

STATE OF RHODE ISLAND BOARD OF ELECTIONS

CAMPAIGN FINANCE AUDIT

IBEW LOCAL 2323 PAC

CAMPAIGN FINANCE AUDIT



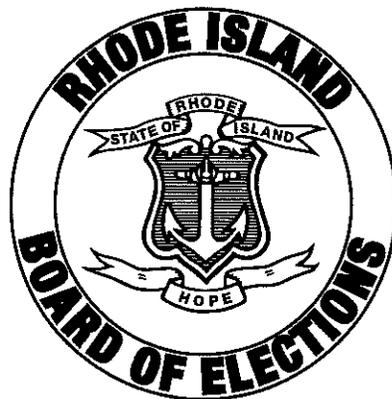
Audit Conducted By: Richard E. Thornton, Director of Campaign Finance

**STATE OF RHODE ISLAND
BOARD OF ELECTIONS**

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IBEW Local 2323 PAC

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IBEW Local 2323 PAC

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.

IBEW Local 2323 PAC

Scope: Review campaign finance reports and supporting documentation for the period January 1, 2017 through September 30, 2019.

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 campaign expenditures are valid and legal.
- Verify expenditures for political donations do not exceed aggregate annual limit.

History: On October 21, 2019, the Board of Elections (“Board”) initiated an audit of IBEW Local 2323 PAC (“IBEW”) pursuant to R.I.G.L. §17-25-5(a), following the discovery the IBEW may have violated R.I.G.L. §17-25-10.1(a)(1), specifically, making contributions to candidates, political action committee or political party committee that, in the aggregate, exceeded \$25,000 within a calendar year.

The Board requested the following items from the IBEW:

1. Copies of checks, money orders or like instruments received from all contributors;
2. A complete copy of deposit slips and validated bank receipts, with copies of payroll transactions, any related checks, money orders or like instruments within each deposit;
3. Bank statements issued by the depository of such funds showing the amounts on deposit, amounts withdrawn and copies of checks written from the account; and
4. Copies of receipts and invoices for expenditures made or incurred.

IBEW Local 2323 PAC

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

For 2017:

Contributions:

- Contributions received were accurately and completely reported on campaign finance reports.
- All contributions were legal and within statutory limits.

Expenditures:

- Expenditures were accurately and completely reported on campaign finance reports, except one (1) expenditure which was reported as paid to the incorrect payee.
- All campaign expenditures were valid and legal.
- Expenditures for political donations were within the statutory aggregate annual limit of \$25,000.

For 2018:

Contributions:

- Contributions received were accurately and completely reported on campaign finance reports.
- All contributions were legal and within statutory limits.

Expenditures:

- Expenditures were accurately and completely reported on campaign finance reports.
- All campaign expenditures were valid and legal.
- Expenditures for political donations exceeded the statutory aggregate annual limit of \$25,000 by \$3,500.

For 2019 (through 3Q):

Contributions:

- Contributions received were accurately and completely reported on campaign finance reports.

IBEW Local 2323 PAC

- All contributions were legal and within statutory limits.

Expenditures:

- Expenditures were accurately and completely reported on campaign finance reports.
- All campaign expenditures were valid and legal.
- Expenditures for political donations were within the statutory aggregate annual limit of \$25,000.

Summary: The Audit Review of the IBEW's campaign account and supporting documentation for the period January 1, 2017 through September 30, 2019 demonstrates:

- In all instances, contributions received were accurately and completely reported on campaign finance reports; and all contributions received were legal and within statutory limits.
- With one exception, expenditures were accurately and completely reported on campaign finance reports; and all campaign expenditures were valid and legal.
- For 2017 and through the 3rd Quarter of 2019, expenditures for political donations were within the statutory aggregate annual limit of \$25,000, but for 2018, expenditures for political donations exceeded the statutory aggregate annual limit of \$25,000, by \$3,500.

