul 2014

b) The Campaign did not report the transactions listed on Exhibit I that appear on its bank statements.

c) The Campaign reported the transactions listed on Exhibit II that do not appear on its bank statements.

**Previously Provided Recommendation**

a) The Campaign must provide all pages of the requested bank and merchant account statements.

b) The Campaign must amend its disclosure statements to report these transactions. The Campaign must also provide documentation for each transaction. Because bank statements provide limited information about a transaction, the Campaign should review invoices or other records to obtain all of the information necessary to properly report the transaction.

c) For each transaction reported in the Campaign’s disclosure statements that does not appear on the Campaign’s bank statements, the Campaign must provide evidence to show that the transaction cleared the bank (i.e., a copy of the front and back of the check, and the bank statement showing the payment). Alternatively, the Campaign may provide evidence that the transaction was reported in error, or amend the Campaign’s disclosure statement to void the

check. For each voided check, the Campaign must either issue a replacement check or forgive the expenditure payment. Any forgiven liabilities will be considered in-kind contributions, which could result in contribution limit violations, or be considered contributions from a prohibited source. The Campaign may need to contact the payee to determine why the transaction did not clear.

Please note that any newly entered transactions that occurred during the election cycle (01/12/10—01/11/14) will appear as new transactions in an amendment to Disclosure Statement 16, even if the transaction dates are from earlier periods. Any transactions dated after the election cycle will appear in disclosure statements filed with the New York State Board of Elections. Also note that the Campaign must file an amendment for each disclosure statement in which transactions are being modified. Once all data entry is completed, the Campaign should run the Modified Statements Report in C-SMART to identify the statements for which the Campaign must submit amendments. The C-SMART draft and final submission screens also display the statement numbers for which the Campaign should file amendments. If the Campaign added any new transactions, it must submit an amendment to Disclosure Statement 16.<sup>2</sup>

### **Campaign's Response**

- a) In response to the Draft Audit Report and the Notice of Alleged Violations and Recommended Penalties, the Campaign failed to provide the Flagship Merchant Services account statements from February 2014 to July 2014.
- b) In response to the Draft Audit Report, the Campaign did not address this finding. The Campaign did not dispute this finding in its response to the Notice of Alleged Violations and Recommended Penalties.
- c) In response to the Draft Audit Report, the Campaign did not address this finding.

### **Board Action**

- a) The Board found the Campaign in violation and assessed \$500 in penalties.
- b) The Board found the Campaign in violation and assessed \$134 in penalties.
- c) The Board has taken no further action on this matter other than to make this a part of the Candidate's record with the Board.

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<sup>2</sup> If the Campaign amends its reporting with the CFB, it must also submit amendments to the New York State Board of Elections.

**3. Daily Pre-Election Disclosure – Statements of Contributions/Expenditures**

During the 14 days preceding an election, if a candidate: (1) accepts a loan, contribution, or contributions from a single source in excess of \$1,000; or (2) makes aggregate expenditures to a single vendor in excess of \$20,000, the candidate shall report such contributions, loans, and expenditures to the Board in a disclosure, received by the Board within 24 hours of the reportable transaction. *See* Rule 3-02(e). This includes additional payments of any amount to vendors who have received aggregate payments in excess of \$20,000 during the 14-day pre-election period. These contributions and expenditures must also be reported in the Campaign’s next disclosure statement.

The Campaign did not file the required daily disclosure to report the following transactions:

EXPENDITURES:			
NAME	STATEMENT/ SCHEDULE/ TRANSACTION	DATE INCURRED	AMOUNT
Red Horse Strategies	12/F/R0001288	08/30/13	\$12,273.48
Red Horse Strategies	12/F/R0001320	09/04/13	\$14,027.76
<b>Total</b>			<b>\$26,301.24</b>

**Previously Provided Recommendation**

If the Campaign believes it filed the required daily disclosures timely, as part of its response it must submit the C-SMART disclosure statement confirmation email as proof of the submission. The Campaign may provide an explanation if it believes that its failure to file the daily disclosures is not a violation, but it cannot file daily pre-election disclosures now.

**Campaign’s Response**

In response to the Draft Audit Report, the Campaign did not address this finding.

**Board Action**

The Board has taken no further action on this matter other than to make this a part of the Candidate’s record with the Board.

**4. Disclosure – Possible Subcontractors**

Subcontractors are vendors that a campaign’s vendor hires to supply goods/services. If a vendor hired by a campaign pays a subcontractor more than \$5,000, the campaign must report the

vendor, the name and address of the subcontractor, the amounts paid to the subcontractor, and the purpose of the subcontracted goods/services. *See* Rule 3-03(e)(3).

The vendor listed below received large payments and may have subcontracted goods and services. However, the Campaign did not report subcontractors used by this vendor:

PAYEE	AMOUNT PAID
Red Horse Strategies	\$122,263.40

**Previously Provided Recommendation**

The Campaign must contact the vendor, who must verify whether subcontractors were used. The Campaign may provide the vendor with a copy of the Subcontractor Form (available on the CFB website at [http://www.nyccfb.info/PDF/forms/subcontractor\\_disclosure\\_form.pdf](http://www.nyccfb.info/PDF/forms/subcontractor_disclosure_form.pdf)) for this purpose, and submit the completed form with the Campaign’s response. In addition, if subcontractors were used and paid more than \$5,000, the Campaign must amend its disclosure statements to report subcontractor information. If the vendor does not complete the Subcontractor Form, the Campaign should submit documentation of its attempts to obtain this information, including copies of certified mail receipts and the letters sent to the vendors.

