



New York City Campaign Finance Board

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Via C-Access
January 7, 2016

Luana Malavolta
Cynthia for Change



Dear Luana Malavolta:

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

The report concludes that the Campaign demonstrated substantial compliance with the Campaign Finance Act (the "Act") and the Board Rules (the "Rules"), with exceptions as detailed in the report.

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. If the Campaign raises additional contributions to pay outstanding liabilities, please note that all 2013 election requirements, including contribution limits, remain in effect. 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 with any questions about the enclosed report.

Sincerely,



signature on
original

Jonnathon Kline, CFE
Director of Auditing and Accounting

c: Cynthia Thompkins



Cynthia for Change



Attachments



EC2013 Final Audit Report

Cynthia for Change

January 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 Cynthia Thompkins (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 report or inaccurately reported financial transactions to the Board (see Finding #1).
- The Campaign did not properly disclose advance purchases (see Finding #2).

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 contributions from prohibited sources (see Finding #3).
- The Campaign did not disclose in-kind contributions received (see Finding #4).
- The Campaign did not provide requested documentation for reported contributions (see Finding #5).

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 made post-election expenditures that are not permissible (see Finding #6).
- The Campaign must provide requested documentation for reported expenditures (see Finding #7).

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: Cynthia Thompkins	Contribution Limit:
ID: 1709	\$2,750
Office Sought: City Council	
District: 15	Expenditure Limit:
	2010–2012: N/A
Committee Name: Cynthia for Change	2013 Primary: \$168,000
Classification: Participant	2013 General: N/A
Certification Date: May 14, 2013	
	Public Funds:
Ballot Status: Primary	Received: \$37,626.00
Primary Election Date: September 10, 2013	Returned: \$253.61
Party: Democratic	
	Campaign Finance Summary:
	http://bit.ly/1yS6otL

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. Based on various criteria, we also selected the Campaign for an onsite review, and visited the Campaign's location to observe its activity and review its recordkeeping. 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 10% of the dollar amount of its total contributions were in the form of cash contributions, we compared the total cash contributions reported to the total of cash deposits on itemized deposit slips. 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 obligation to repay public funds, and was given the opportunity to respond. The Campaign responded and the CFB evaluated any additional information provided by the Campaign. After reviewing the Campaign's response(s), CFB staff established that the total recommended penalties for the Campaign's alleged violations did not exceed \$500, and as a result the staff withdrew its recommendation of enforcement action to the Board. 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.

COMPLAINTS

On August 3, 2013, Juan Antigua¹ filed a complaint alleging that the Campaign failed to report any expenditures, resulting in unreported in-kind contributions from prohibited sources related to fundraisers, literature and voter lists, wages for campaign staff and consultants, and petition costs.

As a result of a compliance visit by CFB staff prior to receipt of the complaint, at which the lack of expenditure reporting was noted, on August 2, 2013 the Campaign submitted an amendment to Disclosure Statement 9 which included the previously unreported expenditure data.

In responding to the complaint, the Campaign identified the reported transactions that corresponded to the specific expenditures cited in the complaint. CFB staff concluded that the Campaign had reported its expenditures and accounted for the transactions that were at issue.

On August 15, 2013, the Board dismissed the complaint.

¹ The complainant was the treasurer of the campaign of Ritchie Torres, who opposed Cynthia Thompkins in the 2013 Democratic primary.

AUDIT RESULTS

Disclosure Findings

1. 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 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
TD Bank	XXXXXX4857	Checking	Feb 2013 – Dec 2014

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
Paypal Merchant Account	XXXXXXC3R4	Feb 2013 – Present

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 below that do not appear on its bank statements:

NAME	CHECK NO./ TRANSACTION	STATEMENT/ SCHEDULE/ TRANSACTION	PAID DATE	AMOUNT
Pay Pal	Debit	13/F/R0000885	03/31/13	\$25.00
Pay Pal	Debit	13/F/R0000886	04/30/13	\$25.00
Pay Pal	Debit	13/F/R0000887	05/31/13	\$25.00
Pay Pal	Debit	13/F/R0000888	06/30/13	\$25.00
Total				\$100.00

d) The Campaign reported duplicate transactions as listed below:

