

# CAMPAIGN OPERATIONS

## PART 1: FUNDRAISING



August 20, 2013  
11:15 a.m. – 12:45 p.m.

Tab #3

## Objectives – Part 1

- ▣ Review Contribution Basics
- ▣ Discuss Proper Solicitation and Fundraising
- ▣ Evaluate Contributions from Various Sources
  - PACs & Parties
  - Individuals -- including methods for curing excessive contributions
  - Partnerships
  - Unregistered Organizations

## CAMPAIGN CONTRIBUTION BASICS

### Contribution Basics

**Per Election Limits:**

**\$2,600** (indexed for inflation)

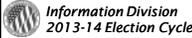
- Individuals/Persons
- Non-multicandidate committees (“non-qualified”)

**\$5,000** (not indexed)

- Multicandidate committees (“qualified”)

**\$2,000** (not indexed)

- Campaign committee to campaign committee

Campaign Operations Part 1

### I. Per Election Basis

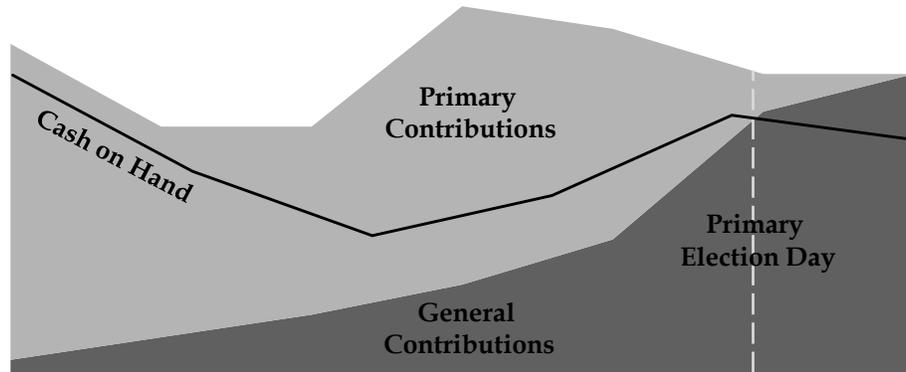
#### A. Subject to Limit (*Guide*, p. 17)

1. Limits are per election, per candidate.
  - a) **\$2,600/election** (indexed for inflation) from individuals, persons, non-multicandidate committees.
  - b) **\$5,000/election** (not indexed) from multicandidate committees.
  - c) **\$2,000/election** (not indexed) from one federal candidate’s authorized committee to another federal candidate’s authorized committee.
2. The value of an in-kind contribution (usual and normal charge) counts against same contribution limit as gifts of money.

## Contribution Basics

### Accounting Method:

- ▣ During primary, cash on hand must be  $\geq$  total general election contributions received



Information Division  
2013-14 Election Cycle

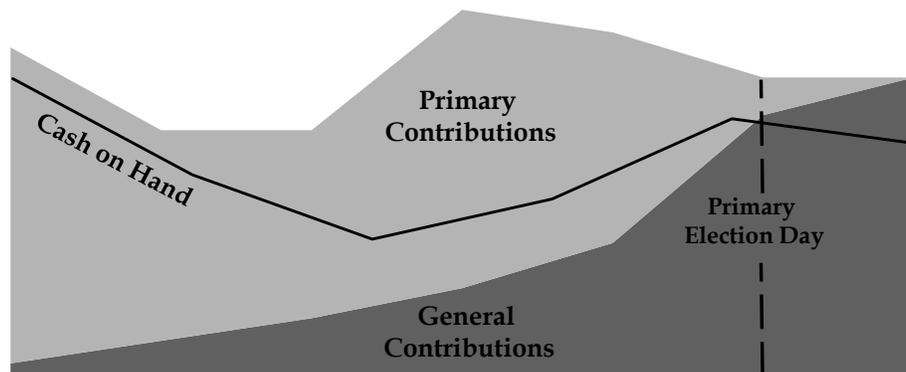
Campaign Operations Part 1

- B. Accounting Method** (*Guide*, p. 74)
1. Campaign must adopt an accounting system to distinguish between contributions made for the primary and those for the general election.
  2. During the primary, the campaign's cash on hand must at least equal the amount of general election contributions received. 11 CFR 102.9(e)(2).

