



STATE OF RHODE ISLAND BOARD OF ELECTIONS

CAMPAIGN FINANCE AUDIT

ROBERT H. MORRIS, JR.

CAMPAIGN FINANCE AUDIT



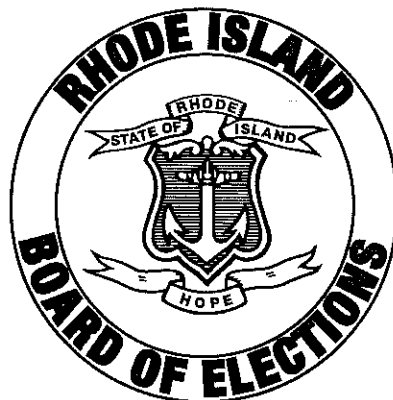
Audit Conducted By: Richard E. Thornton, Director of Campaign Finance

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BOARD OF ELECTIONS**

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Robert H. Morris, Jr.

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Robert H. Morris, Jr.

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.

Robert H. Morris, Jr.

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: Robert H. Morris, Jr. ("Morris"), a Democrat, ran unsuccessfully for Town Council in a 2007 special election; ran unsuccessfully for School Committee in 2008 and ran unsuccessfully for State Senator in 2020.

In August 2021, the Board of Elections ("Board") initiated an audit of the campaign account of Morris pursuant to R.I.G.L. §17-25-5(a), due to his failure to submit a copy of his 2020 campaign bank account statement pursuant to R.I.G.L. §17-25-11(c)(2).

On September 15, 2021, the Board received via subpoena served upon the bank of Morris' campaign account, campaign depository account bank statements for the period June 1, 2020 through June 30, 2021.

On December 16, 2021, the Board authorized the service of a subpoena upon Morris for his campaign bank account statements, to be delivered to the Board of Elections on February 28, 2022.

On March 8, 2022, the Board voted to schedule a show cause hearing on April 5, 2022, due to Morris's failure to deliver to the

Robert H. Morris, Jr.

Board of Elections the requested campaign bank account statements on February 28, 2022.

On April 5, 2022, the Board voted to continue the matter, provided Morris fully cooperated with the Board to file complete and accurate campaign finance reports and to respond to the audit findings by May 3, 2022.

Findings: The following are Findings of campaign finance violations discovered during the Audit Review of Morris' campaign account and supporting documentation:

Contributions:

- \$11,802.17 in loan proceeds/contributions were reported on campaign finance reports, but not disclosed on campaign bank account statements.
- \$8,620.00 deposited into the campaign bank account, including \$4,800.00 cash, but not reported on campaign finance reports; unable to identify the sources of cash deposited.
- \$2,300.00 aggregate contributions received from one individual in 2020.

Expenditures:

- \$7,294.99 in campaign expenditures, representing thirteen (13) transactions, were disclosed on campaign finance reports, but not expended from the campaign bank account.
- \$1,475.59 in expenditures, including \$250.00 cash withdrawal, representing sixteen (16) transactions, were expended from the campaign bank account, but not disclosed on campaign finance reports.

Other:

- A copy of the 2020 campaign bank account statement was not submitted.
- A separate campaign treasurer or deputy treasurer was not appointed as required, and as a result, an account certification was not filed for five (5) campaign finance reports.

Robert H. Morris, Jr.

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

- \$11,802.17 in loan proceeds/contributions were reported on campaign finance reports, but not disclosed on campaign bank account statements, in violation of R.I.G.L. §17-25-5.2.
- \$8,620.00 deposited into the campaign bank account, including \$4,800.00 cash, but not reported on campaign finance reports; unable to identify the sources of cash deposits, in violation of R.I.G.L. §17-25-11.
- \$2,300.00 aggregate contributions received from one individual in 2020, in violation of R.I.G.L. §17-25-10.1.
- \$7,294.99 in campaign expenditures, representing thirteen (13) transactions, were disclosed on campaign finance reports, but not expended from the campaign bank account, in violation of R.I.G.L. §17-25-5.2.
- \$1,475.59 in expenditures, including \$250.00 cash withdrawal, representing sixteen (16) transactions, were expended from the campaign bank account, but not disclosed on campaign finance reports, in violation of R.I.G.L. §17-25-11.
- A copy of the 2020 campaign bank account statement was not submitted, in violation of R.I.G.L. §17-25-11(c)(2).
- A separate campaign treasurer or deputy treasurer was not appointed as required, and as a result, an account certification was not filed for five (5) campaign finance reports, in violation of R.I.G.L. §17-25-11.2.