**Campaign’s Response**

In response to the Draft Audit Report, the Campaign did not address this finding. In response to the Notice of Alleged Violations and Recommended Penalties, the Campaign provided a completed Subcontractor Form from Red Horse Strategies. The vendor indicated that it subcontracted printing and mail house services totaling \$39,679.79 from Atlas Direct Mail and graphic design services totaling \$6,355.00 from Incitement Design. However, the Campaign failed to amend its disclosure statements to report subcontractor information.

**Board Action**

The Board has taken no further action on this matter other than to make this a part of the Candidate’s record with the Board.

*Contribution Findings*

**5. Prohibited Contributions – Unregistered Political Committees**

Participating campaigns may not, either directly or by transfer, accept any contribution, loan, guarantee, or other security for a loan from any political committee, unless it is registered with the CFB, or registers within ten days of receipt of the contribution. *See* Admin. Code §§ 3-703(1)(k), 3-707; Rule 1-04(d).

A list of registered political committees can be viewed on the CFB’s website, [www.nyccfb.info](http://www.nyccfb.info). Political committees are often required to register with governmental agencies other than the CFB; however, registering with those agencies does not register them with the CFB.

Prior to the election, the Campaign accepted a contribution from an unregistered political committee in the following instance. After notification from the CFB, the Campaign refunded the contribution, or the political committee registered with the CFB.

CONTRIBUTIONS FROM UNREGISTERED POLITICAL COMMITTEES THAT  
SUBSEQUENTLY REGISTERED OR WHOSE CONTRIBUTIONS WERE REFUNDED

NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED DATE	AMOUNT	NOTE
New Kings Democrats	9/ABC/R0001104	06/03/13	\$1,000.00	
New Kings Democrats	10/M/R0001155	07/24/13	(\$1,000.00)	

**Previously Provided Recommendation**

The Campaign previously resolved this prohibited contribution and no further response is necessary at this time. However, the Campaign may still be penalized for accepting this contribution. If the Campaign disagrees with this finding, it must provide an explanation and documentation to demonstrate that its acceptance of the contribution was not a violation.

**Campaign’s Response**

The Campaign did not dispute this finding in its response to the Draft Audit Report or the Notice of Alleged Violations and Recommended Penalties.

**Board Action**

The Board found the Campaign in violation and assessed \$125 in penalties.

**6. Undocumented or Unreported In-Kind Contributions**

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. Liabilities for goods and services for the Campaign which are forgiven, in whole or part, are also in-kind contributions. In addition, liabilities for goods and services outstanding beyond 90 days are in-kind contributions unless the vendor has made commercially reasonable attempts to collect. An in-kind contribution is both a contribution and expenditure subject to both the contribution and expenditure limits. Volunteer services are not in-kind contributions. In-kind



contributions are subject to contribution source restrictions. *See* Admin. Code § 3-702(8); Rules 1-02 and 1-04(g). Campaigns may not accept contributions from any corporation, partnership, limited liability partnership (LLP), or limited liability company (LLC). *See* Admin. Code § 3-703(1)(l).

Campaigns are required to report all in-kind contributions they receive. *See* Admin. Code § 3-703(6); Rule 3-03. In addition, campaigns are required to maintain and provide the CFB documentation demonstrating the fair market value of each in-kind contribution. *See* Admin. Code §§ 3-703(1)(d), (g); Rules 1-04(g)(2) and 4-01(c).

a) Documentation obtained by the CFB indicates that one or more expenditures were made to advance the election of the Candidate. However, the Campaign did not report the expenditure.

DESCRIPTION OF ITEM	EXHIBIT #	NOTE
Brad Lander 2013 - Volunteer Recruitment for Canvassing	III	(1)

(1) The voluntary disclosure submitted by the Progressive Caucus Alliance indicates that the Campaign received a \$40.00 in-kind contribution for volunteer recruitment from Brad Lander 2013.

b) Documentation obtained by the CFB indicates that one or more expenditures were made to advance the election of the Candidate. However, the Campaign did not report the expenditure.

DESCRIPTION OF ITEM	EXHIBIT #	NOTE
Fundraiser event at Huckleberry Bar on 01/09/13	IV	(1)
Fundraiser event at Tandem on 03/26/13	V	(1)

(1) The Campaign did not report expenditures related to this event. In addition, the flyer for this event indicates that several individuals hosted the event. However, the Campaign did not report any intermediaries and/or intermediated contributions in connection with this event.

**Previously Provided Recommendation**

a- b) For each transaction, the Campaign must provide a written explanation describing how the good or service was purchased or provided. If the purchase was previously reported, the Campaign must identify the relevant Transaction ID(s) of the purchase. If the Campaign purchased the goods or services listed, it must provide invoices, contracts, and any other documentation related to the purchase. If a third party purchased or donated the good or service, the Campaign must submit an in-kind contribution form completed by the contributor. If not previously reported, the Campaign must enter the bill and bill payment or in-kind contribution in C-SMART and submit an amendment to Statement 16. In addition, for the fundraisers held at Huckleberry Bar and Tandem, the Campaign must disclose any intermediaries and intermediated contributions associated with the events or explain why such disclosure requirements do not apply to those transactions.

## Campaign's Response

a- b) The Campaign did not dispute this finding in its response to the Draft Audit Report or the Notice of Alleged Violations and Recommended Penalties.

## Board Action

a) The Board has taken no further action on this matter other than to make this a part of the Candidate's record with the Board.

b) The Board found the Campaign in violation, and in combination with Finding #7 assessed \$400 in penalties; \$100 for each event.

