



## Summary of Final Board Determination

### **Ritchie J. Torres**

**Candidate, 2017, City Council District 15**

**Program participant: \$0 in public funds received**

**Romina Enea, Treasurer of Friends of Ritchie Torres**

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

**1. Failing to disclose a political committee \$100**

Campaigns are required to disclose to the Board the existence of all currently active political committees and committee bank accounts. *See* Admin. Code §§ 3-703(1)(d), (e), (g), (6), (11), (12); Board Rules 1-08(c), 1-11, 2-01, 4-01.

The New York State Board of Elections (“BOE”) website indicates that Friends of Torres is an authorized, active committee. However, the Candidate did not disclose this committee on the Campaign’s Certification.

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

**2. Accepting an over-the-limit contribution \$125**

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).

The Campaign accepted and untimely refunded contributions totaling \$3,000 (\$250 over the limit) from an individual on November 28, 2015 and July 11, 2017.

The Board assessed a penalty of \$125 for this violation.

**3. Accepting contributions from corporations, limited liability companies, or partnerships \$250**

Campaigns may not accept a campaign contribution 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)(l); Board Rules 1-04(c)(1), (e), (g), 1-05.

The Campaign accepted and untimely refunded a \$50 contribution on July 1, 2015 from Tuff City Tattoos.



## Summary of Final Board Determination

The Campaign accepted and untimely refunded a \$250 contribution on October 14, 2015 from Yates Productions Inc.

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

### **4. Accepting contributions from unregistered political committees \$1,000**

Campaigns may not accept a contribution from a political committee unless the political committee is registered with the CFB or registers with the CFB within 10 days of receipt of the contribution. *See* Admin. Code §§ 3-702(11), 3-703(1)(k), 3-707; Board Rules 1-04(c)(1), (d), (g), 1-05.

The Campaign accepted and untimely refunded contributions from five unregistered political committees.

The Board assessed total penalties of \$1,000 for these violations.

### **5. Failing to document a transaction \$50**

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 did not provide documentation for a \$500 debit from its TD Bank account on April 27, 2015.

The Board assessed a penalty of \$50 for this violation.

### **6. Submission of false or fictitious information \$3,500**

“The intentional or knowing furnishing of any false or fictitious evidence, books or information to the board...or the inclusion in any evidence, books, or information so furnished of a misrepresentation of a material fact, or the falsifying or concealment of any evidence, books, or information relevant to any audit by the board or the intentional or knowing violation of any other provision of [the Act]...” shall subject the Campaign to penalties and the recovery of any public funds obtained. *See* Admin. Code § 3-711(3). Any candidate who violates any provision of the Act or Board rules is subject to a civil penalty not exceeding \$10,000 per violation. *See* Admin. Code § 3-711(1).

Campaigns must report to the CFB every contribution as well as the full name, residential address, occupation, employer, and business address of the contributor. *See* Admin. Code §3-703(6)(a); Rule 3-03(c). A contribution must be in the true name of the contributor. This means that contributors may not make contributions in the name of someone else, and contributors may not be reimbursed by someone else for their contributions. Campaigns may not knowingly receive



## **Summary of Final Board Determination**

or report contributions given in the name of someone other than the true contributor. *See* New York State Election Law §14-120.

Based on information provided by the Campaign and reported contributors, the Campaign's reporting of certain money order contributions cannot be relied upon. The Campaign failed to demonstrate that the reported contributors made 12 contributions, which were made through three sets of sequential money orders. The presence of sequential money order numbers totaling \$2,300 suggests that each set of money orders was purchased at the same time, and raises questions about the circumstances of their purchase. All of the money orders were purchased at least six days before the reported date of the contribution, with nine of the 12 money orders purchased several weeks before the reported date.

Four of the 12 contributors reported their employer as either Mount Carmel Wines or Domix Wines Inc. (both, "Domix"), which share an address and business affiliation. Additionally, two contributors reported their employers as neighboring businesses to Domix. The owner of Domix contributed \$250 to the Campaign, and also intermediated four \$10 contributions for the Candidate's 2013 campaign, including one from one of the contributors who works at Domix. The address listed on the owner of Domix's contribution card is the same as the reported address for another one of the contributors who works at Domix.

CFB staff contacted a number of the reported contributors. In these conversations, CFB staff learned that some of the contributions were made at fundraisers, and at least one of the contributions was delivered to the Campaign by an intermediary. Staff also learned that at least one of the money orders was purchased by pooling smaller contributions; therefore, the reported contributors may not have been the source of all the funds given to the Campaign in their name. One of the contributors recalled dropping off a money order at a wine store with his contribution card.

Additionally, CFB staff spoke with the owner of Domix, who stated that he had hosted parties to raise money for the Campaign. He stated that he had not purchased money orders for the contributions, and that, prior to or during the fundraisers, certain individuals had pooled their contributions in order to avoid paying the fees for multiple money orders.

The Campaign stated that the contributions were "received as a result of a house party," and that because all of the contributions were under \$500, the Campaign did not report the host as an intermediary. The Campaign denied any knowledge of the contributions being pooled. The Campaign stated that it intended to return the contributions, but did not provide documentation demonstrating that it refunded any of them.

The Campaign's statement that these contributions were received at a single house party is not consistent with the three dates on which the money orders were purchased, the owner of Domix's statements that he hosted multiple events, or the fact that Domix is associated with several contributors, including at least one who dropped off a contribution at the Domix store. Additionally, the Campaign did not explain the discrepancies between the dates of the money orders, the dates of the contribution cards, and the dates on which the contributions were reported as having been received. Lastly, the Campaign did not address the reported pooling of funds to purchase the money orders.



## **Summary of Final Board Determination**

The Board assessed total penalties of \$3,500 for these violations.

**7. Failing to demonstrate compliance with intermediary reporting and documentation requirements \$200**

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 §§ 3-702(12), 3-703(1)(d), (g), (6), (11); Board Rules 3-03(c)(7), 4-01(b)(5).

As detailed in Violation #6, the Campaign received 12 contributions totaling \$2,300 that appear to have been intermediated by one individual. The Campaign did not report the individual as an intermediary or provide an intermediary affirmation statement for him.

The Campaign reported a second individual as an intermediary for an event held on July 1, 2015 but did not submit an intermediary statement for him.

The Board assessed total penalties of \$200 for these violations.