Auditee Response: Morris acknowledged he was not able to identify the sources of the cash contributions; accepted contributions from one individual which exceeded the annual aggregate contribution limit; failed to report all campaign contributions and expenditures on reports filed with the Board; made campaign expenditures from a non-campaign bank account; and did not appoint a separate treasurer or deputy treasurer.

Action: Consent Order (to follow)

State of Rhode Island
Board of Elections

CONSENT ORDER

In Re: Robert H. Morris, Jr.

Robert H. Morris, Jr. ("Morris") hereby agrees to the entry of this Order and to each statement, term and condition set forth herein:

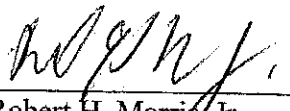
1. At all times relevant hereto, Morris has been subject to the reporting requirements set forth in Title 17, Chapter 25 of the General Laws, pertaining to campaign contributions and expenditures.
2. In August 2021, the RI Board of Elections ("Board") initiated an audit of Morris' campaign account due to his failure to submit a copy of his 2020 campaign bank account statement in violation of R.I.G.L. §17-25-11(c)(2).
3. In September 2021, the Board authorized the service of a subpoena upon the bank of Morris' campaign account, seeking account statements and supporting documentation for the period June 1, 2020 through June 30, 2021.
4. On December 16, 2021, the Board authorized the service of a subpoena upon Morris for his campaign bank account statements, to be delivered to the Board on February 28, 2022.
5. On March 8, 2022, the Board voted to schedule a show cause hearing on April 5, 2022, due to Morris's failure to deliver to the Board the requested campaign bank account statements on February 28, 2022.
6. On April 5, 2022, the Board voted to continue the matter, provided Morris fully cooperated with the Board to file complete and accurate campaign finance reports and to respond to the audit findings by May 3, 2022.

7. 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 audit determined the following:
 - \$11,802.17 in loan proceeds/contributions were reported on campaign finance reports, but not disclosed on campaign bank account statements, in violation of R.I.G.L. §17-25-5.2.
 - \$8,620.00 deposited into the campaign bank account, including \$4,800.00 cash, but not reported on campaign finance reports; unable to identify the sources of cash deposits, in violation of R.I.G.L. §17-25-11.
 - \$2,300.00 aggregate contributions received from one individual in 2020, in violation of R.I.G.L. §17-25-10.1.
 - \$7,294.99 in campaign expenditures, representing thirteen (13) transactions, were disclosed on campaign finance reports, but not expended from the campaign bank account, in violation of R.I.G.L. §17-25-5.2.
 - \$1,475.59 in expenditures, including \$250.00 cash withdrawal, representing sixteen (16) transactions, were expended from the campaign bank account, but not disclosed on campaign finance reports, in violation of R.I.G.L. §17-25-11.
 - A copy of the 2020 campaign bank account statement was not submitted, in violation of R.I.G.L. §17-25-11(c)(2).
 - A separate campaign treasurer or deputy treasurer was not appointed as required, and as a result, an account certification was not filed for five (5) campaign finance reports, in violation of R.I.G.L. §17-25-11.2.
8. Morris hereby acknowledges that he violated multiple provisions of Title 17, Chapter 25; and authorized the Board to amend his campaign finance reports for completeness and accuracy and to dissolve his account with the Board.
9. Morris hereby waives his right to any further hearing before the Board, and his right to bring any legal challenge before any state or federal court and expressly consents to a finding by the Board that his actions, as more fully described above, violate the reporting and compliance requirements of Title 17, Chapter 25.
10. Morris further consents to the entry of this Order; consents to the imposition of a civil fine by the Board pursuant to R.I.G.L. §17-25-13(b), in the amount of \$9,000.00 to be paid personally by him.
11. Morris hereby agrees to pay the \$9,000.00 fine to the Board according to the following schedule ("Due Date"):
 - \$3,000.00 due by December 31, 2022;
 - \$3,000.00 due by December 31, 2023; and
 - \$3,000.00 due by December 31, 2024.

12. Morris agrees to make the forfeiture and fine payments described above on or before the Due Date. In the event Morris fails to make a payment by the corresponding Due Date, the Board shall notify Morris both by U.S. Mail First Class and electronically at the residence and email address set forth below ("Delinquency Notice"). Morris 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, Morris agrees that the fine shall increase to \$18,000.00 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. Morris 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 fine contained herein relate only to the violations identified in this Order and do not cover any violations not listed.

I, Robert H. Morris, Jr., agree to each and every statement, term and condition set forth above and further agree to the entry of this Order.



Robert H. Morris, Jr.

4-13-22

Date

So entered this 9th day of May, 2022.



Diane Mederos, Chairwoman