



# STATE OF RHODE ISLAND BOARD OF ELECTIONS

## CAMPAIGN FINANCE AUDIT

LAUFTON A. ASCENCAO

CAMPAIGN FINANCE AUDIT



Audit Conducted By: Richard E. Thornton, Director of Campaign Finance

STATE OF RHODE ISLAND  
BOARD OF ELECTIONS

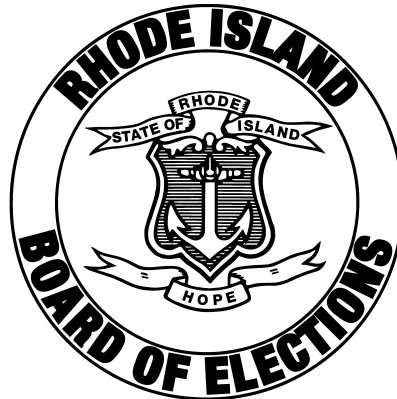
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**Laifton A. Ascencao**

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# **Laufton A. Ascencao**

## **INTRODUCTION**

### **Audit Authority**

Pursuant to Rhode Island General Law §17-25-5(a)(8), the Board of Elections is authorized to perform any duties that are necessary to implement the provisions of Chapter 25 of Title 17. Without limiting the generality of this provision, the Board is authorized and empowered to: Conduct compliance reviews and audits of campaign accounts as necessary, and in a manner consistent with the provisions of Chapter 25, Title 17.

### **Audit Purpose**

Campaign Finance audits assist the Board of Elections with enforcement of campaign finance laws, provides a tool to evaluate the effectiveness of those laws and the campaign finance reporting process, verifies the accuracy and propriety of campaign finance receipts and validity and legality of campaign finance expenses and helps provide timely and accurate information to the public.

Campaign Finance audits assist and encourage candidate compliance with campaign finance reporting laws and promotes candidate accountability and integrity.

## **Laufton A. Ascencao**

**Scope:** Review campaign finance reports and supporting documentation for the period June 1, 2018 through December 31, 2018.

**Methodology:** Review Contributions:

- Compare contributions received to bank statement deposits
- Compare contributions received to contributions reported on campaign finance reports
- Verify there are no prohibited contributions
- Verify contributions do not exceed aggregate annual limit

Review Expenditures:

- Compare expenditures made to bank statement checks/debits
- Compare expenditures made to expenditures reported on campaign finance reports
- Verify there are no prohibited uses of campaign funds
- Verify campaign expenditures are valid and legal.

**History:** On December 4, 2018, the Board requested an audit of Laufton A. Ascencao's ("Ascencao") campaign account pursuant to R.I.G.L. §17-25-5(a) for the period June 1, 2018 through December 31, 2018.

The audit was initiated following the discovery that Ascencao falsely claimed to have expended campaign funds to pay for a mailer supporting four (4) endorsed Town Council candidates and provided those candidates falsified documentation for the purpose of having each candidate report an in-kind contribution from Ascencao on their campaign finance reports.

On January 14, 2019, Ascencao submitted his campaign account bank statements for the periods requested.

**Findings #1:** The following are Findings from the Audit Review of Ascencao's campaign account:

- Six (6) contributions received totaling \$1,900 were reported in the Aggregate and not itemized to identify the Contributor's Name, Address and Place of Employment as required;

## **Laufton A. Ascencao**

- Accepted total Contributions of \$2,000 from one (1) individual, exceeding the statutory limit of \$1,000 per calendar year;
- Two (2) Contributions received totaling \$234.25 were not reported on any campaign finance reports filed;
- Cash Withdrawals and related withdrawal fees totaling \$945.75 had no supporting documentation to support or validate the purpose for the withdrawal;
- About \$600.00 in campaign expenditures were not reported on campaign finance reports filed;
- Food, Beverage & Meals and Travel expenses totaling \$2,794.53 had no supporting receipts to support or validate the explanation provided for the expense.

**Summary:** The Audit Review of Ascencao's campaign account for the period June 1, 2018 - December 31, 2018:

- Six (6) contributions received which were reported in the Aggregate and not itemized to identify the contributor as required;
- One (1) instance when total contributions received from an individual exceed the statutory limits;
- Two (2) contributions received which were not reported;
- Cash withdrawals with no supporting documentation;
- Food, Beverage & Meal and Travel expenses with no supporting receipts.

### **Auditee Response:**

Ascencao states that he "most definitely lost some receipts over the course of the campaign (mostly food purchases) for small purchases. The transaction log will list the POS." (Point of Sale).

**Findings #2:** The following are Findings from information provided on behalf of Sierra Club, related to campaign activity of Ascencao:

- Ascencao, in his capacity as Treasurer of the RI Chapter of Sierra Club, a position he held from January 2017 until December 2018, diverted or expended funds of Sierra Club to pay expenses related to his candidacy, to pay rent for the benefit of a RI-registered Political Action Committee (RI Working Families), and to pay expenses for a candidate related event sponsored by the same RI-registered Political Action Committee (RI Working Families):

## **Laufton A. Ascencao**

1. Unauthorized Checks Related to Ascencao's Campaign: \$9,300
2. Unauthorized Payment of Rent for the RI Working Families PAC: \$3,000
3. Unauthorized Payment of Expenses for RI Working Families PAC Candidate-Related Event: \$1,600

**Action:** Referral to the Office of Attorney General for additional investigation and determination.