



New York City Campaign Finance Board

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

Rose Gill Hearn
Chair

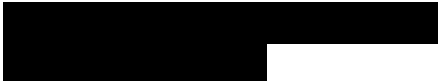
Art Chang
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Mark S. Piazza
Naomi B. Zauderer
Members

Amy M. Loprest
Executive Director

Sue Ellen Dodell
General Counsel

Via C-Access
May 10, 2016

Delores Richards
Dickens NYC 2013



Dear Delores Richards:

Please find attached the New York City Campaign Finance Board's ("CFB" or "Board") Final Audit Report for the 2013 campaign of Inez Dickens (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 January 14, 2016 (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 \$3,500.

The full amount owed must be paid no later than **June 9, 2016**. Please send a check in the amount of \$3,500, 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.

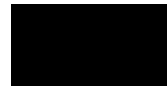
If the CFB is not in receipt of the full amount owed by **June 9, 2016**, the Candidate's name and the amount owed will be posted on the CFB's website. The CFB may also initiate a civil action to compel payment. In addition, the Candidate will not be eligible to receive public funds for any future election until the full amount is paid. Further information regarding liability for this debt can be found in the attached Final Board Determination.

The 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,



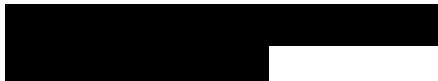
Signature on original

Sauda S. Chapman
Director of Auditing and Accounting

c: Inez Dickens



Dickens NYC 2013



Attachments



EC2013 Final Audit Report

Dickens NYC 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 Inez Dickens (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 file, by the due date, a financial disclosure statement required by the Board (see Finding #2).
- The Campaign did not file the required daily disclosure statements during the two weeks preceding the 2013 general election (see Finding #3).
- The Campaign did not disclose payments made by its vendors 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. 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 aggregate contributions exceeding the \$2,750 contribution limit for the 2013 election cycle (see Finding #5).
- The Campaign accepted aggregate contributions exceeding the \$250 doing business contribution limit for the 2013 election cycle which it failed to refund, or refunded after the deadline (see Finding #6).
- The Campaign accepted a contribution from a prohibited source (see Finding #7).
- The Campaign accepted a cash contribution greater than \$100 (see Finding #8).
- The Campaign did not document the fair market value of in-kind contributions received (see Finding #9).

- The Campaign did not provide intermediary affirmation statements for contributions received through intermediaries (see Finding #10).
- The Campaign did not provide requested documentation related to reported contributions (see Finding #11).

Other Findings

- The Campaign commingled 2013 election cycle receipts and expenditures with receipts and expenditures from another entity (see Finding #12).
- The Campaign did not respond timely to the Initial Documentation Request (see Finding #13).

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: Inez Dickens	Contribution Limit:
ID: 867	\$2,750
Office Sought: City Council	
District: 9	Expenditure Limit:
	2010–2012: \$45,000
Committee Name: Dickens NYC 2013	2013 Primary: \$168,000
Classification: Non-Participant	2013 General: \$168,000
Filer Registration Date: July 13, 2012	
	Public Funds:
Ballot Status: Primary, General	Received: N/A
Primary Election Date: September 10, 2013	Returned: N/A
General Election Date: November 5, 2013	
Party: Democratic	Campaign Finance Summary:
	http://bit.ly/1nSQZbo

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.

Prior to the election, we performed preliminary reviews of the Campaign's compliance with the Act and Rules. 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 10, 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.

Finally, we determined if the Campaign submitted timely responses to post-election audit requests sent by the CFB.

Following an election, campaigns 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 given the opportunity to respond. The Campaign responded and the CFB evaluated any additional information provided by the Campaign. CFB staff recommended that the Board determine that the Campaign committed violations subject to penalty. The Campaign did not 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. 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 Filer Registration. *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
City National Bank	XXXXXX2652	Checking	May 2012 – Jan 2014
TD Bank	XXXXXX0264	Checking	Oct 2012 – Nov 2012
First Data	XXXXXX1883	Merchant	July 2013 – Feb 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
TD Bank	XXXXXX0264	Dec 2012, page 2

b) The Campaign did not report the transactions listed below that appear on its bank statements:

NAME	CHECK NO./ TRANSACTION	PAID DATE	AMOUNT
Returned Deposit	Debit	05/09/13	\$100.00
Miscellaneous Debit	Debit	09/06/13	\$2,305.00
Total			\$2,405.00

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	REPORTED AMOUNT
Stonewall Democratic Club of NY	1025	8/F/R0000681	03/25/13	\$375.00
Chelsea Reform Democratic Club	1032	8/F/R0000687	05/04/13	\$200.00
City National Bank	Debit	16/F/R0002284	07/15/13	\$10.00
Total				\$585.00

d) The Campaign did not properly report the transactions listed below:

NAME	CHECK NO./ TRANSACTION	STATEMENT/ SCHEDULE/ TRANSACTION	PAID DATE	REPORTED AMOUNT	ACTUAL AMOUNT	DIFFERENCE
San Juan	128348	16/F/R0002278	11/01/13	\$1,574.42	-	\$(1,574.42)
San Juan	128349	16/F/R0002280	11/01/13	\$1,000.00	\$2,594.42	\$1,594.42
Total						\$20.00

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 inaccurately reported transactions, the Campaign must amend its disclosure statements to accurately report the transactions.

