

STATE OF RHODE ISLAND BOARD OF ELECTIONS

CAMPAIGN FINANCE AUDIT

JACY A. NORTHUP

CAMPAIGN FINANCE AUDIT



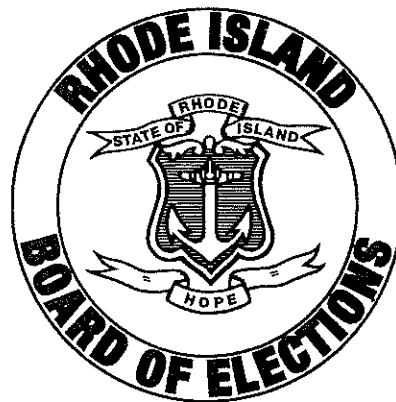
Audit Conducted By: Richard E. Thornton, Director of Campaign Finance

**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, 2022 through March 31, 2023.

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: Jacy A. Northup ("Northup"), ran unsuccessfully for Town Council (D) in South Kingstown in 2022; ran unsuccessfully for School Committee (I) in South Kingstown in 2020 and ran successfully for School Committee (I) in South Kingstown in 2018.

In May 2023, 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 2022 campaign bank account statement pursuant to R.I.G.L. §17-25-11(c)(2) and failure to file five (5) campaign finance reports, required pursuant to R.I.G.L. §17-25-11(c)(1).

On May 23, 2023, 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, 2022 through March 31, 2023.

Jacy A. Northup

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

Contributions:

- Loan Proceeds totaling \$242.00 from Northup were not disclosed on campaign finance reports in violation of R.I.G.L. §17-25-11.
- Individual contributions totaling \$450.00 were not disclosed on campaign finance reports in violation of R.I.G.L. §17-25-11.

Expenditures:

- Loan Repayment of \$200.00 to Northup was not disclosed on a campaign finance report in violation of R.I.G.L. §17-25-11.
- Campaign Expenditures totaling \$174.00, representing nine (8) transactions, were not disclosed on a campaign finance report in violation of R.I.G.L. §17-25-11.

Other:

- A copy of the December 2022 campaign bank account statement was not submitted by Northup in violation of R.I.G.L. §17-25-11(c)(2).
- Five (5) Campaign Finance reports were not filed in violation of R.I.G.L. § 17-25-11:
 - 2022 28 Days Before Primary
 - 2022 7 Days Before Primary
 - 2022 28 Days After Primary
 - 2022 On-Going Qrtly (4th)
 - 2023 On-Going Qrtly (1st)

Summary: The Audit Review of Northup's campaign account and supporting documentation for the period June 1, 2022 through March 31, 2023 demonstrates:

- Five (5) campaign finance reports were not filed, including four (4) reports due pre- and post-primary election 2022.
- Loan Proceeds and Individual Contributions totaling \$692.00 were not reported on a campaign finance report.
- Loan Repayment and Campaign Expenditures totaling \$374.00 were not reported on a campaign finance report.
- A copy of the December 2022 campaign bank account statement was not submitted by Northup.

Jacy A. Northup

Auditee Response:

- Northup stated her run in 2022 for South Kingstown Town Council was extremely last minute and under pressure. She experienced some health issues which she stated contributed to being out of compliance with her campaign finance reports. She also acknowledged she has a terrible life-long habit of procrastinating and leaving things in a pile.

Action:

On September 5, 2023, at a show cause hearing, the Board voted to hold Northup in contempt for failing to file her campaign finance reports for the 2022 election period.

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 May 2023, the Board of Elections (“Board”) initiated an audit of the campaign account of Northup due to her failure to submit a copy of her 2022 campaign bank account statement in violation of R.I.G.L. §17-25-11(c)(2) and failure to file five (5) 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:
 - Five (5) campaign finance reports were not filed, including four (4) campaign finance reports due pre- and post-primary election 2022, in violation of R.I.G.L. §17-25-11(c)(1).
 - Loan Proceeds and Individual Contributions totaling \$692.00 were not reported on a campaign finance report, in violation of R.I.G.L. §17-25-11.
 - Loan Repayment and Campaign Expenditures totaling \$374.00 were not reported on a campaign finance report, in violation of R.I.G.L. §17-25-11.
 - A copy of the December 2022 campaign bank account statement was not submitted by Northup, in violation of R.I.G.L. §17-25-11(c)(2).
4. Northup hereby acknowledges that she violated several provisions of Title 17, Chapter 25, as detailed in paragraph 3; and authorized the Board to complete her campaign finance reporting for the five (5) campaign finance reports that were delinquent.

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 in paragraph 3, violated the reporting and compliance requirements of Title 17, Chapter 25.
6. Northup further consents to the entry of this Order and consents to a forfeiture of campaign funds to the State of RI for unreported contributions pursuant to R.I.G.L. §17-25-16(a), in the amount of \$297.00 and consents to dissolve her account with the Board and submit a copy of the close-out bank statement.
7. 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.

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

9-7-2023
Date

So entered this 12th day of September, 2023.

Diane C Mederos
Diane Mederos, Chairwoman