



Summary of Final Board Determination

Catherine Guerriero

Candidate, 2013, Public Advocate

Program participant; \$0 in public funds received

1. Failing to report a bank account used for campaign purposes \$250

Campaigns are required to establish and maintain a separate campaign bank account and to report all bank, merchant, and depository accounts used for campaign purposes. *See* Admin. Code §§ 3-703(1)(c), (d), (g), (6), (10), (11), 3-719(1); Board Rules 1-11(d), 2-06, 4-01(f). Campaigns are prohibited from commingling campaign funds with funds used for other purposes. *See* Board Rules 2-06(b), (e).

The Campaign's bank records indicate that an American Express merchant account was used for campaign purposes but not reported to the Board.

The Board assessed a penalty of \$250 for this violation.

2. Failing to provide bank and merchant account statements \$500

Campaigns are required to provide copies of all bank and merchant account statements for accounts used for each election. *See* Admin. Code §§ 3-703(1)(d), (g), (11), 3-719(1); Board Rule 4-01(f).

The Campaign failed to provide several monthly account statements for its JP Morgan Chase, Chase Paymentech, and American Express accounts.

The Board assessed a penalty of \$500 for these violations.

3. Failing to demonstrate compliance with subcontractor reporting and documentation requirements \$100

If a campaign makes an expenditure to a vendor that relied on subcontractors to provide the goods or services to the campaign, and the cost of the subcontracted goods or services provided by a single subcontractor exceeds \$5,000, the campaign must report, in addition to the expenditure, the name and address of the subcontractor, the amount(s) of the expenditure(s) to the subcontractor, and the purpose(s) of the subcontracting. The candidate must also obtain and maintain documentation from each vendor that used subcontractors. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (11), 3-719(1); Board Rules 3-03(e)(3), 4-01(h).

The Campaign reported \$16,119.80 in expenditures to Brown Miller Group and \$96,000 in expenditures to Marla Klinger Consulting. The Campaign failed to provide documentation from these vendors confirming whether or not they used subcontractors and if so, the identity of the subcontractors, the services they provided, and the cost of such services.



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The Board assessed a penalty of \$100 for these violations.

4. Accepting over-the-limit contributions \$3,847

Campaigns are prohibited from accepting contributions in excess of the applicable contribution limit (\$4,950 for 2013 Public Advocate candidates). *See* Admin. Code §§ 3-702(8), 3-703(1)(f), (11), 3-719(2); Board Rules 1 04(c)(1), (h), 1-07(c). Candidates participating in the Campaign Finance Program (the “Program”) may contribute up to three times the contribution limit to their own campaign (\$14,850 for 2013 Public Advocate Candidates). *See* Admin. Code § 3-703(1)(h). A loan not repaid by the day of the election is considered a contribution subject to all applicable contribution limits. *See* Admin. Code § 3-702(8); Rules 1-05(a), (j).

The Campaign accepted two contributions totaling \$600 plus a \$30,000 loan from an individual. Because the loan was not repaid before the election, it constitutes a contribution that exceeds the contribution limit. In addition, the candidate loaned the Campaign \$52,000, which exceeds the contribution limit by \$37,150.

The Board assessed a penalty of \$3,847 for these violations. The penalty is comprised of \$3,847 for unrepaid loan and no penalty for candidate’s personal post-election payments to staff.

5. Accepting an over-the-limit doing business contribution \$250

Campaigns may not accept contributions in excess of the “doing business” contribution limits (\$400 for 2013 Public Advocate candidates) from individuals or entities that have business dealings with the City. *See* Admin. Code §§ 3-702(8), (18), (20), 3-703 (1-a), (1-b), 3-719(2); Board Rules 1 04(c)(1), (h).

The Campaign accepted a contribution in excess of the doing business limit and refunded the over-the-limit portion after the deadline.

The Board assessed a penalty of \$250 for this violation.

6. Accepting a contribution from a limited liability partnership No penalty

Campaigns may not accept, either directly or by transfer, a campaign contribution or loan, or guarantee or other security for such loan, from any corporation, limited liability company (LLC), partnership or limited liability partnership (LLP). *See* N.Y.C. Charter § 1052(a)(13); Admin. Code §§ 3 702(8), 3-703(1)(l), 3-719(2)(b); Board Rules 1-04(c)(1), (e), (g), 1-05.

The Campaign accepted a \$500 contribution from Subin Associates, LLP and timely refunded the contribution.

The Board did not assess a penalty for this violation.



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7. Late response to the Draft Audit Report \$592

Campaigns are required to maintain records, such as copies of checks, invoices, and bank records, to verify financial transactions reported in disclosure statements, and campaigns are required to provide such records to the Board upon request and to respond to specific questions regarding compliance with the Act and Rules. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (11), (12), 3-708(5), 3-710(1), 3-719(1)(b); Board Rules 1-09(a), 4-01, 4 05(a). The Campaign responded to the Draft Audit Report twenty-nine days after the deadline.

The Campaign did not request an extension of its Draft Audit Report deadline until twenty-nine days after the deadline.

The Board assessed a penalty of \$592 for this violation.