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 16.¹

Campaign's Response

a) In response to the Draft Audit Report, the Campaign provided page one of the December 2012 bank statement for account #XXXX0264, which showed that the account closed on December 24, 2012; however, it did not provide page two of the statement.

b) In response to the Draft Audit Report, the Campaign reported previously unreported transactions but did not report two transactions.

c) In response to the Draft Audit Report, the Campaign provided documentation showing that several transactions cleared the Campaign account. The Campaign stated that the payees did not cash their checks for the two remaining transactions, and that it would reissue those checks. None of the bank statements subsequently provided show that those checks, or their replacements, cleared the Campaign account.

d) In response to the Draft Audit Report, the Campaign amended its disclosure statements and correctly reported all previously misreported transactions. However, it also reported a new transaction incorrectly.

¹ 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 - 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.

2. Failure to File and Late Filings

Campaigns are required to file disclosure statements on scheduled dates. *See* New York City Charter §1052(a)(8), Admin. Code §§ 3-703(6) and 3-708(8), and Rules 1-09(a) and 3-02.

The Campaign failed to file the following disclosure statements by the due date:

STATEMENT #	DUE DATE	DATE FILED	# DAYS LATE
12	9/20/2013	9/22/2013	2

Previously Provided Recommendation

The Campaign must explain the lateness of the statement listed above. The Campaign may also provide documentation to support its explanation.

Campaign's Response

In response to the Draft Audit Report, the Campaign apologized for the late submission and did not contest this finding in its response to the Notice of Alleged Violations.

Board Action

The Board found the Campaign in violation and assessed \$100 in penalties.

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

During the 14 days preceding an election, if a candidate: (1) accepts a loan, a 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 course of the election cycle. 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 transaction:

CONTRIBUTION:			
NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED DATE	AMOUNT
Mason Tenders DC GNY PAC	15/ABC/R0002095	10/30/13	\$2,000.00

Previously Provided Recommendation

If the Campaign believes it filed the required daily disclosure 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 disclosure(s) is not a violation, but it cannot file daily pre-election disclosures now.

Campaign's Response

In response to the Draft Audit Report and Notice of Alleged Violations, the Campaign did not contest 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 vendors listed below received large payments and may have subcontracted goods and services. However, the Campaign did not report subcontractors used by these vendors:

PAYEE	AMOUNT PAID
Advance Group	\$10,000.00
Morningside Solutions	\$11,489.73
Qualls & Benson	\$12,741.09

Previously Provided Recommendation

The Campaign must contact the vendors, 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) 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 provided a signed subcontractor form from The Advance Group indicating that it subcontracted more than \$5,000 in goods and services to Westerleigh Concepts. However, the Campaign did not amend its disclosure statements to report these subcontracted services. Additionally, the Campaign stated that it was unable to obtain subcontractor information from Morningside Solutions due to a dispute with the vendor. The Campaign did not describe the nature of that dispute, nor did it document that it had advised the vendor of its dispute.

In response to the Notice of Alleged Violations, the Campaign provided a signed subcontractor form from Qualls & Benson which indicated that it subcontracted \$6,940.79 in services to Westerleigh Concepts for printing services.

Board Action

The Board found the Campaign in violation and assessed \$50 in penalties.

Contribution Findings

5. Prohibited Contributions – Contributions Over the Limit

Campaigns may not accept contributions, either directly or by transfer, from any single source in excess of the applicable contribution limit for the entire election cycle. A single source includes, but is not limited to, any person or entity who or which establishes, maintains, or controls another entity and every entity so established, maintained, or controlled. *See* Rule 1-04(h). Cumulative contributions from a single source may include monetary contributions, in-kind contributions, and outstanding loans or advances, etc.

Candidates participating in the Program may contribute up to three times the contribution limit to their own campaign. *See* Admin. Code § 3-703(1)(h). Non-participating candidates are not limited in the amount they can contribute to their own campaign from their own money. *See* Admin. Code § 3-719(2)(b).

A loan not repaid by the day of the election is considered a contribution subject to the contribution limit. Loans that are forgiven or settled for less than the amount owed are also considered contributions. *See* Admin. Code § 3-702(8); Rules 1-05(a), (j).

Prior to the election, the Campaign accepted contributions in excess of the contribution limit in the instances detailed in Exhibit I. Upon notification from the CFB the Campaign refunded the amount in excess of the limit.

Previously Provided Recommendation

The Campaign previously resolved these contribution limit findings by issuing and documenting refunds, and no further response is necessary at this time. However, the findings may still be subject to penalty. If the Campaign disagrees with this finding, it must provide an explanation and documentation to demonstrate that it did not accept contributions in excess of the limit.

Campaign's Response

In response to the Draft Audit Report, the Campaign provided additional documentation which resolved some, but not all, of the cited transactions.

In response to the Notice of Alleged Violations, the Campaign documented that it refunded a \$490 contribution overage to Dolores Richards on October 28, 2013. The Campaign also documented that it refunded a \$250 contribution overage to Samuel Daniel on October 28, 2013. Both refunds were issued after the deadline. The Campaign did not address the over-the-limit contribution from Celeste Ramirez-Heggie.

Board Action

The Board found the Campaign in violation, in conjunction with Finding #6, and assessed \$2,500 in penalties.

