



**New York City Campaign Finance Board**

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Rose Gill Hearn  
Chair

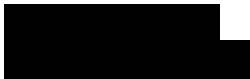
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Via C-Access  
January 7, 2016

Gary M. Singer  
Saundra Thomas 2013



Dear Gary Singer:

Please find attached the New York City Campaign Finance Board's ("CFB" or "Board") Final Audit Report for the 2013 campaign of Saundra P. Thomas (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 November 12, 2015 (attached). 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.

As detailed in the attached Final Board Determination, the Campaign must repay its final bank balance of \$157.48. The full amount owed must be paid no later than **February 8, 2016**. Please send a check in the amount of \$157.48, 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 **February 8, 2016**, the Candidate's name and the amount owed will be posted on the CFB's website. The CFB may also initiate a civil action to compel payment. In addition, the Candidate will not be eligible to receive public funds for any future election until the full amount is paid. Further information regarding liability for this debt can be found in the attached Final Board Determination.

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

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


The January 15, 2014 disclosure statement (#16) was the last disclosure statement the Campaign was required to file with the CFB for the 2013 elections. 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, signature on original



Jonnathon Kline, CFE  
Director of Auditing and Accounting

c: Saundra P. Thomas  


Saundra Thomas 2013  


Attachments



# **EC2013 Final Audit Report**

Saundra Thomas 2013

January 2016

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## **RESULTS IN BRIEF**

The results of the New York City Campaign Finance Board's ("CFB" or "Board") review of the reporting and documentation of the 2013 campaign of Saundra P. Thomas (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 the required daily disclosure statements during the two weeks preceding the 2013 primary election (see Finding #2).
- The Campaign must disclose payments made by a vendor to subcontractors (see Finding #3).

### ***Expenditure Findings***

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

- The Campaign did not properly report and/or document its joint expenditures (see Finding #4).
- The Campaign made post-election expenditures that are not permissible (see Finding #5).

### ***Public Matching Funds Findings***

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

- The Campaign is required to return its final bank balance (see Finding #6).

## 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: Saundra P. Thomas	Contribution Limit:
ID: 1620	\$2,750
Office Sought: City Council	
District: 40	Expenditure Limit:
	2010–2012: N/A
Committee Name: Saundra Thomas 2013	2013 Primary: \$168,000
Classification: Participant	2013 General: N/A
Certification Date: June 5, 2013	
	Public Funds:
Ballot Status: Primary	Received: \$92,400
Primary Election Date: September 10, 2013	Returned: \$0
Party: Democratic	
	Campaign Finance Summary:
	<a href="http://bit.ly/1rkQJk0">http://bit.ly/1rkQJk0</a>

## SCOPE AND METHODOLOGY

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

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

Prior to the election, we performed preliminary reviews of the Campaign's compliance with the Act and Rules. We evaluated the eligibility of each contribution for which the Campaign claimed matching funds, based on the Campaign's reporting and supporting documentation. We also determined the Candidate's eligibility for public funds by ensuring the Candidate was on the ballot for an election, was opposed by another candidate on the ballot, and met the two-part threshold for receiving public funds. Based on various criteria, we also selected the Campaign for an onsite review, and visited the Campaign's location to observe its activity and review its recordkeeping. After the election, we performed an audit of all financial disclosure statements submitted for the election (see summary of activity reported in these statements at Appendix #1).

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

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

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

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

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

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

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

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

Following an election, campaigns may only make limited winding up expenditures and are not going concerns. Because the activity occurring after the post-election audit is extremely limited,



the audit focused on substantive testing of the entire universe of past transactions. The results of the substantive testing served to establish the existence and efficacy of internal controls. The CFB also publishes and provides to all campaigns guidance regarding best practices for internal controls.

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

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

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

The Campaign was provided with a preliminary draft of this audit report and was asked to provide a response to the findings. The Campaign responded, and the CFB evaluated any additional documentation provided and/or amendments to reporting made by the Campaign in response. The Campaign was subsequently informed of its alleged violations and obligation to repay public funds, and was asked 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 determined that the total recommended penalties for the Campaign's violations did not exceed \$500, and as a result the staff chose not to recommend enforcement action to the Board other than a repayment of public funds. 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 Certification. *See* Admin. Code § 3-703(10); Rule 2-06(a). Campaigns are also required to provide the CFB with bank records, including periodic bank statements and deposit slips. *See* Admin. Code §§ 3-703(1)(d), (g); Rules 4-01(a), (b)(1), (f).

