



Index

I.	Preliminary Filing	1
	A. Political Party Committees.....	1
	1. Treasurer Required.....	1
	2. Treasurer’s Duties.....	1
	3. Treasurer’s Liability.....	1
	4. Vacancy in Office.....	2
	B. Political Action Committees.....	2
	1. Treasurer Required.....	2
	2. Treasurer’s Duties.....	2
	3. Treasurer’s Liability.....	2
	4. Vacancy in Office.....	2
	C. Candidates.....	2
	1. Treasurer’s Duties.....	3
	2. Treasurer’s Liability.....	3
II.	Understanding Contributions	3
	A. What Is a Contribution?.....	3
	B. Types of Contributions.....	3
	1. Gifts of Money.....	3
	2. In-Kind Contributions.....	3
	a. Definition.....	3
	b. Limits.....	4
	c. Value.....	4
	d. Notifying Recipient.....	4
	e. Exceptions.....	4
	3. Proceeds from Sales.....	4
III.	Contribution Limits	4
	A. Individual Contributors.....	5
	B. Contributions from a Political Party Committee.....	5
	C. Contributions from a Political Action Committee.....	5
	D. Contributions from Other Candidates.....	5
	E. Remediating an Excessive Contribution.....	5
	F. Contributions from Minors.....	5
IV.	Prohibited Contributions	6
	A. Prohibited Sources.....	6
	1. Corporations, Labor Organizations, National Banks.....	6
	2. Federal Government Contractors.....	6
	3. Foreign Nationals.....	6
	4. Definition of Foreign National.....	7
	5. Green Card” Exception.....	7
	6. Domestic Subsidiaries of Foreign Corporations.....	7
	7. Determining Nationality of Contributor.....	7
	B. Contributions in the Name of Another.....	8
	C. Questionable Contributions.....	8
	D. Disgorge Prohibited Contribution Discovered Late.....	8
	1. Contributor Known.....	9
	2. Contributor Unknown.....	9
	3. Insufficient Funds.....	9
V.	Party Support	9
	A. Coordinated Party Expenditures.....	9

	1. Party Expenditure Limits.....	9
	2. Party Expenditures vs. In-Kind Contributions.....	9
	B. Party Independent Expenditures	10
VI.	Support from Other Campaigns	10
	A. Shared Expenses.....	10
	B. Coattail” Support in Campaign Materials.....	10
	C. Guidelines to Qualify for Exemption	10
	D. Endorsements and Solicitations by Federal Candidates	11
VII.	Expenditures and Other Disbursements.....	11
	A. Political Party Committees.....	11
	1. Party Expenditures vs. In-Kind Contributions.....	11
	2. Communications Coordination	11
	3. Disclaimers.....	11
	4. Allocation Among Candidates.....	12
	B. Political Action Committees.....	12
	1. Independent Expenditures.....	12
	2. Disclaimers.....	12
	C. Candidates	12
	1. Permissible Uses of Campaign Funds	12
	a. Campaign-Related Expenses	12
	b. Operating Expenditures.....	12
	c. Refunds for Contributions.....	13
	2. Non-Campaign Related Expenses	13
	3. Prohibited Uses of Campaign Funds.....	13
	a. Certain Air Travel.....	13
	b. Personal Use.....	13
	c. Personal Use of Campaign Funds	13
	d. Campaign/Officeholder Expenses vs. Personal Expenses	14
	e. The Irrespective Test.....	14
	4. What is Not Personal Use	14
	a. Charitable Donations.....	14
	b. Transfer of Campaign Assets	14
	c. Gifts.....	14
	5. Automatic Personal Use	14
	a. Household Food Items and Supplies.....	15
	b. Funeral, Cremation, and Burial Expenses.....	15
	c. Clothing	15
	d. Tuition Payments	15
	e. Mortgage, Rent, and Utility Payments	15
	f. Entertainment.....	15
	g. Dues, Fees, and Gratuities	15
	6. Case-by-Case Determination of Personal Use.....	16
	a. Meal Expenses	16
	b. Travel Expenses	16
	c. Vehicle Expenses	16
	d. Mixed Use.....	16
	e. Legal Expenses	16
VIII.	Fundraising and Disclaimers	17
	A. Political Party Committees.....	17
	1. Fundraising	17
	a. Fundraising Notices.....	17
	b. Authorization Notice.....	17

FEC Campaign Guide

c. Joint Fundraising.....	17
d. Accepting Contributions: General Rule	17
2. Disclaimers.....	17
a. Public Communications.....	17
3. Wording of Disclaimer Notice	18
a. Authorized and Financed by Committee	18
b. Authorized but Not Financed by Committee	18
c. Not Authorized or Financed by Committee	18
d. Party Committee Coordinated Communications on Behalf of Candidate	18
e. Clear and Conspicuous Placement of Disclaimer Notice.....	18
f. Special Rules for Printed Communications	18
g. Multiple-Page Document.....	19
h. Package of Materials	19
4. Special Rules for Television and Radio Ads.....	19
5. When Disclaimer not Required	19
B. Political Action Committees.....	19
1. Fundraising	19
a. Fundraising Notices.....	19
b. Authorization Notice.....	19
c. Joint Fundraising.....	20
d. Accepting Contributions: General Rule	20
2. Disclaimers.....	20
a. Public Communications	20
3. Wording of Disclaimer Notice	20
a. Authorized and Financed by PAC	20
b. Authorized but Not Financed by PAC.....	20
c. Not Authorized or Financed by PAC.....	21
d. Clear and Conspicuous Placement of Disclaimer Notice.....	21
e. Special Rules for Printed Communications	21
f. Multiple-Page Document.....	21
g. Package of Materials	21
4. Special Rules for Television and Radio Ads.....	21
5. When Disclaimer not Required	21
C. Candidates	22
1. Fundraising	22
a. Fundraising Notices.....	22
b. Authorization Notice.....	22
c. Joint Fundraising.....	22
d. Accepting Contributions: General Rule	22
2. Disclaimers.....	22
a. Public Communications.....	22
3. Wording of Disclaimer Notice	23
a. Authorized and Financed by Committee	23
b. Authorized but Not Financed by Committee	23
c. Not Authorized or Financed by Committee	23
d. Party Committee Coordinated Communications on Behalf of Candidate	23
e. Clear and Conspicuous Placement of Disclaimer Notice.....	23
f. Special Rules for Printed Communications	23
g. Multiple-Page Document.....	24
h. Package of Materials	24
4. Special Rules for Television and Radio Ads.....	24
5. When Disclaimer not Required	24

IX.	Keeping Records.....	24
	A. Total Contributions.....	24
	B. Identifying Contributors	25
	1. Possibly Illegal Contributions.....	25
	2. Contributions from Political Committees	25
	C. Recording Disbursements.....	25
	D. Giving Receipts.....	25
X.	Completing iGEC Reports	25
	A. Who Reports	25
	B. When to Report.....	26
	C. Fines	26
XI.	Public Inspection of Reports	26

Guide to iGovern Campaign Reporting Rules

This *Guide* was adapted from materials written by the Federal Election Commission and is written to help iGovern candidates comply with the camp's campaign regulations. Failure to adhere closely to the statutory requirements will give rise to severe civil penalties and, in some cases, criminal prosecution.

