



## Summary of Final Board Determination

### Helal Sheikh

Candidate, EC2017, City Council District 32

Program participant: \$97,170 public funds received

Hifzur Rahman, Treasurer of Friends of Helal A. Sheikh

The Board determined that the Campaign substantially complied with the requirements of the Campaign Finance Act and Board rules, and assessed violations and penalties as detailed below.

#### **1. Failing to report a transaction in a daily pre-election disclosure statement \$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 disclosure to report a \$24,550 expenditure.

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

#### **2. Failing to document transactions \$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. 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 reported but failed to document three expenditures totaling \$644 to Dawat Restaurant therefore, these expenditures constitute an undocumented in-kind contribution.

The Board assessed total penalties of \$50 for these violations.

#### **3. Failing to demonstrate that spending was in furtherance of the campaign \$185**

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 reported a \$742.30 expenditure to the NYC Department of Finance that it failed to demonstrate was in furtherance of the campaign.

The Board assessed a penalty of \$185 for this violation.



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### **4. Making impermissible post-election expenditures \$586**

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 \$2,345.58 that, based on their timing and/or purpose, are impermissible post-election expenditures.

The Board assessed total penalties of \$586 for these violations.

### **5. Filing a late response to the Draft Audit Report \$500**

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).

The Campaign received the DAR on November 13, 2018, with a response deadline of December 14, 2018. The Campaign requested and received the maximum of three extensions totaling 61 days to respond to the DAR with a final deadline of February 13, 2019. The Campaign submitted a response of May 5, 2019, 82 days late.

The Board assessed a penalty of \$500 for this violation.