



## New York City Campaign Finance Board

100 Church Street, 12<sup>th</sup> Floor, New York, NY 10007

212.409.1800 | [www.nyccfb.info](http://www.nyccfb.info)

August 25, 2016

### ADDENDUM

The staff of the New York City Campaign Finance Board (“CFB staff”) has reviewed the Final Audit Report (“FAR”) issued on July 8, 2016 regarding the 2013 campaign of People for Diaz (the “Campaign”). CFB staff has concluded that Finding #1, “Financial Disclosure Reporting – Discrepancies,” was erroneously included, as the Campaign provided documentation sufficient to resolve this finding prior to the issuance of the FAR.

Because this error did not result in a finding of violation or penalty against the Campaign, the Board will take no further action on this matter. However, this addendum will be added to the Campaign’s record.



**New York City Campaign Finance Board**

100 Church Street, 12<sup>th</sup> Floor, New York, NY 10007  
212.409.1800 | [www.nycffb.info](http://www.nycffb.info)

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Via C-Access  
July 8, 2016

Kalman Yeger  
People for Diaz



Dear Kalman Yeger:

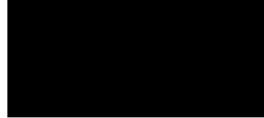
Please find attached the New York City Campaign Finance Board's ("CFB" or "Board") Final Audit Report for the 2013 campaign of Ruben Diaz Jr. (the "Campaign"). CFB staff prepared the report based on a review of the Campaign's financial disclosure statements and documentation submitted by the Campaign.

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

The January 15, 2014 disclosure statement (#16) was the last disclosure statement the Campaign was required to file with the CFB for the 2013 elections. If the Campaign raises additional contributions to pay outstanding liabilities, please note that all 2013 election requirements, including contribution limits, remain in effect. The Campaign is required to maintain its records for six years after the election, and the CFB may require the Campaign to demonstrate ongoing compliance. *See* Rules 3-02(b)(3), 4-01(a), and 4-03. In addition, please contact the New York State Board of Elections for information concerning its filing requirements.


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


Sincerely,

A black rectangular redaction box covering the signature of the sender.

Signature on original

Sauda S. Chapman  
Director of Auditing and Accounting

c: Ruben Diaz Jr.  
A black rectangular redaction box covering the name of the recipient.

People for Diaz  
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Attachments



# **EC2013 Final Audit Report**

People for Diaz

July 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 Ruben Diaz Jr. (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).

### ***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 did not document the fair market value of in-kind contributions received and did not disclose in-kind contributions received (see Finding #2).

**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: Ruben Diaz Jr.	Contribution Limit:
ID: 1160	\$3,850
Office Sought: Borough President	
District: Bronx	Expenditure Limit:
	2010–2012: \$135,000
Committee Name: People for Diaz	2013 Primary: \$1,446,000
Classification: Participant	2013 General: \$1,446,000
Certification Date: June 10, 2013	
	Public Funds:
Ballot Status: Primary, General	Received: \$397,650
Primary Election Date: September 10, 2013	Returned: \$397,650
General Election Date: November 5, 2013	
Party: Democratic, Working Families	Campaign Finance Summary:
	<a href="http://bit.ly/1k8Il6L">http://bit.ly/1k8Il6L</a>

## SCOPE AND METHODOLOGY

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

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

Prior to the election, we performed reviews of the Campaign's compliance with the Act and Rules. We evaluated the eligibility of each contribution for which the Campaign claimed matching funds, based on the Campaign's reporting and supporting documentation. We also determined the Candidate's eligibility for public funds by ensuring the Candidate was on the ballot for an election, was opposed by another candidate on the ballot, and met the two-part threshold for receiving public funds. In January of 2013, we requested all bank statements to date from the Campaign and reconciled the activity on the statements provided to the Campaign's reporting. We then provided the results of this bank reconciliation to the Campaign on April 23, 2013 and May 6, 2013. After the election, we performed an audit of all financial disclosure statements submitted for the election (see summary of activity reported in these statements at Appendix #1).

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

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



disclosed required information related to contribution and expenditure transactions, such as intermediaries and subcontractors.