## Contribution Basics

### Accounting Method:

- ▣ If candidate loses primary, campaign must refund general election contributions w/in 60 days



Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

- C. **Candidates Who Lose in the Primary** (*Guide*, pp. 20-21)
1. Entitled to limit only if candidate seeks office in that election.
  2. Candidate who accepts contributions for general election before primary is held and loses the primary must refund, redesignate or reattribute general election contributions within 60 days of the primary or public withdrawal from the primary race. 11 CFR 110.1(b)(3) and (5).
  3. Similar application for convention, runoff, etc.

## Contribution Basics

### Debt Retirement Contributions

- ▣ Debt is assigned to an election
- ▣ Debt retirement contributions acceptable if:
  - Campaign has “net debts” for an election
  - Contribution designated for that election AND
  - Does not exceed per election limit

 Information Division  
2013-14 Election Cycle Campaign Operations Part 1

- D. **Contributions to Retire Debts** (*Guide*, pp. 27-28)
1. **Debt Retirement Contributions**
    - a) If a committee has net debts outstanding after an election is over, it may accept contributions after the election to retire debts provided that the:
      - (1) Contribution is **designated** for that election;
      - (2) Contribution does **not exceed contributor’s limit for the designated election**; and
      - (3) Campaign has **net debts outstanding** on the day it receives the contribution. 11 CFR 110.1(b)(3)(i) and (iii).
    - b) For example, campaigns retiring debt for 2012 general can accept up to \$2,500 from an individual, not the current \$2,600 limit.

## Net Debts Outstanding

- ▣ Net debts outstanding is amount committee can raise to retire debt; adjusted continuously
- ▣ Terminating committees may add the cost of winding down

### 2. Calculating net debts outstanding

- A campaign's net debts outstanding consist of unpaid debts incurred with respect to a particular election, minus cash on hand.
- First calculated as of the day of election.
- Figure is continually recalculated as additional funds are received for, or spent on, the election for which debt remains.

## Net Debts Outstanding



Receipts  
- Disbursements  

---

Cash on Hand

Debts  
- Cash on Hand  

---

Net Debts  
Outstanding

## Soliciting Campaign Funds



# **Vote Kramer**

## **for U.S. Congress**

**Primary Election Day is  
June 24**

**Paid for by the Committee to Elect Cosmo Kramer**

## Soliciting Campaign Funds

Dear Mr. Justin Pitt,  
Please contribute.

Note that federal law requires us to ask for name, address, occupation and employer for any contributor who gives more than \$200 in the election cycle.

Best,  
*Cosmo Kramer*

**Paid for by the Committee to Elect Cosmo Kramer**



✓ Best Efforts

✓ Fundraising  
Notice

## II. Soliciting and Receiving Contributions

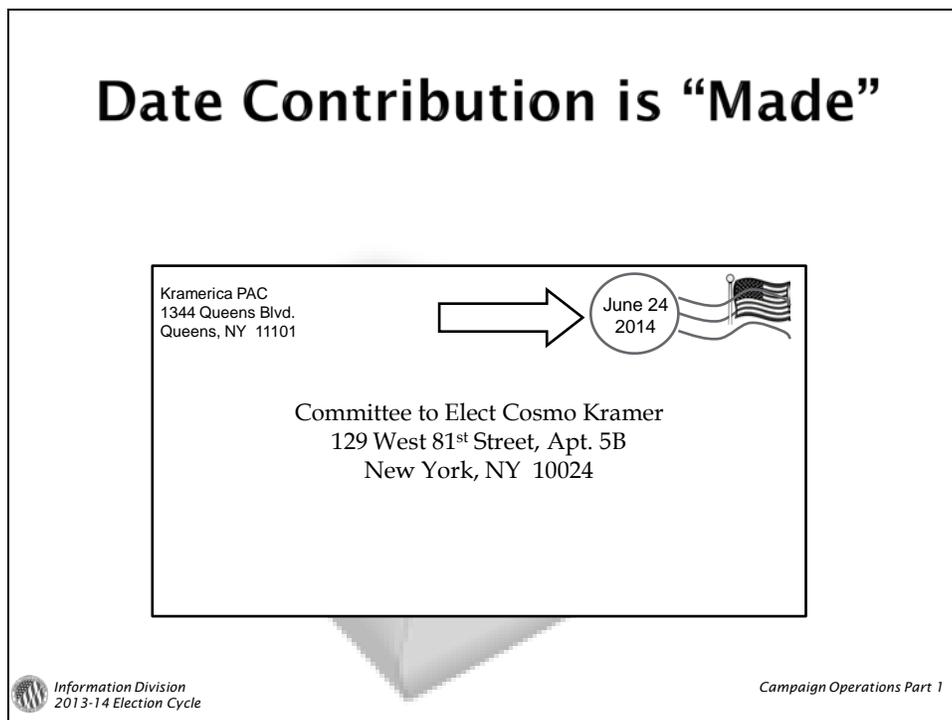
### A. Solicitations and Fundraising Notices (*Guide*, pp. 63-67)