For further information, please contact the Federal Election Commission.

I. Preliminary Filing

Every political party committee, political action committee, and candidate running for office is required to file with the FEC, regardless of how much they receive in contributions or pay in disbursements.

A. Political Party Committees

To form a political party committee, the party chairman and treasurer must file Form PP-0 (Political Party Committee Update). The Blue and Gold Political Party Committees are already recognized political parties.

1. Treasurer Required

A political party committee must have a treasurer before it accepts contributions or makes expenditures. Only a treasurer or the assistant treasurer may sign FEC reports and statements.

2. Treasurer's Duties

The treasurer is responsible for:

- Filing complete and accurate reports and statements on time.
- Signing all reports and statements.
- Monitoring contributions to ensure compliance with the law's limits and prohibitions.
- Keeping all required records of receipts and disbursements.

3. Treasurer's Liability

A committee's treasurer is personally responsible for carrying out the duties listed above and should understand these responsibilities (as well as his or her personal liability for fulfilling them) before taking them on.

When the Commission brings an enforcement action against a political party committee, the treasurer is usually named as a respondent along with the committee itself. The treasurer can be named and found liable in his or her official capacity as a representative of the committee. Also, the treasurer can be named and found liable in his or her personal capacity if he or she knowingly and willfully violates the Act or intentionally deprives himself or herself of the operative facts giving rise to the violation.

4. Vacancy in Office

A political party committee cannot raise or spend funds when there is a vacancy in the office of treasurer. The committee must report any change in the treasurer's status within 4 hours by filing Form PP-0 (Political Party Committee Update) with the FEC.

B. Political Action Committees

To form a political action committee, the PAC director and treasurer must file Form PAC-0 (Political Action Committee Update).

1. Treasurer Required

A political action committee must have a treasurer before it accepts contributions or makes expenditures. Only a treasurer or the assistant treasurer may sign FEC reports and statements.

2. Treasurer's Duties

The treasurer is responsible for:

- Filing complete and accurate reports and statements on time.
- Signing all reports and statements.
- Monitoring contributions to ensure compliance with the law's limits and prohibitions.
- Keeping all required records of receipts and disbursements.

3. Treasurer's Liability

A committee's treasurer is personally responsible for carrying out the duties listed above and should understand these responsibilities (as well as his or her personal liability for fulfilling them) before taking them on.

When the Commission brings an enforcement action against a political action committee, the treasurer is usually named as a respondent along with the committee itself. The treasurer can be named and found liable in his or her official capacity as a representative of the committee. Also, the treasurer can be named and found liable in his or her personal capacity if he or she knowingly and willfully violates the Act or intentionally deprives himself or herself of the operative facts giving rise to the violation.

4. Vacancy in Office

A political action committee cannot raise or spend funds when there is a vacancy in the office of treasurer. The committee must report any change in the treasurer's status within 4 hours by filing Form PAC-0 (Political Action Committee Update) with the FEC.

C. Candidates

A candidate is assigned to either the Blue or Gold Party at the beginning of his or her term. To change the party for which an individual candidate is filing, he or she must file Form MC-0 (Party Affiliation Update).

1. Treasurer's Duties

A candidate acts as his or her own treasurer.

The treasurer is responsible for:

- Filing complete and accurate reports and statements on time.
- Signing all reports and statements.
- Monitoring contributions to ensure compliance with the law's limits and prohibitions.
- Keeping all required records of receipts and disbursements.

2. Treasurer's Liability

A candidate acting as treasurer is personally responsible for carrying out duties listed above and should understand these responsibilities (as well as his or her personal liability for fulfilling them) before taking them on.

II. Understanding Contributions

A. What Is a Contribution?

A contribution is anything of value given, loaned, or advanced to influence a federal election. It is important to understand which receipts are considered contributions because:

- Contributions count toward the threshold that determines whether an individual has qualified as a candidate under the *Federal Election Campaign Act* (the Act).
- Contributions are subject to the Act's prohibitions against contributions from certain sources.
- Contributions are subject to the Act's limits on the amount of contributions.
- Like all receipts, contributions are also subject to the Act's recordkeeping and reporting requirements.

The section below describes different types of contributions.

(Contribution limits and prohibitions are discussed in the chapters that follow.)

B. Types of Contributions

1. Gifts of Money

A contribution of money may be made by check, cash (currency), credit card, or other written instruments.

2. In-Kind Contributions

a. Definition

Goods or services offered free or at less than the usual charge result in an in-kind contribution. Similarly, when a person pays for services on the committee's behalf, the payment is an in-kind contribution. An expenditure made by any person in cooperation, consultation, or concert with, or at the request or suggestion of, a candidate's campaign is also considered an in-kind contribution to the candidate.

b. Limits

The value of an in-kind contribution—the usual and normal charge—counts against the same contribution limit as a gift of money. Additionally, like any other contribution, in-kind contributions count against the contributor’s limit for the next election, unless they are otherwise designated.

c. Value

Goods (such as facilities, equipment, supplies, or mailing lists) are valued at the price the item or facility would cost if purchased or rented at the time the contribution is made. For example, if someone donates a personal computer to the campaign, the contribution equals the ordinary market price of the computer at the time of the contribution. Services (such as advertising, printing, or consultant services) are valued at the prevailing commercial rate at the time the services are rendered.

d. Notifying Recipient

The contributor needs to notify the recipient candidate committee of the value of in-kind contribution. The recipient needs this information in order to monitor the contributor’s aggregate contributions and to report the correct amount.

e. Exceptions

Under limited exemptions in the law, persons may provide certain goods and services to a committee without making contributions. For example, when services are volunteered—not paid for by anyone—the activity is not considered a contribution.

3. Proceeds from Sales

The entire amount paid to attend a political fundraiser or other political event or to purchase a fundraising item sold by a political committee is a contribution. For example, if a contributor pays \$100 to buy a ticket to a fundraising dinner, the entire \$100 is considered a contribution to the committee, even though the meal may have cost the committee \$30. Similarly, if a contributor spends \$20 to buy a campaign T-shirt that cost the campaign \$5, the contributor has made a \$20 contribution.