The Campaign provided the following bank statements:

BANK	ACCOUNT #	ACCOUNT TYPE	STATEMENT PERIOD
Chase Bank	XXXXXX5044	Checking	Mar 2013 – Jan 2014
American Express	XXXXXX3560	Merchant	Apr 2013 – Jul 22, 2013
E-onlineData	XXXXXX6004	Merchant	Apr 2013 – Oct 22, 2013

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 must provide the bank statements listed below:

BANK	ACCOUNT #	STATEMENT PERIOD
E-onlineData	XXXXXX6004	Oct 22, 2013 – Nov 12, 2013
JP Morgan Chase	XXXXXX0401	Inception – Present

#### Previously Provided Recommendation

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

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's Response**

In its Draft Audit Report response, the Campaign provided bank statements for its Chase Bank account, XXXXX5044, from January 2014 to October 2014. The Campaign also provided merchant statements for its American Express account, XXXXX3560, from July 23, 2013 to October 22, 2013.

The Campaign provided a narrative stating that it never activated its JP Morgan Chase account, XXXXX0401, despite listing the account on its Certification, and that for this reason there are no statements. The Campaign was instructed to provide a statement from the financial institution or merchant vendor stating that no contributions were processed through this reported account; however, the Campaign failed to provide any documentation supporting its statement, such as documentation from the financial institution.

In response to the Draft Audit Report, the Campaign provided an email, dated November 12, 2013, from the merchant gateway, Authorize.net, stating that the account is now closed. However, based on this email the Campaign has failed to provide a merchant statement for its E-onlineData account, XXXXX6004, to document the period from October 23, 2013 to November 12, 2013. The Campaign also failed to provide any documentation demonstrating that the account closed earlier than the provided email, if that is the situation.

In response to the Notice of Alleged Violations the Campaign provided an email from e-onlineData, dated December 5, 2013, confirming the closure of its account. However, the Campaign again failed to provide a merchant account statement(s) accounting for the period from October 23, 2013 to November 12, 2013.

In its Notice of Alleged Violations response, the Campaign stated that it now believes the JP Morgan merchant account, XXXXX0401, never existed and was reported to the CFB in error. However, it failed to provide documentation, such as a statement from the financial institution in question, to support this claim. The Campaign also failed to explain why it initially reported such an account.

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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.

## Board Action

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

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

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

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

CONTRIBUTION:			
NAME	STATEMENT/ SCHEDULE/ TRANSACTION	RECEIVED DATE	AMOUNT
Siegel, Dani	12/ABC/R0001275	09/06/13	\$2,750.00

## Previously Provided Recommendation

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

## Campaign's Response

The Campaign provided a narrative explanation stating, "The campaign did not realize it had exceeded the amount." The Campaign did not provide any documentation to demonstrate that it reported the contribution during the require period.

## 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.

### 3. Disclosure – Possible Subcontractors

Subcontractors are vendors that a campaign’s vendor hires to supply goods/services. If a vendor hired by a campaign pays a subcontractor more than \$5,000, the campaign must report the vendor, the name and address of the subcontractor, the amounts paid to the subcontractor, and the purpose of the subcontracted goods/services. *See* Rule 3-03(e)(3).

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

PAYEE	AMOUNT PAID	NOTE
MorrisAllsop Public Affairs	\$46,000.00	(1)

(1) The Campaign submitted a Subcontractor Disclosure Form, signed by Celeste Morris, stating that this vendor subcontracted \$8,000 in field operations to Wayne Raguette. However, the Campaign did not report the subcontractor.

### Previously Provided Recommendation

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

### Campaign’s Response

In its Draft Audit Report response, the Campaign provided a subcontractor form for MorrisAllsop Public Affairs but failed to amend its reporting to reflect the vendor’s disclosure of Wayne Raguette as a subcontractor for \$8,000 of Field Operation services.

