



New York City Campaign Finance Board

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Rose Gill Hearn
Chair

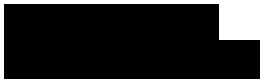
Art Chang
Richard J. Davis
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Amy M. Loprest
Executive Director

Sue Ellen Dodell
General Counsel

Via C-Access
May 10, 2016

Dwayne A. Nicholson
Friends of F. Richard Hurley 2013



Dear Dwayne Nicholson:

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

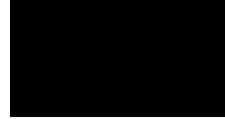
This report incorporates the Board's final determination of September 10, 2015 (attached). The report concludes that the Campaign did not fully demonstrate compliance with the requirements of the Campaign Finance Act (the "Act") and Board Rules (the "Rules").

As detailed in the attached Final Board Determination, the Campaign was assessed penalties totaling \$1,100 and was required to return public funds in the amount of \$650, for a total of \$1,750. The Campaign previously paid this amount. 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 with any questions about the enclosed report.

Sincerely,

A black rectangular redaction box covering the signature of Sauda S. Chapman.

signature on original

Sauda S. Chapman
Director of Auditing and Accounting

c: Frank R. Hurley

A black rectangular redaction box covering the name of the recipient.

Friends of F. Richard Hurley 2013

A black rectangular redaction box covering the address of the recipient.

Attachments



EC2013 Final Audit Report

Friends of F. Richard Hurley 2013

May 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 Frank R. Hurley (the "Campaign") indicate findings of non-compliance with the Campaign Finance Act (the "Act") and Board Rules (the "Rules") as detailed below:

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 a prohibited source (see Finding #1).
- The Campaign did not disclose in-kind contributions received (see Finding #2).
- The Campaign did not report expenditures for basic campaign functions or activities, indicating that it received in-kind contributions (see Finding #3).

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 an expenditure that was not in furtherance of the Campaign and was converted to personal use (see Finding #4).

Public Matching Funds Findings

The CFB matches contributions from individual New York City residents at a \$6-to-\$1 rate, up to \$1,050 per contributor. The CFB performs reviews to ensure that the correct amount of public funds was received by the Campaign and that public funds were spent in accordance with the Act and Rules. Findings in this section relate to whether any additional public funds are due, or any return of public funds by the Campaign is necessary.

- The Campaign is required to return its final bank balance (see Finding #5).

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: Frank R. Hurley	Contribution Limit:
ID: 1718	\$2,750
Office Sought: City Council	
District: 35	Expenditure Limit:
	2010–2012: N/A
Committee Name: Friends of F. Richard Hurley	2013 Primary: \$168,000
Classification: Participant	2013 General: N/A
Certification Date: May 14, 2013	
	Public Funds:
Ballot Status: Primary	Received: \$34,456
Primary Election Date: September 10, 2013	Returned: \$20,648
Party: Democratic	
	Campaign Finance Summary:
	http://bit.ly/1rkKgFJ

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. 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.

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 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 must repay public funds and committed violations subject to penalty. The Campaign chose to contest the CFB staff recommendations. The Campaign appeared before the Board on September 10, 2015. 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

Contribution Findings

1. 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. Code §§ 3-703(1)(l), 3-719(d); Rules 1-04(c), (e).

The Campaign accepted a contribution from a corporation, partnership, and/or LLC in the following instance:

CONTRIBUTIONS FROM PROHIBITED SOURCES

NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED DATE	AMOUNT	NOTE
5 Brothers Copy Center	9/F/R0000409	05/28/13	\$200.00	(1)

(1) The Campaign received a discount of \$55.30 from 5 Brothers Copy Center, which is incorporated as 5 N Brothers Corporation, resulting in an in-kind contribution from the vendor (see Exhibit I and Finding #2a).

Previously Provided Recommendation

The Campaign must address each transaction individually:

- The Campaign must refund the prohibited contribution by bank or certified check, and provide the CFB with a copy of the refund check, or pay the Public Fund an amount equal to the contribution.
- Alternatively, the Campaign may provide an explanation for the discount noted in the documentation. If the discount is routinely available to the general public or others, the Campaign must provide written confirmation from the vendor.

Even if the prohibited contribution is refunded, accepting a prohibited contribution may result in a finding of violation and the assessment of a penalty.

Campaign’s Response

In response to the Draft Audit Report, the Campaign provided a signed affidavit from 5N Brothers Copy Center affirming that the Campaign was given a discount because the vendor routinely gives discounts to its best customers and that it has been doing regular business with the Candidate for years. The discount provided to the Campaign is not available to the general public.

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.