III. Contribution Limits

Under the *Federal Election Campaign Act* (the Act) contributions are subject to limits. The chart below summarizes the Act’s contribution limits.

This chapter examines the rules concerning the limits placed on contributions to a candidate’s campaign. The limits apply to all types of contributions.

It is important to note that a campaign is prohibited from retaining contributions that exceed the limits. In the event that a campaign receives excessive contributions, it must follow special procedures for handling such funds; see “Remedying an Excessive Contribution.”

Contributor	Contribution Limit		
	<i>To Political Party</i>	<i>To PAC</i>	<i>To Candidate</i>
<i>Individual</i>	\$1,200,000	\$500,000	\$100,000
<i>Political Party</i>	N/A	\$500,000	\$250,000
<i>PAC</i>	\$2,000,000	\$500,000	\$250,000

A. Individual Contributors

Under the Act, individuals and groups (that are not prohibited from making contributions, such as partnerships, sole proprietorships, certain LLC’s, and Indian tribes) may contribute a maximum of \$1,200,000 to a political party committee, \$500,000 to a political action committee, and \$100,000 to a candidate’s campaign.

B. Contributions from a Political Party Committee

Under the Act, political party committees may contribute a maximum of \$500,000 to a political action committee and \$250,000 to a party candidate’s campaign.

C. Contributions from a Political Action Committee

Under the Act, political action committees may contribute a maximum of \$2,000,000 to a political party, \$500,000 to another political action committee, and \$250,000 to a candidate’s campaign.

D. Contributions from Other Candidates

A candidate may accept a contribution of up to \$500,000 per election from another federal candidate.

E. Remediating an Excessive Contribution

When a political party committee, political action committee, or candidate receives an excessive contribution—one which exceeds the contributor’s limit or the campaign’s net debts outstanding for an election—the party, PAC, or candidate may remedy the violation by refunding the excessive amount within 2 days.

F. Contributions from Minors

An individual who is under 18 years old may make contributions to candidates, subject to the limit of \$100,000, if:

- The decision to contribute is made knowingly and voluntarily by the minor;
- The funds, goods, or services contributed are owned or controlled by the minor, proceeds from a trust for which he or she is a beneficiary, or funds withdrawn by the minor from a financial account owned and maintained in his or her name; and
- The contribution is not made using funds given to the minor as a gift for the purpose of making the contribution, and is not in any way controlled by another individual.

IV. Prohibited Contributions

Political party committees, political action committees, and candidates are prohibited from accepting contributions from certain types of organizations and individuals. These prohibited sources are listed below.

If a committee or candidate is uncertain whether a contribution comes from a prohibited source, he must follow the procedures described under “Questionable Contributions,” below.

A. Prohibited Sources

1. Corporations, Labor Organizations, National Banks

Parties, PACs, and campaigns may not accept contributions made from the general treasury funds of corporations, labor organizations or national banks. This prohibition applies to any incorporated organization, including a non-stock corporation, a trade association, an incorporated membership organization, and an incorporated cooperative.

Example: The owner of an incorporated “mom and pop” grocery store is not permitted to use a business account to make contributions. Instead, the owner would have to use a personal account. A campaign may, however, accept contributions from political action committees (PACs) established by corporations, labor organizations, incorporated membership organizations, trade associations and national banks.

2. Federal Government Contractors

Parties, PACs, and campaigns may not accept contributions from federal *government contractors*. Since corporate contributions are already prohibited, the government contractor ban applies primarily to contributions from a partnership (or a limited liability company) with a government contract. It also applies to the personal and business funds of (1) individuals under contract to the federal government and (2) sole proprietors of businesses with federal contracts.

The spouses and employees of federal government contractors, however, may make contributions from personal funds.

3. Foreign Nationals

Parties, PACs, and campaigns may not solicit or accept contributions from foreign nationals. Federal law prohibits contributions, donations, expenditures, and disbursements solicited, directed, received, or made directly or indirectly by or from foreign nationals in connection with an election—federal, state, or local. Furthermore, it is a violation of federal law to *knowingly* provide assistance to foreign nationals in the making of contributions, donations, expenditures, independent expenditures, and disbursements in connection with federal and nonfederal elections. This prohibition includes, but is not limited to, acting as a conduit or intermediary for foreign national contributions and donations.

A party, PAC, or campaign has “knowingly” solicited, directed, or received a contribution from a foreign national when it has:

- Actual knowledge that the funds have come from a foreign national;
- Awareness of certain facts that would lead a reasonable person to believe that there is a substantial probability that the money is from a foreign national; or

- Awareness of facts that should have prompted a reasonable inquiry into whether the source of funds is a foreign national.

The facts that should lead the party, PAC, or campaign to question the origin of a contribution include:

- Use of a foreign passport or passport number;
- Use of a foreign address;
- A check or other written instrument drawn on an account or wire transfer from a foreign bank; or
- Contributor or donor living abroad

4. Definition of Foreign National

A foreign national is:

- An individual who is (1) not a citizen of the United States and (2) not lawfully admitted for permanent residence; or
- A foreign principal, as defined in 22 U.S.C. §611(b). Section 611 defines a foreign principal as a group organized under the laws of a foreign country or having its principal place of business in a foreign country. The statute specifically mentions foreign governments, political parties, partnerships, associations, and corporations.

5. “Green Card” Exception

An immigrant is eligible to make a contribution if the immigrant has a “green card” indicating that he or she is lawfully admitted for permanent residence in the United States.

6. Domestic Subsidiaries of Foreign Corporations

In advisory opinions, the Commission has said that a United States corporation that is a subsidiary of a foreign corporation may sponsor a Political Action Committee (PAC) to make contributions to federal candidates as long as the subsidiary complies with the following rules:

- The foreign parent may not finance these activities either directly or through the subsidiary.
- No foreign national (including the foreign parent) may participate in the operations of the PAC or in its administration (such as by appointing officers) or in any decision to make contributions or expenditures in connection with any federal or nonfederal election.

7. Determining Nationality of Contributor

The use of any surname on a contribution check (or similar instrument) would not, by itself, give any reason to inquire as to the person’s nationality. Nonetheless, the commission has advised committees and candidates to take the following minimally intrusive steps to ensure that the contributions it received did not come from foreign nationals:

- Ensure the public political ads and solicitations directed to audiences outside the U.S. contain a summary of the foreign national prohibition of the Act.

- Make further inquiry into the nationality of the contributor if the committee or candidate receives a contribution postmarked from any non-U.S. territory.
- Make further inquiry into the nationality of the contributor if the committee or candidate receives a contribution indication that either the bank or the account owner has a foreign address.