6. Prohibited Contributions – Contributions Over The Doing Business Limit

Campaigns may not accept contributions from individuals who have business dealings with the city in excess of the applicable doing business contribution limit for the entire election cycle. *See* Admin. Code §§ 3-703(1-a), (1-b), 3-719(2); Board Rules 1-04 (c)(l), (h). Individuals considered to have business dealings with the city are listed in the “Doing Business Database.” Upon notification by the CFB, the Campaign was given 20 days in which to issue a refund to the contributor without a violation or penalty.

The Campaign did not refund contributions within the 20 day deadline in the instances detailed in Exhibit II.

Previously Provided Recommendation

The Campaign must address each of the cited contributions:

- If the Campaign previously issued refunds for the cited contribution(s), it must provide the CFB with documentation of such refunds. If a refund occurred but was not reported, the Campaign must amend its reporting.
- If the Campaign believes that the contributor was incorrectly included on the notification, the Campaign must provide documentation demonstrating that the contributor is not the individual in the Doing Business Database.
- If the Campaign believes that the contributor was incorrectly included in the Doing Business Database on the date of the contribution, the contributor can apply to be removed from the Database retroactive to the date of the contribution. The CFB does not maintain the Doing Business Database. The contributor and/or entity with which s/he is associated must contact the Mayor’s Office of Contract Services—which maintains the Doing Business Database—to request removal, and the Campaign must notify the CFB that the individual has filed for removal. The CFB will rely on the updated Doing Business Database to determine whether the individual was doing business as of the date of the contribution.
- The Campaign may refund the over-the-limit portions of these contributions, which may result in a reduced recommended penalty. The Campaign must issue contribution refunds 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 overage.

Campaign's Response

In response to the Draft Audit Report, the Campaign claimed that the following contributors are not in the Doing Business Database and did not offer further explanation or documentation: George Faison, Lawrence Redick, Tad Schnugg, and Luther Smith. All of them were in the Doing Business Database at the time of their respective contributions. The Campaign stated that it would refund the over-the-limit portions of contributions from James Jones, Lucille McEwen, and Joseph Tahl.

In response to the Notice of Alleged Violations, the Campaign provided documentation of late refunds for the over-the-limit portions of contributions from James Jones, Lucille McEwen, George Faison, Lawrence Redick, Tad Schnugg, Luther Smith and Joseph Tahl.

Board Action

The Board found the Campaign in violation, in conjunction with Finding #5, and assessed \$2,500 in penalties.

7. 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 instances detailed below. Upon notification from the CFB, the Campaign refunded the contributions.

NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED/ REFUNDED DATE	AMOUNT
103 East 125 th St Realty Corp	5/ABC/R0000062	06/08/12	\$100.00
103 East 125 th St Realty Corp	16/M/R0000472	01/14/13	(\$100.00)
Brown, Seven	6/ABC/R0000305	12/17/12	\$100.00
Brown, Seven	16/M/R0001478	09/19/13	(\$100.00)

Previously Provided Recommendation

The Campaign previously refunded these prohibited contributions and no further response is necessary at this time. However, the Campaign may still be penalized for accepting these contributions. 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 response to the Draft Audit Report, the Campaign did not address these transactions. In response to the Notice of Alleged Violations, the Campaign did not contest these findings.

Board Action

The Board found the Campaign in violation and assessed \$300 in penalties.

8. Prohibited Contributions – Cash Contributions Greater Than \$100

Campaigns may not accept cash contributions that total more than \$100 from a single contributor. See New York State Election Law § 14-118(2).

The Campaign reported receiving a cash contribution that exceeded \$100 from the following contributor:

NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED/ REFUNDED DATE	AMOUNT	AMOUNT OVER-THE- CASH-LIMIT
Drakeford, Holley	14/ABC/R0001981	10/16/13	\$100.00	
Drakeford, Holley	16/ABC/R0002199	12/19/13	\$100.00	\$100.00

Previously Provided Recommendation

The Campaign must refund the portion of the contribution that exceeds \$100 to the contributor by bank or certified check and provide a copy of each refund check; or pay the Public Fund an amount equal to the overage. If the Campaign disagrees with this finding, it must provide an explanation and documentation to demonstrate why the finding is not a violation.

Campaign's Response

The Campaign stated that it provided documentation for this refund in its response to the Draft Audit Report; however, the CFB did not receive a copy of the refund check in the submission. Additionally, a review of the Campaign's July 2015 Periodic Report to the New York State Board of Elections indicates that the Campaign issued a \$100 refund to this contributor on January 13,

2014. However, there is no corresponding activity on the Campaign's bank statements showing that this refund cleared the Campaign's account.

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.

9. 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 that 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, but failed to adequately document, the following in-kind contributions. Due to the lack of documentation, the fair market value and the source of the in-kind contributions could not be substantiated.

NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED DATE	AMOUNT
Morrison, Pamela	9/D/R0000743	05/20/13	\$932.53
Walker, Jessica	9/D/R0000775	05/20/13	\$500.00

Previously Provided Recommendation

The Campaign must provide supporting documentation for each in-kind contribution listed. Supporting documentation may include, but is not limited to, invoices, appraisals, and estimates

of the fair market value. Documentation must include the name and address of the contributor, provide a detailed description of the goods/services, and explain the cost basis for valuing each in-kind contribution from the reported contributor. If the documentation is from a vendor that the contributor paid, the Campaign must also provide evidence that the reported contributor paid the vendor, e.g., a copy of the cancelled check, or a signed statement from the contributor verifying that she or he made the payment for the in-kind contribution. If the Campaign cannot document the fair market value, explain why the Campaign cannot provide adequate documentation.