## Expenditure Findings

### 7. Undocumented/Unreported Joint Expenditures

Campaigns are permitted to engage in joint campaign activities, provided that the benefit each candidate derives from the joint activity is proportionally equivalent to the expenditure. *See* Admin. Code § 3-715; Rule 1-04(p).

Upon request from the CFB, a campaign is required to provide copies of checks, bills, or other documentation to verify contributions, expenditures, or other transactions reported in disclosure statements. *See* Admin. Code §§ 3-703(1)(d), (g); Rule 4-01.

a) The Campaign submitted an invoice from SKD Knickerbocker, LLC dated September 12, 2013 for the production of two different joint palm cards. However, the invoice does not show the number of palm cards printed, the total cost of either card, or the allocation methodologies for the cost paid by each campaign appearing on the palm cards (Antonio Reynoso, Melinda Katz and Scott Stringer and Antonio Reynoso, Scott Stringer and William Thompson). Therefore, each campaign's share cannot be determined. In addition, the Campaign failed to submit copies of the palm cards. A copy of the invoice is included as Exhibit VI. Based on a review of this information, the Campaign did not fully account for the joint campaign activities with Scott Stringer, Melinda Katz or William Thompson.

b) The Campaign submitted an invoice from Red Horse Strategies dated November 2, 2013 for 10,000 North Brooklyn Slate GOTV palm cards. The invoice indicates that the Campaign's share was 50% of the total cost, or \$900. However, the invoice does not show the total cost of the order, the allocation methodology for the amount paid by each campaign, or the number or names of the campaigns appearing on the palm card. Therefore, each campaign's share cannot be determined. In addition, the Campaign failed to submit an example of this palm card. A copy of the invoice is included as Exhibit VII. Based on a review of this information, the Campaign did not fully account for this joint campaign activity.

## Previously Provided Recommendation

a- b) The Campaign must provide a methodology for the cost allocations of each campaign's share and indicate whether the other campaigns have paid for their shares of the expenditures. The Campaign must provide supporting documentation for its responses, including copies of campaign literature and material not previously submitted.

## Campaign's Response

a) In response to the Draft Audit Report, the Campaign did not address this finding. In response to the Notice of Alleged Violations and Recommended Penalties, the Campaign provided emails between the vendor and the Campaign that include methodologies and cost breakdowns for the two palm cards. However, the Campaign failed to provide a sample of both palm cards to substantiate its response.

b) In response to the Draft Audit Report, the Campaign did not address this finding. In response to the Notice of Alleged Violations and Recommended Penalties, the Campaign provided a narrative stating that, "For the November palm card, the Antonio Reynoso portion of the card was 50%. The total print cost was \$1,800. 50% of \$1,800 is \$900. Transaction ID 1841 and 1909 respectively." However, the Campaign failed to provide documentation or a sample palm card to substantiate its response.

## Board Action

The Board found the Campaign in violation and in combination with Finding #6 assessed \$400 in penalties; \$50 for each SKD Knickerbocker palm card and \$100 for the Red Horse Strategies palm card.

## 8. Expenditures – Not In Furtherance of the Campaign

Campaigns may only spend campaign funds for items that further the candidate's election. Campaigns must keep detailed records to demonstrate that campaign funds were used only for those purposes. *See* Admin. Code §§ 3-703(1)(d), (g); Rule 4-01. The law gives examples of the types of expenditures that are presumed to be campaign-related, although in certain circumstances expenditures of the types listed as appropriate may be questioned. Among the relevant factors are: the quality of the documentation submitted; the timing and necessity of the expenditure; the amount of the expenditure and/or all expenditures of a specific type in relation to the Campaign's total expenditures; and whether the expenditure is duplicative of other spending. The law also prohibits the conversion of campaign funds to personal use which is unrelated to a political campaign, and provides examples of expenditures that are not in furtherance of a campaign. *See* New York State Election Law §14-130; Admin. Code §§ 3-702(21), 3-703, and 3-710(2)(c); Rules 1-03(a), and 5-03(e), and Advisory Opinion No. 2007-3 (March 7, 2007). Expenditures not

demonstrated to be in furtherance of the candidate's election are considered "non-campaign related."

The Campaign reported the expenditures listed on Exhibit VIII which—based on the reporting and/or documentation—are non-campaign related. This finding was identified as a result of the Campaign's response to the Draft Audit Report dated December, 4, 2014.

### **Previously Provided Recommendation**

The Campaign must explain how each expenditure listed is in furtherance of the Campaign, and provide supporting documentation. The explanation and documentation may include details of how, when, where, and by whom a good was used. The Campaign must review the questioned transactions.

### **Campaign's Response**

In response to the Draft Audit Report, the Campaign failed to respond to the expenditure documentation finding. Due to the lack of documentation for transactions listed on the "Document Request" exhibit included in the Draft Audit Report, they are considered non-campaign related expenditures. In response to the Notice of Alleged Violations and Recommended Penalties, the Campaign stated that, "Payment to Virgin Mobile USA covered campaign expenses related to wireless internet in the campaign office. This was a MiFi device that was paid as needed to cover internet expenses." In addition, the Campaign stated that mobile phone expenditures were for phone calls during phone banking and volunteer recruitment. However, the Campaign reported only a single expenditure to Sprint Wireless with explanation "Antonio's Phone Bill" and failed to provide documentation for the Sprint Wireless and Virgin Mobile expenditures. Therefore, the CFB staff were unable to verify whether the services were billed to the Campaign.

### **Board Action**

The Board found the Campaign in violation and assessed \$130 in penalties.