NAME	CHECK NO./ TRANSACTION	STATEMENT/ SCHEDULE/ TRANSACTION	PAID DATE	AMOUNT	DUPLICATE REPORTED AMOUNT
Yankee Tavern	0000	11/F/R0000507	08/10/13	\$210.00	
Thompkins, Cynthia L	1039A	15/F/R0000559	08/10/13		\$210.00

e) The Campaign must provide copies of the itemized deposit slips listed below:

DATE OF DEPOSIT	DOLLAR AMOUNT
08/06/13	\$475.00
08/30/13	\$50.00
09/09/13	\$10.00
09/20/13	\$110.00
09/30/13	\$533.34
10/01/13	\$433.34
10/28/13	\$433.34

f) A review of the Campaign’s merchant account statements revealed the following discrepancy:²

TOTAL REPORTED CREDIT CARD RECEIPTS	TOTAL CREDIT CARD RECEIPTS PER STATEMENTS	DOLLAR VARIANCE	PERCENT VARIANCE
\$1,950.00	\$0.00 ³	\$1,950.00	100%

Previously Provided Recommendation

- a) The Campaign must provide all pages of the requested bank 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.
- d) For duplicate transactions, the Campaign must delete the duplicate transactions in C-SMART and submit amended disclosure statements. If the transactions are not duplicates, the Campaign must explain why the transactions are not duplicates, and provide supporting documentation. The Campaign may also need to amend its disclosure statements if it did not report transactions accurately.
- e) The Campaign must provide copies of the requested itemized deposit slips.
- f) To resolve the listed discrepancies, the Campaign must compare the credit card receipts reported in its financial disclosure statements to supporting documentation, including merchant account statements, deposit slips, bank statements, and any documentation not previously

² The percentage variance is determined by subtracting the Total Credit Card Receipts Per Statements from the Total Reported Credit Card Receipts, and then dividing by the Total Reported Credit Card Receipts. A positive variance indicates that the Total Reported Credit Card Receipts exceeds the Total Credit Card Receipts Per Statements. A negative variance indicates that the Total Reported Credit Card Receipts is less than the Total Credit Card Receipts Per Statements.

³ See Finding #1 a).

submitted. The Campaign should ensure it has disclosed all depository and merchant accounts, and provided all statements from inception through present for those accounts. The Campaign should also review documentation to ensure that it correctly characterized the instrument type (i.e., Cash, Credit Card, Check, etc.) of each receipt it reported. The Campaign may need to amend its disclosure statements as a result.

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 16.⁴

Campaign's Response

a) In its Draft Audit Report response, for which it asked and received an extension, the Campaign wrote that it needed more time to research this finding.

In its Notice of Alleged Violations response, the Campaign submitted Nation Builder invoices for its transaction fees but did not provide merchant account statements.

In a subsequent response, the Campaign provided a list of transactions from its Paypal merchant account, with transaction records for each contribution listed. The list of transactions matches all reported credit card contributions. However, this is not a complete merchant account statement.

b) In its Draft Audit Report response, for which it asked and received an extension, the Campaign wrote that it needed more time to research this finding.

In its Notice of Alleged Violations response, the Campaign wrote that it needed more time to research this finding.

c) In its Draft Audit Report response, for which it asked and received an extension, the Campaign wrote that it needed more time to research this finding.

d) In its Draft Audit Report response, the Campaign did not respond to this finding.

e) In its Draft Audit Report response, the Campaign did not respond to this finding.

f) In its Draft Audit Report response, the Campaign did not respond to this finding.

⁴ If the Campaign amends its reporting with the CFB, it must also submit amendments to the New York State Board of Elections.

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

2. Disclosure – Advances

For each advance, campaigns are required to report the name and address of the person making the purchase (the advancer), the amount, and the name of the vendor from whom the purchase was made. *See* Admin. Code §§ 3-703(1)(g), 3-708(8); Rule 3-03(c)(3).

The Campaign's documentation indicates that the transactions on Exhibit II, reported as expenditures, were actually advances.

Previously Provided Recommendation

The Campaign must amend its disclosure statement to report the transactions as advance purchases and advance repayments. The advance purchase transaction must include the vendor from whom the purchase was made, and the name and address of the advancer.