2. 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) Invoices for the expenditures listed below indicate that the Campaign received a discount in connection with the goods/services being provided:

NAME	STATEMENT/ SCHEDULE/ TRANSACTION	INVOICE DATE	AMOUNT	DISCOUNTED AMOUNT
5 Brothers Copy Center*	9/F/R0000409	05/28/13	\$200.00	\$55.30

*This may also be a prohibited corporate contribution. *See* Admin. Code §§ 3-703(1)(l), 3-719(2)(b); Rule 1-04(e). *See* also Exhibit I and Finding #1.

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 fully report the expenditures.

DESCRIPTION OF ITEM	EXHIBIT #	NOTE
Posters	II	(1)

(1) The Campaign submitted an invoice from Pixel King dated March 29, 2013 in the amount of \$125.00, but did not report the transaction.

c) In response to the Draft Audit Report, the Campaign provided documentation showing that the following expenditures were refunded to the Campaign. The Campaign provided an in-kind contribution form for the work previously performed by the individuals. However, the Campaign did not amend its reporting to disclose the expenditure refunds and associated in-kind contributions.

NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED DATE	AMOUNT
Hurley, Frisard	12/F/R0000601	09/13/13	\$150.00
Morris-Hurley, Kaaron	12/F/R0000617	09/15/13	\$500.00

Previously Provided Recommendation

a) The Campaign must provide an explanation for the discount noted in the documentation. If the discount is routinely available to the general public or others, the Campaign must provide written confirmation from the vendor. If the discount is not routinely available to others, the Campaign must report the amount of the discount as an in-kind contribution from the vendor. If the vendor is a prohibited source, the Campaign must pay the amount of the discount to the vendor by bank or certified check and provide the CFB with copies of the refund check or pay the Public Fund an amount equal to the amount of the prohibited contribution.

b) 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. Regarding the in-kind contribution from Dwayne Nicholson, the Campaign must

specifically address why it reported only half of certain purchases made by Mr. Nicholson as in-kind contributions, and how the remainders were purchased.

c) This finding was identified as a result of the Campaign's response to the Draft Audit Report dated October 21, 2014.

Campaign's Response

a) In response to the Draft Audit Report, the Campaign provided a signed affidavit from 5N Brothers Copy Center affirming that the Campaign was given a discount because the vendor routinely gives discounts to its best customers and that it has been doing regular business with the Candidate for years. The discount provided to the Campaign is not available to the general public.

b) In response to the Notice of Alleged Violations and Recommended Penalties, the Campaign stated that it did not dispute the finding. It stated that the Candidate paid the deposit of \$100 for the flyers and advertising.

c) This finding was identified as a result of the Campaign's response to the Draft Audit Report dated October 21, 2014.

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 assessed \$100 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.

3. Failing to Report and Document Basic Campaign Functions/Activities

In-kind contributions are goods or services provided to a campaign for free, paid for by a third party, or provided at a discount not available to others. An in-kind contribution is both a contribution and expenditure subject to both the contribution and expenditure limits. *See* Admin. Code § 3-702(8); Rules 1-02 and 1-04(g). Volunteer services are not in-kind contributions. *See* Admin. Code § 3-702(8); Rule 1-02.

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 with 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 did not report expenditures with the following purpose codes: office expenses and postage. Past election cycles have proven that active campaigns for elected office engage in certain basic activities, and as a result, they generally incur expenditures described using the purpose codes above. The absence of such expenditures in the Campaign's reporting indicates that these goods or services may have been provided free of charge or paid for by a third party.

Previously Provided Recommendation

The Campaign must explain why it did not incur any expenses reported with the purpose codes of office expenses and postage.

If the Campaign reported the cost of these goods and services as part of another expenditure or with a different or incorrect purpose code, provide an explanation, including the transaction ID(s) for the expenditure(s) and documentation demonstrating payment.

If goods or services used for this purpose were provided to the Campaign free of charge, amend the Campaign's disclosure statements to report the amount of each as in-kind contributions and provide documentation to demonstrate the value of the in-kind contributions.

Campaign's Response

In response to the Draft Audit Report, the Campaign stated that it did not report office expenditures because the Campaign was small and there were very little office expenses. Additionally, the Campaign stated that it made copies at home as needed. However, the Campaign failed to report the expenditures it did incur.