## **9. Expenditures – Improper Post-Election**

After the election, campaigns may only make disbursements for the preceding election, or for limited, routine activities of nominal cost associated with winding up a campaign and responding to the post-election audit. Campaigns have the burden of demonstrating that post-election expenditures were for the preceding election or the limited and routine activities described in the law. *See* Admin. Code § 3-710(2)(c); Rule 5-03(e)(2).

Each expenditure listed on Exhibit IX is an improper post-election expenditure due to the timing, amount and/or purpose reported by the Campaign or identified from a review of Campaign bank statements and/or documentation.

### **Previously Provided Recommendation**

The Campaign must explain how each expenditure was for the preceding election, or was a routine and nominal expenditure associated with winding up the Campaign, and must provide supporting documentation. Expenditures that are not proper post-election expenditures may increase the amount of public funds that must be repaid.

### **Campaign's Response**

In response to the Draft Audit Report, the Campaign did not address this finding. In addition, thirty-four additional impermissible post-election expenditures were discovered on the bank statements submitted in response to the Draft Audit Report. The Campaign did not dispute this finding in its response to the Notice of Alleged Violations and Recommended Penalties.

### **Board Action**

The Board found the Campaign in violation and assessed \$521 in penalties.

## **10. Expenditure Documentation**

Campaigns are required to provide copies of checks, bills, or other documentation to verify all transactions reported in their disclosure statements. *See* Admin. Code §§ 3-703(1)(d), (g); Rule 4-01.

The Campaign must provide supporting documentation or an explanation for the reported transactions listed on Exhibit X.

### **Previously Provided Recommendation**

The Campaign must submit documentation, or explanations as indicated, for each listed transaction.

### **Campaign's Response**

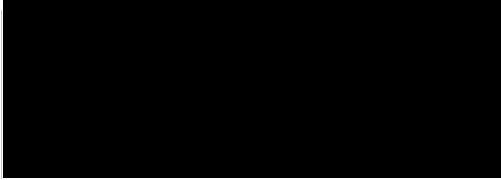
In response to the Draft Audit Report, the Campaign did not address the transactions listed on the "Document Request" exhibit included in the report.

### **Board Action**

The Board has taken no further action on this matter other than to make this a part of the Candidate's record with the Board. See also Finding #8.

We performed this audit in accordance with the audit responsibilities of the CFB as set forth in Admin. Code § 3-710. We limited our review to the areas specified in this report's audit scope.

Respectfully submitted,

A large black rectangular redaction box covering the signature area.

signature on original

Jonnathon Kline, CFE

Director of Auditing and Accounting

Date: February 25, 2016

Staff: Selene Muñoz

Hormis Thaliath

**New York City Campaign Finance Board  
Campaign Finance Information System  
Transaction Summary Report  
Appendix 1**

**Candidate:** Reynoso, Antonio (ID:1550-P)**Office:** 5 (City Council)**Election:** 2013

1. Opening cash balance (All committees)		\$0.00
2. Total itemized monetary contributions (Sch ABC)		\$113,915.66
3. Total unitemized monetary contributions		\$0.00
4. Total in-kind contributions (Sch D)		\$346.25
5. Total unitemized in-kind contributions		\$0.00
6. Total other receipts (Sch E - excluding CFB payments)		\$0.00
7. Total unitemized other receipts		\$0.00
8. Total itemized expenditures (Sch F)		\$217,401.77
Expenditure payments	\$217,325.77	
Advance repayments	\$76.00	
9. Total unitemized expenditures		\$0.00
10. Total transfers-In (Sch G)		\$0.00
Type 1	\$0.00	
Type 2a	\$0.00	
Type 2b	\$0.00	
11. Total transfers-out (Sch H)		\$0.00
Type 1	\$0.00	
Type 2a	\$0.00	
Type 2b	\$0.00	
12. Total loans received (Sch I)		\$0.00
13. Total loan repayments (Sch J)		\$0.00
14. Total loans forgiven (Sch K)		\$0.00
15. Total liabilities forgiven (Sch K)		\$0.00
16. Total expenditures refunded (Sch L)		\$69.14
17. Total receipts adjustment (Sch M - excluding CFB repayments)		\$2,475.00
18. Total outstanding liabilities (Sch N - last statement submitted)		\$6,680.00
Outstanding Bills	\$6,680.00	
Outstanding Advances	\$0.00	
19. Total advanced amount (Sch X)		\$0.00
20. Net public fund payments from CFB		\$114,153.00
Total public funds payment	\$115,500.00	
Total public funds returned	(\$1,347.00)	
21. Total Valid Matchable Claims		\$24,698.00
22. Total Invalid Matchable Claims		\$9,117.00
23. Total Amount of Penalties Assessed		\$2,060.00
24. Total Amount of Penalty Payments		\$0.00
25. Total Amount of Penalties Withheld		\$0.00



**Exhibit I**  
**Friends of Antonio Reynoso**  
**Unreported Transactions**  
 (see Finding #2b)

<b>Payee</b>	<b>Check No./ Transaction</b>	<b>Date</b>	<b>Amount</b>	<b>Notes</b>
Authnet Gateway Billing	Debit	12/04/12	\$ 8.22	
Bankcard MTOT	Debit	08/05/13	\$ 59.29	
Stroock, Stroock & Lavan	1088	10/15/13	\$ 6,680.00	(1)
<b>Total</b>			<b><u>\$ 6,747.51</u></b>	

**Notes**

(1) This transaction is reported as an outstanding liability. The Campaign must amend its disclosure statements to report the bill payment.