### 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*

### **4. Undocumented Joint Expenditures**

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

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

a) The Campaign provided a narrative, an invoice, and a copy of a palmcard used in joint field activities with the 2013 campaigns of Letitia James, Eliot Spitzer, and Ken Thompson; see Transaction IDs 12/E/R0001355 and 12/E/R0001354. The narrative lists a flat fee of \$2,500, each, billed to the campaigns of Letitia James and Eliot Spitzer for their proportional cost of the palmcard and field activities. However, the Campaign did not provide documentation or an allocation of the underlying costs of the specified field activities. The narrative for this joint expenditure from the Campaign, a copy of the joint flyer, and the invoice for the purchase of the flyer are included as Exhibit I.

b) The Campaign provided a copy of the joint palm card with the 2013 campaigns of Daniel Squadron and Ken Thompson, a narrative, and a copy of an email sent from Berlin Rosen regarding the joint palmcard; see Transaction ID 12/F/R0001371. The narrative and the email state that the palmcard was created by Berlin Rosen and each campaign was billed a flat \$500 fee. However, the documentation does not explain the components which aggregate to the full cost for the palmcard or explain the methodology used to determine each campaign's share. The narrative for this joint expenditure from the Campaign, a copy of the email, and a copy of the palm card are included as Exhibit II.

### **Previously Provided Recommendation**

a) The Campaign must provide a methodology for the cost allocations of each campaign's share of the palmcards<sup>2</sup> and field activities and indicate whether the other campaigns have paid for their shares of the expenditures. The Campaign must provide supporting documentation for its responses, which includes an explanation and description of each field activity, as well as a breakdown of and supporting documentation for all costs associated with them. If the Campaign previously accounted for the joint activities described above in its reporting, it must identify the associated transaction(s) reported by the Campaign by Transaction ID and provide documentation

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<sup>2</sup> The Campaign previously provided an invoice for, and sample of, these palmcards; additionally, it provided a narrative indicating that it paid to produce 5,000 of these palmcards. *See* Exhibit I. If the Campaign printed more of these palmcards than previously indicated it must provide documentation, including invoices and cancelled checks.

for the expenditure(s). If the Campaign did not report the expenditure(s), it must amend its disclosure statements to report the transaction(s).

b) The Campaign must provide a methodology for the cost allocations of each campaign's share and indicate whether the other campaigns have paid for their shares of the expenditures. The Campaign must provide supporting documentation for its response, including documentation from the vendor showing the cost of the overall expenditure.

### **Campaign's Response**

a) In response to the Draft Audit Report, the Campaign described the background information for this joint expenditure. However, it failed to provide any explanation of precisely what field services, and their respective costs, it provided to the Spitzer, James, or Thompson campaigns. The Campaign also failed to detail the logic underpinning the allocation of cost per campaign. The Spitzer campaign's portion was paid from the account of Emanuel C. Andrew to Saundra Thomas 2013. However, the memo line reads "Ola 2013." If this joint activity includes an additional campaign, the Campaign must account for that in its response.

In its Notice of Alleged Violations, the Campaign did not dispute this finding.

b) In response to the Draft Audit Report, the Campaign submitted the email it had previously provided, as well as a narrative explaining the circumstances surrounding the purchase of the joint palmcard. However, it has not provided any documentation from the vendor, such as the amount of literature purchased, design cost, price per piece, or an explanation of how the total cost was calculated. The Campaign also stated in its narrative that the Daniel Squadron campaign has provided the CFB with more detailed documentation. However, the Squadron campaign's documentation for the related transaction (Transaction ID 12/F/R0011191) also lacks detail of the amount, type, or cost of the literature purchased.

In its Notice of Alleged Violations, the Campaign did not dispute this finding.

### **Board Action**

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

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

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

Each expenditure listed below is an improper post-election expenditure due to the timing, amount and/or purpose reported by the Campaign or identified from a review of Campaign bank statements and/or documentation. In some cases, the transaction were identified solely from a review of the July 15, 2014 New York State Board of Elections disclosure statement.

