



STATE OF RHODE ISLAND BOARD OF ELECTIONS

CAMPAIGN FINANCE AUDIT

NICHOLAS A. AUTIELLO II

CAMPAIGN FINANCE AUDIT



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

**STATE OF RHODE ISLAND
BOARD OF ELECTIONS**

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Nicholas A. Autiello II

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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.

Nicholas A. Autiello II

Scope: Review campaign finance reports and supporting documentation for the period October 1, 2017 through February 28, 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 there are no prohibited uses of campaign funds
- Verify campaign expenditures are valid and legal.

History: In September 2019, the Board initiated an audit of the campaign account of Nicholas A. Autiello II ("Autiello") pursuant to R.I.G.L. §17-25-5(a), due to Autiello's failure to file a copy of his campaign account bank statement pursuant to R.I.G.L. §17-25-11(c)(2).

The audit covered the period October 1, 2017, when the campaign account was opened, through February 28, 2019, when the bank charged off his overdraft.

On September 17, 2019, the Board issued a subpoena to Autiello's bank of account, compelling production of campaign depository account bank statements, bank deposits, and checks/money orders deposited into and checks written from the account, for the period October 1, 2017 through February 28, 2019.

On September 27, 2019, Autiello provided a contribution transaction history (ActBlue) to detail all contributions received on-line.

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

Contributions:

From total contributions received of approximately \$80,000.00:

- \$455.00 in contributions received were not reported on any campaign finance report.

Expenditures:

From total expenditures of approximately \$80,000.00:

- \$2,879.40 in expenditures were reported on campaign finance reports when no such expenditures existed;
- \$2,562.15 in expenditures were incurred which were not reported on any campaign finance report; and
- \$300.00 check payable to Autiello with memo notation "mistaken transfer" when no evidence a transfer had occurred.

Disclosures:

- For 2018, Autiello failed to file a copy of his campaign account bank statement pursuant to R.I.G.L. §17-25-11(c)(2).
- For 2017 and 2018, the campaign deputy treasurer failed to file an Account Certification for each of six (6) campaign finance reports pursuant to R.I.G.L. §17-25-11.2(a).

Summary: The Audit Review of Autiello's campaign account and supporting documentation for the period October 1, 2017 – February 28, 2019 demonstrates:

- All campaign contributions received were from allowable sources and were within the statutory limit.
- Contributions were properly reported on campaign finance reports, with the exception of \$455.00 in contributions received which were not reported.
- Campaign expenditures were generally reported accurately, with the exception of \$2,879.40 in expenditures reported on campaign finance reports when no such expenditures existed and \$2,562.15 in expenditures rightly incurred which were not reported on any campaign finance report.

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- A \$300.00 check payable to Autiello for reimbursement of a mistaken transfer of personal funds into his campaign account could not be validated.

Auditee Response: Autiello acknowledged he was deficient in providing a year-end campaign account bank statement and took responsibility for its lateness. Autiello stated that most of the campaign finance reports were completed by volunteers and reviewed by him before filing, but he would not discount the possibility there may be errors.

Action: Consent Order (as follows)

State of Rhode Island
Board of Elections

CONSENT ORDER

In Re: Nicholas A. Autiello II

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

1. At all times relevant hereto, Mr. Autiello 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 September 2019, the Board of Elections ("Board") initiated an audit of the campaign account of Mr. Autiello due to his failure to file a copy of his campaign account bank statement with the Board as required, resulting in a subpoena being issued to the bank of account for bank records and supporting documentation and a request being made to Autiello for a contribution transaction history to detail contributions received on-line, for the period October 1, 2017 through February 28, 2019.
3. The Board conducted a full review of campaign finance reports, supporting documentation and bank records to verify the accuracy and propriety of campaign receipts and expenditures. The review determined the following:
 - 1) \$455.00 in Campaign Contributions received were not reported on any campaign finance report;
 - 2) \$2,879.40 in Campaign Expenditures were reported on campaign finance reports when no such expenditures existed;
 - 3) \$2,562.15 in Campaign Expenditures were incurred which were not reported on any campaign finance report;
 - 4) \$300.00 check payable to Autiello for reimbursement of a "mistaken transfer" when there was no evidence a transfer occurred;
 - 5) For 2018, Autiello failed to file a copy of his campaign account bank statement as required by law; and
 - 6) For 2017 and 2018, the campaign deputy treasurer failed to file an Account Certification for each of six (6) campaign finance reports as required by law.
4. Mr. Autiello hereby acknowledges that from October 1, 2017 through February 28, 2019, he originally failed to accurately and completely report campaign contributions and campaign expenditures [as set forth in paragraph 3, lines 1) through 3) above]; improperly reimbursed himself from campaign funds [as set forth in paragraph 3, line 4)

above]; failed to file a copy of his campaign account bank statement [as set forth in paragraph 3, line 5) above]; and that his deputy treasurer failed to file an Account Certification for each of six (6) campaign finance reports [as set forth in paragraph 3, line 6) above].

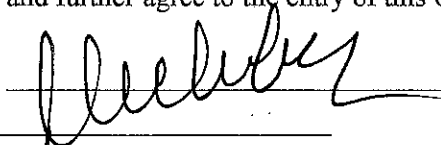
5. Mr. Autiello hereby waives his right to any further hearing before the Board, and his right to bring any legal challenge before any state or federal court and expressly consents to a finding by the Board that his actions, as more fully described above, violate the reporting and compliance requirements of Title 17, Chapter 25.
6. Mr. Auteillo, with the assistance of the Board of Elections, amended previously filed campaign finance reports to accurately report contributions and expenditures.
7. Mr. Autiello further consents to the entry of this Order and the imposition of a fine in the amount of \$1,000.00 to be paid personally by him; for the improper reimbursement from campaign funds; for unreported and misreported contributions and expenditures; and for failure to provide a copy of his campaign account bank statement and Account Certifications.
8. Mr. Autiello hereby agrees to make the following payment of fine to the Board:

- 1) \$1,000.00 fine to be paid personally by Nicholas A. Autiello II within sixty (60) days of the date the Consent Order is so entered ("Due Date").

9. Mr. Autiello agrees to make the payment described above on or before the Due Date. In the event Mr. Autiello fails to make the payment by the corresponding Due Date, the Board shall notify Mr. Autiello both by U.S. Mail First Class and electronically at the residence and email address set forth below ("Delinquency Notice"). Mr. Autiello 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. Autiello agrees that the fine shall increase to \$2,000.00 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. Mr. Autiello 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, Nicholas A. Autiello II, agree to each and every term set forth above and further agree to the entry of this Order.



Nicholas A. Autiello II

Date

So entered this 23 day of December 2020.

Diane Mederos (date) 1/14/25 so entered

Diane Mederos, Chairwoman