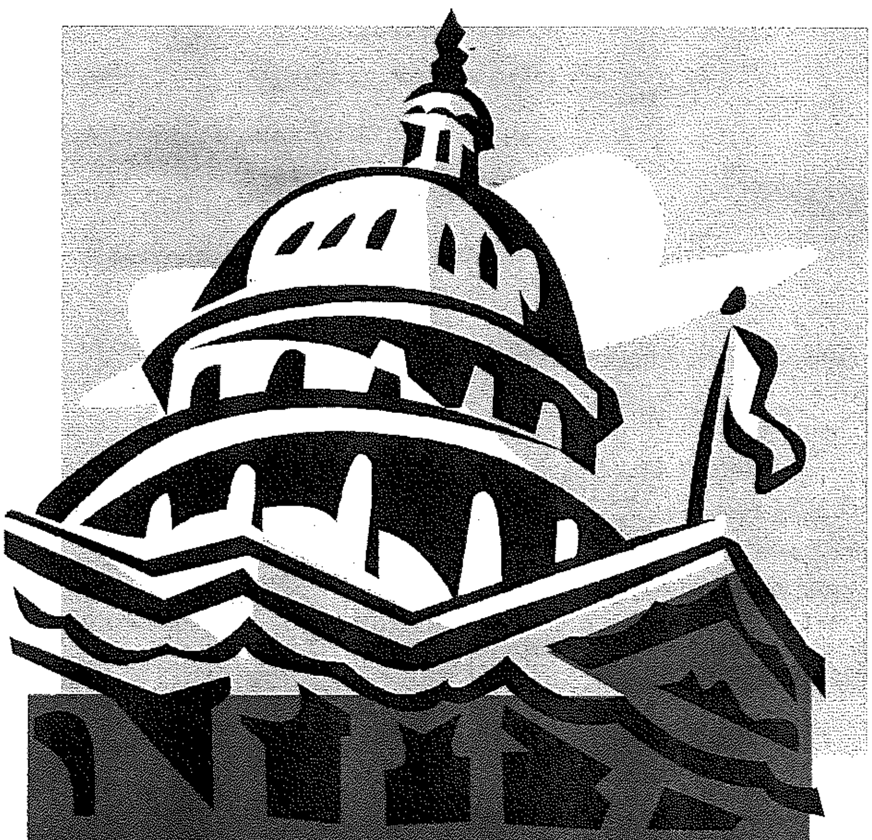
STATE OF RHODE ISLAND BOARD OF ELECTIONS

CAMPAIGN FINANCE AUDIT

CENTRAL FALLS FIREFIGHTERS LOCAL 1485 AFL-CIO



CAMPAIGN FINANCE AUDIT

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

STATE OF RHODE ISLAND
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Central Falls Firefighters Local 1485 AFL-CIO

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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.

Central Falls Firefighters Local 1485 AFL-CIO

Scope: Review campaign finance reports and supporting documentation for the period January 1, 2022 through December 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: In December 2023, the Board of Elections ("Board") initiated an audit of the campaign account of Central Falls Firefighters Local 1485 AFL-CIO ("PAC") pursuant to R.I.G.L. §17-25-5(a), due to its failure to file four (4) campaign finance reports, required pursuant to R.I.G.L. §17-25-11(a).

On January 4, 2024, the Board received via subpoena served upon the bank of the PAC's campaign account, campaign depository account bank statements, bank deposits, and checks written from the account, for the period January 1, 2022 through December 31, 2023.

Central Falls Firefighters Local 1485 AFL-CIO

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

Contributions:

- Aggregate-Individual Contributions totaling $1,800.00 were not disclosed on campaign finance reports, in violation of R.I.G.L. §17-25-11.
- Aggregate-Individual Contributions totaling $500.00 were misreported as Aggregate-PAC Contributions on a campaign finance report, in violation of R.I.G.L. §17-25-11.

Expenditures:

- 5 Campaign Expenditures totaling $1,250.00, consisting of Political Donations, were not disclosed on campaign finance reports, in violation of R.I.G.L. §17-25-11.

Other:

- Four (4) Campaign Finance reports were not filed in violation of R.I.G.L. § 17-25-11:
  - 2022 On-Going Qrtly (4th)
  - 2023 On-Going Qrtly (1st)
  - 2023 On-Going Qrtly (2nd)
  - 2023 On-Going Qrtly (3rd)

- A copy of the PAC's December 2021 and December 2022 campaign bank account statements were not submitted, in violation of R.I.G.L. §17-25-11(c)(2).