Campaign's Response

In its response to the Draft Audit Report, the Campaign did not provide any documentation for these in-kind contributions, including underlying documentation to support the valuation given by the Campaign for the goods provided or services rendered. In response to the Notice of Alleged Violations, the Campaign did not contest this finding.

Board Action

The Board found the Campaign in violation and assessed \$200 in penalties.

10. Intermediary Statements

Campaigns are required to report all contributions delivered or solicited by an intermediary. Intermediaries are people who solicit or deliver contributions to campaigns. *See* Administrative Code §§ 3-702(12), 3-703(6) and Rules 3-03(c)(1) and (7). Campaigns are required to provide a signed intermediary affirmation statement for each intermediary containing the intermediary's name, residential address, employer and business address, names of the contributors, the amounts contributed and specific affirmation statements. *See* Rule 4-01(b)(5).

a) The Campaign did not submit an intermediary affirmation statement for the following reported intermediary:

INTERMEDIARY	INTERMEDIARY ID
McKissack, Deryl	9

b) The details of the Campaign's reporting differ from the information listed on the intermediary affirmation statement.

INTERMEDIARY ID	CONTRIBUTOR NAME	REPORTED CONTRIBUTOR AMOUNT	AMOUNT PER INTERMEDIARY STATEMENT
2	Morris, Celeste	\$100.00	No Amount Listed

Previously Provided Recommendation

a) The Campaign must provide the required intermediary statement(s). For a copy of the form, see the 2013 Forms section of the CFB's website at http://www.nycctfb.info/PDF/forms/intermediary_statement.pdf.

b) The Campaign must explain why the details of the contributions listed as intermediated on the intermediary statement differ from its reporting. The Campaign must also obtain updated intermediary statements with the correct information or amend its reporting, as appropriate.

Campaign's Response

a) In response to the Draft Audit Report, the Campaign explained that its attempt to contact this intermediary was unsuccessful. In response to the Notice of Alleged Violations, the Campaign did not contest this finding.

b) In response to the Draft Audit Report, the Campaign explained that the contribution had indeed been intermediated, but the intermediary had erroneously omitted the dollar amount. However, the Campaign did not submit a revised intermediary statement.

Board Action

a) The Board found the Campaign in violation, but did not assess a penalty.

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.

11. Contribution 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); and Rule 4-01.

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

NAME	TRANSACTION TYPE	STATEMENT/ SCHEDULE/ TRANSACTION	REFUNDED DATE	AMOUNT
Parker, Randall	Returned Check	8/M/R0000613	03/27/13	(\$1,200.00)
Ansah Samuels, Ekuu	Returned Check	6/M/R0000478	07/03/12	(\$150.00)
Smith, Alma J	Returned Check	12/M/R0001928	09/12/13	(\$250.00)

Previously Provided Recommendation

The Campaign must submit documentation for each transaction listed above.

Campaign's Response

In response to the Draft Audit Report, the Campaign provided copies of bank statements but did not provide documentation to show that individual items were refunded or returned due to insufficient funds.

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

12. Commingling of Funds

All campaign receipts must be deposited into an account listed on the candidate's Certification and receipts accepted for one election may not be commingled with receipts accepted for any other election. *See* Rules 1-03(a)(2) and 2-06(b).

Expenditures are presumed to be made for the first election following the day they are made, with the exception of state or local elections expenditures made before the first January 12 following the election, or federal election expenditures made before the first January 1 following the election. *See* Rule 1-08(c)(1) and (3). All campaign receipts must be deposited into an account listed on the candidate's Filer Registration and receipts accepted for one election may not be commingled with receipts accepted for any other election. *See* Rules 1-03(a)(2) and 2-06(b).

The Campaign provided a consulting services agreement with Mercury Public Affairs LLC (Exhibit III), signed by both parties on August 1, 2013. In exchange for strategic consulting and

campaign management services, the Campaign would pay the vendor \$5,000 per month. The term of the lease was from the August 1st date on which both parties signed the contract, through September 30, 2013. The clause extending the term of the contract to continue on a month-to-month basis after September 30, 2013, until terminated by either party, was expressly struck (though not initialed). The calculated total due to Mercury for the two months, at \$5,000 per month, is \$10,000.

The Campaign originally reported one \$5,000 expenditure to Mercury; however, it amended its reporting in response to the Draft Audit Report to include an additional \$15,000 in outstanding liabilities to this vendor. According to NYS BOE reports filed by the Campaign, the Campaign paid \$5,000 of these liabilities on March 4, 2014, and the remaining \$10,000 on October 10, 2014. On September 26, 2014, another committee for the Candidate, Dickens for New York, transferred \$12,000 to the Campaign's account. The transferred money was then used to pay Mercury \$10,000.