Auditee Response:

On addressing the Board's findings in their audit of local 2323's PAC, let me begin by apologizing for any lack of oversight that has caused this problem. Our committee, and my duties as treasurer, are part time positions and while some hard-learned experience has taught me the limits of individual contributions, I was not only unaware of a maximum aggregate annual contribution of \$25,000, but also not, until now, tallying all of our individual contributions and keeping eye on said limit. I appreciate the seriousness of this situation and can only say that the statute is clear enough, and I cannot think of a reason this matter would ever reoccur.

~Christopher Buffery

IBEW Local 2323 PAC

Action: Consent Order (as follows)

State of Rhode Island
Board of Elections

CONSENT ORDER

In Re: IBEW Local 2323 PAC

Christopher Buffery ("Buffery") hereby agrees to the entry of this Order and to each term and condition set forth herein:

1. On January 30, 2017, Mr. Buffery was appointed Chairman/Treasurer of IBEW Local 2323 PAC ("IBEW"), a political action committee registered with the State of RI Board of Elections ("Board").
2. At all times relevant hereto, the IBEW has been subject to the reporting requirements and statutory provisions set forth in Title 17, Chapter 25 of the General Laws, pertaining to campaign contributions and expenditures.
3. On October 21, 2019, the Board initiated an audit of the IBEW pursuant to R.I.G.L. §17-25-5(a), following the discovery the IBEW may have violated R.I.G.L. §17-25-10.1(a)(1), specifically, making contributions to candidates, political action committee or political party committee that, in the aggregate, exceeded \$25,000 within a calendar year.
4. The Board conducted a full review of campaign finance reports, supporting documentation and bank records for the period January 1, 2017 through September 30, 2019, to verify the accuracy and propriety of campaign receipts and expenditures and to verify expenditures for political donations did not exceed the aggregate annual limit.

5. The review determined the following:
 - In all instances, contributions received were accurately and completely reported on campaign finance reports; and all contributions received were legal and within statutory limits.
 - With one exception, expenditures were accurately and completely reported on campaign finance reports; and all campaign expenditures were valid and legal.
 - For 2017 and through the 3rd Quarter of 2019, expenditures for political donations were within the statutory aggregate annual limit of \$25,000, but for 2018, expenditures for political donations exceeded the statutory aggregate annual limit of \$25,000, by \$3,500.

6. Buffery hereby acknowledges that in his capacity as Chairman/Treasurer of the IBEW, he was responsible for ensuring IBEW complied with the reporting requirements and statutory provisions set forth in Title 17, Chapter 25, and for 2018, the IBEW exceeded the statutory aggregate annual limit of \$25,000 for political donations.

7. Mr. Buffery 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 its actions, as more fully described above, violate statutory provisions of Title 17, Chapter 25 of the General Laws.

8. Mr. Buffery further consents to the entry of this Order and the imposition of a fine in the amount of \$350.00 to be paid personally by him; for IBEW making expenditures for political donations in 2018 which exceeded the statutory aggregate annual limit of \$25,000, by \$3,500.

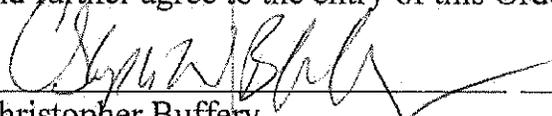
9. Mr. Buffery hereby agrees the fine in the amount of \$350.00 must be paid to the Board on or before March 31, 2020.

10. Mr. Buffery hereby agrees to make the payment described above on or before the Due Date. In the event Mr. Buffery fails to make the payment by the corresponding Due Date, the Board shall notify Mr. Buffery both by U.S. Mail First Class and electronically at the residence and email address set forth below ("Delinquency Notice").

Mr. Buffery 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, Mr. Buffery agrees that the entire amount 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. Mr. Buffery 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 relates only to the violations identified in this Order and do not cover any violations not listed.

I, Christopher Buffery, agree to each and every term set forth above and further agree to the entry of this Order.


Christopher Buffery _____ 11/22/2019
Date

So entered this 9th day of December, 2019.


Diane Mederos, Chairwoman