PAYEE	STATEMENT/ SCHEDULE/ TRANSACTION	PURPOSE CODE	INVOICE DATE	DATE PAID	AMOUNT
Staples	12/F/R0001373	OFFCE	09/16/13	09/16/13	\$109.39
Quansah, Priscilla	16/F/R0001500	CONSL	10/16/13	10/16/13	\$1,000.00
<b>Total</b>					<b>\$1,109.39</b>

### Previously Provided Recommendation

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

### Campaign's Response

In its Draft Audit Report response, the Campaign failed to provide documentation for the listed expenditures to Staples or Priscilla Quansah.

In its response to the Notice of Alleged Violations, the Campaign did not dispute the above transactions.

### Board Action

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

### *Public Matching Funds Findings*

## 6. Return of Final Bank Balance

Campaigns are required to return excess public funds after the election. *See* Admin. Code § 3-710(2)(c); Rule 5-03(e). Public funds are only intended to be used for campaign expenditures, and not every campaign will use all of the public funds it received. This may occur when additional contributions were received or a campaign spent less than anticipated. To ensure that excess



public funds are not wasted, until excess public funds have been repaid the only disbursements allowed are those for the preceding election and routine post-election expenditures. Routine post-election expenditures are those involving nominal cost associated with winding up a campaign and responding to the post-election audit. *See* Rule 5-03(e)(2)(i), (ii).

The remaining balance in the Campaign's bank accounts was \$890.15, according to the Campaign's December 31, 2013 bank statement. Based on the activity reported by the Campaign and additional information obtained and reviewed in the course of this audit, the Campaign must return \$890.15 to the Public Fund as its final bank balance.

In response to the Draft Audit Report, the Campaign provided bank statements showing a December 31, 2014 balance of \$457.48.

### **Previously Provided Recommendation**

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

### **Campaign's Response**

The Campaign provided bank statements demonstrating that the bank balance as of October 31, 2014 was \$457.48. The Campaign has currently reported \$300.00 in outstanding liabilities.

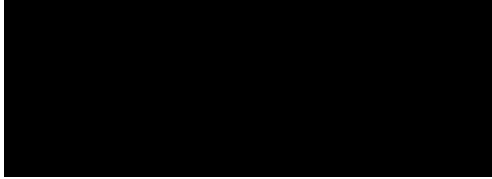
In its Notice of Alleged Violations response, the Campaign failed to provide any new bank statement or documentation showing new liabilities. The amount of the final bank balance is unchanged.

### **Board Action**

The Board determined that the Campaign must repay \$157.48 to the Public Fund.

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

Respectfully submitted,



signature on original

Jonnathon Kline, CFE

Director of Auditing and Accounting

Date: January 7, 2016

Staff: Hannah Golden

Christopher Cruzcosa, CFE

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

**Candidate:** Thomas, Sandra P (ID:1620-P)**Office:** 5 (City Council)**Election:** 2013

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1. Opening cash balance (All committees)		\$0.00
2. Total itemized monetary contributions (Sch ABC)		\$69,050.42
3. Total unitemized monetary contributions		\$0.00
4. Total in-kind contributions (Sch D)		\$2,735.00
5. Total unitemized in-kind contributions		\$0.00
6. Total other receipts (Sch E - excluding CFB payments)		\$5,610.31
7. Total unitemized other receipts		\$0.00
8. Total itemized expenditures (Sch F)		\$162,270.66
Expenditure payments	\$162,270.66	
Advance repayments	\$0.00	
9. Total unitemized expenditures		\$0.00
10. Total transfers-In (Sch G)		\$0.00
Type 1	\$0.00	
Type 2a	\$0.00	
Type 2b	\$0.00	
11. Total transfers-out (Sch H)		\$0.00
Type 1	\$0.00	
Type 2a	\$0.00	
Type 2b	\$0.00	
12. Total loans received (Sch I)		\$0.00
13. Total loan repayments (Sch J)		\$0.00
14. Total loans forgiven (Sch K)		\$0.00
15. Total liabilities forgiven (Sch K)		\$0.00
16. Total expenditures refunded (Sch L)		\$204.63
17. Total receipts adjustment (Sch M - excluding CFB repayments)		\$3,200.00
18. Total outstanding liabilities (Sch N - last statement submitted)		\$454.33
Outstanding Bills	\$454.33	
Outstanding Advances	\$0.00	
19. Total advanced amount (Sch X)		\$0.00
20. Net public fund payments from CFB		\$92,400.00
Total public funds payment	\$92,400.00	
Total public funds returned	\$0.00	
21. Total Valid Matchable Claims		\$20,046.00
22. Total Invalid Matchable Claims		\$2,815.00
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**  
**Sandra Thomas 2013**  
**Undocumented Joint Expenditures**  
**(see Finding #4a)**