#### 1. Authorization Notice

- a) When the campaign solicits contributions through public communications, or on a campaign website, it must include a clear and conspicuous notice on the solicitation stating that it was paid for by the campaign.
- b) *“Paid for by the Cosmo Kramer for Congress Committee”*

#### 2. Best Efforts

- a) When making solicitations, campaigns and their treasurers must make “best efforts” to obtain, maintain and report name, address, occupation and employer for each contributor who gives more than \$200 in an election cycle.
- b) Initial solicitation must specifically request that information and inform contributors that the campaign is required by law to use its best effort to collect and report it.
- c) If a contributor does not provide sufficient reporting information, the campaign must make one follow up within 30 days of receipt.



### B. How Contributions Work

#### 1. Designated and Undesignated Contributions

- a) **Designated contributions** count against the donor’s contribution limits for the election that is named. Donors may designate

contributions by indicating in writing on the check or in a signed statement accompanying the contribution.

- b) **Undesignated contributions** count against the donor’s contribution for the candidate’s next scheduled election, based upon “date made.” (see below)

2. **Date Made v. Date of Receipt**

a) **Date Made**

- (1) The date the contribution is made determines which election limit it counts against. Undesignated contributions made on or before the date of the election count against the donor’s limit for that election, even if the date of receipt is after the election day.
- (2) The date the contribution is made is the date the contributor relinquishes control over it.
  - (a) **Hand delivery:** date the contribution is delivered by the contributor to the campaign.
  - (b) **Mail:** date of the postmark. If campaign wishes to rely on the postmark as evidence of date made, it must retain the envelope or a copy of it.
  - (c) **In-kind:** date the goods or services are provided by the contributor.
  - (d) **Internet:** date the contributor electronically confirms making the transaction.

b) **Date of Receipt**

- (1) The date the campaign (or person acting on the campaign’s behalf) actually receives the contribution. This is the date used for reporting purposes.
- (2) **Special situations:**
  - (a) **Credit card:** date of receipt is the date on which the committee receives the contributor’s signed authorization to charge the contribution. Treasurer should retain a copy of authorization form for committee’s records.
  - (b) **In-kind:** date the goods/services are provided to the committee, even if the contributor pays the bill for goods/services after they are provided to the campaign.

