

STATE OF CONNECTICUT
STATE ELECTIONS ENFORCEMENT COMMISSION

Complaint of Zachary Sanders,
Hartford

File No. 2014-091

FINDINGS AND CONCLUSIONS

The Complainant filed this complaint with the Commission pursuant to General Statutes § 9-7b, alleging that a candidate committee for statewide office filed campaign finance statements that did not meet the reporting and disclosure requirements of campaign finance law.

After an investigation of the matter, the Commission makes the following findings and conclusions:

1. Complainant alleged that the campaign finance disclosure statements filed on January 10, April 10, July 10 and July 30, 2014 by *Denise Napier for State Treasurer 2014* (hereinafter "Committee") contained "numerous omissions of important requisite information."
2. Specifically, Complainant raised the following issues:
 - a. Expenditures listed on each financial statement were not accompanied by a "description" ;
 - b. *Descriptions* of expenditures, when included, "are woefully inadequate;" and,
 - c. Failure to adequately disclose expenditures.
3. Complainant asserted that failure by the Committee to adequately disclose expenditures made it impossible to determine if such expenditures were made "in accordance with applicable laws and regulations."
4. General Statutes § 9-608, provides in pertinent part:

(c) (1) Each statement filed under subsection (a), (e) or (f) of this section shall include, ***but not be limited to:*** (A) An itemized accounting of each contribution, if any, including the full name and complete address of each contributor and the amount of the contribution; (B) ***an itemized accounting of each expenditure, if any, including the full name and complete address of each payee, including secondary payees whenever the primary or principal payee is known to include charges which the primary payee has already paid or will pay directly to another person, vendor or entity, the amount and the purpose of the expenditure,*** the candidate supported or opposed by the expenditure, whether the expenditure is made independently of the candidate supported or is an in-kind contribution to the candidate, and a statement of the

balance on hand or deficit, as the case may be; (C) an itemized accounting of each expense incurred but not paid, provided if the expense is incurred by use of a credit card, the accounting shall include secondary payees, and the amount owed to each such payee; ... Each treasurer shall include in such statement (i) an itemized accounting of the receipts and expenditures relative to any testimonial affair held under the provisions of section 9-609 or any other fund-raising affair, which is referred to in subsection (b) of section 9-601a, and (ii) the date, location and a description of the affair, except that a treasurer shall not be required to include the name of any individual who has purchased items at a fund-raising affair or food at a town fair, county fair or similar mass gathering, if the cumulative value of items purchased by such individual does not exceed one hundred dollars, or the name of any individual who has donated food or beverages for a meeting. A treasurer shall not be required to report or retain any receipts or expenditures related to any de minimis donations described in subdivision (17) of subsection (b) of section 9-601a.
[Emphasis added.]

5. Upon investigation and thorough review of the Committee's *Itemized Campaign Finance Disclosure Statements* [SEEC Form 30] for the relevant time periods alleged by Complainant, the following findings can be made:

April 10, 2014 Committee SEEC 30

- a. In Section N, "*Expenses Paid by Committee*," a January 23, 2014 expenditure in the amount of \$1,392.72 for a fundraiser at Arch Street Tavern in Hartford was reported. The purpose was coded FNDR (fundraiser) and the "description" text box was left blank. The entry included the facility location and street address.
- b. In Section R, "*Itemization of Reimbursements to Committee Workers and Consultants*," a January 23, 2014 reimbursement to a named individual for an expenditure in the amount of \$10.64 incurred at "The Original Party Shop" was reported. The purpose was coded FNDR and the *description* text box was left blank.

July 10, 2014 Committee SEEC 30

- c. In Section N, an April 30, 2014 expenditure in the amount of \$400.00 for a fundraiser at "Tiago's Bar and Grill" in Bridgeport was reported. The purpose was coded FNDR and the *description* text box was left blank. The entry included the facility location and street address.