In all of the above instances, if the contribution is submitted along with credible evidence (e.g., a copy of a valid U.S. passport) that the contributor is a U.S. citizen, a U.S. national, or a permanent resident alien, no further inquiry need be made. However, if the candidate has actual knowledge that the contributor is in fact a foreign national, it may not rely on these documents as a defense.

B. Contributions in the Name of Another

A contribution made by one person in the name of another is prohibited. For example, an individual or PAC who has already contributed up to the limit to the campaign may not give money to another person to make a contribution to the same candidate. Similarly, a corporation is prohibited from using bonuses or other methods of reimbursing employees for their contributions.

C. Questionable Contributions

If a party, PAC, or campaign receives a contribution of questionable legality, it must follow the procedures described below.

- First, when receiving a contribution of questionable legality, a committee or candidate must make a written record noting the reason why a contribution may be prohibited and must include this information when reporting the receipt of the contribution.
- Second, the committee or candidate must make sure that the funds are not spent because they may need to be refunded.
- Third, within 1 day of receipt of a possibly prohibited contribution, the committee or candidate must make at least one written or oral request for evidence that the contribution is legal. Evidence of legality includes, for example, a written statement from the contributor explaining why the contribution is legal, or an oral explanation that is recorded by the committee or candidate in a memorandum.
- Fourth, within 2 days, the committee or candidate must either confirm the legality of the contribution or refund the contribution.

D. Disgorge Prohibited Contribution Discovered Late

If a committee or candidate deposits a contribution that appears to be legal and later discovers that it is prohibited (based on new information not available when the contribution was deposited), the committee or candidate must disgorge the contribution within 30 days of making the discovery. This situation might arise, for example, if a committee or candidate learned that a past contributor was a foreign national or had a contract with the federal government. As another example, a committee or candidate might find out that a corporation reimbursed employees for their contributions to the committee or candidate (and had thus made corporate contributions and contributions in the name of another).

1. Contributor Known

If the identity of the original contributor is known, the committee or candidate must refund the funds to the source of the original contribution. Alternatively, the committee or candidate may pay the funds to the U.S. Treasury. The committee or candidate must include a cover letter that explains that the funds being sent represent potential violation of the *Federal Election Campaign Act* and that requests that the funds be placed in the “general fund account.”

2. Contributor Unknown

If, however, the identity of the original contributor cannot be determined or is in question, the committee or candidate must disburse the funds to a governmental entity (federal, state, or local), or to a qualified charitable organization.

3. Insufficient Funds

If a committee or candidate does not have sufficient funds to disgorge the contribution when the illegality is discovered, the committee must use the next funds it receives.

V. Party Support

In addition to making contributions (up to \$250,000 per election), party committees may support a candidate through other activities described below. These other activities are reportable by the political party committee but not by the campaign of the candidate receiving the support. Note that some of these activities may trigger additional reporting responsibilities or funding provisions for the party committee.

A. Coordinated Party Expenditures

The Act creates a special exception to the contribution limits for certain party activities supporting candidates. Although these expenditures may be coordinated with a campaign, the party committee must actually make the expenditure on behalf of the campaign; money given directly to the candidate’s campaign is not a coordinated party expenditure.

1. Party Expenditure Limits

The party’s national committee may spend an unlimited amount of funds on behalf of each candidate per election.

2. Party Expenditures vs. In-Kind Contributions

When making either coordinated party expenditures or in-kind contributions, a party committee purchases goods or services for the benefit of a campaign. The committee may decide whether to regard an expenditure made on behalf of the candidate as a coordinated party expenditure or as an in-kind contributions. (As previously noted, monetary contributions given directly to the campaign do not qualify as coordinated party expenditures.)

Despite their similarity, coordinated party expenditures differ from in-kind contributions in several ways:

- Coordinated party expenditures count against the special spending limits explained above, whereas in-kind contributions count against the committee's per-candidate, per-election limits on contributions.
- Coordinated party expenditures are reported by the party committee only, whereas in-kind contributions and coordinated communications are reported by both the party committee and the recipient campaign.

B. Party Independent Expenditures

Party committees may make independent expenditures on behalf of, or in opposition to, candidates. Such expenditures are not subject to contribution or coordinated party expenditure limits.

VI. Support from Other Campaigns

This section describes ways in which campaigns may assist one another without making a contribution. For the rules on campaign-to-campaign contributions, see the section under the subheading, "Contributions from Other Candidates."

A. Shared Expenses

Campaigns may share common expenses (e.g., rent for a shared headquarters or printing for a brochure that promotes each campaign) without a contribution resulting, as long as each committee pays its attributed portion of the costs.

B. "Coattail" Support in Campaign Materials

Under the "coattail" provision of the *Federal Election Campaign Act*, a federal candidate may be mentioned in campaign materials produced by another federal candidate's campaign. The committee making the expenditure must report it, but the candidate named in the ad has no reporting responsibility. The payment for the material is not a contribution to the referenced federal candidate provided that the guidelines below are followed.

Example: A U.S. House campaign may produce a yard sign that includes the name of a U. S. Senate candidate without allocating a portion of the cost as an in-kind contribution to that candidate as long as the conditions listed below are met.

C. Guidelines to Qualify for Exemption

- The materials must be limited to items such as pins, bumper stickers, handbills, brochures, posters, and yard signs;
- The materials must be distributed by volunteers (for example, by hand); and
- The materials may not be distributed through public political advertising such as broadcast media, newspapers, magazines, billboards, or direct mail (a mailing by a commercial vendor or made from a commercial list).

D. Endorsements and Solicitations by Federal Candidates

A public communication in which a federal candidate endorses, or solicits funds for, another candidate for federal or nonfederal office does not result in a contribution to the endorsing (or soliciting) candidate unless the communication promotes or supports the endorsing (or soliciting) candidate or attacks or opposes his opponent in the election.

VII. Expenditures and Other Disbursements

A. Political Party Committees

In addition to contributing directly to candidate committees, a party committee may support PACs. A party committee may make contributions of up to \$500,000 per calendar year to a PAC. Party committees may not solicit any funds for, or make or direct any donations to, 501(c) tax-exempt organizations.

In addition to making contributions, party committees may support federal candidates through the activities described below.

In general, any candidate-support activities must be paid with federally permissible funds.

1. Party Expenditures vs. In-Kind Contributions

In making a coordinated party expenditure, the party committee pays for goods or services to benefit the candidate but does not give the money directly to the candidate or candidate committee. For example, the payment of a campaign bill could be treated and reported as a coordinated party expenditure, while a check payable to the candidate committee could not—it would have to be treated as a contribution.