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

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

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

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

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

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

Following an election, campaigns may only make limited winding up expenditures and are not going concerns. Because the activity occurring after the post-election audit is extremely limited, the audit focused on substantive testing of the entire universe of past transactions. The results of the substantive testing served to establish the existence and efficacy of internal controls. The CFB also publishes and provides to all campaigns guidance regarding best practices for internal controls.

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

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

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

The Campaign was provided with a preliminary draft of this audit report and was asked to provide a response to the findings. The Campaign responded, and the CFB evaluated any additional documentation provided and/or amendments to reporting made by the Campaign in response. The Campaign was subsequently informed of its alleged violations, and was given the opportunity to respond. The Campaign responded and the CFB evaluated any additional information provided by the Campaign. After reviewing the Campaign's response(s), CFB staff established that the total recommended penalties for the Campaign's alleged violations did not exceed \$500, and as a result the staff withdrew its recommendation of enforcement action to the Board. The Board's actions are summarized as a part of each Finding in the Audit Results section. The finding numbers and exhibit numbers, as well as the number of transactions included in the findings, may have changed from the Draft Audit Report to the Final Audit Report

**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 CertificationCertificationCertificationCertification. *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
Signature Bank	XXXXXX7364	Checking	Jun 2010 – Dec 2014
Signature Bank	XXXXXX3636	CD	Apr 2010 – Dec 2014
Signature Bank	XXXXXX2621	Checking	Apr 2010 – Dec 2014
JP Morgan Chase	XXXXXX2524	Checking	Oct 2011 – Aug 2014
Chase Paymentech	XXXXXX7881	Merchant	Mar 2010 – Jul 2010
Chase Paymentech	XXXXXX1908	Merchant	Aug 2010 – Feb 2014
Chase Mastercard	XXXXXX9272	Credit Card	Feb 2012 – Mar 2014
Chase Card Services	XXXXXX4898	Credit Card	Apr 2010 – Feb 2012

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.

The Campaign reported the following transaction that does not appear on its bank statements:

NAME	CHECK NO./ TRANSACTION	STATEMENT/ SCHEDULE/ TRANSACTION	PAID DATE	AMOUNT
Robinson, Leonard	171	8/M/R0007044	4/11/13	\$350.00

## Previously Provided Recommendation

For each transaction reported in the Campaign's disclosure statements that does not appear on the Campaign's bank statements, the Campaign must provide evidence to show that the transaction cleared the bank (i.e., a copy of the front and back of the check, and the bank statement showing the payment). Alternatively, the Campaign may provide evidence that the transaction was reported in error, or amend the Campaign's disclosure statement to void the check. For each voided check, the Campaign must either issue a replacement check or forgive the expenditure payment. Any forgiven liabilities will be considered in-kind contributions, which could result in contribution limit violations, or be considered contributions from a prohibited source. The Campaign may need to contact the payee to determine why the transaction did not clear.

Please note that any newly entered transactions that occurred during the election cycle (01/12/10—01/11/14) will appear as new transactions in an amendment to Disclosure Statement 16, even if the transaction dates are from earlier periods. Any transactions dated after the election cycle will appear in disclosure statements filed with the New York State Board of Elections. Also note that the Campaign must file an amendment for each disclosure statement in which transactions are being modified. Once all data entry is completed, the Campaign should run the Modified Statements Report in C-SMART to identify the statements for which the Campaign must submit amendments. The C-SMART draft and final submission screens also display the statement numbers for which the Campaign should file amendments. If the Campaign added any new transactions, it must submit an amendment to Disclosure Statement 16.<sup>1</sup>

## Campaign Response

In response to the Draft Audit Report, the Campaign submitted bank statements through the month of December 2014 for its Signature checking account ending XXXXX2621. The Campaign has one transaction reported in the Campaign's disclosure statements that did not appear on the Campaign's bank statements.

## Board Action

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

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<sup>1</sup> If the Campaign amends its reporting with the CFB, it must also submit amendments to the New York State Board of Elections.

*Contribution Findings*

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

In-kind contributions are goods or services provided to a campaign for free, paid by a third party, or provided at a discount not available to others. The amount of the in-kind contribution is the difference between the fair market value of the goods or services and the amount the Campaign paid. Liabilities for goods and services for the Campaign which are forgiven, in whole or part, are also in-kind contributions. In addition, liabilities for goods and services outstanding beyond 90 days are in-kind contributions unless the vendor has made commercially reasonable attempts to collect. An in-kind contribution is both a contribution and expenditure subject to both the contribution and expenditure limits. Volunteer services are not in-kind contributions. In-kind contributions are subject to contribution source restrictions. *See* Admin. Code § 3-702(8); Rules 1-02 and 1-04(g). Campaigns may not accept contributions from any corporation, partnership, limited liability partnership (LLP), or limited liability company (LLC). *See* Admin. Code § 3-703(1)(l).