c) **Date of Deposit**

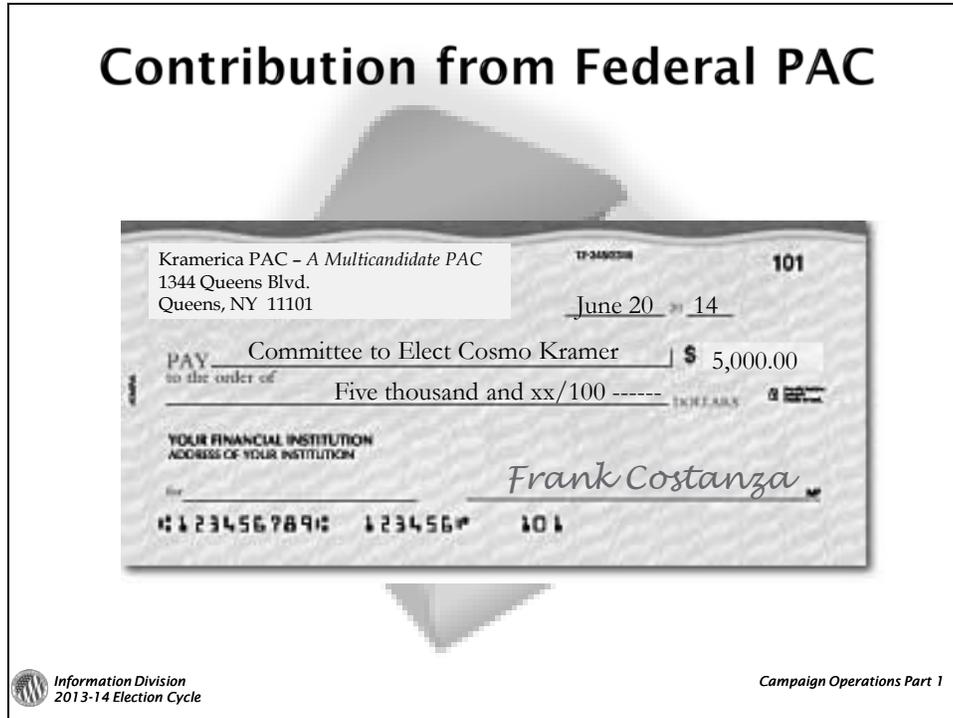
All contributions must be deposited within 10 days of receipt; this date is **not** used for reporting or contribution limit purposes.

**SOURCES OF SUPPORT**

**Contribution Limits**

*Review*

<i>For 2013-14 Elections</i>	<i>Candidate per election</i>	<i>National Party per year</i>	<i>State, District &amp; Local Party per year</i>	<i>Any PAC per year</i>	<i>Special Limits</i>
<i>Individual</i>	\$2,600	\$32,400	\$10,000 (combined)	\$5,000	\$123,200 biennial limit
<i>National Party</i>	\$5,000	No Limit	No Limit	\$5,000	\$45,400 per Senate campaign
<i>State, District &amp; Local Party</i>	\$5,000 (combined)	No Limit	No Limit	\$5,000 (combined)	None
<i>PAC: multicandidate</i>	\$5,000	\$15,000	\$5,000 (combined)	\$5,000	None
<i>PAC: not multicandidate</i>	\$2,600	\$32,400	\$10,000 (combined)	\$5,000	None



## I. Political Action Committees (*Guide*, p. 17)

### A. Limits

- 1. If Qualified Multicandidate PAC: \$5,000/election.**
  - b) PAC required to notify campaign of status.
  - c) Campaign may also verify PAC's status with FEC.
- 2. If Not Qualified as Multicandidate PAC: \$2,600/election** (indexed for inflation).

### B. Affiliated PACs (*Guide*, p. 19)

1. Affiliated PACs share contribution limits.
2. Defined as commonly established, financed, maintained or controlled.
3. Example: PACs of national and local labor organizations or PACs of parent and subsidiary corporations.

### C. From a Leadership PAC (*Guide*, pp. 20; 168)

- 1. Definition of Leadership PAC**

Political committee directly or indirectly established, financed, maintained or controlled by federal candidate/officeholder but is NOT:

  - a) An authorized committee;
  - b) Affiliated with an authorized committee; and
  - c) A political party committee.
- 2. Limit: \$5,000/election**, if multicandidate; **\$2,600/election**, if not (indexed for inflation).
3. Not deemed affiliated with member's authorized committee.  
11 CFR 100.5(g)(5).

## Reporting Receipts

### How to Itemize Receipts

#### Always Itemize:

- ✓ Contributions from party committees and organizations
- ✓ Contributions from other political committees
- ✓ Transfers
- ✓ Loans

#### Itemize all other receipts when:

- ✓ Aggregate > \$200 from one source in an election cycle

### Itemizing Receipts

Receipt transactions should include the following itemization information for contribution source:

- Name and mailing address;
- Occupation and employer (individuals only);
- FEC ID number (political committees only);
- Election to which contribution/loan was designated;
- Date of receipt;
- Amount of receipt; and
- Aggregate election-cycle-to-date total for all receipts from same source.

