



Summary of Final Board Determination

Marvin Holland

Candidate, EC2017, City Council District 9

Program participant: \$53,910 public funds received

Diane Holland, Treasurer of Holland4Harlem2017

The Board determined that the Campaign failed to comply with the Campaign Finance Act and Board rules, and assessed violations and penalties as detailed below.

1. Failing to report transactions \$4,623

Campaigns are required to report all financial transactions in disclosure statements filed according to the schedule provided by the Board. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (11), (12); Board Rules 1-09, 3-02, 3-03(a), (c), (d), (e), 4-01. Campaigns must itemize all expenditures greater than \$50 reported in disclosure statements. *See* Admin. Code §§ 3-703(1)(d), (6)(a); Board Rule 3-03(e).

The Campaign failed to report both credit and debit transactions totaling \$92,463.96, including \$82,434.41 in expenditures.

The Board assessed total penalties of \$4,623 for these violations.

2. Failing to document a transaction \$240

Campaigns are required to document all financial transactions. *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 failed to provide adequate documentation for an expenditure totaling \$4,809 to Century Direct LLC.

The Board assessed a penalty of \$240 for this violation.

3. Failing to demonstrate compliance with cash receipts reporting and documentation requirements \$117

Campaigns are required to report all cash receipts, deposit them into the bank account listed on the candidate's filer registration and/or certification within ten business days of receipt, and provide the deposit slips for the account to the Board. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (10), (11), (12); Board Rules 1-04(a), (b), 2-06(a), 3-03(c), 4-01(a), (b)(1), (3), (f).

The Campaign reported \$3,323 in cash receipts, but the deposit slips provided only account for \$2,854 in cash receipts, a difference of \$469. This constitutes a variance of 14.11% between the cash receipts reported and documented by the Campaign.

The Board assessed a penalty of \$117 for this violation.



Summary of Final Board Determination

4. Failing to demonstrate compliance with reporting requirements for receipts **\$1,000**

Campaigns are required to demonstrate compliance with reporting requirements and are required to provide bank records, including bank statements and deposit slips. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (11), (12); Board Rules 1-09, 3-03(c), (d), (e), 4-01.

The Campaign reported \$94,727 in receipts, but the bank statements it provided account for \$113,920.29 in receipts, a difference of \$19,193.29. This constitutes a variance of 20.26% between the receipts reported and documented by the Campaign.

The Board assessed a penalty of \$1,000 for this violation.

5. Failing to report transactions in daily pre-election disclosure statements **\$250**

All aggregate contributions and/or loans from a single source in excess of \$1,000, and all aggregate expenditures to a single vendor in excess of \$20,000, received or made within 14 days of an election, must be disclosed to the Board within 24 hours. *See* Admin. Code §§ 3-703(6), (12), 3-708(8); Board Rules 1-08(b), 1-09, 3-02(e).

The Campaign received a \$2,750 contribution on September 7, 2017, and two \$2,750 contributions on September 9, 2017, but failed to report these contributions in its daily disclosure statements.

The Board assessed total penalties of \$250 for these violations.

6. Failing to demonstrate that spending was in furtherance of the campaign **\$148**

Campaigns are required to demonstrate that all 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), 1-08(p), 4-01(e).

The Campaign made expenditures totaling \$594.42 that it failed to demonstrate were made in furtherance of the campaign.

The Board assessed total penalties of \$148 for these violations.

7. Making impermissible post-election expenditures **\$748**



Summary of Final Board Determination

After an election and before repaying leftover campaign funds to the Board, participants may spend campaign funds only to pay campaign-related expenses incurred in the preceding election and for “routine activities involving nominal cost associated with winding up a campaign and responding to the post-election audit.” *See* Admin. Code §§ 3-702 (21)(a)(8), 3-703(1)(d), (g), (6), (11), 3-710(2)(c); Board Rules 1-03(a), 1-08(b), 5-03(e)(2).

The Campaign made expenditures totaling \$2,999.30 after the date of the primary election that the Campaign did not demonstrate were either for the primary or for winding down the campaign.

The Board assessed total penalties of \$748 for these violations.

8. Failing to respond to the Initial Documentation Request and Draft Audit Report \$10,782

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 Board rules. *See* Admin. Code §§ 3-703(1)(d), (g), (6), (11), (12), 3-708(5), 3-710(1); Board Rules 1-09(a), 4-01, 4-05(a). Candidates who fail to respond to the Draft Audit Report may be subject to a penalty of up to 10% of total public funds received. *See* Admin. Code § 3-711(2)(b).

On March 16, 2018, CFB staff sent the Campaign its IDR. On April 23, 2018, CFB staff sent the Campaign a no response notice. The Campaign subsequently requested and received three extensions, totaling 64 days. On June 19, 2018, CFB staff sent the Campaign a second no response notice. The Campaign did not respond. On March 5, 2019, CFB staff sent the Campaign its DAR. On April 12, 2019, CFB staff sent the Campaign a no response notice. The Campaign did not submit a response to the DAR.

The Board assessed total penalties of \$10,782 for these violations.