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

a) The Campaign reported, but failed to adequately document, the in-kind contributions listed on Exhibit I. Due to the lack of documentation, the fair market value of the in-kind contributions could not be substantiated.

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

DESCRIPTION OF ITEM	EXHIBIT #	NOTE
Palm Card Paid for by Friends of James Vacca and Mark Gjonaj 2012	II	(1)
Bronx Times Reporter Ad Paid for by Friends of James Vacca and Mark Gjonaj 2012	III	(2)
Bronx Penny Pincher Ad Paid for by Friends of James Vacca and Mark Gjonaj 2012	IV	(3)

(1) The Campaign reported an in-kind contribution of \$188.71 from Friends of James Vacca for a palm card featuring the Candidate, William Thompson, Daniel Squadron, and Scott Stringer (Transaction ID 12/D/R00008273). A copy of the palm card states, "Paid for by Friends of James Vacca and Mark Gjonaj 2012." Documentation received from the Vacca campaign indicates that Friends of James Vacca and Mark Gjonaj 2012 each paid 50% of the total cost of the palm cards and were invoiced by Branford Communications separately. While the Campaign reported the correct in-kind contribution amount from Friends of James Vacca, it did not report the \$188.71 in-kind contribution from Friends of Mark Gjonaj 2012.

(2) The Campaign reported an in-kind contribution of \$218.75 from Friends of James Vacca, of which \$93.75 was for an advertisement in the Bronx Times Reporter featuring the Candidate, William Thompson,



Daniel Squadron, and Scott Stringer (Transaction ID 12/D/R0008274). A copy of the advertisement states, "Paid for by Friends of James Vacca and Mark Gjonaj 2012." Documentation received from the Vacca campaign indicates that Friends of James Vacca and Mark Gjonaj 2012 each paid 50% of the advertisement, which totaled \$750.00. The total in-kind contribution to the Campaign for this advertisement was \$187.50 (\$750.00 / 4 campaigns), of which Friends of James Vacca and Mark Gjonaj 2012 each paid \$93.75 on behalf of the Campaign. While the Campaign reported the correct in-kind contribution amount from Friends of James Vacca, it did not report the \$93.75 in-kind contribution from Friends of Mark Gjonaj 2012.

(3) The Campaign reported an in-kind contribution of \$218.75 from Friends of James Vacca, of which \$125.00 was for an advertisement in the Bronx Penny Pincher featuring the Candidate, William Thompson, Daniel Squadron, and Scott Stringer (Transaction ID 12/D/R0008274). A copy of the advertisement states, "Paid for by Friends of James Vacca and Mark Gjonaj 2012." The Vacca campaign indicated that Friends of James Vacca and Mark Gjonaj 2012 each paid 50% of the advertisement, which totaled \$1,000.00. The total in-kind contribution to the Campaign for this advertisement was \$250.00 (\$1,000.00 / 4 campaigns), of which Friends of James Vacca and Mark Gjonaj 2012 each paid \$125.00 on behalf of the Campaign. While the Campaign reported the correct in-kind contribution amount from Friends of James Vacca, it did not report the \$125.00 in-kind contribution from Friends of Mark Gjonaj 2012.

### **Previously Provided Recommendation**

a) The Campaign must provide supporting documentation for the in-kind contributions 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, the Campaign must explain why it cannot provide adequate documentation.

b) This finding was identified after the Campaign's response to the Draft Audit Report dated February 10, 2015.

### **Campaign Response**

a) In response to the Draft Audit Report, the Campaign stated that it believed that a signed contribution form stating the amount contributed for food/beverage provides "a detailed description of the goods or services provided, and complies with Board rules." This however does not resolve the finding, as the Campaign is required to provide documentation that substantiates the fair market value of the goods or services that were provided. A statement from the Campaign describing the amount paid for goods and services is unverifiable, and does not allow the Board to determine whether the goods or services were undervalued, in effect allowing individuals to potentially curb the contribution limits set forth in the Act and Rules. While the in-kind contribution form lists what the fair market value is, it does not demonstrate how that value was determined.