## Receipt – Schedule A, Line 11(c)

Contribution from  
Federal PAC

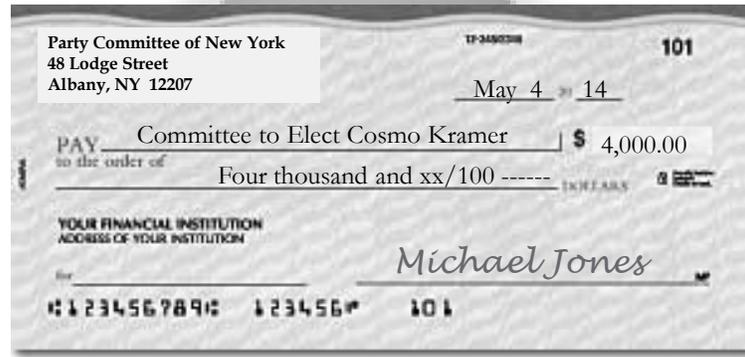
<b>SCHEDULE A (FEC Form 3)</b> <b>ITEMIZED RECEIPTS</b>	Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER (check only one) <table style="width: 100%; text-align: center; font-size: 0.8em;"> <tr> <td><input type="checkbox"/> 11a</td> <td><input type="checkbox"/> 11b</td> <td><input checked="" type="checkbox"/> 11c</td> <td><input type="checkbox"/> 11d</td> </tr> <tr> <td><input type="checkbox"/> 12</td> <td><input type="checkbox"/> 13a</td> <td><input type="checkbox"/> 13b</td> <td><input type="checkbox"/> 14</td> </tr> <tr> <td colspan="4" style="text-align: right;"><input type="checkbox"/> 15</td> </tr> </table>	<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input checked="" type="checkbox"/> 11c	<input type="checkbox"/> 11d	<input type="checkbox"/> 12	<input type="checkbox"/> 13a	<input type="checkbox"/> 13b	<input type="checkbox"/> 14	<input type="checkbox"/> 15			
<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input checked="" type="checkbox"/> 11c	<input type="checkbox"/> 11d											
<input type="checkbox"/> 12	<input type="checkbox"/> 13a	<input type="checkbox"/> 13b	<input type="checkbox"/> 14											
<input type="checkbox"/> 15														
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.														
NAME OF COMMITTEE (In Full) <div style="text-align: center; font-weight: bold; font-size: 1.1em;">             Committee to Elect Cosmo Kramer           </div>														
Full Name (Last, First, Middle Initial) <b>Kramerica PAC</b>	Date of Receipt <table style="width: 100%; text-align: center; font-size: 0.8em;"> <tr> <td style="border: 1px solid black; padding: 2px;">06</td> <td style="border: 1px solid black; padding: 2px;">27</td> <td style="border: 1px solid black; padding: 2px;">2014</td> </tr> </table>		06	27	2014									
06	27	2014												
A. Mailing Address <b>1344 Queens Boulevard</b>	Amount of Each Receipt this Period <div style="text-align: right; font-weight: bold; font-size: 1.1em;">5,000.00</div>													
City <b>Queens</b> State <b>NY</b> Zip Code <b>11101</b>	Name of Employer _____ Occupation _____													
FEC ID number of contributing federal political committee. <b>C 00342972</b>	Election Cycle-to-Date <div style="text-align: right; font-weight: bold; font-size: 1.1em;">5,000.00</div>													
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) _____	(Arrow pointing to amount field)													

**Information Division**  
 2013-14 Election Cycle

Campaign Operations Part 1

- D. Itemizing Contribution from Federal PAC**
1. Schedule A for Line 11(c) “Other Political Committees (such as PACs).”
  2. Itemize **regardless of amount**.
  3. Include all itemization information (see above) –report the PAC FEC ID number (no occupation / employer).

## Contribution from Party Committee



 Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

## Contribution from Party Committee

- ❑ Federal Committee - \$5,000/election
- ❑ Affiliation for State/Local Party
  - \$5,000 /election - shared by all federally registered local party committees within the state
  - Affiliation presumed
- ❑ Special Limit to Senate Candidate
  - \$45,400/six-year election cycle - shared by party's national and national senatorial committees

 Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

## II. Political Party Committee (Federal Account) (*Guide*, pp. 19-20)

### A. To Congressional Candidates

#### 1. National Party Committee Limit: \$5,000/election.

2. **State Party Committees:**
  - a) **Limit:**
    - (1) **\$5,000/election**, if multicandidate.
    - (2) **\$2,600/election**, if not (indexed for inflation).
  - b) Limit shared with all federally registered local party committees within the state. (presumed affiliated)
3. **Unregistered Local Party Organization Limit**
  - a) **\$2,600/election** (indexed for inflation).
  - b) Limit not shared with state party committee. AO 1999-4.
  - c) Must be permissible funds.
  - d) Counts towards registration threshold.