Coordinated party expenditures are similar to in-kind contributions in that both represent payments for goods or services. An expenditure in connection with a general election campaign may count against either the coordinated party expenditure limit or the contribution limit for the candidate. It is up to the party committee to decide. Coordinated party expenditures are reported by the party committee only, while contributions are reported by both the party committee and the recipient candidate.

2. Communications Coordination

If a communication is coordinated with a candidate and paid for by a party committee, then it is either an in-kind contribution to that campaign or it is a coordinated party expenditure. It is up to the party committee to decide. Coordinated party expenditures are reported by the party committee only while contributions are reported by both the party committee and the recipient candidate.

3. Disclaimers

Disclaimers on communications done as coordinated party expenditures must identify the committee that actually paid for the communication, regardless of whether the committee is spending against its own limit or against an amount assigned to it by another committee.

4. Allocation Among Candidates

A coordinated party expenditure made on behalf of more than one candidate must be allocated in proportion to the benefit each candidate is expected to receive. The amount allocated to a candidate counts against the coordinated spending limit (or contribution limit) for that candidate.

B. Political Action Committees

Political Action Committees are allowed to contribute without limit to a political party committee, but they may only contribute \$500,000 to another PAC and \$250,000 to an individual candidate except in the case of an independent expenditure.

1. Independent Expenditures

A PAC may spend without limit in support of a candidate if it is completely uncoordinated from the campaign or party. This means that there is absolutely no communication between the campaign staff or party staff and the PAC. The PAC may use the candidate's name but must indicate that it is not connected with the campaign.

2. Disclaimers

All expenditures, especially those as part of an independent expenditure, must clearly identify that the PAC is the source of the expenditures.

C. Candidates

While campaigns have wide discretion in deciding how to spend their funds, the *Federal Election Campaign Act* (the Act) places certain restrictions on the use of campaign funds, as explained in this section.

For reporting purposes, it is important to understand the term expenditure, because expenditures count toward the threshold that determines whether an individual is a candidate under the Act. An expenditure is a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value made to influence a federal election.

“Disbursement” is a broader term that covers both expenditures and other kinds of payments (those not made to influence a federal election). All disbursements are reportable by the campaign.

1. Permissible Uses of Campaign Funds

a. Campaign-Related Expenses

By definition, the Act allows campaign funds to be used for purposes in connection with the campaign to influence the federal election of the candidate.

b. Operating Expenditures

Payments for day-to-day expenses, such as staff salaries, rent, travel, advertising, telephones, office supplies and equipment, fundraising, etc., are permissible operating expenditures.

Certain other expenses are considered to be permissible operating expenditures on a case-by-case basis, including meal, travel, vehicle, and legal expenses. For example, if a

campaign pays for the candidate's travel and subsistence in connection with his or her campaign activities, those payments are also considered operating expenditures. Generally, as long as such expenses would not exist irrespective of the candidate's campaign or duties as a federal officer holder, they are considered permissible. See Section 3, Case-by-Case Determination of Personal Use, for more information.

c. Refunds for Contributions

Campaign may refund any contribution, but must refund (or otherwise disgorge) a contribution that is from a prohibited source or in excess of the contribution limits. See the section on "Questionable Contributions" for more information. For information on reporting refunds, see the section on "Completing FEC Reports."

2. Non-Campaign Related Expenses

Additionally, campaign funds may be used for the following purposes that are not related to the candidate's campaign for federal office:

- Defrayment of the ordinary and necessary expenses of a federal officeholder's travel expenses or for a federal officeholder and his or her accompanying spouse and children, provided that the travel is undertaken to participate in a function that is connected to the office holder's official responsibilities.
- Donations to charities.
- Unlimited transfers to any national party committee.
- Any other lawful purpose, unless expressly prohibited by the Act. (Prohibited purposes are summarized below.)

3. Prohibited Uses of Campaign Funds

a. Certain Air Travel

Title VI, section 601 of the *Honest Leadership and Open Government Act of 2007 (HLOGA)* (Pub. L. No. 81, 121 Stat.735), signed into law on September 14, 2007, significantly restricts the use of campaign funds for air travel by federal candidates and officeholders. Under *HLOGA*, Presidential and Senate candidates and campaigns may not use campaign funds for air travel unless the flight is on a commercial air carrier or the *pro rata* share of the fair market value of the flight is reimbursed. House candidates and campaigns may not use campaign funds for air travel unless the flight is on an aircraft operated by a commercial carrier, the federal government or a state government.

b. Personal Use

In general, funds contributed or donated to a federal candidate may not be converted by any person to personal use. See the next section for detailed discussion of what constitutes personal use of campaign funds. If an expense does not constitute personal use and is otherwise legal, it is considered a permissible use of campaign funds

c. Personal Use of Campaign Funds

As noted in the previous section, using campaign funds for personal use is prohibited. The regulations provide a test to differentiate legitimate campaign and officeholder

expenses from personal expenses, and the regulations include a list of specific expenses that are considered personal use.

d. Campaign/Officeholder Expenses vs. Personal Expenses

In determining whether expense are for personal use or are legitimate campaign/officeholder expenses, the Commission uses the “irrespective test” discussed below.

e. The Irrespective Test

Personal use is any use of funds in a campaign account of a candidate (or former candidate) to fulfill a commitment, obligation, or expense of any person that would exist irrespective of the candidate’s campaign or responsibilities as a federal officeholder. More simply put, if the expense would exist even in the absence of the candidacy or even if the officeholder were not in office, then the personal use ban applies. Conversely, any expense that results from campaign or officeholder activity falls outside the personal use ban.

Example: A candidate may not pay for his or her personal household expenses with campaign funds because those costs would be incurred even if he or she were not running for federal office.

4. What is Not Personal Use

In addition to the “irrespective test,” FEC regulations include other uses of funds that do not constitute personal use and thus are permissible uses of campaign funds.

a. Charitable Donations

Gifts to charity are not considered personal use expenses as long as the candidate does not receive compensation from the charitable organization before it has expended the entire amount donated. Note that the amount donated must have been used for purposes that do not personally benefit the candidate.

b. Transfer of Campaign Assets

The sale or transfer of a campaign asset after the campaign to either the candidate or a third party does not constitute personal use as long as the transaction is made at the fair market value.

c. Gifts

On special occasions, campaign funds may be used to purchase gifts or make donations of nominal value to persons other than the members of the candidate’s family.