In response to the Draft Audit Report, with regard to the undocumented in-kind contribution from Lora Belkis, the Campaign stated, “The contribution form provided by Belkis Lora describes the contribution listed under “Other/Miscellaneous” as “banquet hall rental.” This information constitutes the “detailed description” required by the Board’s Rules, and does not require further documentation. Id.” However, additional documentation, such as receipts or invoices, is required to substantiate the fair market value of the goods purchased or services provided.

In response to the Notice of Alleged Violations and Recommended Penalties, the Campaign reiterated its position that the Act and Rules do not require it to provide documentation that substantiates the fair market value of the in-kind contributions that it received. However, the Campaign’s response does not demonstrate how the value of the in-kind contributions in Exhibit I or the banquet hall rental was determined.

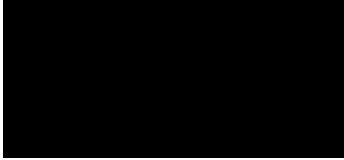
b) This finding was identified after the Campaign’s response to the Draft Audit Report dated February 10, 2015.

### **Board Action**

a – 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.

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: July 8, 2016

Staff: Michael Iacono

Melody Lee



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

**Candidate:** Diaz Jr., Ruben (ID:1160-P)**Office:** 4 (Boro President)**Election:** 2013

1. Opening cash balance (All committees)		\$0.00
2. Total itemized monetary contributions (Sch ABC)		\$1,317,413.00
3. Total unitemized monetary contributions		\$0.00
4. Total in-kind contributions (Sch D)		\$25,224.71
5. Total unitemized in-kind contributions		\$0.00
6. Total other receipts (Sch E - excluding CFB payments)		\$4,028.71
7. Total unitemized other receipts		\$0.00
8. Total itemized expenditures (Sch F)		\$843,498.48
Expenditure payments	\$843,360.33	
Advance repayments	\$138.15	
9. Total unitemized expenditures		\$0.00
10. Total transfers-In (Sch G)		\$879.70
Type 1	\$0.00	
Type 2a	\$0.00	
Type 2b	\$879.70	
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)		\$2,540.80
17. Total receipts adjustment (Sch M - excluding CFB repayments)		\$100,430.12
18. Total outstanding liabilities (Sch N - last statement submitted)		\$751.21
Outstanding Bills	\$751.21	
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	\$397,650.00	
Total public funds returned	(\$397,650.00)	
21. Total Valid Matchable Claims		\$72,013.00
22. Total Invalid Matchable Claims		\$15,465.00
23. Total Amount of Penalties Assessed		N/A
24. Total Amount of Penalty Payments		\$0.00
25. Total Amount of Penalties Withheld		\$0.00

**Exhibit I**  
**People for Diaz**  
**Undocumented In-Kind Contributions**  
**(see Finding #2a)**

<b>Name</b>	<b>Statement/ Schedule/ Transaction ID</b>	<b>Transaction Type</b>	<b>Incurred/ Received/ Refunded Date</b>	<b>Amount</b>
Petrakopoulos, Theodora	2/D/R0003780	In-Kind Contribution	10/21/10	\$2,893.00
Simone, Joseph	2/D/R0004008	In-Kind Contribution	12/10/10	\$2,836.19
Kochisarli, Jimmy	3/D/R0003927	In-Kind Contribution	02/01/11	\$2,883.63
Weiss, Eliezer	3/D/R0004150	In-Kind Contribution	03/08/11	\$860.12
Mujumder, Rexona	4/D/R0005591	In-Kind Contribution	01/08/12	\$811.47
Bastone, Anthony	4/D/R0005109	In-Kind Contribution	01/11/12	\$1,382.06
Bastone, Janine	4/D/R0005111	In-Kind Contribution	01/11/12	\$1,382.07
Belkis, Lora	5/D/R0006086	In-Kind Contribution	05/01/12	\$1,500.00
Dippolito, Charles	16/D/R0008699	In-Kind Contribution	04/03/13	\$1,368.75
Scerbo, Louis C	8/D/R0006979	In-Kind Contribution	04/05/13	\$990.08
<b>Total</b>				<b><u>\$16,907.37</u></b>

**Note:**

The Campaign provided in-kind contribution forms from the contributors; however, the Campaign did not provide supporting documentation to substantiate the fair market value of the goods purchased or services provided.