Board Action

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

Expenditure Findings

4. 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 an expenditure listed below which—based on the reporting and documentation—is non-campaign related:

PAYEE	STATEMENT/ SCHEDULE/ TRANSACTION	PURPOSE CODE	INVOICE DATE	DATE PAID	AMOUNT	NOTE
Covington Who’s Who	16/F/R0000670	OTHER	09/03/13	09/03/13	\$818.95	(1)

(1) The characteristics of this expenditure indicate that it was made for personal use. The Campaign reported that the expenditure above was for website hosting from Covington Who’s Who (CWW), an online community for business professionals. However, the invoice provided by the Campaign (see Exhibit III) states that the expenditure was for the following services from CWW: a member biography, a certificate of recognition, national seminars training for one year, an email and web address linked to the CWW website, a press release and e-release, access to the CWW social networking site, access to newsletters and blogs, a published author’s page, and access to news. The Campaign must explain how this expenditure was campaign-related.

Previously Provided Recommendation

This finding was identified as a result of the Campaign’s response to the Draft Audit Report dated October 21, 2014.

Campaign’s Response

In repose to the Notice of Alleged Violations and Recommended Penalties, the Campaign stated that the expenditure to Covington Who’s Who was for an advertisement in furtherance of the Campaign and should have been billed to the Campaign for this reason. The Campaign’s response is inadequate because the Campaign did not provide documentation to support its response. The Campaign did not demonstrate how it—rather than the Candidate personally—received a benefit, as the membership was only purchased a week prior to the election, does not appear to have furthered the Campaign, and would have provided continued benefits and services to the Candidate well after the election had ended.

Board Action

The Board found the Campaign in violation and assessed \$1,000 in penalties.

Public Matching Funds Findings

5. Return of Final Bank Balance

Campaigns are required to return excess public funds after the election. *See* Admin. Code § 3-710(2)(c); Rule 5-03(e). Public funds are only intended to be used for campaign expenditures, and not every campaign will use all of the public funds it received. This may occur when additional contributions were received or a campaign spent less than anticipated. To ensure that excess public funds are not wasted, until excess public funds have been repaid the only disbursements allowed are those for the preceding election and routine post-election expenditures. Routine post-election expenditures are those involving nominal cost associated with winding up a campaign and responding to the post-election audit. *See* Rule 5-03(e)(2)(i), (ii).

In response to the Notice of Recommended Public Funds Repayment, the Campaign provided bank statements showing a May 29, 2015 bank balance of \$650.00.

Previously Provided Recommendation

The Campaign must respond to all findings in this Draft Audit Report, including providing additional bank statements if requested. The Campaign must repay the final bank balance above with a check payable to the “New York City Election Campaign Finance Fund.” If the Campaign disagrees with the amount, it must provide documentation and explanation to show why the amount is not correct. The Campaign may reduce the amount it must return to the Public Fund by proving that outstanding loans or outstanding liabilities timely reported on Statement 16 and not previously documented are still outstanding.

Campaign’s Response

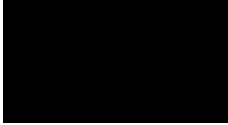
In response to the Notice of Recommended Public Funds Repayment, the Campaign made a payment of \$650.00 to the Public Fund dated June 30, 2015.

Board Action

The Board determined that the Campaign must repay \$650.00 to the Public Fund. The Campaign fulfilled its repayment obligation with a check in the amount of \$650.00 dated June 30, 2015.

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

Sauda S. Chapman

Director of Auditing and Accounting

Date: May 10, 2016

Staff: Danielle Willemin, CFE

Angel Daniels, CFE

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

Candidate: Hurley, Frank R (ID:1718-P)**Office:** 5 (City Council)**Election:** 2013

1. Opening cash balance (All committees)		\$0.00
2. Total itemized monetary contributions (Sch ABC)		\$7,990.00
3. Total unitemized monetary contributions		\$0.00
4. Total in-kind contributions (Sch D)		\$410.90
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)		\$22,593.00
Expenditure payments	\$22,101.00	
Advance repayments	\$492.00	
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)		\$45.86
17. Total receipts adjustment (Sch M - excluding CFB repayments)		\$0.00
18. Total outstanding liabilities (Sch N - last statement submitted)		\$0.00
Outstanding Bills	\$0.00	
Outstanding Advances	\$0.00	
19. Total advanced amount (Sch X)		\$0.00
20. Net public fund payments from CFB		\$13,808.00
Total public funds payment	\$34,456.00	
Total public funds returned	(\$20,648.00)	
21. Total Valid Matchable Claims		\$5,495.00
22. Total Invalid Matchable Claims		\$215.00
23. Total Amount of Penalties Assessed		\$1,100.00
24. Total Amount of Penalty Payments		\$1,100.00
25. Total Amount of Penalties Withheld		\$0.00

Exhibit I

Friends of F. Richard Hurley 2013

5 Brothers Copy Center Invoice

(see Findings #1 and #2a)

Exhibit II
Friends of Richard F. Hurley 2013
Pixel King Invoice
(see Finding #2b)

Order Form

Date: 3/29/2013

Ordered By

F.