5. Automatic Personal Use

The regulations list some expenses that are automatically considered to be personal use. Based on these rules, the following paragraphs discuss what kinds of expenses the campaign can and cannot pay for.

a. Household Food Items and Supplies

The candidate cannot use campaign funds to pay for food purchased for daily consumption inside the home or supplies need to maintain the household. The campaign may, however, pay for food and supplies for fundraising activities and campaign meetings (even when they take place in the candidate's home).

b. Funeral, Cremation, and Burial Expenses

Campaign funds cannot be used to cover expenses related to deaths within the candidate's family. They may, however, be used to cover funeral, cremation, and burial expenses for a candidate or campaign worker whose death arises out of, or in the course of, campaign activity.

c. Clothing

The campaign cannot pay for attire for political functions (for example, a new tuxedo or dress), but it can pay for clothing of *de minimis* value that are used in the campaign, such as T-shirts or caps imprinted with a campaign slogan.

d. Tuition Payments

The campaign may pay for tuition costs that are for training campaign staff to perform campaign tasks.

e. Mortgage, Rent, and Utility Payments

The campaign may not pay for mortgage, rent, or utilities for the personal residence of the candidate or the candidate's family even if part of the residence is being used by the campaign.

The campaign may pay for long distance calls made for campaign purposes from the candidate's residence or the residence of his or her family.

Example: A campaign committee may not rent space in the candidate's home, but it may rent part of an office building owned or leased by the candidate for use in his or her campaign, as long as it pays no more than the fair market value for the space.

f. Entertainment

The campaign may not pay for admission to sporting events, concerts, theater, and other forms of entertainment. Campaign funds may be used, however, if the entertainment is part of a specific officeholder or campaign activity. They may not be used for a leisure outing at which the discussion occasionally focuses on the campaign or official function.

g. Dues, Fees, and Gratuities

Campaign funds may not be used to pay for dues to country clubs, health clubs, recreational facilities, or other nonpolitical organizations unless the payments are made in connection with a specific fundraising event that takes place on the organization's premises.

Campaign funds may be used for membership dues in an organization that may have political interests.

6. Case-by-Case Determination of Personal Use

For other expenses not mentioned above, the Commission will determine, on a case-by-case basis, whether the expense is one that would exist irrespective of the candidate's campaign or duties as a federal officeholder and would be considered a personal use expense. For example, the Commission addresses payments for meals, travel, vehicles, mixed-use, and legal expenses on a case-by-case basis.

a. Meal Expenses

Campaign funds may be used to pay for meals during face-to-face fundraising events. By contrast, a candidate may not use campaign funds to take his or her family out to dinner.

b. Travel Expenses

Campaign funds may be used to pay the costs of travel to activity that is related to the campaign or to a candidate's duties as a federal officeholder. Thus, the costs of travel for a candidate (and the candidate's spouse and minor children may be used to pay for travel to functions directly related to the campaign or those directly connected to the individual's official responsibilities as a federal officeholder.

c. Vehicle Expenses

Campaign funds may be used to pay for a vehicle that is used for campaign-related purposes, assuming that the costs related to the personal use of the vehicle are *de minimis*. Campaign funds cannot be used to pay for expenses relating to the personal use of a campaign vehicle unless those expenses are *de minimis*, that is, unless they are insignificant in relation to the overall vehicle use.

d. Mixed Use

In the event of travel or vehicle expenses that commingle personal and campaign or officeholder activity, the beneficiary of the personal use expenses must reimburse the committee within thirty days for the entire amount associated with the personal activities (the amount over and above what the cost would have been had the trip/vehicle use been solely for campaign/officeholder-related purposes). The reimbursement does not constitute a contribution.

e. Legal Expenses

Using the irrespective test summarized above, the Commission decides on a case-by-case basis whether legal expenses are considered "personal use" and thus are expenses that a candidate may not pay for using campaign funds.

VIII. Fundraising and Disclaimers

A. Political Party Committees

The following are the rules governing fundraising for political party committees.

1. Fundraising

a. Fundraising Notices

Certain statements by the committee must be present on solicitations, as follows:

b. Authorization Notice

When a committee solicits contributions through public communications, or on a campaign web site, it must include a clear and conspicuous notice on the solicitation stating that it was paid for by the committee: Paid for by the Aqua Party Committee. See “Disclaimer Notices,” later in this chapter for more information.

c. Joint Fundraising

Committees may engage in joint fundraising with other committees.

d. Accepting Contributions: General Rule

A committee is prohibited from knowingly accepting any contributions from prohibited sources. The treasurer is responsible for examining all contributions to make sure they are not illegal (i.e., prohibited or excessive).

2. Disclaimers

Any public communication made by a political committee, even those that do not contain a solicitation or express advocacy, must include a disclaimer.

a. Public Communications

Public communications include electioneering communications and any other form of general public political advertisement, including communications made using the following media:

- Broadcast, cable, or satellite;
- Newspaper or magazine;
- Outdoor advertising facility;
- Mass mailing (more than 500 substantially similar mailings within 30 days);
- Phone bank (more than 500 substantially similar calls within 30 days)
- Communications placed for a fee on another person’s web site.

The following communications are not considered to be public communications but still require a disclaimer:

- Electronic mail: More than 500 substantially similar communications sent by a political committee; and
- Web sites of political committees.

3. Wording of Disclaimer Notice

a. Authorized and Financed by Committee

If the committee authorizes and finances a covered communication (including any solicitation), the notice must state that the communication was paid for by the committee. Additional requirements (see below) apply for print, television, and radio ads.

Example: “Paid for by the Aqua Party Committee.”

b. Authorized but Not Financed by Committee

If a covered communication, including any solicitation, is authorized by the committee but paid for by another person, the communication must identify the person who paid for it and state that it was authorized by the committee. Additional requirements apply for print, television, and radio ads (see below).

Example: “Paid for by the Pun PAC and authorized by the Aqua Party Committee.”

c. Not Authorized or Financed by Committee

Although this type of notice is not used by a candidate’s campaign, campaign staff should be aware that if a committee (including a party committee that makes an independent expenditure) pays for a communication (including any solicitation) that refers to their candidate but is not authorized by the campaign, the notice must state that it was not authorized by any candidate or candidate’s committee, identify the entity that paid for the communication and provide at least one of the following: the payer’s permanent street address, telephone number, or web site address.