# Saundra Thomas 2013

**Re: Joint Literature with Ken Thompson 2013, Letitia James and Eliot Spitzer**

Saundra Thomas 2013 had a joint palmcard with Ken Thompson, Letitia James and Eliot Spitzer that was printed by LG Printing and Graphics (Transaction ID 1365). The campaigns of Letitia James and Eliot Spitzer each paid \$2,500 to Saundra Thomas 2013 (Transaction IDs 1354 and 1355) for inclusion on the palmcard and joint field activities.

Saundra Thomas 2013 also purchased a palmcard the included the image of Bill deBlasio that was printed by LG Printing and Graphics (Transaction ID 1365) but the campaign did not seek repayment from, or engage in joint field activities with, the deBlasio campaign.

Check 1046 represents payment to LG Graphics for the cost of these joint palmcards as well as posters printed for Saundra Thomas 2013.

# LG Printing & Graphics

1196 E. 49<sup>th</sup> Street  
 Brooklyn, NY 11234  
 Phone: 917.864.8526  
 Fax: 718.758.1050  
 E-mail: [thm500@aol.com](mailto:thm500@aol.com)  
[www.yourinvitationplace.com/lgprinting](http://www.yourinvitationplace.com/lgprinting)

ID # 1364  
 1365

Invoice # 3093

Date: September 9, 2013

Terms COD / NET30

Contact

Tel.

Fax

*pd*  
*Check #1046*

To:  
 THOMAS 2013

Printing

B & W Copying

Color Copying

Typesetting

Bindery

QUANTITY	SIZE	ORIG.	INK	1/S 2/S	STOCK	FINISHING	\$ AMOUNT
5000	4.5x11	2	Full Color	1/S	100lb Coated Cover	Palm Card	\$ 475.00
5000	4.5x11	2	Full Color	1/S	100lb Coated Cover	Palm Card	\$ 475.00

\*SPECIAL INSTRUCTIONS:

SUB TOTAL \$ 950.00

TAX 83.31

TOTAL \$ 1034.31

DEPOSIT 0

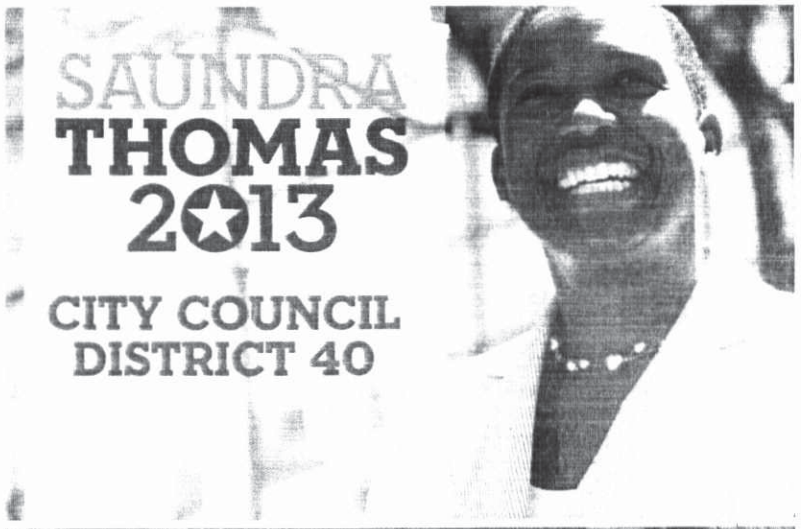
\$ 1034.31

Inspected & Received In Good Order x \_\_\_\_\_ Balance Due: \_\_\_\_\_

Resale/Tax Exempt Certificate# \_\_\_\_\_ P.O.# \_\_\_\_\_ Proof Accepted By \_\_\_\_\_

