

**BEFORE THE OFFICE OF CAMPAIGN FINANCE
DISTRICT OF COLUMBIA BOARD OF ELECTIONS
1015 HALF STREET, SE SUITE 775
WASHINGTON, DC 20002
(202) 671-0550**

IN THE MATTER OF

**Kenyan McDuffie 2018
Adrian Jordan, Treasurer
1401 New York Avenue, NE #541
Washington, DC 20002**

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**Docket No: 2018 R-004
Date: May 31, 2018**

ORDER

Statement of the Case

This matter came before the Office of Campaign Finance (hereafter OCF) Office of the General Counsel following a determination by its Reports Analysis and Audit Division (RADD), that pursuant to Title III, District of Columbia Campaign Reform Act of 2011 (The Act), codified in DC Official Code 1-1163.03(a)(1)(A). Adrian Jordan, treasurer for the principal committee Kenyan McDuffie 2018 failed to sufficiently respond to a request for additional information by the audit division, concerning the Amended December 10, 2017 Report of Receipts and Expenditures (R&E Report) covering the period of August 1, 2017 through December 10, 2017.

By Notice of Hearing, Statement of Violations and Order of Appearance dated Tuesday January 30, 2018 OCF ordered Adrian Jordan (hereafter Respondent), to appear at a scheduled hearing on Tuesday February 20, 2018 and show cause why he should not be found in violation of Title III of the "Campaign Finance Act of 2012", and fined accordingly.

Summary of Evidence

Respondent appeared for the scheduled hearing. He was accompanied by legal counsel Thorn Pozen, Esquire.

The OCF was represented by Mrs. Renee Coleman-Rollins, Audit Manager and auditor Mr. Eddie Dufe.

Mrs. Coleman-Rollins stated that the referral for this hearing resulted from a request for additional information (RFAI) that was sent to the committee on December 18, 2017. The time for responding to the RFAI ended on January 2, 2018 but an extension was granted until January 9, 2018 following a request from the committee. On January 10, 2018 Respondent provided responses to some of the issues, thus leaving the RFAI incomplete.

Specifically, the committee was asked to address (1) inconsistencies in reporting "in kind" contributions; (2) contribution refunds were reported on the wrong form; (3) audit requested copies of checks from contributors; (4) proof of payments to the 2 consultants hired to work; (5) the need to file an amended Report; and (6) refund money received from excessive contributions.

Attorney Pozen represented that the problems arose because the committee had issues with its financial institution. The committee held its financial account at Industrial Bank and the campaign officials were having difficulty activating the online banking feature of the account. In addition, they were required to order copies of deposit slips and checks that were paid by the bank to respond to the RFAI. The latter task took longer than expected thus delaying their response. In an email sent to OCF dated January 10, 2018 the committee informed the audit division about the issues they encountered in fulfilling the RFAI.

Respondent further stated that the committee has since changed their bank for one they believe is more efficient and meet their needs. During the hearing Respondent produced the documents requested (i.e. checks, deposit slips) and handed them to the audit manager. Respondent admitted that he did not have copies of the formal agreements and/or contracts made between the consultants and the committee. Respondent also stated that he did not complete refunding contributions received from contributors. Respondent requested additional time to complete the refunds because some of the contributors were out of state and other contributors were slow in cashing the checks for the refunded money. Respondent pledged that he would complete this task on or before March 7, 2018. The OGC was informed that the RFAI was completed on March 6, 2018.

Findings of Fact

Having reviewed the allegations and the record herein, I find:

1. Respondent was the treasurer of record for the principal campaign committee Kenyan McDuffie 2018.
2. Respondent committee was required to file a RFAI on or before extended filing date of January 9, 2018 in accordance with D.C. Official Code § 1-1163.03(a)(1)(A) and 1-1163.04(8).
3. Respondent treasurer failed to file the RFAI and the matter was referred to the Office of General Counsel (OGC) for adjudication.
4. Respondent's explanation for failing to timely respond is credible in that Respondent through counsel represented that initially the committee encountered issues with its bank in retrieving copies of cancelled checks and deposit slips, and problems with online banking.
5. At the hearing, Respondent produced the cancelled checks and deposit slips as per the RFAI.

6. Respondent admitted that they did not have copies of agreements and/or contracts for the 2 consultants hired to work for the campaign committee.
7. Respondent requested additional time to refund the contributions and submit proof of the refund for contributions that exceeded the contribution limit.
8. Respondent also requested additional time to file a second Amended Report that would be in compliance with the DC Official Code 1-1163.09. The Respondent was granted fifteen (15) days in which to complete the task. The due date for completion was March 7, 2018. The audit division confirmed that Respondent completed the task on or before March 6, 2018.

Conclusions of Law

Based on the record provided by the OCF, I therefore conclude:

1. Respondent PCC violated DC Official Code §1-1163.03(a) (1) (A).
2. The penalty established at DC Official Code §1-1163.09, §1-1163.35, 3 DCMR §§3709.2(k), 3711.2(u) and 3711.4 for failure to timely respond to a RFAI is a fine of \$50.00 per day for each business day subsequent to the due date.
3. Respondent complied with all the issues raised in the RFAI with the exception of producing contracts for the consultants hired to work for the campaign. By his own admission, Respondent stated that he did not have contracts for them.
4. To satisfy the expenditure of monies paid to the 2 consultants the audit division accepted and approved the cancelled checks that were submitted to substantiate payment.
5. For good cause shown pursuant to 3 DCMR 3711.6, the Director of the Office of Campaign Finance (Director) may modify, rescind, dismiss or suspend any fine.
6. The campaign committee in response to the RFAI from the audit division has satisfied the issues raised and is in compliance with the campaign finance laws for the District of Columbia.

Recommendation

The Kenyan McDuffie 2018 campaign committee is admonished because they failed to maintain written agreements for the 2 consultants they hired to work for them. This omission is being treated as an oversight and/or mistake. The treasurer needs to take measures to correct this and for future purposes when hiring consultants have them under contract.

In view of the foregoing and information included in the record, I hereby recommend that the Director suspend the imposition of the fine in this matter.

May 31, 2018
Date

Lezanne Muhammad
Hearing Officer

Concurrence

In view of the foregoing, I hereby concur with the Recommendation.

May 31, 2018
Date

William O. Sanford
William O. Sanford
General Counsel

ORDER OF THE DIRECTOR

IT IS ORDERED that the fine in this matter is hereby suspended.

Date

Cecily E. Collier-Montgomery
Cecily E. Collier-Montgomery
Director

SERVICE OF ORDER

This is to certify that I have served a true copy of the foregoing Order on Adrian Jordan, treasurer 1401 New York Avenue, NE #541 Washington, DC 20002 by regular mail, on

May 31, 2018

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NOTICE

Any party adversely affected by and order of the Director may obtain review of the order by filing with the Board of Elections and Ethics, a request for a hearing *de novo*. Pursuant to 3 DCMR §3711.5, any fine imposed by the Director shall become effective on the 16th day following the issuance of a decision and order, if the respondent does not request an appeal of this matter. If applicable, within 10 days of the effective date of this order, please make a check or money order payable to the D.C. Treasurer, c/o Office of Campaign Finance, 1015 Half Street, SE Suite 775 Washington, DC 20003.