



**New York City Campaign Finance Board**

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October 8, 2015

**By First Class Mail and C-ACCESS**

Robert M. Waterman



Avis J. Jones



Committee to Elect Robert M. Waterman  
207 Lewis Avenue  
Brooklyn, NY 11221

**FINAL BOARD DETERMINATION – EC2013 CAMPAIGN**

The New York City Campaign Finance Board (“Board”), at a meeting held on October 8, 2015, made the following final determination concerning the Robert M. Waterman 2013 Campaign (“Campaign”):

The Board determined that the Candidate, the Treasurer, and the Committee named above violated the New York City Campaign Finance Act (“Act”) and Board Rules and are jointly and severally liable for paying \$3,870 in penalties as follows:

1. A penalty of \$500 for failing to report an account used for campaign purposes. *See* Admin. Code §§ 3-703(1)(c), (d), (g), (6), (10), (11); Board Rules 1-11(d), 2-06, 4-01(f). The Campaign’s bank statements indicate that the Campaign used Paypal and Litle & Co. accounts that were not disclosed in the Campaign’s certification. The

**Candidate ID Number: 1209-P**

Campaign stated that the accounts were test accounts that were never used. However, the Campaign attempted to solicit credit card contributions via its website and ActBlue (the payment gateway for the Litle & Co. merchant account), as well as link the Campaign's bank account to the Litle & Co. and Paypal accounts. As such, it appears that the Campaign used or attempted to use the Litle & Co. and Paypal accounts that it did not disclose to the Board to solicit contributions.

2. A penalty of \$150 for failing to provide account statements. *See* Admin. Code §§ 3-703(1)(d), (g), (11); Board Rule 4-01(f). Following requests from the CFB staff, the Campaign failed to provide statements for its Paypal, Litle & Co. and ActBlue accounts.

3. A penalty of \$200 for failing to file daily pre-election disclosure statements. *See* Admin. Code §§ 3-703(6), (12), 3-708(8); Board Rules 1-09, 3-02(e). The Campaign did not file the required daily disclosures to report 11 transactions totaling \$45,493.74.

4. A penalty of \$275 for accepting contributions from corporations. *See* N.Y.C. Charter § 1052(a)(13); Admin. Code §§ 3-702(8), 3-703(1)(l); Board Rules 1-04(c)(1), (e), (g), 1-05.

On September 15, 2012, the Campaign accepted a \$100 cash contribution from 57 Old Timer's, Inc., a corporation listed in the New York Department of State's Business Entity Database (the "Database"). The CFB staff notified the Campaign that it had accepted a prohibited corporate contribution, but the Campaign did not refund the contribution until after the deadline set by the CFB staff.

The Campaign also accepted a prohibited corporate contribution of \$150 from Saint P.A.U.L.S., Inc. Following notification from the CFB staff, the Campaign promptly refunded the contribution on June 12, 2013.

5. A penalty of \$400 for failing to document in-kind contributions. *See* Admin. Code §§ 3-703(1)(d), (g), (11), (12), 3-715; Board Rules 1-09, 4-01(a), (c), (g), (k), 4-03. The Campaign made expenditures for a mailer, a flyer, a large outdoor banner, and a canvass walk list that do not appear in the Campaign's documentation or reporting. The Campaign stated that the Advance Group provided these goods and services, but it did not identify any corresponding reported transactions or provide documentation of payment for these expenditures. Absent such documentation, these expenditures constitute in-kind contributions that the Campaign has failed to document or report.

6. A penalty of \$200 for failing to document joint expenditures. *See* Admin. Code §§ 3-703(1)(d), (g), (11), (12), 3-715; Board Rules 1-09, 4-01(a), (c), (g), (k), 4-03.

The Advance Group, Inc. produced 5,000 door hangers featuring the Robert M. Waterman (the “Candidate”) and three other candidates. The invoice for the expenditure totals \$1,400 and, of this amount, \$700 was billed to the Campaign. However, the door hanger features all four candidates equally and states that it was paid for by each of the featured campaigns. As such, each campaign should have borne only one quarter of the total cost. Instead, the Campaign was billed for, and paid, half of the total cost. The Campaign therefore failed to document a cost allocation methodology consistent with the content of the door hanger.

The Campaign also made a separate election day joint expenditure with the 2013 Letitia James campaign, and the Campaign documented receipt of a \$1,500 payment from the James campaign. However, it failed to provide an invoice or any other documentation confirming that the payment was for a joint expenditure, the total cost of the joint expenditure, the campaigns involved, and a breakdown of costs apportioned to each campaign.

7. A penalty of \$500 for failing to report and document basic campaign functions. *See* Admin. Code §§ 3-702(8), 3-703(1)(d), (g), (6), (11), (12); Board Rules 1-02, 1-04(g), 1-08(a), (b), (c), (h), 1-09, 3-02, 3-03(e), 4-01. The Campaign’s office lease provided that it was responsible for arranging for and paying for all utility services, but the Campaign did not report any utilities expenditures.

8. A penalty of \$50 for making cash expenditures greater than \$100. *See* Board Rules 1-08(i) and 4-01(e)(2). Bank records indicate that the Campaign made two cash withdrawals totaling \$303.50 to make a cash expenditure on September 5, 2013.

9. A penalty of \$1,595 for failing to demonstrate that spending was in furtherance of the campaign. *See* Admin. Code §§ 3-702(21)(a), (b); 3-703(1)(d), (g), (6), (11); Board Rules 1-03(a), 4-01(e).

The Campaign made expenditures totaling \$3,040 to James Caldwell, but failed to provide contemporaneous documentation showing Caldwell’s rate of pay, time worked and specific duties.

The Campaign also made payments totaling \$31,342 to Jennifer Joseph. Of this amount, the Campaign stated, and provided documentation indicating, that \$28,000 was used to pay for campaign workers and other expenses on or shortly before primary election day. However, the Campaign failed to provide time sheets, underlying receipts or other records showing that the remaining \$3,342 paid to Joseph and reported as petitioning, petty cash and telephone banking expenditures were in furtherance of the Campaign.

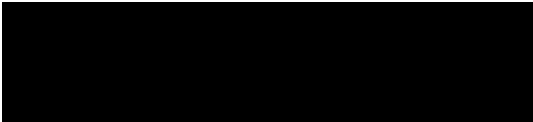
**The Board determined that the amount due is \$3,870.** You must pay to the Board the full amount due no later than **October 31, 2016**. Checks should be made payable to the “New York City Election Campaign Finance Fund,” and mailed to the attention of Ashley E. Siegel, Associate Counsel, New York City Campaign Finance Board, 100 Church Street, 12<sup>th</sup> Floor, New York, NY 10007 or delivered to the offices of the Board.

If the Board is not in receipt of the full \$3,870 by **October 31, 2016**, the candidate’s name and the unpaid amount will be posted on the Board’s Website and the Board may initiate a civil action against the Committee, the Candidate, and the Treasurer to compel payment. In addition, you will be ineligible for public funds in any future election until this debt is paid in full.

You may challenge this final determination, within four months, in the New York State Supreme Court pursuant to Article 78 of the Civil Practice Law and Rules.

If you need additional time to pay this amount or if you have any questions concerning this Final Board Determination, please contact Ashley E. Siegel, Associate Counsel, at (212) 409-1866 or [asiegel@nyccfb.info](mailto:asiegel@nyccfb.info).

Signature on Original



Sue Ellen Dodell  
General Counsel

**NEW YORK CITY  
CAMPAIGN FINANCE BOARD**

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