The Campaign paid Mercury Communications \$10,000 in excess of the amount contracted, and did not document incurring additional liabilities. According to the Campaign's filings with the New York State Board of Elections, it had proportionately minimal activity in the period following the primary election. Dickens for New York appears to have engaged in a significant fundraising effort in August 2014, but does not appear to have paid any consulting firm for management and strategic services.

Previously Provided Recommendation

This finding is a result of the Campaign's response to the Draft Audit Report.

In the Notice of Alleged Violations, the Campaign was informed that it could reduce or eliminate the penalty: The Campaign may be able to reduce this penalty by providing documentation and explanation demonstrating why the additional expenditures to Mercury beyond the contracted amount were in furtherance of the Campaign rather than Dickens for New York. The Campaign must provide a detailed description of the goods and/or services provided by Mercury, a breakdown of how the rate of pay was calculated, and an explanation of why the contract did not reflect the additional payments.

Campaign's Response

In its response to the Notice of Alleged Violations, the Campaign provided an unsigned contract between Mercury Public Affairs and the Campaign for unspecified consulting for October 2013-December 2013 at the rate of \$5,000 per month (see Exhibit III). The Campaign also provided copies of invoices from Mercury Communications for service in October and November 2013. The Campaign did not provide an invoice for services rendered in December 2013, explaining that Mercury's services only extended through November. None of the documents submitted by the Campaign includes a description of the "strategic consulting and management services" provided by Mercury.

Furthermore, the Campaign explained that the payment of \$10,000 on October 10, 2014, made with funds transferred from the Dickens for New York committee, were for services performed in furtherance of the Candidate's campaign for Speaker of the City Council.

Although the Campaign paid the vendor for work in furtherance of its campaign prior to October 2013, the \$10,000 paid after that date was for work that was not in furtherance of the Candidate's election to public office.

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.

Other Findings

13. Failure to Respond Timely

Campaigns are required to respond timely to requests from the CFB. *See* Admin. Code § 3-703(1)(d); Rules 1-09, 4-01.

The Campaign failed to submit, by the due date, the following:

REQUEST	DUE DATE	DATE	# DAYS
Initial Documentation Request	03/24/14	03/31/14	7

Previously Provided Recommendation

For each of the CFB's requests listed above, the Campaign may provide a written explanation for the lateness of its response. The explanation must be accompanied by documentation, such as a certified mail receipt, or other relevant documentation regarding its lateness.

Campaign's Response

In response to the Draft Audit Report, the Campaign apologized for its late response and noted that it had received extensions to the deadline for its response to the Initial Documentation Request. The Campaign did receive extensions to its initial deadline of February 24, 2014; however, it failed to respond by the extended deadline of March 24, 2014. In response to the Notice of Alleged Violations, the Campaign did not contest this finding.

Board Action

The Board found the Campaign in violation and assessed \$350 in penalties.

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: Hannah Golden

Sonia M. Simões

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

Candidate: Dickens, Inez E (ID:867-NP)**Office:** 5 (City Council)**Election:** 2013

1. Opening cash balance (All committees)		\$0.00
2. Total itemized monetary contributions (Sch ABC)		\$250,268.89
3. Total unitemized monetary contributions		\$0.00
4. Total in-kind contributions (Sch D)		\$1,432.53
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)		\$239,381.57
Expenditure payments	\$237,210.67	
Advance repayments	\$2,170.90	
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)		\$12,000.00
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)		\$30.00
17. Total receipts adjustment (Sch M - excluding CFB repayments)		\$18,522.53
18. Total outstanding liabilities (Sch N - last statement submitted)		\$15,927.99
Outstanding Bills	\$15,927.99	
Outstanding Advances	\$0.00	
19. Total advanced amount (Sch X)		\$0.00
20. Net public fund payments from CFB		\$0.00
Total public funds payment	\$0.00	
Total public funds returned	\$0.00	
21. Total Valid Matchable Claims		N/A
22. Total Invalid Matchable Claims		N/A
23. Total Amount of Penalties Assessed		\$3,500.00
24. Total Amount of Penalty Payments		\$0.00
25. Total Amount of Penalties Withheld		\$0.00

Exhibit I
Dickens NYC 2013
Refunded Contributions Over the Limit
(see Finding #5)

Name	Statement/ Schedule/ Transaction ID	Transaction Type	Incurred/ Received/ Refunded Date	Amount
Richards, Delores	5/ABC/R0000022	Contribution	04/27/12	\$90.00
Richards, Delores	5/ABC/R0000049	Contribution	06/07/12	\$200.00
Richards, Delores	5/ABC/R0000077	Contribution	06/19/12	\$200.00
Richards, Delores	6/ABC/R0000125	Contribution	08/11/12	\$250.00
Richards, Delores	6/ABC/R0000392	Contribution	08/11/12	\$50.00
Richards, Delores	6/ABC/R0000165	Contribution	09/27/12	\$100.00
Richards, Delores	6/ABC/R0000213	Contribution	11/12/12	\$50.00
Richards, Delores	6/ABC/R0000230	Contribution	11/14/12	\$250.00
Richards, Delores	6/ABC/R0000299	Contribution	12/17/12	\$100.00
Richards, Delores	9/ABC/R0000817	Contribution	06/27/13	\$250.00
Richards, Delores	9/ABC/R0001249	Contribution	07/11/13	\$500.00
Richards, Delores	11/ABC/R0001448	Contribution	08/14/13	\$500.00
Richards, Delores	11/ABC/R0001512	Contribution	08/26/13	\$500.00
Richards, Delores	12/ABC/R0001845	Contribution	09/05/13	\$200.00
Richards, Delores	15/M/R0002063	Refund	10/28/13	(\$490.00)
			Total	\$2,750.00
			Office Limit	<u>\$2,750.00</u>
			Amount Over the Limit	<u>\$0.00</u>