- d. In Section N, a May 5, 2014 expenditure in the amount of \$248.70 for a fundraiser at “Piatti Ristoranti” in Glastonbury was reported. The purpose was coded FNDR and the *description* text box was left blank. The entry included the facility location and street address.
 - e. In Section N, a June 2, 2014 expenditure in the amount of \$400.00 for a fundraiser at “Typhoon Restaurant” in Middletown was reported. The purpose was coded FNDR and the *description* text box was left blank. The entry included the facility location and street address.
 - f. In Section N, a June 6, 2014 expenditure in the amount of \$200.00 for a fundraiser at “Max Bibo’s” in Wethersfield was reported. The purpose was coded FNDR and the *description* text box was left blank. The entry included the facility location and street address.
 - g. In Section N, a June 11, 2014 expenditure in the amount of \$150.00 for a fundraiser at “Elks Lodge” in Hartford was reported. The purpose was coded FNDR and the *description* text box was left blank. The entry included the facility location and street address.
 - h. In Section N, a June 16, 2014 expenditure in the amount of \$397.92 for a fundraiser at “Elks Lodge” in Hartford was reported. The purpose was coded FNDR and the *description* text box was left blank. The entry included the facility location and street address.
 - i. In Section N, a June 26, 2014 expenditure in the amount of \$300.00 for a fundraiser at the home of “RJo Winch” in Hartford was reported. The purpose was coded FNDR and the *description* text box was left blank. The entry included the facility location and street address.
 - j. In Section R, a May 28, 2014 reimbursement to a named individual for an expenditure in the amount of \$127.60 incurred at “Buffalo Wild Wings” was reported. The purpose was coded FNDR and the *description* text box was left blank.
6. General Statutes § 9-608 (c) (1) requires the *itemization* of expenditures by a treasurer on campaign finance disclosure statements and mandates what financial statements “*shall include, but not be limited to.*” Plainly, that section is a non-exhaustive list of itemization requirements when filing campaign finance disclosure statements.
 7. The Commission has had occasion to further delineate the parameters and requirements for itemization when reporting expenditures on campaign finance disclosure statements. *See Complaint by Patricia Nere*, Guilford, File No. 2011-054. In *Nere* the Commission required the reporting of expenditure codes and descriptions of expenditures, while it declined to consider allegations pertaining to “messy and disorganized records” or financial statements that do not include physical receipts when filed with the respective repository. *See Id.*

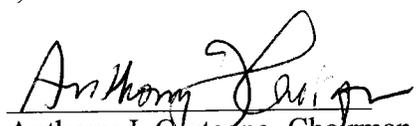
8. Further, the Commission in its publication *Instructions for SEEC Form 30 – Itemized Campaign Finance Statement*, revised as of January 2012, advises that the description text box should provide a brief description of the expenditure. Further, the instructions indicated that a *description* is “mandatory” when reporting a Fundraiser, a Gift or for “Miscellaneous” expenditures, providing that the last must explain *in narrative form, with sufficient clarity*, the purpose of the expenditure.
9. Finally, the Commission in its publication *Understanding Connecticut Campaign Finance Laws: A Guide for 2014 Statewide Office and General Assembly Candidates Participating in the Citizens’ Election Program*, revised as of March 2014, advises that the treasurer’s responsibility includes the filing of campaign finance disclosure statements and deems *accurate and timely* disclosure as “critical” to the administration of grants, programmatic oversight and ensuring goals of public transparency and accountability in the campaign finance system.
10. The Commission concludes based on the facts detailed in paragraphs 5 through 9 above that, while the best practice and Commission instructions mandate that the description text box be completed when using the code FNDR for fundraiser, that the Committee treasurer in this specific instance used *sufficient clarity* in reporting expenditures including the relevant facility locations and street address in each instance. Further, the Committee treasurer for each reimbursement to a committee worker detailed the time, purpose and amount of the expenditure for each named individual, the use of the description text box was not otherwise mandated under these circumstances.
11. The Commission for the reasons and circumstances described herein finds that the Committee treasurer with sufficient detail and clarity disclosed and itemized expenditures on the campaign finance statement that is subject of this complaint. Further, the Committee treasurer sufficiently detailed each expenditure reported so as to leave no doubt as to its purpose and to ensure public transparency and accountability in the campaign finance system.
12. The Commission concludes as detailed herein that the Committee and its treasurer were not in violation of General Statutes § 9-608 as pertains the filing of the Committee’s January 10, April 10, July 10 and July 30, 2014 campaign finance disclosure statements and therefore Complainant’s allegations are not supported by the evidence after investigation and are dismissed.
13. Finally, the Commission notes that this complaint and investigation was considered and incorporated within the Draft Audit Report for *Denise Nappier for State Treasurer 2014* that is also before the Commission for consideration and approval at its November 17, 2015 monthly Commission meeting.

ORDER

The following Order is recommended on the basis of the aforementioned findings:

That this complaint is dismissed.

Adopted this 17th day of November, 2015 at Hartford, Connecticut.


Anthony J. Castagno, Chairman
By Order of the Commission