Company: FRIENDS OF RICHARD HURLEY

Address:

State/Province:

Zip/Postal Code:

Phone:

Fax:

Contact Name:



Pixel King

357 Rogers Ave
Brooklyn, NY
USA
11225

pixelkingnyc@gmail.com
TEL: (929) 201. 9540
FAX: (929) 210. 9541

- | | | | |
|-------------------------------------|---|--------------------------------------|--------------------------------|
| <input type="checkbox"/> POSTCARDS | <input type="checkbox"/> INVITATIONS | <input type="checkbox"/> AWNING | <input type="checkbox"/> OTHER |
| <input type="checkbox"/> BUS. CARDS | <input type="checkbox"/> CD INSERTS | <input type="checkbox"/> PHOTOS | |
| <input type="checkbox"/> MENUS | <input checked="" type="checkbox"/> POSTERS | <input type="checkbox"/> LABELS | |
| <input type="checkbox"/> BANNERS | <input type="checkbox"/> LETTER HEAD | <input type="checkbox"/> FORMS | |
| <input type="checkbox"/> TSHIRTS | <input type="checkbox"/> LOGOS | <input type="checkbox"/> TYPING | |
| <input type="checkbox"/> PROGRAMS | <input type="checkbox"/> MENU BOARD | <input type="checkbox"/> BOOK COVER | |
| <input type="checkbox"/> CALENDARS | <input type="checkbox"/> SIGNS | <input type="checkbox"/> WEB GRAPHIC | |

SPECIAL INSTRUCTIONS

- UV COATED
 NON UV COATED

PAPER CHOICE

SIZE 11 x 17

<u>Posters</u>	<u>11 x 17 Posters</u>	<u>100</u>	<u>1.25</u>	<u>\$125.00</u>

Payment Method

- Check
 Credit Card
 Visa
 Mastercard
 American Express
 Cash

INSTRUCTIONS

Sub-Total	<u>\$125.00</u>
Deposit	<u>\$100.00</u>
Bal. Due	<u>\$25.00</u>
Total	
Paid in Full	

Prepared by:

Internal Use Only



Exhibit III
Friends of Richard F. Hurley 2013
Covington Who's Who Invoice
(see Finding #4)

Finding 1B

Dwayne Nicholson

From: Frank Hurley <[REDACTED]>
Sent: Wednesday, January 08, 2014 11:22 PM
To: [REDACTED]
Subject: Fw: PAID STATEMENT

NYCCFB 2014-10-21

On Wednesday, January 8, 2014 12:22 PM, Angela <angela@covingtonwhoswho.com> wrote:
September 13, 2013

PAID STATEMENT

F. Richard Hurley

Description	Amount
Platinum	\$789.00

- **Exclusive Member Biography** published nationally for **Lifetime**
- **Covington Who's Who "Official Certificate of Recognition"**
- **Username & Password** to receive access to all online benefits and privileges through the official covingtonwhoswho.com website.
 - username: hur25 and password: 9429**
 Please allow 48-72 hours for your profile to become active
- **National Seminars Training "STAR 12" All-Access Pass** providing unlimited access to live seminars, webinars, online learning courses, and more - **for a full year**

Benefits include:

- Unlimited one- and two-day seminars,
- Unlimited live and archived webinars,
- Online Learning Center courses,
- Complete online reference library,
- Exclusive STAR12 events, and
- Certificate programs.
- **Your email and web address directly linked** to the official CWW website.
- **Press Release and E-Release** to highlight your career, event, etc.
- **CovingtonNewtworking.com Exclusive, Members-Only Social Networking Site** with interactive online bulletin board, plus an additional members-only **Linkedin, Facebook, and Twitter** site for members to network.
- **Quarterly Newsletters and Weekly Blogs** featuring professional business stories, featured members, and other news.
- **Published Authors Page** where published members can gain more exposure with summaries, stock photos, and a directory on where to purchase their book.
- **In the News** where members can read daily press from around the world on various topics, including business, politics, sports, entertainment, etc.

669
670

- **Covington Rewards/Discount Programs** for all members regarding travel, leisure and various shopping venues.

For immediate assistance with any questions regarding your membership, please contact Member Services/Customer Billing directly at **(954) 893-0114**

Refund Policy

Due to the highly personalized nature of the membership items and your allocation of space in the registry, all membership sales are final and no refunds will be issued for our service and all accompanying personalized products.

Set up and installation fee:

\$29.95

Total Paid \$818.95

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