**Exhibit II**

**People For Diaz**

**Palm Card Paid for by Friends of James Vacca and Mark Gjonaj 2012**

**Unreported In-Kind Contributions**

**(see Finding #2b)**

12/8273  
12/8274

September 14, 2013

People for Diaz

Attn: Kalman Yeger, Treasurer

Re: In-Kind Contribution for Primary Election Period

Dear Mr. Yeger,

I am writing to you to confirm that Friends of James Vacca made several expenditures on behalf of People for Diaz during the recent primary election. These expenditures should be treated as in-kind contributions. The contributions are as follows and represent a 25% proportion of the total costs as all expenditures were distributed equally with the campaigns for Daniel Squadron, Bill Thompson and Scott Stringer:

- 1.) Bronx Penny Pincher – Print Ad in 9/5/13 edition – cost \$500/0.25 = \$125
- 2.) Brandford Communications Inc. – Palm Card - cost \$754.84/0.25 = \$188.71
- 3.) Bronx Times Reporter – Print Ad in 9/6/13 edition – cost \$375/0.25 = \$93.75

The total in-kind contribution made on your committee's behalf is \$407.46. Please reflect this contribution in your campaign filings.

I have attached copies of the ads from the Bronx Times Reporter and Bronx Penny Pincher for your records. If you have any questions, please do not hesitate to contact me at [REDACTED]

Sincerely,

[REDACTED]

Signature on original

Jonathan Conte, Treasurer  
Friends of James Vacca  
P.O. Box 562  
Bronx, NY 10461

LIT	188.71	12/8273
ADS	218.75	12/8274
	<hr/>	
	407.46 ✓	

Y  
C  
C  
F  
B  
2  
0  
1  
4  
1  
0  
2  
1  
0  
5  
NYCCFB 2014-02-05

Bill ID - 3742

Pay ID - 3743

# Branford Communications, Inc.

2 Grace Court · 1L, Brooklyn, NY 11201-4150 · (718) 254-0880 · Fax (718) 254-0882

Friends of James Vacca

Invoice: 4127

Date: 9-5-13

## Description

**Handout Cards** - Production, Printing (10,000 4 x 9 full color two-sided cards 100 coated card), and Delivery) - 50% of costs  
applicable sales tax - 50%  
Total Due

## Amount Due

703.50  
51.34  
754.84

2/25/2014

Councilman **James Vacca**,  
Assemblyman **Mark Gjonaj** and  
Assemblyman **Michael Benedetto**



URGE YOU TO **VOTE ON TUESDAY**, SEPTEMBER 10th FOR

**William  
Thompson**  
Mayor



**Daniel  
Squadron**  
Public Advocate



**Scott  
Stringer**  
Comptroller



12/8273

**Ruben  
Diaz Jr.**  
Borough President



Vote. Democratic Primary. Tues., Sept. 10th.

**Our Bronx Team**

Paid for by Friends of James Vacca and Mark Gjonaj 2012



**Exhibit III**

**People For Diaz**

**Bronx Times Reporter Ad Paid for by Friends of James Vacca and Mark Gjonaj 2012**

**Unreported In-Kind Contributions**

**(see Finding #2b)**



12/8273  
12/8274

September 14, 2013

People for Diaz

Attn: Kalman Yeger, Treasurer

Re: In-Kind Contribution for Primary Election Period

Dear Mr. Yeger,

I am writing to you to confirm that Friends of James Vacca made several expenditures on behalf of People for Diaz during the recent primary election. These expenditures should be treated as in-kind contributions. The contributions are as follows and represent a 25% proportion of the total costs as all expenditures were distributed equally with the campaigns for Daniel Squadron, Bill Thompson and Scott Stringer:

- 1.) Bronx Penny Pincher – Print Ad in 9/5/13 edition – cost \$500/0.25 = \$125
- 2.) Brandford Communications Inc. – Palm Card - cost \$754.84/0.25 = \$188.71
- 3.) Bronx Times Reporter – Print Ad in 9/6/13 edition – cost \$375/0.25 = \$93.75

The total in-kind contribution made on your committee's behalf is \$407.46. Please reflect this contribution in your campaign filings.