**Exhibit II**  
**Friends of Antonio Reynoso**  
**Uncleared Transactions**  
(see Finding #2c)

<b>Transaction ID</b>	<b>Payee</b>	<b>Account</b>	<b>Check No./ Transaction</b>	<b>Date</b>	<b>Amount</b>
R0001818	Guerro, Manuel	7927	10003	08/13/13	\$ 22.96
R0001639	Rodriguez, Manuel	7927	10069	09/06/13	\$ 125.63
R0001820	Morales Marrero, Mairim	7927	10079	09/12/13	\$ 53.34
R0001811	Serkhovets, Alina	7927	10088	09/12/13	\$ 53.34
R0001640	Sequilanda, Nancy	7927	10090	09/12/13	\$ 55.11
R0001808	Wever, Charles P	7927	10092	09/12/13	\$ 53.34
R0001819	McPhearson, Jeremy	7927	1084	09/12/13	\$ 180.00
<b>Total</b>					<b><u>\$ 543.72</u></b>

**Exhibit III**

**Friends of Antonio Reynoso**

**Unreported In-Kind Contribution - Brad Lander 2013 (Volunteer Recruitment)**

**(see Finding #6)**

Y  
C  
C  
F  
B  
  
2  
0  
1  
3  
-  
-  
-  
0  
8  
8  
-  
3  
0  
  
NYCCFB 2013-08-30

August 26, 2013

TO: New York City Campaign Finance Board  
FROM: Brad Lander 2013  
RE: Description of In-Kind Contribution

Brad Lander 2013 provided services to Friends of Antonio Reynoso through the work of one staff member, Rachel Goodman.

Rachel Goodman provided the following services:

- Volunteer recruitment for canvassing

Rachel was paid \$40/hour and contributed a total of 1 hour to the campaign.

In total, Brad Lander 2013 contributed \$40 to Friends of Antonio Reynoso during this filing period.

NYCCFB 2013-08-30

# IN-KIND CONTRIBUTION FORM

**Committee Use Only**  
Transaction ID: \_\_\_\_\_

Friends of Antonio Reynoso  
(Committee Name)

## CONTRIBUTOR'S INFORMATION

Name: Brad Lander 2013  
Address: [REDACTED]  
City/State/Zip: [REDACTED]  
Employer: New York City Council  
Occupation: City Council Member  
Employer Address: [REDACTED]  
Employer City/State/Zip: [REDACTED]

## IN-KIND CONTRIBUTION DETAILS

Services/Facilities Provided      Fair Market Value of Contribution: \$ 40  
 Property Given      Date Received: 8 / 26 / 2013  
 Expenses Paid      Documentation Attached:  Yes     No

## DESCRIPTION/EXPLANATION OF FAIR MARKET VALUE (Please provide all details)

See attached  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## REMINDER

*The campaign committee must explain and keep documentation showing how the fair market value of the in-kind contribution was determined. Attach supporting documentation to this form. This form and documentation will be requested by the CFB during the election cycle and as part of your post-election audit.*

**Exhibit IV**  
**Friends of Antonio Reynoso**  
**Unreported In-Kind Contribution - Huckleberry Bar Fundraiser**  
**(see Finding #6)**



# ANTONIO REYNOSO

Campaign Fundraiser for 2013  
City Council hosted by  
Speaker Christine Quinn,  
Congresswoman Nydia Velázquez and  
Council Member Diana Reyna

## LOCATION

Huckleberry Bar  
588 Grand Street  
Brooklyn NY 11211

## TIME

5:30PM-8:30PM

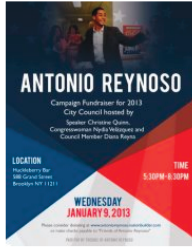
**WEDNESDAY**  
**JANUARY 9, 2013**

Please consider donating at [www.antonioreynoso.nationbuilder.com](http://www.antonioreynoso.nationbuilder.com)  
or make checks payable to "Friends of Antonio Reynoso"

PAID FOR BY FRIENDS OF ANTONIO REYNOSO

# 2013 City Council Campaign Fundraiser for Antonio Reynoso

Public · By Antonio Reynoso and Mercedes Yamika



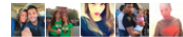
Going (124)



Maybe (45)



Invited (795)



Export · Report

Wednesday, January 9, 2013 5:30pm in EST

Speaker Christine Quinn,  
Congresswoman Nydia Velazquez  
&  
Council Member Diana Reyna Host:

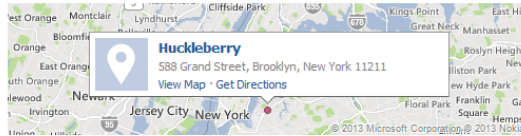
A Fundraiser for Antonio Reynoso's 2013 City Council Campaign

Show your support by coming to the fundraiser or by donating directly to the official Antonio Reynoso For City Council website:

<http://antonioreynoso.nationbuilder.com/>

Every little bit counts when you are supporting a great person and a great candidate.

**\*Make all checks payable to "Friends of Antonio Reynoso"\***



Posts View Declines

### RECENT POSTS



**Gianna Molina**

Hey Antonio...Sorry I couldn't attend the event, but I just made a donation to support you. I know you'll make it. Best of luck!!!

Follow Post · January 11 at 12:10pm near New York



**Carlos Feliciano**

It was a pleasure attending your event. Thank you for the invitation

Follow Post · January 10 at 10:56am



**Kate Yourke**

what a terrific group of people and what a spectacular evening- thank you for bringing us all together to step forward into the future with you!

Follow Post · January 10 at 6:47am near Brooklyn

Stephanie Cote Anderson, Brooke Dunn Parker and Lincoln Restler like this.



**Ligia M. Gualpa**

I am very happy for you [Antonio Reynoso!](#) Congrats!