Exhibit I
Dickens NYC 2013
Refunded Contributions Over the Limit
(see Finding #5)

Name	Statement/ Schedule/ Transaction ID	Transaction Type	Incurred/ Received/ Refunded Date	Amount
Daniel, Samuel J	9/ABC/R0001017	Contribution	07/11/13	\$1,000.00
Daniel, Samuel J	12/ABC/R0001738	Contribution	09/05/13	\$2,000.00
Daniel, Samuel J	15/M/R0002064	Refund	10/28/13	(\$250.00)
			Total	\$2,750.00
			Office Limit	<u>\$2,750.00</u>
			Amount Over the Limit	<u>\$0.00</u>
Ramirez-Heggie, Celeste A	9/ABC/R0001183	Contribution	07/11/13	\$2,750.00
Ramirez-Heggie, Celeste A	12/ABC/R0001844	Contribution	09/05/13	\$250.00
Ramirez-Heggie, Celeste A	15/M/R0002065	Refund	10/28/13	(\$250.00)
			Total	\$2,750.00
			Office Limit	<u>\$2,750.00</u>
			Amount Over the Limit	<u>\$0.00</u>

Exhibit II
Dickens NYC 2013
Doing Business Over the Limit - Untimely Refund
(see Finding #6)

Name	Statement/ Schedule/ Transaction ID	Incurred/ Received/ Refunded Date	Contribution Notice/ Refund Due Date	Amount
Faison, George	13/ABC/R0001947	09/20/13	10/30/13	\$200.00
Faison, George	14/ABC/R0002047	10/16/13	11/19/13	\$250.00
Faison, George	N/A	11/09/15		(\$200.00)
			Total	\$250.00
			Office Limit	<u>\$250.00</u>
			Amount Over the Limit	<u>\$0.00</u>
Jones, James H	14/ABC/R0002025	10/17/13		\$400.00
Jones, James H	N/A	09/08/15		(\$150.00)
			Total	\$250.00
			Office Limit	<u>\$250.00</u>
			Amount Over the Limit	<u>\$0.00</u>
Mcewen, Lucille L	6/ABC/R0000202	11/12/12	10/30/13	\$50.00
Mcewen, Lucille L	9/ABC/R0001104	07/11/13	11/19/13	\$100.00
Mcewen, Lucille L	14/ABC/R0002010	10/17/13		\$40.00
Mcewen, Lucille L	16/ABC/R0002200	12/19/13		\$100.00
Mcewen, Lucille L	N/A	02/24/14		(\$40.00)
			Total	\$250.00
			Office Limit	<u>\$250.00</u>
			Amount Over the Limit	<u>\$0.00</u>

Name	Statement/ Schedule/ Transaction ID	Incurred/ Received/ Refunded Date	Contribution Notice/ Refund Due Date	Amount
Redick, Lawrence	6/ABC/R0000242	11/14/12		\$100.00
Redick, Lawrence	9/ABC/R0001003	07/11/13		\$1,000.00
Redick, Lawrence	16/M/R0001474	08/19/13		(\$650.00)
Redick, Lawrence	N/A	11/09/15		(\$200.00)
			Total	\$250.00
			Office Limit	<u>\$250.00</u>
			Amount Over the Limit	<u>\$0.00</u>
<hr/>				
Schnugg, Tad	9/ABC/R0000932	07/11/13		\$100.00
Schnugg, Tad	14/ABC/R0002046	10/16/13		\$250.00
Schnugg, Tad	N/A	11/09/15		(\$100.00)
			Total	\$250.00
			Office Limit	<u>\$250.00</u>
			Amount Over the Limit	<u>\$0.00</u>
<hr/>				
Smith, Luther A	5/ABC/R0000026	06/13/12		\$100.00
Smith, Luther A	9/ABC/R0000820	03/26/13		\$100.00
Smith, Luther A	9/ABC/R0000821	06/27/13		\$100.00
Smith, Luther A	16/M/R0001479	08/19/13		(\$50.00)
Smith, Luther A	12/ABC/R0001847	09/05/13		\$100.00
Smith, Luther A	N/A	11/09/15		(\$100.00)
			Total	\$250.00
			Office Limit	<u>\$250.00</u>
			Amount Over the Limit	<u>\$0.00</u>

Name	Statement/ Schedule/ Transaction ID	Incurred/ Received/ Refunded Date	Contribution Notice/ Refund Due Date	Amount
Tahl, Joseph A	14/ABC/R0002023	10/17/13		\$1,000.00
Tahl, Joseph A	N/A	09/08/15		(\$750.00)
			Total	\$250.00
			Office Limit	<u>\$250.00</u>
			Amount Over the Limit	<u>\$0.00</u>

Exhibit III
Dickens NYC 2013
Commingling
(see Finding #12)

Mercury

CONSULTING SERVICES AGREEMENT

NYC 2013 Aug 11

~~Inez Dickens for City Council~~ ("Client") hereby enters into this consulting services agreement ("Agreement") effective as of ~~July 29~~, 2013 ("Effective Date") to retain Mercury Public Affairs LLC, a New York limited liability company having a business address at 7 World Trade Center, 36th Floor, New York, NY 10007 ("Consultant"), as an independent contractor to perform the services described herein.