Example: “Paid for by the Pun PAC (www.punpac.org) and not authorized by any candidate or candidate’s committee.” This type of notice must be used on independent expenditures and electioneering communications that are not authorized by a candidate or a candidate’s campaign.

d. Party Committee Coordinated Communications on Behalf of Candidate

A party committee that pays for a communication that is a coordinated party expenditure must identify the party committee as the payer in the disclaimer. The disclaimer must state that it was paid for by the party committee and authorized by the candidate.

e. Clear and Conspicuous Placement of Disclaimer Notice

A disclaimer notice must be clearly and conspicuously displayed. A notice is not clearly and conspicuously displayed if the print is difficult to read or if the placement is easily overlooked.

f. Special Rules for Printed Communications

In printed communications, the disclaimer must be contained within a printed box set apart from the contents of the communication. The print of the disclaimer must be of sufficient size to be “clearly readable” by the recipient of the communication, and the print must have a reasonable degree of color contrast between the background and the

printed statement. Black text in 12-point font on a white background is one way to satisfy this requirement for printed material measuring no more than 24 inches by 36 inches.

g. Multiple-Page Document

A disclaimer need not appear on the front page or cover of a multiple-page document.

h. Package of Materials

Each communication that would require a disclaimer if distributed separately must still display the disclaimer when included in a package of materials. For example, if a campaign poster is mailed with a solicitation for contributions, a separate disclaimer must appear on the solicitation and the poster.

4. Special Rules for Television and Radio Ads

Not Authorized by Candidate’s Committee

A radio or television communication that is not authorized by the candidate’s committee must also include (in addition to the statements identifying who paid for the communication and that it is not authorized by any candidate or candidate’s committee) an audio statement that “(the name of the person or committee responsible for the communication) is responsible for the content of this advertising” and, if applicable, the name of the committee’s connected organization.

5. When Disclaimer not Required

A disclaimer is not required when:

- It cannot be conveniently printed (e.g., pens, bumper stickers, campaign pins, campaign buttons, and similar small items);
- Its display is not practicable (e.g., wearing apparel, water towers, and skywriting); or
- The item is of minimal value, does not contain a political message and is used for administrative purposes (e.g., checks and receipts).

B. Political Action Committees

1. Fundraising

The following are the rules governing fundraising for political action committees.

a. Fundraising Notices

Certain statements by the PAC must be present on solicitations, as follows:

b. Authorization Notice

When a PAC solicits contributions through public communications, or on a campaign web site, it must include a clear and conspicuous notice on the solicitation stating that it was paid for by the PAC: Paid for by the Pun Corporation PAC. See “Disclaimer Notices,” later in this chapter for more information.

c. Joint Fundraising

PACs may engage in joint fundraising with other PACs.

d. Accepting Contributions: General Rule

A PAC is prohibited from knowingly accepting any contributions from prohibited sources. The treasurer is responsible for examining all contributions to make sure they are not illegal (i.e., prohibited or excessive).

2. Disclaimers

Any public communication made by a political committee, even those that do not contain a solicitation or express advocacy, must include a disclaimer.

a. Public Communications

Public communications include electioneering communications and any other form of general public political advertisement, including communications made using the following media:

- Broadcast, cable, or satellite;
- Newspaper or magazine;
- Outdoor advertising facility;
- Mass mailing (more than 500 substantially similar mailings within 30 days);
- Phone bank (more than 500 substantially similar calls within 30 days)
- Communications placed for a fee on another person's web site.

The following communications are not considered to be public communications but still require a disclaimer:

- Electronic mail: More than 500 substantially similar communications sent by a political committee; and
- Web sites of political committees

3. Wording of Disclaimer Notice

a. Authorized and Financed by PAC

If the PAC authorizes and finances a covered communication (including any solicitation), the notice must state that the communication was paid for by the PAC. Additional requirements (see below) apply for print, television, and radio ads.

Example: "Paid for by the Pun Corporation PAC."

b. Authorized but Not Financed by PAC

If a covered communication, including any solicitation, is authorized by the PAC but paid for by another person, the communication must identify the person who paid for it and state that it was authorized by the PAC. Additional requirements apply for print, television, and radio ads (see below).

Example: "Paid for by the R.E.D. Committee and authorized by the Pun Corporation PAC."

c. Not Authorized or Financed by PAC

This type of notice must be used on independent expenditures and electioneering communications that are not authorized by a candidate or a candidate's campaign.

Example: "Paid for by the Pun Corporation PAC and not authorized by any candidate or candidate's committee."

d. Clear and Conspicuous Placement of Disclaimer Notice

A disclaimer notice must be clearly and conspicuously displayed. A notice is not clearly and conspicuously displayed if the print is difficult to read or if the placement is easily overlooked.

e. Special Rules for Printed Communications

In printed communications, the disclaimer must be contained within a printed box set apart from the contents of the communication. The print of the disclaimer must be of sufficient size to be "clearly readable" by the recipient of the communication, and the print must have a reasonable degree of color contrast between the background and the printed statement. Black text in 12-point font on a white background is one way to satisfy this requirement for printed material measuring no more than 24 inches by 36 inches.

f. Multiple-Page Document

A disclaimer need not appear on the front page or cover of a multiple-page document.

g. Package of Materials

Each communication that would require a disclaimer if distributed separately must still display the disclaimer when included in a package of materials. For example, if a campaign poster is mailed with a solicitation for contributions, a separate disclaimer must appear on the solicitation and the poster.

4. Special Rules for Television and Radio Ads

Not Authorized by Candidate's Committee

A radio or television communication that is not authorized by the candidate's committee must also include (in addition to the statements identifying who paid for the communication and that it is not authorized by any candidate or candidate's committee) an audio statement that "(the name of the person or committee responsible for the communication) is responsible for the content of this advertising" and, if applicable, the name of the committee's connected organization.

5. When Disclaimer not Required

A disclaimer is not required when:

- It cannot be conveniently printed (e.g., pens, bumper stickers, campaign pins, campaign buttons, and similar small items);
- Its display is not practicable (e.g., wearing apparel, water towers, and skywriting); or

- The item is of minimal value, does not contain a political message and is used for administrative purposes (e.g., checks and receipts).

C. Candidates

1. Fundraising

The following are the rules governing fundraising for candidates.

a. Fundraising Notices

Certain statements by the candidate must be present on solicitations, as follows:

b. Authorization Notice

When a campaign solicits contributions through public communications, or on a campaign web site, it must include a clear and conspicuous notice on the solicitation stating that it was paid for by the campaign: Paid for by the Justin Thyme for Congress Committee. See “Disclaimer Notices,” later in this chapter for more information.

c. Joint Fundraising

Candidates may engage in joint fundraising with other candidates.

d. Accepting Contributions: General Rule

A candidate is prohibited from knowingly accepting any contributions from prohibited sources. The treasurer is responsible for examining all contributions to make sure they are not illegal (i.e., prohibited or excessive).