Follow Post · January 9 at 12:02pm



**Karla Meyers** is going.

Follow Post · January 9 at 9:24am



**Dalki Ramos** is going.

Follow Post · January 9 at 5:51am via BlackBerry



**Antonio Reynoso**

My Friends and Family,

I am excited about tonight and I am looking forward to seeing you all at the Huckleberry Bar located at 588 Grand Street in Williamsburg. You have been instrumental in shaping who I have become and I am a reflection of each and every one of you. Together we will win this election!

Here is some great press the campaign has received recently. We have gained a tremendous amount of momentum and we have to keep it up.

...

See More

Follow Post · January 9 at 5:13am

Nancy Zapata, Shimon Sieskel, Marisela Raetz and 6 others like this.



**Bennett Baruch**

Nice job Antonio Reynoso! See you tomorrow evening!!

<http://mycrains.craigslist.com/blogs/insider/2013/01/rwdsu-rolls-out-six-early-council-endorsements/>

**RWDSU rolls out six early council endorsements - The Insider | Crain's New York Business**

mycrains.craigslist.com

The Retail, Wholesale and Department Store Workers union, whose president, Stuart Appelbaum, has a reputation as one of the more aggressive union



JANUARY 9, 2013 4:01 PM

## Christine Quinn, Nydia Velazquez And Diana Reyna Join Forces For Antonio Reynoso

BY CELESTE KATZ

While everyone continues [speculating](#) about where the endorsements are going in the big dance of the 2013 mayor's race, at least one of the major hopefuls is putting her clout behind a Brooklyn City Council contender.

Outgoing Council Speaker [Christine Quinn](#) is among the hosts of a Wednesday evening give-what-you-can fundraiser for [Antonio Reynoso](#), a son of Williamsburg who hopes to succeed his boss, term-limited Brooklyn Councilwoman [Diana Reyna](#).

The fete -- co-hosted by Reyna and [Rep. Nydia Velazquez](#) -- is slated for Huckleberry Bar on Brooklyn's Grand Street.

"I'm thrilled that three leading women in New York politics [are] hosting this community fundraiser for me. I am gathering more and more support every day for my campaign," he said in a statement.

"I am running to rebuild the middle class in my district and improve the economic situation that lower-income people are facing," Reynoso continued. "My priorities include strengthening the quality of education, ensuring responsible economic development, and bringing more good-paying jobs to the area."

Just another little tidbit on this: The triumvirate of hosts is also interesting in that [Velazquez and Reyna had previously teamed up to lean on Quinn](#) regarding the issue of paid sick days. In any case, it can't be too shabby for Quinn ([who's already good](#) on the primary money-raising front herself) to get a little more facetime with voters, whether they're in the increasingly important Latino voting bloc or not...

Reynoso also today picked up the early endorsement of the Retail, Wholesale and Department Store Union (as [noted](#) by Crain's), as have Melissa Mark-Viverito, Costa Constantinides, Rory Lancman, Donovan Richards and Steve Levin.

**ANTONIO REYNOSO**

Campaign Fundraiser for 2013  
City Council hosted by  
Speaker Christine Quinn,  
Congresswoman Nydia Velazquez and  
Council Member Diana Reyna

**LOCATION**  
Huckleberry Bar  
588 Grand Street  
Brooklyn NY 11211

**TIME**  
5:30PM-8:30PM

**WEDNESDAY  
JANUARY 9, 2013**

Please consider donating at [www.antonio-reynoso.net/onbuilder.com](http://www.antonio-reynoso.net/onbuilder.com)  
or make checks payable to "Friends of Antonio Reynoso"

PAID FOR BY FRIENDS OF ANTONIO REYNOSO


**Exhibit V**  
**Friends of Antonio Reynoso**  
**Unreported In-Kind Contribution - Tandem Bar Fundraiser**  
**(see Finding #6)**