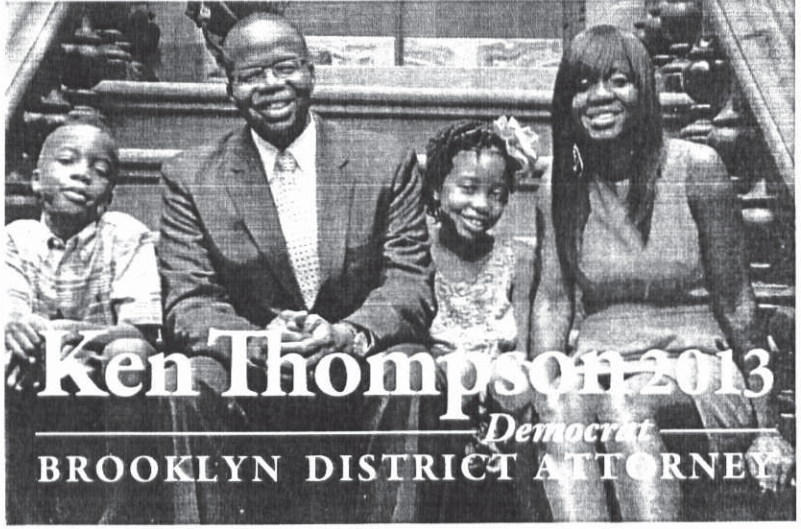
1364  
-----  
1365

NYCCFB 2014-01-31



**SAUNDRA  
THOMAS  
2013**

**CITY COUNCIL  
DISTRICT 40**



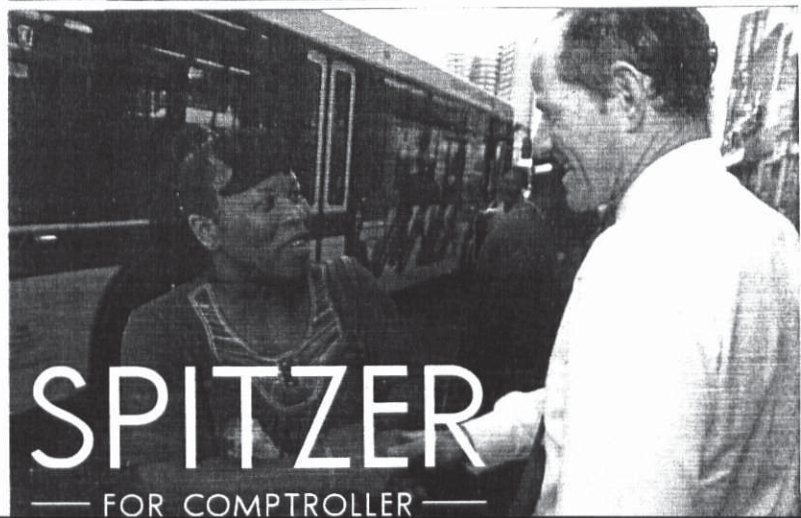
**Ken Thompson 2013**

*Democrat*  
**BROOKLYN DISTRICT ATTORNEY**



**LETITIA JAMES**

**PUBLIC ADVOCATE 2013**



**SPITZER**

**FOR COMPTROLLER**

**VOTE FIRST  
FOR:**

1364  

---

1365



**CITY COUNCIL  
SAUNDRA THOMAS**

**THEN PULL THE  
LEVER FOR:**



**COMPTROLLER  
ELIOT SPITZER**



**PUBLIC ADVOCATE  
LETICIA JAMES**



**DISTRICT ATTORNEY  
KEN THOMPSON**

**SAUNDRA  
THOMAS  
2013**



1364  
1365

WE NEED A REAL LEADER...  
**SAUNDRA THOMAS.**

**DAILY NEWS**

*Thomas "seems to have the confidence and financial resources. . ."*  
9/8/2013

**VOTE FIRST  
FOR:**

---

**CITY COUNCIL  
SAUNDRA THOMAS**

---

**THEN PULL THE  
LEVER FOR:**

---

**MAYOR  
BILL DE BLASIO**

---

**SAUNDRA  
THOMAS  
2013**



**Exhibit II**  
**Sandra Thomas 2013**  
**Undocumented Joint Expenditures**  
**(see Finding #4b)**

1370

# Saundra Thomas 2013

**Re: Joint Literature with Daniel Squadron and Ken Thompson**

Saundra Thomas 2013 had a joint palmcard with Daniel Squadron and Ken Thompson that was printed by Berlin Rosen (Transaction ID 1370). Each campaign directly paid \$500 to Berlin Rosen for its portion of the palmcard's cost.

1370

----- Forwarded message -----

From: **Lauren Popper Ellis** <laurenpopper@gmail.com>

Date: Mon, Sep 2, 2013 at 9:48 PM

Subject: Dimensions and payment details for Shared palmcards

To: [celeste@morrisallsop.com](mailto:celeste@morrisallsop.com)

Hi Celeste:

Here is the info:

*Artwork:* As discussed, I need artwork from you and the Ken Thompson campaign emailed to me at this address by noon tomorrow (Tuesday) that meets these requirements:

- Separate files for Front and Back
- Size: 4.25" wide x 3.67" high
- Color: 4/4
- File format: hi-res PDF with bleeds - We will need a file that is 4.75" wide x 4.17 high" – providing 0.25" of bleed all around, to be cropped down to 4.25" x 3.67". Campaign can provide same art for front and back – or separate – each campaign's separate decision.