Campaign's Response

In its Draft Audit Report response, for which it asked and received an extension, the Campaign wrote that it needed more time to research this finding.

In its Notice of Alleged Violations response, the Campaign provided a narrative statement stating that the listed transactions were actually in-kind contributions from the candidate to the Campaign. However, the Campaign failed to provide further documentation to support this

statement and the statement does not address the Campaign’s failure to properly report the transactions.

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

3. Prohibited Contributions – Corporate/Partnership/LLC

Campaigns may not accept, either directly or by transfer, any contribution, loan, guarantee, or other security for a loan from any corporation. This prohibition also applies to contributions received after December 31, 2007 from any partnership, limited liability partnership (LLP), or limited liability company (LLC). *See* New York City Charter §1052(a)(13); Admin. Codes §§ 3-703(1)(l), 3-719(d); Rules 1-04(c), (e).

Prior to the election, the Campaign accepted contributions from entities listed on the New York State Department of State’s website as corporations, partnerships, and/or LLCs in the following instance. Upon notification from the CFB, the Campaign refunded the contribution.

PREVIOUSLY REFUNDED CONTRIBUTIONS FROM PROHIBITED SOURCES				
NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED DATE	AMOUNT	NOTE
LoBue, Elizabeth	8/ABC/R0000308	04/17/13	\$50.00	(1)

(1) Although the Campaign reported the contribution as shown, the documentation provided indicates that this contribution was from LoBue LLC.

Previously Provided Recommendation

The Campaign previously refunded 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

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

In its Notice of Alleged Violations response, the Campaign stated that its acceptance of the contribution was an oversight, and that the delay in refunding was due to the contributor being out of the country; the Campaign did not dispute the finding. However, the Campaign did not explain why it issued a committee check refund rather than issue a bank or certified check as instructed by the CFB.

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. 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).

The Campaign reported the expenditures listed below. However, the reported payments for these expenditures are not present on any of the bank statements provided by the Campaign, nor are they reported as outstanding liabilities. (*See* also Finding #1 c.) As a result, the Campaign's

reporting and documentation indicate that a third party paid for these transactions, or that the goods or services were provided by the reported payee for free.

NAME	CHECK No./ TRANSACTION	STATEMENT/ SCHEDULE/ TRANSACTION	PAID DATE	AMOUNT
Pay Pal	Debit	13/F/R0000885	03/31/13	\$25.00
Pay Pal	Debit	13/F/R0000886	04/30/13	\$25.00
Pay Pal	Debit	13/F/R0000887	05/31/13	\$25.00
Pay Pal	Debit	13/F/R0000888	06/30/13	\$25.00
Total				\$100.00

Previously Provided Recommendation

For each transaction, the Campaign must provide a written explanation describing how the good or service was purchased, or provided, and who paid for it. If the Campaign paid the expenditure, it 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. If the reported payee donated the goods or services, or they were purchased or donated by a third party, the Campaign must submit an in-kind contribution form completed by the contributor, and report the item as an in-kind contribution by submitting an amendment to Statement 16. (See also Finding #1 c.)

Campaign's Response

In its Draft Audit Report response, for which it asked and received an extension, the Campaign wrote that it needed more time to research 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.

5. Undocumented Transactions

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); and Rule 4-01.

The Campaign must provide supporting documentation for the transactions listed below:

NAME	TRANSACTION TYPE	STATEMENT/SCHEDULE/TRANSACTION	INCURRED/RECEIVED/REFUNDED/PAID DATE	AMOUNT	NOTES
Aimonte-Weston, Maria	Contribution Refund	9/M/R0000368	03/05/13	\$50.00	(1)
Gray, Gail	Contribution Refund	9/M/R0000361	03/15/13	\$500.00	(1)
TD Bank	Unreported Credit		10/28/13	\$20.00	(2)

- (1) The Campaign must provide a copy of the cancelled check (both front and back required).
 (2) The Campaign must report and document the “RDI Fee Refund.”

Previously Provided Recommendation

The Campaign must submit documentation for each transaction listed above.

Campaign’s Response

In its Draft Audit Report response, the Campaign did not respond to 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.

