

STATE OF RHODE ISLAND BOARD OF ELECTIONS

CAMPAIGN FINANCE AUDIT

JENNIFER C. DOUGLAS

CAMPAIGN FINANCE AUDIT



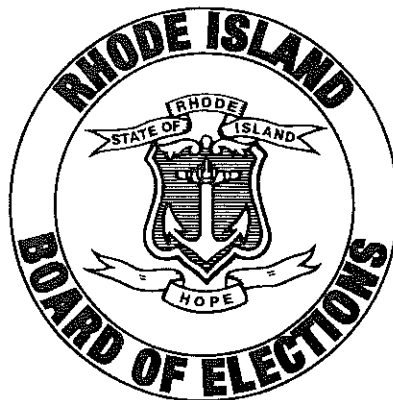
Audit Conducted By: Richard E. Thornton, Director of Campaign Finance

STATE OF RHODE ISLAND
BOARD OF ELECTIONS

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Jennifer C. Douglas

TABLE OF CONTENTS

Introduction	4
Scope	5
Methodology	5
History	5
Findings.....	5
Summary	6
Auditee Response	6
Action.....	6

Jennifer C. Douglas

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.

Jennifer C. Douglas

Scope: Review campaign finance reports and supporting documentation for the period January 1, 2019 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: In August 2021, the Board of Elections ("Board") initiated an audit of the campaign account of Jennifer C. Douglas ("Douglas") pursuant to R.I.G.L. §17-25-5(a), due to Douglas' failure to submit a copy of her 2020 campaign bank account statements pursuant to R.I.G.L. §17-25-11(c)(2).

On September 20, 2021, the Board received via subpoena served upon the bank of Douglas' campaign account, campaign depository account bank statements, bank deposits, and checks/money orders deposited into and checks written from the account, for the period January 1, 2019 through June 30, 2021.

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

Jennifer C. Douglas

Contributions:

- \$1,821.59 in contributions or receipts were not disclosed on a campaign finance reports filed with the Board in violation of R.I.G.L. §17-25-11.
- A \$100.00 contribution was reported received from the wrong PAC

Expenditures:

- \$2,829.24 in campaign expenditures, representing forty (40) transactions, were not disclosed on campaign finance reports filed with the Board in violation of R.I.G.L. §17-25-11.
- \$30.75 in campaign funds were used to pay for personal expenses in violation of R.I.G.L. §17-25-7.2.

Summary: The Audit Review of Douglas' campaign account and supporting documentation for the period January 1, 2019 through June 30, 2021 demonstrates:

- \$1,821.59 in campaign contributions received were not disclosed on campaign finance reports filed with the Board.
- \$2,829.24 in campaign expenditures, representing forty (40) transactions, were not reported on campaign finance reports filed with the Board.
- \$30.75 in campaign funds were used to pay for personal expenses.
- A copy of the 2020 campaign bank account statement was not submitted by Douglas.

Auditee Response:

- Douglas acknowledged the reporting mistakes and omissions. She agreed to reimburse her campaign account for the inadvertent use of campaign funds for personal expenses.

Action:

Consent Order (to follow)

State of Rhode Island
Board of Elections

CONSENT ORDER

In Re: Jennifer C. Douglas

Jennifer C. Douglas ("Douglas") hereby agrees to the entry of this Order and to each term and condition set forth herein:

1. At all times relevant hereto, Douglas 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 Board of Elections ("Board") initiated an audit of the campaign account of Douglas due to Douglas' failure to submit a copy of her 2020 campaign bank account statement in violation of R.I.G.L. §17-25-11(c)(2).
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:
 - \$1,821.59 in campaign contributions received were not disclosed on campaign finance reports filed with the Board.
 - \$2,829.24 in campaign expenditures, representing forty (40) transactions, were not reported on campaign finance reports filed with the Board.
 - \$30.75 in campaign funds were used to pay for personal expenses.
 - A copy of the 2020 campaign bank account statement was not submitted by Douglas.
4. Douglas hereby acknowledges that she violated several provisions of Title 17, Chapter 25; and authorized the Board to amend the campaign finance reports on her behalf for complete and accurate reporting.
5. Douglas 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 above, violate the reporting and compliance requirements of Title 17, Chapter 25.

6. Douglas 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 \$1,200.00 to be paid personally by her; 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 \$500.00; consents to a reimbursement to her campaign account for campaign funds expended for personal use, in the amount of \$30.75 and consents to submit documentation to the Board supporting her campaign finance reports from the fourth quarter of 2021 through the fourth quarter of 2022.

7. Douglas hereby agrees to the following schedule for reimbursement, forfeiture and fine payments:
 - \$30.75 reimbursement to the campaign account to be paid personally by Jennifer C. Douglas within thirty (30) days of the execution of this Consent Order;
 - \$500.00 forfeiture from the Jennifer C. Douglas campaign account within sixty (60) days of the execution of this Consent Order; and
 - \$1,200.00 fine to be paid personally by Jennifer C. Douglas by December 31, 2022.

8. Douglas agrees to make each payment described above on or before the Due Date. In the event Douglas fails to make any payment by the corresponding Due Date, the Board shall notify Douglas both by U.S. Mail First Class and electronically at the residence and email address set forth in Douglas' Notice of Organization ("Delinquency Notice"). Douglas shall be afforded ten (10) calendar days from the date of the Delinquency Notice to make the overdue payment. In the event the aforesaid fine payment is not made within the ten (10) day notice period, Douglas agrees that the fine shall increase to \$2,400.00 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. Douglas 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, Jennifer C. Douglas, agree to each and every term set forth above and further agree to the entry of this Order.

Jennifer C. Douglas
Jennifer C. Douglas

10/29/21
Date

So entered this 2nd day of November, 2021.

Diane C Mederos
Diane Mederos, Chairwoman