



Summary of Final Board Determination

Antonio Reynoso

Candidate, EC2017, City Council District 34

Program participant: \$96,133 public funds received

Bix Ellenbecker, Treasurer of Re-Elect Antonio Reynoso

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 disclose a merchant account \$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 Campaign failed to disclose its Democracy Engine merchant account as part of its Certification.

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

2. Failing to provide merchant account statements \$300

Campaigns are required to provide copies of bank, credit card, and merchant account statements for all accounts used for each election. *See* Admin. Code §§ 3-703(1)(d), (g), (11); Board Rule 3-03(f), 4-01(f)(1).

The Campaign failed to provide six statements each for its Authorize.net and CyberSource merchant accounts.

The Board assessed total penalties of \$300 for these violations.

3. Failing to demonstrate compliance with cash receipts reporting and documentation requirements \$510

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 \$5,197 in cash receipts, but the deposit slips provided account for \$7,238 in cash receipts, a difference of \$2,041. This constitutes a variance of 39.27% between the cash receipts reported and documented by the Campaign.

The Board assessed a penalty of \$510 for this violation.



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4. 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 for three expenditures to Red Horse Strategies totaling \$41,019.38, which occurred during the daily pre-election disclosure period leading up to the primary election.

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

5. Accepting over-the-limit contributions \$1,800

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), (1-a), (1-b), (11); Board Rules 1-04(c)(1), (h), 1-07(c). In addition, campaigns may not accept contributions in excess of the “doing business” contribution limits from individuals or entities that have business dealings with the City: \$250 (for candidates for City Council). *See* Admin. Code §§ 3-702(8), (18), (20), 3-703 (1-a), (1-b); Board Rules 1-04(c)(1), (h).

The Campaign accepted over-the-limit contributions, totaling \$925, from six individuals listed in the Doing Business Database.

The Board assessed total penalties of \$1,800 for these violations.

6. Accepting contributions from corporations and limited liability companies \$815

Campaigns may not accept a 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. 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 accepted and failed to timely refund two prohibited contributions. The Campaign also accepted and failed to refund an in-kind contribution from TruCorps, a limited liability company.

The Board assessed total penalties of \$815 for these violations.



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7. Accepting contributions from unregistered political committees \$125

Campaigns may not accept a contribution (monetary or in-kind) 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 failed to timely refund a \$100 contribution from Friends of Dell Smitherman, a political committee not registered with the Board.

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

8. Failing to demonstrate that spending was in furtherance of the campaign Violation; No Penalty

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 an expenditure totaling \$750 that it failed to demonstrate was in furtherance of the campaign.

The Board assessed a violation but no penalty for this violation.

9. Making impermissible post-election expenditures \$849

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 impermissible post-election expenditures totaling \$3,399.

The Board assessed total penalties of \$849 for these violations.