1. **The Services.** Client and Consultant agree that Client hereby retains Consultant to render consulting services to the Client as specified on Schedule 1 attached hereto. In addition, subject to any limitations set forth on Schedule 1, Consultant should provide such other reasonable consulting services as the parties shall mutually agree to in writing (together with the consulting services identified on Schedule 1, the "Services") during the Term (as described below).
2. **Payment Terms.** Client and Consultant agree that Consultant shall be entitled to receive the fees, compensation and retainer set forth on Schedule 2, which may be modified from time to time as mutually agreed to in writing. In addition, Client agrees to reimburse Consultant for reasonable and customary expenses actually incurred and properly documented in providing the Services. Such expenses would only be incurred with the approval of the Client. Payment in full shall be made to Consultant within thirty (30) days after an invoice is rendered. For ongoing fees, compensation or retainers, Client will be billed on the 1st of every month except if Agreement begins mid month. In such cases, Client will be billed on a prorated basis in the first and last month of the Agreement. In the event that Client does not pay such invoices within the specified timeframe, Consultant may suspend provision of Services until payment is made. All payments made by Client shall be without deduction or offset.
3. **Term.** The term of this Agreement shall begin on the Effective date and will continue in effect until September 30, 2013 (the "Term"). ~~The Term of this Agreement shall continue on a month to month basis thereafter, unless terminated by either party on thirty (30) days prior written notice to the other party.~~
4. **Client Contact.** Client shall designate to Consultant, from time to time in writing, the primary contact for reporting and billing purposes. Contacts are identified on Schedule 3. Consultant shall keep the primary contact for reporting purposes regularly informed as to the status of the performance of the Services in accordance with this consulting Agreement.
5. **Independent Contractor Status.** Consultant agrees that it is an independent contractor and not an agent or employee of Client and Consultant will not hold itself out as such an agent or employee. Consultant has no authority or responsibility to enter into any contracts on behalf of Client.

- Joe
Academy
6. Non-Compete. Each party acknowledges that the other party's employees are a valuable asset of such party. Accordingly, each party agrees that during the term of this Agreement and for one (1) year thereafter, such party shall not, directly or indirectly, knowingly recruit or solicit, or employ, engage as a consultant, or otherwise retain, any of the other party's employees who are involved in the performance of this Agreement. Each party agrees that the other party's remedy at law for a breach of the provisions of this paragraph shall be inadequate and therefore the non-breaching party shall be entitled to injunctive relief for such breach, without proof of irreparable injury and without posting bond, in addition to any other right or remedy it might have.
7. Confidential Information/Trade Secrets. During the course of the performance of the Services, Consultant may have access to, have disclosed to it, or otherwise obtain information which Client identifies in writing or through labeling as being of a confidential and or proprietary nature to it (the "Confidential Information"). Consultant shall use such Confidential Information solely in performance of its obligations under this Agreement. Information shall not be deemed confidential if such information is: (i) already known to Consultant free of any restriction at the time it is obtained, (ii) subsequently learned from an independent third party free of any restriction; or (iii) available publicly.
8. Non-Exclusive Performance. Client hereby acknowledges and agrees that Consultant shall, during the Term and thereafter, be entitled to perform and render services or conduct operations of a nature similar or dissimilar to the services or operations performed for Client under this Agreement on behalf of itself or other entities in the same or similar business as Client and nothing contained herein shall preclude Consultant from doing so. Notwithstanding anything contained in this Section 8 to the contrary, Consultant represents and warrants that throughout the Term it will devote such personnel and resources in the performance of the Services as it deems reasonably necessary to perform such Services hereunder diligently and conscientiously.
9. Indemnification. Each party shall indemnify and hold harmless the other party, its principals, employees, officers and agents, (collectively, the "Indemnified Parties") from and against any and all liabilities, losses, claims, demands, actions, judgments, costs and expenses including but not limited to attorney's fees, arising out of or resulting from any negligence, gross negligence or willful misconduct by the indemnifying party, its employees, officers, directors and agents.

Mechanics of Indemnity. Each party's indemnification obligations set forth herein are conditioned upon the Indemnified Parties: (i) giving prompt written notice of any claim, action, suit or proceeding for which the Indemnified Parties are seeking indemnity; (ii) granting control of the defense and settlement of the action to the indemnifying party; and (iii) reasonably cooperating with the indemnifying party with respect to the defense of the action. Notwithstanding the foregoing, the Indemnified Parties may, at their option and expense, participate in the defense or settlement of any claim, action, suit or proceeding covered by this Section 9.