I have attached copies of the ads from the Bronx Times Reporter and Bronx Penny Pincher for your records. If you have any questions, please do not hesitate to contact me at [REDACTED]

Sincerely,

[REDACTED]

Signature on original

Jonathan Conte, Treasurer  
Friends of James Vacca  
P.O. Box 562  
Bronx, NY 10461

LIT	188.71	12/8273
ADS	218.75	12/8274
	<hr/>	
	407.46 ✓	





INVOICE STATEMENT  
Please return duplicate  
with your payment



# Community Newspaper Group

P.O. Box 5338, New York, NY 10185-5338

Phone (718) 260-2500

Billing (212) 930-8246

NOVEMBER 2013 END OF MONTH STATEMENT/INVOICE

11/30/13

ACCOUNT NO. 401045-31  
FRIENDS OF JAMES VACCA  
[REDACTED]

PAYMENT AMOUNT \$500

FOR THE  
ACCOUNT OF:

TERMS: 1.5% Interest Charged On Balance  
Unpaid For Thirty Days 18% Annual Interest.

AD DATES	DESCRIPTION	AMOUNT	RATE	CHARGES	CREDITS	BALANCE						
	PREVIOUS BALANCE					375.00						
11/01/13	BRONX TIMES	66.00	I									
11/13/13	PAYMENT -CTY 371			500.00	-375.00							
	NEW BALANCE					500.00						
<b>CURRENT</b>		<b>30-60 DAYS</b>		<b>60-90 DAYS</b>		<b>90-120 DAYS</b>		<b>OVER 120 DAYS</b>		<b>TOTAL</b>		PLEASE PAY THE LAST AMOUNT SHOWN IN THIS COLUMN Make Checks Payable to: COMMUNITY NEWSPAPER GROUP
500.00		.00		.00		.00		.00		500.00		

↑  
Gjonaj  
2012  
Payment

Courier-Life, Inc. • The Brooklyn Paper • Times Ledger Newspapers • Bronx Time Reporter, Inc. • New York Parenting Media

11/11/13 10:11 AM



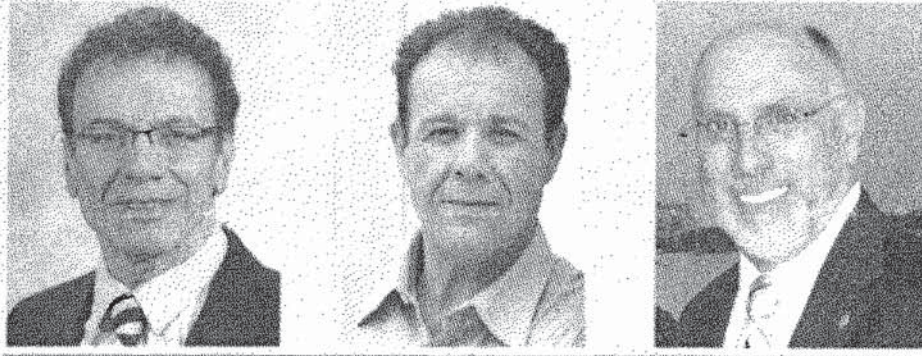
ID 3748



Bronx Times Reporter week of 9/6/13

Councilman **James Vacca**,  
Assemblyman **Mark Gjonaj** and  
Assemblyman **Michael Benedetto**

12/8274



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Mayor



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Vote. Democratic Primary. Tues., Sept. 10th.

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Paid for by Friends of James Vacca and Mark Gjonaj 2012



**Exhibit IV**

**People For Diaz**

**Bronx Penny Pincher Ad Paid for by Friends of James Vacca and Mark Gjonaj 2012**

**Unreported In-Kind Contributions**

**(see Finding #2b)**

12/8273  
12/8274

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P.O. Box 562  
Bronx, NY 10461

LIT	188.71	12/8273
ADS	218.75	12/8274
	<hr/>	
	407.46 ✓	



**Councilman James Vacca,  
Assemblyman Mark Gjonaj and  
Assemblyman Michael Benedetto**

12/8 274



URGE YOU TO **VOTE ON TUESDAY, SEPTEMBER 10th** FOR

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Thompson**  
Mayor



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Squadron**  
Public Advocate



**Scott  
Stringer**  
Comptroller



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