**For payment:** I need checks made out to "Berlin Rosen" for \$500 from your campaign and the Ken Thompson campaign. I need these checks at our campaign office by noon tomorrow. We're at 310 Atlantic Avenue, #1 (between Smith and Hoyt) in Brooklyn.

**For delivery:** Please tell me what address you want the palmcards delivered to on Sunday 9/8. Thanks!

Please confirm you received this and we are set to get the checks and artwork tomorrow.

Lauren

# DANIEL <sup>1370</sup> SQUADRON

DEMOCRAT FOR PUBLIC ADVOCATE

Endorsed by

**The New York Times**

U.S. Senator  
**Chuck Schumer**

Boro President  
**Marty Markowitz**



## KEN THOMPSON

DOING BROOKLYN JUSTICE.

**K**en Thompson started out in public housing, the son of one of the first women beat cops, and grew up to become a federal prosecutor and civil rights attorney.

**As DA, Ken Thompson will give Brooklyn the justice we deserve:**

- ⚖️ Getting illegal guns off the streets
- ⚖️ Ensuring no more innocent people remain in jail because of the DA's mistakes
- ⚖️ Protecting workers from wage theft and exploitation

**AFTER 24 YEARS, IT'S TIME FOR A CHANGE. IT'S TIME FOR JUSTICE.**

**Ken Thompson 2013**  
*Democrat*  
BROOKLYN DISTRICT ATTORNEY



# VOTE SAUNDRA THOMAS 2013

**CITY COUNCIL  
DISTRICT 40**

LOOK FOR HER NAME IN COLUMN 2

**TOGETHER . . .  
FOR A BETTER TOMORROW**



# VOTE

## SAUNDRA THOMAS 2013

### CITY COUNCIL DISTRICT 40

LOOK FOR HER NAME IN COLUMN 2

**TOGETHER . . .  
FOR A BETTER TOMORROW**



# DANIEL SQUADRON

DEMOCRAT FOR PUBLIC ADVOCATE

Endorsed by

**The New York Times**

"We recommend Mr. Squadron, who ... helped pass tough gun laws [and] forced the Bloomberg administration to stop charging rent to homeless families"



# KEN THOMPSON

FOR BROOKLYN DISTRICT ATTORNEY



**Ken  
Thompson 2013**  
*Democrat*  
BROOKLYN DISTRICT ATTORNEY

ENDORSED BY CONGRESSMEMBERS:

Nydia Velazquez, Jerrold Nadler, Hakeem Jeffries,  
Yvette Clarke and Councilmember Brad Lander