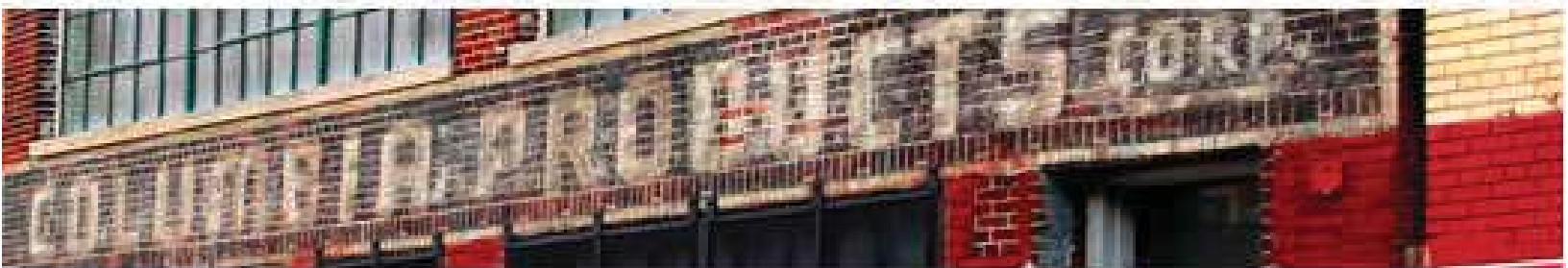


TUESDAY, MARCH 26 7:00

to

**T A N D E M** 9:00

236 Troutman St. Brooklyn 11237  at Jefferson Street



Fundraiser for our friend

**ANTONIO REYNOSO**



**Hosted** Ryan Davis, Tom Burrows, Jeff Campagna,

**by:** Erin Drinkwater, Carlos Menchaca & Stefan Ringel



**RSVP** [AntonioReynoso2013.com](http://AntonioReynoso2013.com)

**Exhibit VI**

**Friends of Antonio Reynoso**

**Unreported Joint Expenditures- SKD Knickerbocker Invoice (Palm Cards)**

**(see Finding #7a)**

# 1839

# SKDKnickerbocker

WASHINGTON • NEW YORK • ALBANY

TO:  
Reynoso for City Council  
[Redacted]  
ATTN: Jennifer Gutierrez

## INVOICE

Date: 09/12/13  
Invoice#: 2013-371006

Terms
Upon Receipt

Date	Description	Amount
09/12/13	Production - Printed Collateral - Portion of Reynoso/Thompson/Stringer and Reynoso/Katz/Stringer palmcards	1,893.75
<b>Wire Transfer Instructions:</b> Bank Name: Wells Fargo Bank, N.A. City/State: San Francisco, CA Transit Routing No.: 121000248 Account Number: 2000049424166 Account Name: SKDKnickerbocker LLC Reference Invoice No.: 2013-371006		
<b>Total Amount Due</b>		<b>\$1,893.75</b>

Make Check(s) Payable to SKDKnickerbocker LLC  
EIN No. 27-1912680

1150 18<sup>th</sup> Street NW, #800, Washington DC 20036  
p 202.464.6900 • f 202.464.4798

YCCCFB 2014-03-03  
68-68-4102 410044

**Exhibit VII**

**Friends of Antonio Reynoso**

**Unreported Joint Expenditures- Red Horse Invoice (North Brooklyn GOTV Palm Card)**

**(see Finding #7b)**

1909

# Invoice



**Red Horse**  
STRATEGIES


BECAUSE WINNING MATTERS

55 Washington Street  
Suite 624  
Brooklyn, NY 11201

NYCCEB 2014-03-03

Bill To:
Friends of Antonio Reynoso

Date	Terms	Invoice No.
11/02/13	Due on receipt	2044

Description	Amount
Campaign's Share of total cost for North Brooklyn Slate GOTV Palm Card. 10,000 designed and Printed. 50% of total cost.	900.00
 <b>Red Horse</b> STRATEGIES BECAUSE WINNING MATTERS	
We thank you for your business. Visit us online at <a href="http://www.RedHorseStrategies.com">www.RedHorseStrategies.com</a>	Total \$900.00

**Exhibit VIII**  
**Friends of Antonio Reynoso**  
**Non-Campaign Related Expenditures**  
**(see Finding #8)**

<b>Name</b>	<b>Statement/ Schedule/ Transaction ID</b>	<b>Purpose Code</b>	<b>Invoice Date</b>	<b>Paid Date</b>	<b>Amount</b>	<b>Notes</b>
Virgin Mobile USA	12/F/R0001733	CONSL	03/27/13	03/27/13	\$35.00	(1)
Virgin Mobile USA	12/F/R0001734	OFFCE	03/27/13	03/27/13	\$35.00	(1)
Virgin Mobile USA	12/F/R0001735	OFFCE	03/27/13	03/27/13	\$35.00	(1)
Virgin Mobile USA	12/F/R0001729	OFFCE	07/02/13	07/02/13	\$35.00	(1)
Sprint Wireless	10/F/R0001172	OTHER	07/19/13	07/19/13	\$205.75	(1)
Virgin Mobile USA	12/F/R0001727	OFFCE	08/05/13	08/05/13	\$35.00	(1)
Virgin Mobile USA	12/F/R0001725	OFFCE	09/03/13	09/03/13	\$35.00	(1)
Virgin Mobile USA	14/F/R0001830	OFFCE	10/03/13	10/03/13	\$35.00	(1)
Virgin Mobile USA	15/F/R0001908	OFFCE	11/03/13	11/04/13	\$35.00	(1)
Virgin Mobile USA	16/F/R0001919	OFFCE	12/03/13	12/03/13	\$35.00	(1)
<b>Total</b>					<b><u>\$520.75</u></b>	

**Notes:**

- (1) The Campaign failed to respond to the expenditure documentation finding in its Draft Audit Report, issued September 18, 2014. Due to the lack of documentation for transactions listed above, they are considered non-campaign related.