Expenditure Findings

6. 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).

The expenditure listed below is an improper post-election expenditure due to the timing, amount and/or purpose identified from a review of Campaign bank statements:

PAYEE	STATEMENT/ SCHEDULE/ TRANSACTION	CHECK NUMBER	INVOICE DATE	DATE PAID	AMOUNT
Unknown	N/A	1118	N/A	02/10/14	\$100.00

Previously Provided Recommendation

This finding was identified as a result of the Campaign’s response to the Notice of Alleged Violation dated March 17, 2015.

Campaign’s Response

The Campaign was not previously notified of 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.

7. 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 for the transactions listed below:

PAYEE	STATEMENT/ SCHEDULE/ TRANSACTION	TRANSACTION TYPE	DATE PAID	AMOUNT
Nationbuilder	9/L/R0000479	Expenditure Refund	06/05/13	\$249.00

Previously Provided Recommendation

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

Campaign's Response

In its Draft Audit Report response, for which it asked and received an extension, the Campaign wrote that it needed more time to research 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.

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,



signature on original

Jonnathon Kline, CFE

Director of Auditing and Accounting

Date: January 7, 2016

Staff: Hannah Golden

Christopher Cruzcosa, CFE

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

Candidate: Thompkins, Cynthia (ID:1709-P)**Office:** 5 (City Council)**Election:** 2013

1. Opening cash balance (All committees)		\$0.00
2. Total itemized monetary contributions (Sch ABC)		\$12,224.34
3. Total unitemized monetary contributions		\$0.00
4. Total in-kind contributions (Sch D)		\$800.00
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)		\$48,989.23
Expenditure payments	\$48,779.23	
Advance repayments	\$210.00	
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)		\$448.45
17. Total receipts adjustment (Sch M - excluding CFB repayments)		\$900.00
18. Total outstanding liabilities (Sch N - last statement submitted)		\$4,173.87
Outstanding Bills	\$4,173.87	
Outstanding Advances	\$0.00	
19. Total advanced amount (Sch X)		\$0.00
20. Net public fund payments from CFB		\$37,373.00
Total public funds payment	\$37,626.00	
Total public funds returned	(\$253.00)	
21. Total Valid Matchable Claims		\$6,261.00
22. Total Invalid Matchable Claims		\$195.00
23. Total Amount of Penalties Assessed		N/A
24. Total Amount of Penalty Payments		\$0.00
25. Total Amount of Penalties Withheld		\$0.00

Exhibit I
Cynthia for Change
Unreported Transactions
(see Finding #1b)

Payee	Check No./ Transaction	Date	Amount
Harland Clarke Check Orders	debit	03/01/13	\$40.92
Paypal	debit	03/04/13	\$0.28
Nation Builder	debit	03/05/13	\$19.00
The Clock Café	debit	05/08/13	\$234.00
Unknown	1033	08/09/13	\$51.50
Maint Fee	debit	09/30/13	\$25.00
TD Bank	debit	10/04/13	\$433.34
TD Bank	debit	10/04/13	\$20.00
Maint Fee	debit	10/31/13	\$25.00
Maint Fee	debit	11/29/13	\$25.00
TD Bank	debit	12/31/13	\$25.00
Total			<u>\$899.04</u>

Exhibit II
Cynthia for Change
Misreported Advances
(see Finding #2)

Name	Purpose Code	Statement/ Schedule/ Transaction ID	Purchase Date/ Invoice Date	Amount
Micro Center	LITER	16/N/R0000424	04/07/13	\$270.94
The Clock	FUNDR	16/N/R0000410	05/01/13	\$234.00
Best Buy	FUNDR	16/N/R0000426	05/08/13	\$163.29
Best Buy	OFFCE	16/N/R0000486	05/09/13	\$1,262.92
Bronx County Clerks Office	PETIT	10/F/R0000440	07/24/13	\$210.00
Bronx County Clerks Office	PETIT	10/F/R0000442	07/24/13	\$95.00
Bronx County Clerks Office	PETIT	10/F/R0000438	07/24/13	\$210.00
Bronx County Clerks Office	PETIT	10/F/R0000444	07/24/13	\$95.00
Total				<u>\$2,541.15</u>