**B. To Senatorial Candidates**

1. **National Party Committee Limit**
  - a) **\$45,400/six-year election cycle** (indexed for inflation) shared by party’s national committee and national senatorial committee.
  - b) **\$5,000/election** for party’s national congressional committee.
2. **State, District and Local Party Committees** – same as above.

Receipt – Schedule A, Line 11(b)

Contribution from  
Party Committee

<b>SCHEDULE A (FEC Form 3)</b>	Use separate schedule(s) for each category of the Detailed Summary Page	FOR LINE NUMBER: (check only one)	PAGE
<b>ITEMIZED RECEIPTS</b>		<input type="checkbox"/> 11a <input checked="" type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 11d <input type="checkbox"/> 12 <input type="checkbox"/> 13a <input type="checkbox"/> 13b <input type="checkbox"/> 14 <input type="checkbox"/> 15	
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.			
NAME OF COMMITTEE (In Full) <b>Committee to Elect Cosmo Kramer</b>			
Full Name (Last, First, Middle Initial) <b>Party Committee of New York</b>			
A. Mailing Address <b>48 Lodge Street</b>		Date of Receipt <b>05 / 08 / 2014</b>	
City <b>Albany</b>		State   Zip Code <b>NY   12207</b>	
FEC ID number of contributing federal political committee. <b>C   07042972</b>		Amount of Each Receipt this Period <b>4,000.00</b>	
Name of Employer		Occupation	
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Election Cycle-to-Date <b>4,000.00</b>	

**Information Division**  
 2013-14 Election Cycle

**Campaign Operations Part 1**

- C. **Reporting Contribution from Party Committee**
  1. Itemize on Schedule A for Line 11(b) “Political Party Committees.”
  2. Include all itemization information (see above) –report party committee’s FEC ID number (no occupation / employer).

## Contribution from Individual

The image shows a check from Jerry Seinfeld, 129 West 81st Street, Apt. 5A, New York, NY 10024. The check is dated May 4, 2014, and is payable to the Committee to Elect Cosmo Kramer for \$2,600.00. The amount is written in words as "two thousand six hundred and xx/100". The check is signed by Jerry Seinfeld and includes the text "Primary 2014". The check number is 101. The MICR line at the bottom reads "⑆123456789⑆ 123456⑆ 101".

## Permissible Sources

### Individuals/Persons

- ❑ Limit: \$2,600/election
- ❑ Advances of Personal Funds – count as contributions until reimbursed
  - Unreimbursed travel  
Exempt up to \$1,000/election, per candidate
  - Reimbursed travel  
Exempt if repaid on time (cash/check: w/in 30 days;  
credit card: w/in 60 days of billing statement closing date)
  - Application to official staff

### III. Individuals/Persons (*Guide*, p. 26)

- A. **Limit: \$2,600/election** (indexed for inflation).

**B. Persons**

Includes groups not prohibited from making contributions (i.e., sole proprietorships, partnerships and certain LLCs and Indian Tribes).

**C. Minors**

Individuals under 18 years old may make contributions if the minor:

1. Makes the decision to contribute knowingly and willingly;
2. Uses funds they own or control; and
3. Does not use funds given to them as a gift for the purpose of making a contribution. 11 CFR 110.19.

**D. Advances of Personal Funds** (*Guide*, pp. 13-14; 95-97)

Use of personal funds by candidate, staff or volunteers is an in-kind contribution until reimbursed by committee.

**1. \$1,000 Unreimbursed Transportation Exemption** (*Guide*, p. 39)

- a) Individuals (including the candidate, paid staff member or volunteer) may voluntarily spend up to \$1,000 for transportation expenses on behalf of campaign without making contribution.
- b) Payments exceeding \$1,000 per candidate, per election, are considered contributions, subject to limit.