**Exhibit IX**  
**Friends of Antonio Reynoso**  
**Improper Post-Election Expenditures**  
**(see Finding #9)**

<b>Name</b>	<b>Statement/ Schedule/ Transaction ID</b>	<b>Purpose Code</b>	<b>Invoice Date</b>	<b>Paid Date</b>	<b>Amount</b>	<b>Notes</b>
Flagship Merchant Services	16/F/R0001924	FUNDR	01/02/14	01/02/14	\$62.95	(1)
Authorize.net	16/F/R0001926	FUNDR	01/03/14	01/03/14	\$17.95	(1)
Automatic Data Processing Inc.	16/F/R0001928	CONSL	01/03/14	01/03/14	\$33.28	(1)
Virgin Mobile USA	16/F/R0001921	OFFCE	01/03/14	01/03/14	\$35.00	(1)
Nationbuilder	16/F/R0001916	OTHER	01/05/14	01/05/14	\$53.00	(1)
conEdison JAF STATION	16/F/R0001913	OFFCE	01/09/14	01/09/14	\$282.00	(1)
ADP Payroll Fees ADP	N/A	N/A	01/21/14	01/21/14	\$232.00	(2)
ADP Payroll Fees ADP	N/A	N/A	01/31/14	01/31/14	\$33.28	(2)
USPS	N/A	N/A	01/31/14	02/03/14	\$18.40	(2)
Vesta *Virgin Mobile	N/A	N/A	02/03/14	02/03/14	\$35.00	(2)
Authnet Gateway Billing	N/A	N/A	02/04/14	02/04/14	\$17.95	(2)
Bankcard Mtot Disc	N/A	N/A	02/05/14	02/05/14	\$62.95	(2)
3Dna-Nationbuilder	N/A	N/A	02/05/14	02/05/14	\$53.00	(2)
Vesta *Virgin Mobile	N/A	N/A	03/03/14	03/03/14	\$35.00	(2)
Bankcard Mtot Disc	N/A	N/A	03/03/14	03/03/14	\$62.95	(2)
Mta Mvm*Marcy Avenue	N/A	N/A	03/03/14	03/04/14	\$5.00	(2)
Authnet Gateway Billing	N/A	N/A	03/04/14	03/03/14	\$17.95	(2)
3Dna-Nationbuilder	N/A	N/A	03/05/14	03/05/14	\$53.00	(2)
ADP Payroll Fees ADP	N/A	N/A	03/07/14	03/07/14	\$33.28	(2)
Best Buy	N/A	N/A	04/01/14	04/02/14	\$44.62	(2),(3)
Bankcard Mtot Disc	N/A	N/A	04/02/14	04/02/14	\$62.95	(2)
Authnet Gateway Billing	N/A	N/A	04/02/14	04/02/14	\$17.95	(2)
Vesta *Virgin Mobile	N/A	N/A	04/03/14	04/03/14	\$35.00	(2)
ADP Payroll Fees ADP	N/A	N/A	04/04/14	04/04/14	\$33.28	(2)
3Dna-Nationbuilder	N/A	N/A	04/07/14	04/07/14	\$53.00	(2)
ADP Payroll Fees ADP	N/A	N/A	05/02/14	05/02/14	\$33.28	(2)

**Exhibit IX**  
**Friends of Antonio Reynoso**  
**Improper Post-Election Expenditures**  
**(see Finding #9)**

<b>Name</b>	<b>Statement/ Schedule/ Transaction ID</b>	<b>Purpose Code</b>	<b>Invoice Date</b>	<b>Paid Date</b>	<b>Amount</b>	<b>Notes</b>
Authnet Gateway Billing	N/A	N/A	05/02/14	05/02/14	\$17.95	(2)
Vesta *Virgin Mobile	N/A	N/A	05/03/14	05/05/14	\$35.00	(2)
3Dna-Nationbuilder	N/A	N/A	05/03/14	05/05/14	\$53.00	(2)
Bankcard Mtot Disc	N/A	N/A	05/05/14	05/05/14	\$62.95	(2)
Bankcard Mtot Disc	N/A	N/A	06/02/14	06/02/14	\$161.95	(2)
Vesta *Virgin Mobile	N/A	N/A	06/03/14	06/03/14	\$35.00	(2)
Authnet Gateway Billing	N/A	N/A	06/03/14	06/03/14	\$17.95	(2)
Nationbuilder	N/A	N/A	06/05/14	06/05/14	\$40.80	(2)
ADP Payroll Fees ADP	N/A	N/A	06/06/14	06/06/14	\$33.28	(2)
Authnet Gateway Billing	N/A	N/A	07/02/14	07/02/14	\$17.95	(2)
Bankcard Mtot Disc	N/A	N/A	07/03/14	07/03/14	\$62.95	(2)
Vesta *Virgin Mobile	N/A	N/A	07/03/14	07/07/14	\$35.00	(2)
Nationbuilder	N/A	N/A	07/04/14	07/07/14	\$53.00	(2)
ADP Payroll Fees ADP	N/A	N/A	07/07/14	07/07/14	\$33.28	(2)
<b>Total</b>					<b><u>\$2,084.08</u></b>	

**Notes:**

- (1) These transactions appear on the January 2014 Chase Bank statement provided by the Campaign in its Initial Document Request response.
- (2) These transactions appear on the January 2014 through July 2014 Chase Bank statements provided by the Campaign in its Draft Audit Report response.
- (3) This transaction is listed on the Board of Elections July 2014 Periodic Financial Disclosure Report.

**Exhibit X**  
**Friends of Antonio Reynoso**  
**Document Request**  
**(see Finding #10)**

<b>Name</b>	<b>Transaction Type</b>	<b>Statement/ Schedule/ Transaction ID</b>	<b>Incurred/ Received/ Paid Date</b>	<b>Amount</b>	<b>Notes</b>
Virgin Mobile USA	Expenditure Payment	12/F/R0001733	03/27/13	\$35.00	(1)
Virgin Mobile USA	Expenditure Payment	12/F/R0001734	03/27/13	\$35.00	(1)
Virgin Mobile USA	Expenditure Payment	12/F/R0001735	03/27/13	\$35.00	(1)
Virgin Mobile USA	Expenditure Payment	12/F/R0001729	07/02/13	\$35.00	(1)
Sprint Wireless	Expenditure Payment	10/F/R0001172	07/19/13	\$205.75	(1)
Virgin Mobile USA	Expenditure Payment	12/F/R0001727	08/05/13	\$35.00	(1)
Virgin Mobile USA	Expenditure Payment	12/F/R0001725	09/03/13	\$35.00	(1)
Virgin Mobile USA	Expenditure Payment	14/F/R0001830	10/03/13	\$35.00	(1)
Virgin Mobile USA	Expenditure Payment	15/F/R0001908	11/03/13	\$35.00	(1)
Virgin Mobile USA	Expenditure Payment	16/F/R0001919	12/03/13	\$35.00	(1)

**Notes:**

- (1) The Campaign must provide a copy of the bill and provide an explanation indicating who used the cellphones. The Campaign must also explain how the expenses are campaign-related.