



Summary of Final Board Determination

Sidique Wai

Candidate, 2013, Public Advocate

Program participant: \$0 in public funds received

1. Failing to provide merchant account statements \$317

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); Board Rule 4-01(f).

The Campaign failed to provide merchant account statements for its First Data and Democracy Engine merchant accounts, and failed to disclose its Democracy Engine account.

The Board assessed a penalty of \$317 for these violations.

2. Accepting over-the-limit contributions \$3,333

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); Board Rules 1-04(c)(1), (h), 1-07(c). Outstanding liabilities that are forgiven or settled for less than the amount owed are also considered contributions. *See* Board Rules 1-04(g)(4), (5). A loan not repaid by the day of the election is considered a contribution subject to the contribution limit. Loans that are forgiven or settled for less than the amount owed are also considered contributions. *See* Admin. Code § 3-702(8); Board Rules 1-05(a), (b), (j).

The Campaign reported a liability to O&B Enterprises in the amount of \$16,000. The Campaign did not report the liability as still outstanding in subsequent statements and did not report or document payment of the liability. Therefore, the liability was forgiven by O&B and constitutes an in-kind contribution that exceeds the contribution limit by \$11,050.

The Campaign received \$350 in monetary contributions from an individual, as well as \$8,000 in loans. These loans were not repaid by the date of the 2013 primary election and are therefore in-kind contributions to the Campaign that exceed the contribution limit by \$3,400.

The Board assessed a penalty of \$3,333 for these violations.



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3. Accepting contributions from corporations or limited liability companies \$1,371

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), or partnership. *See* N.Y.C. Charter § 1052(a)(13); Admin. Code §§ 3-702(8), 3-703(1)(1); Board Rules 1-04(c)(1), (e), (g), 1-05. Creditors who extend credit beyond 90 days are considered to have made a contribution equal to the credit extended, unless the creditor continues to seek payment of the debt. Outstanding liabilities that are forgiven or settled for less than the amount owed are also considered contributions. *See* Board Rules 1-04(g)(4), (5).

The Campaign reported a liability of \$800 to Sykes Global Communications (“SGC”), a corporation. The Campaign did not report the liability as still outstanding in subsequent statements and did not report or document payment of the liability. Therefore, the liability was forgiven by SGC and constitutes a prohibited corporate in-kind contribution.

The Campaign reported liabilities of \$309.84 to Democracy Engine, a corporation, but payment for these expenditures does not appear in the Campaign bank records. Therefore, these liabilities were forgiven by Democracy Engine and constitute prohibited corporate in-kind contributions.

The Campaign received a \$300 contribution from Americold, Inc.

The Board assessed a penalty of \$1,371 for these violations.

4. Failing to demonstrate compliance with intermediary reporting and documentation requests No Penalty

Campaigns are required to report the intermediary for each contribution that was delivered or solicited by an intermediary. In addition, campaigns are required to provide a signed intermediary affirmation statement for each intermediated contribution. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (11); Board Rules 3-03(c)(7), 4-01(b)(5).

The Campaign indicated that an individual collected and delivered \$400 in contributions to the Campaign. However, the Campaign failed to report that the contributions were intermediated, or provide an intermediary affirmation statement from intermediary.

The Board did not assess a penalty for this violation.



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5. Failing to document loans \$102

Campaigns are required to document all financial transactions, including loans, in-kind contributions, and 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 Campaign reported receiving loans of \$5,000 and \$3,000 from an individual, but failed to submit signed loan agreements.

The Board assessed a penalty of \$102 for these violations.

6. Converting campaign funds to a personal use \$733

Campaigns are prohibited from converting campaign funds to a personal use. *See* Admin. Code §§ 3-702(21)(b); Board Rules 1-03(a), 2-02. Expenditures to defray the normal living expenses of the Candidate are not in furtherance of the campaign. *See* Admin. Code § 3-702(21)(b)(1).

From January 2014 through October 2014, the Campaign used campaign funds to make \$488.87 in payments to T-Mobile. Based on the timing of the expenditures, well after the 2013 primary election, these expenditures constituted a conversion of campaign funds to a personal use.

The Board assessed a penalty of \$733 for this violation.

7. Failing to demonstrate that spending was in furtherance of the campaign. No Penalty

Campaigns are required to demonstrate that all spending was in furtherance of the campaign. *See* Admin. Code §§ 3-702(8), (21)(a), (b); 3-703(1)(d), (g), (6), (11); Board Rules 1-03(a), 4-01(e).

The Campaign's bank records indicate that it made ATM withdrawals, totaling \$160, in April and August 2014. Based on the fact that the withdrawals occurred well after the 2013 primary election, these transactions were not in furtherance of the campaign.

The Board determined that this was a violation but did not assess a penalty.