



New York City Campaign Finance Board
100 Church Street, 12th Floor, New York, NY 10007
212.409.1800 | www.nycffb.info

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May 16, 2023

By Email and CFB Portal

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[REDACTED]

H. Carl McCall
Treasurer – Eric Adams Transition and Inauguration Entity, Inc.
[REDACTED]

Eric Adams Transition and Inauguration Entity, Inc.
[REDACTED]

Ardian Tagani, Esq.
[REDACTED]

**FINAL BOARD DETERMINATION – EC2021T TRANSITION AND INAUGURATION
ENTITY (“TIE”)**

The New York City Campaign Finance Board (the “Board”), at a meeting held on May 15, 2023, made the following final determination regarding Eric Adams’s 2021 transition and inauguration entity (the “TIE”):

The Board determined that the Candidate, the Treasurer, and the TIE named above violated the Act and Board rules and are jointly and severally liable for paying \$19,600 in penalties as follows:

1. A penalty of \$5,000 for accepting prohibited donations. *See* Admin. Code §§ 3-702(18), 3-801(2)(d), (3); Board Rule 13-03(a).

The TIE accepted five donations from individuals listed on the doing business database at the time of the donation: \$250 on November 17, 2021, \$150 on November 20, 2021, \$5,100 on November 27, 2021, \$5,100 on November 29, 2021, and \$5,000 on December 6, 2021. The TIE refunded the donations more than 20 days after notification from the CFB.

The Board assessed total penalties of \$5,000 for these violations.

2. A penalty of \$200 for failing to properly wind down TIE activities. *See* Admin. Code § 3-801(1), (2)(c), (6), (7); Board Rules 1-02, 13-03(b)(iii), (iv), (c).

The TIE's reported balance as of the Disclosure Statement #9 filing on August 5, 2022 was \$6,715.55. According to its bank statement, the TIE's balance as of July 31, 2022 was \$58,041.70, and a review of its bank statements shows \$912.13 in uncleared expenses. The uncleared expenditures were first reported in Disclosure Statement 6 or earlier. The TIE thus failed to properly wind down its activities by the April 30, 2022 deadline.

Additionally, the TIE reported two expenditures to Google on June 2, 2022 and July 1, 2022, after the January 31, 2022 deadline for TIEs to incur expenses. The TIE did not demonstrate that the expenditures were made to satisfy liabilities incurred prior to January 31 or to terminate the TIE.

The Board assessed total penalties of \$200 (\$100 for failing to extinguish all liabilities and return all remaining donations by April 30, 2022, and \$100 for incurring new expenses after January 31, 2022) for these violations.

3. A penalty of \$14,400 for failing to respond and late response to requests for information or documentation. *See* Board Rules 13-04(a)-(d).

On May 16, 2022, CFB staff requested all of the TIE's merchant account statements for the TIE's ActBlue account as well as expenditure documentation, including contracts and/or detailed invoices, for certain transactions. The deadline to respond was June 7. Following the TIE's failure to respond or provide the documents in the filing, CFB staff reiterated its request for expenditure documentation on June 22 and July 19. The TIE did not submit a response. The expenditure documentation was provided for the first time in response to the Penalty Notice, submitted on October 3. The merchant account statements were provided for the first time following the TIE's appearance at the March 15, 2023 Board meeting.

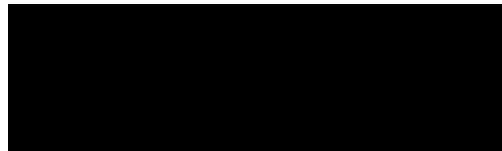
The June 22 letter also included a request that the TIE account for its reporting variance, which includes both over- and under-reporting. The TIE's bank statements reflect deposits totaling \$120,400 that were not reported. Additionally, the TIE reported donations totaling \$56,207.88 (\$6,300 by check or cash and \$49,907.88 by credit card) that are not reflected in its bank statements. The deadline to respond was June 30. The TIE did not respond to the request. CFB staff reiterated the request in the Penalty Notice, issued August 15, 2022. Documentation responsive to this request was provided for the first time following the TIE's appearance at the March 15, 2023 Board meeting.

The TIE also failed to provide copies of 57 refund checks to donors totaling \$239,650. Proper documentation is required to verify that the refunds were issued as reported. CFB staff requested copies of the checks on July 19, 2022 and again in the Penalty Notice issued on August 15, 2022. Documentation responsive to this request was provided for the first time following the TIE's appearance at the March 15, 2023 Board meeting.

The Board assessed total penalties of \$14,400 for these violations.

You may challenge this final determination, within four months, in the New York State Supreme Court pursuant to Article 78 of the Civil Practice Law and Rules.

If you need additional time to pay this amount or if you have any questions concerning this Final Board Determination, please contact me at (212) 409-1861 or bperskie@nyccfb.info.



Bethany Perskie
General Counsel

**NEW YORK CITY
CAMPAIGN FINANCE BOARD**

SIGNATURE ON ORIGINAL