Central Falls Firefighters Local 1485 AFL-CIO

Summary: The Audit Review of the PAC's campaign account and supporting documentation for the period January 1, 2022 through December 31, 2023 demonstrates:

- Aggregate-Individual Contributions totaling $1,800.00 were not disclosed on campaign finance reports;
- Aggregate-Individual Contributions totaling $500.00 were misreported as Aggregate-PAC Contributions on a campaign finance report;
- 5 Campaign Expenditures totaling $1,250.00, consisting of Political Donations, were not disclosed on campaign finance reports; and
- A copy of the PAC's December 2021 and December 2022 campaign bank account statements were not submitted.

Auditee Response: Due to a large turnover amongst Local 1485 officers and PAC chairpersons in the past two years, campaign finance reporting fell behind.

Action: Consent Order (to follow)

State of Rhode Island
Board of Elections

CONSENT ORDER

In Re: Central Falls Firefighters Local 1485 AFL-CIO

John J. Garvey ("Garvey") hereby agrees to the entry of this Order and to each term and condition set forth herein:

1. John J. Garvey is Chairman and Treasurer of the Central Falls Firefighters Local 1485 AFL-CIO, a political action committee registered with the RI Board of Elections ("Board") since April 2003.

2. At all times relevant hereto, the Central Falls Firefighters Local 1485 AFL-CIO ("PAC") has been subject to the reporting requirements set forth in Title 17, Chapter 25 of the General Laws, pertaining to campaign contributions and expenditures.

3. Garvey acknowledges that he is ultimately solely and fully responsible for the activities of the PAC, including all reporting requirements and the payment of any and all fines assessed by the Board.

4. In December 2023, the Board of Elections ("Board") initiated an audit of the PAC's campaign account due to its failure to file four (4) campaign finance reports, in violation of R.I.G.L. §17-25-11(c)(1) and its failure to submit copies of its December 2021 and December 2022 campaign bank account statements, in violation R.I.G.L. §17-25-11(c)(2).

5. The Board conducted a full review of campaign finance reports, supporting documentation and bank records for the period January 1, 2022 through December 31, 2023, obtained via subpoena to verify the accuracy and propriety of campaign receipts and expenditures. The review determined the following:
   - Four (4) campaign finance reports were not filed, consisting of campaign finance reports due quarterly in 2002 and 2023, in violation of R.I.G.L. §17-25-11(c)(1).
   - Aggregate-Individual Contributions totaling $1,800.00 were not reported on a campaign finance report, in violation of R.I.G.L. §17-25-11.
   - Aggregate-Individual Contributions totaling $500.00 were misreported as Aggregate-PAC Contributions on a campaign finance report, in violation of R.I.G.L. §17-25-11.

- Campaign Expenditures totaling $1,250.00, consisting of Political Donations, were not reported on campaign finance reports, in violation of R.I.G.L. §17-25-11.

6. Garvey 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 in paragraph 5, violated the reporting and compliance requirements of Title 17, Chapter 25.

7. Garvey 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 $500.00 to be paid personally by him, $250.00 suspended on the condition that he submits monthly bank statements and documentation to the Board supporting the receipts and expenditures disclosed on the PAC's campaign finance reports, commencing with the 2024 On-Going Quarterly (1st) campaign finance report through the 2024 On-Going Quarterly (4th) campaign finance report; and consents to a forfeiture of PAC campaign funds to the Board pursuant to R.I.G.L. §17-25-16, in the amount of $500.00 for unreported campaign contributions.

8. Garvey hereby agrees to the following schedule for the forfeiture of PAC campaign funds and the payment of the fine assessed to him:
   - $500.00 forfeiture to be paid to the Board within thirty (30) days of the execution of this Consent Order.
   - $250.00 fine to be paid to the Board within sixty (60) days of the execution of this Consent Order.

9. Garvey agrees to make the fine and forfeiture payments described above on or before the Due Dates. In the event Garvey fails to make the fine and forfeiture payments by the corresponding Due Dates, the Board shall notify him both by U.S. Mail First Class and electronically at the residence and email address set forth below ("Delinquency Notice"). Garvey shall be afforded ten (10) calendar days from the date of the Delinquency Notice to make the overdue payment. In the event the aforesaid forfeiture payment is not made within the ten (10) day notice period, Garvey agrees that the forfeiture payment shall increase to $1,000.00 which shall immediately become due and payable to the Board. In the event the aforesaid fine payment is not made within the ten (10) day notice period, Garvey agrees that the fine payment shall increase to $500.00 which shall immediately become due and payable to the Board. Garvey 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 does not cover any violations not listed.

I, John J. Garvey, agree to each and every term set forth above and further agree to the entry of this Order.

John J. Garvey

Date 1/23/24

So entered this 5 day of March, 2024.

Jennifer L. Johnson, Chairwoman