2. Disclaimers

Any public communication made by a candidate, even those that do not contain a solicitation or express advocacy, must include a disclaimer.

a. Public Communications

Public communications include electioneering communications and any other form of general public political advertisement, including communications made using the following media:

- Broadcast, cable, or satellite;
- Newspaper or magazine;
- Outdoor advertising facility;
- Mass mailing (more than 500 substantially similar mailings within 30 days);
- Phone bank (more than 500 substantially similar calls within 30 days)
- Communications placed for a fee on another person’s web site.

The following communications are not considered to be public communications but still require a disclaimer:

- Electronic mail: More than 500 substantially similar communications sent by a political committee; and

- Web sites of political committees

3. Wording of Disclaimer Notice

a. Authorized and Financed by Committee

If the campaign authorizes and finances a covered communication (including any solicitation), the notice must state that the communication was paid for by the candidate. Additional requirements (see below) apply for print, television and radio ads.

Example: “Paid for by the Justin Thyme for Congress Committee.”

b. Authorized but Not Financed by Committee

If a covered communication, including any solicitation, is authorized by the campaign but paid for by another person, the communication must identify the person who paid for it and state that it was authorized by the campaign. Additional requirements apply for print, television and radio ads (see below).

Example: “Paid for by the R.E.D. Committee and authorized by the Justin Thyme for Congress Committee.”

c. Not Authorized or Financed by Committee

Although this type of notice is not used by a candidate’s campaign, campaign staff should be aware that if a committee (including a party committee that makes an independent expenditure) pays for a communication (including any solicitation) that refers to their candidate but is not authorized by the campaign, the notice must state that it was not authorized by any candidate or candidate’s committee, identify the entity that paid for the communication and provide at least one of the following: the payer’s permanent street address, telephone number, or web site address.

Example: “Paid for by the Pun PAC (www.punpac.org) and not authorized by any candidate or candidate’s committee.” This type of notice must be used on independent expenditures and electioneering communications that are not authorized by a candidate or a candidate’s campaign.

d. Party Committee Coordinated Communications on Behalf of Candidate

A party committee that pays for a communication that is a coordinated party expenditure must identify the party committee as the payer in the disclaimer. The disclaimer must state that it was paid for by the party committee and authorized by the candidate.

e. Clear and Conspicuous Placement of Disclaimer Notice

A disclaimer notice must be clearly and conspicuously displayed. A notice is not clearly and conspicuously displayed if the print is difficult to read or if the placement is easily overlooked.

f. Special Rules for Printed Communications

In printed communications, the disclaimer must be contained within a printed box set apart from the contents of the communication. The print of the disclaimer must be of

sufficient size to be “clearly readable” by the recipient of the communication, and the print must have a reasonable degree of color contrast between the background and the printed statement. Black text in 12-point font on a white background is one way to satisfy this requirement for printed material measuring no more than 24 inches by 36 inches.

g. Multiple-Page Document

A disclaimer need not appear on the front page or cover of a multiple-page document.

h. Package of Materials

Each communication that would require a disclaimer if distributed separately must still display the disclaimer when included in a package of materials. For example, if a campaign poster is mailed with a solicitation for contributions, a separate disclaimer must appear on the solicitation and the poster.

4. Special Rules for Television and Radio Ads

Not Authorized by Candidate’s Committee

A radio or television communication that is not authorized by the candidate’s committee must also include (in addition to the statements identifying who paid for the communication and that it is not authorized by any candidate or candidate’s committee) an audio statement that “(the name of the person or committee responsible for the communication) is responsible for the content of this advertising” and, if applicable, the name of the committee’s connected organization.

5. When Disclaimer not Required

A disclaimer is not required when:

- It cannot be conveniently printed (e.g., pens, bumper stickers, campaign pins, campaign buttons, and similar small items);
- Its display is not practicable (e.g., wearing apparel, water towers, and skywriting); or
- The item is of minimal value, does not contain a political message and is used for administrative purposes (e.g., checks and receipts).

IX. Keeping Records

In order to fully comply with the reporting requirements of the Act, a committee or candidate must keep detailed records. The recordkeeping requirements for a committee’s or candidate’s receipts and disbursements are explained below.

A. Total Contributions

Records must show figures for total contributions received, as well as the individual contribution amounts.

B. Identifying Contributors

Records must identify who made which contribution and when.

1. Possibly Illegal Contributions

As noted in earlier chapters, when a committee or candidate has reason to question the legality of a contribution, he has specific time frames in which to clarify whether the contribution is permissible. While investigating a contribution, the committee or candidate must keep a written record noting the basis of concern for each deposited contribution which requires confirmation that it is not from a prohibited source. See the section on “Questionable Contributions” for more information on the candidate’s or committee’s responsibility to determine the legality of possibly illegal contributions.

2. Recording Contributors

Records must identify each contribution from any source, regardless of amount, by:

- Amount;
- Date of receipt; and
- Contributor.

C. Recording Disbursements

The committee or candidate must keep a record of each disbursement, including:

- Amount;
- Date;
- Name of payee; and
- Category.

D. Giving Receipts

Every contribution received must be recorded by a receipt given to the contributor. This receipt will identify:

- Amount;
- Date of receipt
- Contributor; and
- Beneficiary.

X. Completing FEC Reports

A. Who Reports

All committees and candidates must file daily reports on financial activity with the iGovern Election Commission until the end of camp. A committee or candidate is responsible for signing and filing timely, complete, and accurate reports and statements. If a committee or candidate is unable to obtain information after making his or her best efforts, that fact should be noted on the report where the information is incomplete.

B. When to Report

Committees and candidates must file reports on time (the Commission cannot grant extensions). Political party committees must file Form PP-1, political action committees must file Form PAC-1, and candidates must file Form MC-1 by breakfast each day.

C. Fines

The Commission has implemented an Administrative Fines Program for assessing civil money penalties for violations involving:

- Accepting illegal contributions;
- Failure to file reports on time; and
- Failure to file reports at all.

Offenses and fines:

- Accepting illegal contributions = illegal amount + 100% fine
- Missing documentation/Improper filing = improperly filed amount + 100% fine
- Failure to file reports on time = \$100,000 for 1 day late. \$1,000,000 for 2 days late. \$10,000,000 for 3 days late.

If the Commission finds “reason to believe” (RTB) that a committee violated the law, the Commission will notify the committee in writing of its finding and the amount of the civil money penalty.

Excuses involving negligence, illness, inexperience, unavailability of committee staff or treasurer, failure to know filing dates, delays caused by vendors, or failure of the committee’s computers, software, or Internet service provider do not qualify for the “best efforts” defense.

XI. Public Inspection of Reports

All reports filed by political party committees, political action committees, and candidates are available for public inspection in the FEC’s Office.