

STATE OF RHODE ISLAND BOARD OF ELECTIONS

CAMPAIGN FINANCE AUDIT

JACY A. NORTHUP

CAMPAIGN FINANCE AUDIT



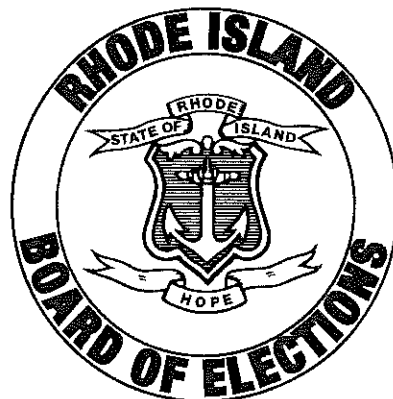
Audit Conducted By: Richard E. Thornton, Director of Campaign Finance

**STATE OF RHODE ISLAND
BOARD OF ELECTIONS**

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Jacy A. Northup

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Jacy A. Northup

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.

Jacy A. Northup

Scope: Review campaign finance reports and supporting documentation for the period June 1, 2020 through June 30, 2021.

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: In August 2021, the Board of Elections (“Board”) initiated an audit of the campaign account of Jacy A. Northup (“Northup”) pursuant to R.I.G.L. §17-25-5(a), due to Northup’s failure to submit a copy of her 2020 campaign bank account statement pursuant to R.I.G.L. §17-25-11(c)(2) and failure to file two (2) campaign finance reports, required pursuant to R.I.G.L. §17-25-11(c)(1).

On September 9, 2021, the Board received via subpoena served upon the bank of Northup’s campaign account, campaign depository account bank statements, bank deposits, and checks/money orders deposited into and checks written from the account, for the period June 1, 2020 through June 30, 2021.

Findings: The following are Findings of campaign finance violations discovered during the Audit Review of Northup’s campaign account and supporting documentation:

Jacy A. Northup

Contributions:

- A contribution/loan from Northup for \$192.83 was not disclosed on a campaign finance report in violation of R.I.G.L. §17-25-11. The contribution/loan was to be deposited into the campaign account on 04/01/2021 to refund the three (3) personal expenses made on 12/15/2020.

Expenditures:

- \$547.31 in campaign expenditures, representing ten (10) transactions, were not disclosed on a campaign finance report in violation of R.I.G.L. §17-25-11.
- \$192.83 was expended from the campaign account on 12/15/2020 for personal use in violation of R.I.G.L. §17-25-7.2. The account was fully refunded on 04/01/2021.

Summary: The Audit Review of Northup's campaign account and supporting documentation for the period June 1, 2020 through June 30, 2021 demonstrates:

- With one (1) exception, all campaign contributions received were properly disclosed.
- A total of ten (10) expenditures were not disclosed on campaign finance reports.
- Campaign funds were expended for personal use on three (3) occasions. The campaign account was fully refunded.
- Two (2) campaign finance reports were not filed.
- A copy of the 2020 campaign bank account statement was not submitted by Northup.

Auditee Response:

- Northup acknowledges she did not submit required forms and paperwork pertaining to her candidacy in the 2020 election.

Action:

Consent Order (to follow)

State of Rhode Island
Board of Elections

CONSENT ORDER

In Re: Jacy A. Northup

Jacy A. Northup ("Northup") hereby agrees to the entry of this Order and to each term and condition set forth herein:

1. At all times relevant hereto, Northup has been subject to the reporting requirements set forth in Title 17, Chapter 25 of the General Laws, pertaining to campaign contributions and expenditures.
2. In August 2021, the Board of Elections ("Board") initiated an audit of the campaign account of Northup due to Northup's failure to submit a copy of her 2020 campaign bank account statement in violation of R.I.G.L. §17-25-11(c)(2) and failure to file two (2) campaign finance reports in violation of R.I.G.L. §17-25-11(c)(1).
3. The Board conducted a full review of campaign finance reports, supporting documentation and bank records obtained via subpoena to verify the accuracy and propriety of campaign receipts and expenditures. The review determined the following:
 - With one (1) exception, all campaign contributions received were properly disclosed.
 - A total of ten (10) expenditures were not disclosed on campaign finance reports.
 - Campaign funds were expended for personal use on three (3) occasions; the campaign account was fully refunded.
 - A copy of the 2020 campaign bank account statement was not submitted.
4. Northup hereby acknowledges that she violated several provisions of Title 17, Chapter 25; and authorized the Board to complete her campaign finance reporting and dissolved her account.
5. Northup hereby waives her right to any further hearing before the Board, and her right to bring any legal challenge before any state or federal court and expressly

consents to a finding by the Board that her actions, as more fully described above, violate the reporting and compliance requirements of Title 17, Chapter 25.

6. Northup further consents to the entry of this Order and the imposition of a fine by the Board pursuant to R.I.G.L. §17-25-13(b), in the amount of \$300.00 to be paid personally by her; for violations of Title 17, Chapter 25.
7. Northup hereby agrees to make the following payment of fine to the Board:
 - 1) \$300.00 fine to be paid personally by Jacy A. Northup within sixty (60) days of the date the Consent Order is so entered.
8. Northup agrees to make the payment described above on or before the Due Date. In the event Northup fails to make the payment by the corresponding Due Date, the Board shall notify Northup both by U.S. Mail First Class and electronically at the residence and email address set forth below ("Delinquency Notice"). Northup shall be afforded ten (10) calendar days from the date of the Delinquency Notice to make the overdue payment. In the event the aforesaid payment is not made within the ten (10) day notice period, Northup agrees that the fine shall increase to \$600.00 which shall immediately become due and payable to the Board and that the Board shall refer the unpaid debt to the Department of Revenue-Central Collections Unit for collection. Northup consents to the personal jurisdiction and entry of this Order as a final judgment and waives any and all defenses that he may have to its enforcement.

The fines contained herein relate only to the violations identified in this Order and do not cover any violations not listed.

I, Jacy A. Northup, agree to each and every term set forth above and further agree to the entry of this Order.

Jacy A. Northup
Jacy A. Northup

9-20-2021
Date

So entered this 2nd day of November, 2021.

Diane Mederos
Diane Mederos, Chairwoman