- 10. Publicity. Client shall not use Consultant's name, logo, trademarks or service marks in any advertising, publicity releases, or any other materials without Consultant's prior written approval.
- 11. Assignment. Neither party shall assign this Agreement or otherwise transfer, subcontract or delegate any of its rights and/or obligations hereunder without the prior written consent of the other and any attempt to do so will be void.
- 12. Notices. Any notice or other communication required or which may be given hereunder will be in writing and either delivered personally or mailed, by certified or registered mail, postage prepaid, or sent via facsimile or email, and will be deemed given when so delivered personally or if sent via facsimile, to a facsimile number designated below with receipt thereof confirmed electronically, or if mailed, 72 hours after the time of mailing as follows:

If to Consultant:

Mercury Public Affairs LLC
 14502 North Dale Mabry Hwy, Suite 104
 Tampa, FL 33618
 Attention: Bibi Rahim
 Telephone: 813-908-1380
 Fax: 813-969-0368
 Email: Finance@mercuryllc.com

If to Client:

Inez Dickens for City Council *Inez Dickens NYC 2013*

Signature on original



Attention: ~~Simon Bannister~~ *Donel Davis*
 Telephone: [Redacted]
 Email: [Redacted]

Don 480 4800

Either party may change the persons and address to which notices or other communications are to be sent to it by giving written notice of any such change in the manner provided herein for giving notice.

- 13. Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of New York applicable to agreements negotiated, executed and performed entirely within the State of New York, without regard to its conflicts of laws rules.
- 14. No Liability of Consultant. Consultant shall bear no liability to Client for loss or damage in connection with advice or assistance by Consultant given in good faith performance of the Services.
- 15. Dispute Resolution. All disputes arising out of or in connection with this Agreement shall be adjudicated in a court of competent jurisdiction located in New York County, New York. Client hereby irrevocably consents to and submits to the personal jurisdiction of such courts and waives any defense in the nature of forum non conveniens or like claim

related thereto. Without limiting the foregoing, each party acknowledges that it is hereby waiving any right to have any such dispute resolved by jury trial.

The prevailing party in any legal proceeding in connection with this Agreement shall have the right to require the non-prevailing party in such proceeding to make payment to and reimburse the prevailing party for the entire amount of the legal fees and related expenses which the prevailing party shall have incurred in connection with the commencement, prosecution or defense of such proceeding and the trier of fact in such proceeding shall as a component of any judgment or award make an award to the prevailing party of such legal fees and expenses. The prevailing party shall be that party which shall have prevailed on a majority, but not necessarily all, of the material issues which were adjudicated in such proceeding.

16. General.

(a) No amendments or modifications shall be binding upon either party unless made in writing and signed by both parties.

(b) This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements, promises, proposals, representations, understandings, and negotiations, whether written or oral, between the parties respecting the subject matter hereof.

(c) In the event any one or more of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable, the remaining provisions of this Agreement shall be unimpaired, and the invalid, illegal or unenforceable provision shall be replaced by a provision which, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal, or unenforceable provision.

(d) This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same instrument.

(e) The parties hereto agree to perform any further acts and to execute and deliver any further documents which may be reasonably necessary or appropriate to carry out the purposes of this Agreement.

(f) The section headings contained in this Agreement are inserted for convenience of reference only and will not affect the meaning or interpretation of this Agreement.

(g) Notwithstanding any provision to the contrary in this Agreement, in no event shall Consultant be liable to Client (whether for damages, indemnification or any other claim) for an amount greater than the amount of compensation (and not reimbursement for expenses) actually paid to Consultant by Client for the Services.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date noted above.

Mercury Public Affairs LLC.

By: 

Name: Michael McKee

Title: Partner

Date: 8/1/2013

~~Inez Dickens for City Council~~ NYC 2013 

Signature on original

By: 

Name: DeLores Richards

Title: Treasurer

Date: 08/10/2013

SCHEDULE 1

Services

Mercury Public Affairs, LLC will provide strategic consulting and management services specific to issues facing the Client in the areas of campaign services, government relations and issues management.

It is expressly agreed and understood that the Services under this contract shall not include any lobbying activities (federal, state or local) whatsoever.

Consultant will comply with the provisions of all federal, state and local laws, regulations, and requirements pertaining to the performance of services under this contract.

SCHEDULE 2

Compensation

For consulting services identified in Schedule One, Client will compensate Mercury Public Affairs, LLC \$5,000.00 per month.

Polling expenditures, mail and any media/advertising expenditures including both production and placement will be billed in addition to the monthly retainer and will only be made with the approval of the Client.

Additional miscellaneous expenses, such as travel, will be billed in addition to the retainer and expenditures would only be made with the approval of the Client.

SCHEDULE 3

Contact Information

NYC 2013

~~Irez Dickens for City Council~~

[Redacted]

Attention: ~~Simon Bannister~~

Telephone:

Email:

Personal Mail
[Redacted]

DICKENS NYC 2013

1270

FF-103212
63

DATE 3-4-14

PAY
TO THE
ORDER OF

Mercury

\$ 5000.

Five Thousand

DOLLARS



NEW YORK NY 10001

FOR

OCT. 2013 # 2013100040

Signature on original

Deposited to Account of Within
Nations Payee Absence of
Endorsement Guaranteed
Location #10215 Union Bank, N.Y.

1/2/2015

DICKENS NYC 2013



15/2156

1259

99-103/212
62

DATE 10-28-13

PAY TO THE ORDER OF

Messury

\$ 5000.

Five thousand

DOLLARS



FOR _____

Signature on original

Deposited to Account of *Witchin*
Namus Poyes Absence of
Endorsement Guaranteed
Location 910216 Union Bank, N.A.

001101 9 99999 9999 9