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<u>Summary of Final Board Determination</u>#

Deborah Rose
Candidate, Election Cycle, Council District
Program participant: $188,642 in public funds received
Jillian Rose, Treasurer of Debi Rose 2017

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

1.	**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 failed to file the required daily disclosures to report a $2,500 contribution from Helen Rosenthal on October 25, 2017, and expenditures to Berlin Rosen totaling $25,630.87, from August 29 to September 5, 2017.

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

2.	**Failing to document transactions**	**Violation, no penalty**

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. 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). In-kind contributions include goods or services donated to a candidate free of charge or at a special discount not available to others. *See* Admin. Code § 3-702(8); Board Rule 1-02.

The Campaign provided an invoice from Thomas Good dated August 31, 2017 stating that labor costs were donated, but did not report or document a related in-kind contribution.

The Campaign reported and subsequently deleted a $131.94 expenditure to Romeos Pizza on September 11, 2017. Documentation provided by the Campaign indicates that the expenditure was initially declined, but ultimately paid using a credit card not associated with the Campaign. The Campaign thus accepted an unreported, undocumented in-kind contribution from the third party who paid for the expenditure.

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New York City Campaign Finance Board
100 Church Street, 12th Floor, New York, NY 10007
212.409.1800 | www.nyccfb.info #

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The Campaign provided a contract with Alexis Sfikas stating that the employee would be paid $750 per week from August 27, 2017-November 7, 2017, for a total of $7,821.43. However, the Campaign reported payments to Sfikas totaling $7,500. The unpaid amount constitutes an undocumented in-kind contribution.

The Board found the campaign in violation but assessed no penalty for these violations.

3.   Accepting an over-the-limit contribution $1,275

Campaigns are prohibited from accepting contributions (monetary or in-kind) in excess of the applicable contribution limit. *See* Admin. Code §§ 3-702(8), 3-703(1)(f), (11); Board Rules 1-04(c)(1), (h), 1-07(c). In-kind contributions include goods or services donated to a candidate free of charge or at a special discount not available to others. *See* Admin. Code § 3-702(8); Board Rule 1-02. 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 provided a contract with its Treasurer stating that she would be paid $450 per month for 14 months during the pre-election period for a total of $6,300. However, the Campaign reported payments to the Treasurer totaling only $2,700 for the pre-election period. The Campaign thus underpaid the Treasurer by $3,600, which constitutes an over-the-limit contribution from the Treasurer. The contribution exceeds the limit by $850 ($3,600 - $2,750).

The board assessed a penalty of $1,275 for this violation.

4.   Accepting contributions from corporations, limited liability $618
**   companies, or partnerships**

Campaigns are prohibited from accepting contributions (monetary or in-kind) in excess of the applicable contribution limit. *See* Admin. Code §§ 3-702(8), 3-703(1)(f), (11); Board Rules 1-04(c)(1), (h), 1-07(c). In-kind contributions include goods or services donated to a candidate free of charge or at a special discount not available to others. *See* Admin. Code § 3-702(8); Board Rule 1-02. 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 provided an invoice for a $256.62 expenditure to a corporation registered in New York on September 7, 2017, reflecting a $100 "Discount and Paypal" deduction. In its response to the DAR, the Campaign provided an updated invoice that excluded the line item for the discount, but reduced the cost of another item ("Setup and Reports Survey") by $100 without an explanation. The invoice total remained the same. Accordingly, the Campaign has not

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accounted for the discount reflected in the original invoice, indicating that the vendor made an undocumented in-kind contribution in the form of a discount not available to the general public.

The Campaign received a $18.50 discount from Moretti Bakery, a corporation registered in New York. The discount is considered an in-kind contribution. The Campaign provided a copy of a check submitted to the vendor for $18.50 and amended its reporting to reflect the full amount owed as an outstanding liability. However, the Campaign did not demonstrate that the check cleared its bank account.

The Board assessed total penalties of $618 for these violations.

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