



New York City Campaign Finance Board

100 Church Street, 12th Floor, New York, NY 10007

212.409.1800 | www.nycfb.info

Summary of Final Board Determination

Donovan J. Richards

Candidate, Council District 31 (2013A)

1. Accepting a contribution from a corporation, limited liability company, or partnership **\$100**

Campaigns may not accept, either directly or by transfer, any contribution, loan, guarantee, or other security for a loan from any corporation, partnership, limited liability partnership (LLP), or limited liability company (LLC). *See* N.Y.C. Charter §1052(a)(13); Admin. Code § 3-703(1)(l); Board Rules 1-04(c),(e). The Campaign accepted a prohibited \$100 corporate contribution from Scouts Entrepreneur. Upon notification by CFB staff, the Campaign promptly refunded the contribution.

The Board assessed a penalty of \$100 for this violation.

2. Accepting over-the-limit contributions **\$435**

Campaigns may not accept contributions from a single source in excess of the applicable contribution limit for an entire election cycle. *See* Admin. Code §§ 3-702(8), 3-703(1)(f), (11), (12); Board Rules 1-04(c)(1), 1-04(h), 1-07(c). The contribution limit for candidates in the 2013A special election was \$1,375. If a campaign accepts an over-the-limit contribution, it must return the excess portion to the contributor. *See* Board Rule 1-04(c)(1). The Campaign accepted aggregate contributions in excess of the applicable \$1,375 contribution limit from four contributors and promptly refunded the over-the-limit portions of the contributions after CFB notification.

The Board assessed a penalty of \$435 for this violation.

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

Campaigns must report all bank accounts, including merchant accounts, used for campaign purposes. *See* Board Rules 1-11(d), 2-01(a), 2-06(a). The Campaign reported and provided statements for a JP Morgan Chase checking account that showed nineteen deposits from a Litle & Co. account (Litle & Co. is a payment processor that specializes in online and card-not-present transactions). The Campaign did not report the Litle & Co. account to the CFB.

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

4. Failing to demonstrate compliance with cash receipts reporting and documentation requirements, resulting in a 17.16% cash deposit variance **\$260**

Campaigns are required to accurately report all cash receipts, deposit them into the bank account(s) listed on the candidate's filer registration form and/or Certification, and provide the deposit slips for the account(s) to the Board. *See* Admin. Code §§ 3-703(1)(d),(g), (6), (10); Board Rules 1-04(a), (b), 2-06(a), 3-03(c), 4-01(a), (b)(1), (f). A review of the Campaign's bank records and the information submitted indicates a 17.16% variance between reported cash receipts and deposit slips. Specifically, the Campaign reported \$5,028 in cash receipts, but submitted \$6,069.31 in deposit slips, resulting in a variance of \$1,041.31.

The Board assessed a penalty of \$260 for this violation.

5. Making an impermissible post-election expenditure **\$100**

After the election, campaigns may only make disbursements for the preceding election, or for limited, routine activities involving nominal cost associated with winding up a campaign and responding to the post-election audit. *See* Board Rule 5-03(e)(2). Campaigns have the burden of demonstrating that post-election expenditures were for the preceding election or were for such limited and routine activities associated with winding up the campaign. *See* Admin. Code §3-710(2)(c); Board Rule 5-03(e)(2). A review of the Campaign's bank statements revealed a \$150 payment that was an improper post-election expenditure due to its timing, amount, and/or purpose.

The Board assessed a penalty of \$100 for this violation.

6. Failing to document five transactions **\$100**

Campaigns are required to document all transactions, including contributions, expenditures, and refunds. *See* Admin. Code §§ 3-703(1)(d), (g), (11), (12), 3-715, 3-719(1)(b); Board Rules 1-09, 4-01(a), (c), (g), (k), 4-03. Campaigns are required to furnish such records to the Campaign Finance Board upon request. *See* Admin. Code §§ 3-703(1)(d), (g). The Campaign did not provide supporting documentation for five reported transactions, totaling \$2,205.

The Board assessed a penalty of \$100 for this violation.