**2. Application to Official Staff**

- a) Prohibits member of a Representative's or Senator's official staff from making contributions to his employing Member. 18 U.S.C. §603 (criminal statute under jurisdiction of the Department of Justice)
- b) Official staff should not advance personal funds even if intending to be reimbursed later. (Exception for travel advances – *see* Campaign Operations, Part 3 (Tab 5) for more info).

Receipt – Schedule A, Line 11(a)(i)

*Contribution from Individual*

<b>SCHEDULE A (FEC Form 3)</b>		Use separate schedule(s) for each category of the Detailed Summary Page		LINE NUMBER: (check only one)		PAGE	
<b>ITEMIZED RECEIPTS</b>				<input checked="" type="checkbox"/> 11a		<input type="checkbox"/> 11b	
				<input type="checkbox"/> 11c		<input type="checkbox"/> 11d	
				<input type="checkbox"/> 12		<input type="checkbox"/> 13a	
				<input type="checkbox"/> 13b		<input type="checkbox"/> 14	
				<input type="checkbox"/> 15			

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)  
**Committee to Elect Cosmo Kramer**

Full Name (Last, First, Middle Initial)  
**Jerry Seinfeld**

A. Mailing Address  
**129 West 81<sup>st</sup> Street Apt. 5A**

City: **New York** State: **NY** Zip Code: **10024**

FEC ID number of contributing federal political committee: **C**

Name of Employer: **Self** Occupation: **Comedian**

Receipt For:  
 Primary  General  
 Other (specify)

Election Cycle to Date: **2,600.00**

Date of Receipt: **05 / 10 / 2014**

Amount of Each Receipt this Period: **2,600.00**

**E. Reporting Contribution from Individuals/Persons**

1. Itemize on Schedule A for Line 11(a)(i) “Individuals/Persons Other Than Political Committees.”
2. Include all itemization information (see above) – for individuals, include occupation and employer.

#### IV. Methods for Curing Excessive Contributions

### Curing Excessives

Morty Seinfeld  
Helen Seinfeld  
Phase 2 - Pines of Mar Gables  
Del Boca Vista, FL 33433

May 4

PAY to the order of Committee to Elect Cosmo Kramer  
Five thousand two hundred and xx/100

\$ 5,200.00

YOUR FINANCIAL INSTITUTION ADDRESS OF YOUR INSTITUTION  
UNDESIGNATED

*Helen Seinfeld*

Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

### Curing Excessives

Options: The Three R's

Refund	Redesignate	Reattribute
• To donor	• To another election	• To another donor
1	2	3

Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

#### A. Refund

## Presumptive Redesignation



Helen Seinfeld

1. Designate \$2,600 to Primary
2. Redesignate \$2,600 to General
3. Notify Helen, offering option of refund

\* Ensure that donor does not exceed contribution limit

- B. Redesignate** – (11 CFR 110.1(b)(5)(ii)(B)(1)-(4)); (*Guide*, pp. 24-27)
- 1. Presumptive Redesignation**

If individual or non-multicandidate committee makes an excessive primary contribution, campaign may presumptively redesignate excessive portion to general election if contribution:

    - a) Is made before candidate's primary election;
    - b) Is not designated in writing for a particular election;
    - c) Would be excessive if treated as a primary election contribution; and
    - d) As redesignated, does not cause the contributor to exceed any other contribution limit.
  - 2. Backward-looking provision:** An undesignated contribution made after primary, but before general, may be applied to primary debt if campaign's net debts are greater than the amount redesignated.
  - 3. Notification Requirement**

Committee must notify contributor of redesignation by paper mail, e-mail, fax or other written method within 60 days of treasurer's receipt of contribution; must notify contributor of right to receive refund instead.
  - 4. Electronic Contributor Redesignations**

The Commission has recently acknowledged that, in certain circumstances, an online process can provide a sufficient level of assurance as to the contributor's identity and intent such that it satisfies the written signature requirements. See Interpretive Rule Regarding Electronic Contributor Redesignations, 76 FR 16233 (March 23, 2011). Available on FEC website at:  
[http://www.fec.gov/law/cfr/ej\\_compilation/2011/notice\\_2011-02.pdf](http://www.fec.gov/law/cfr/ej_compilation/2011/notice_2011-02.pdf)

## Curing Excessives

Morty Seinfeld  
Helen Seinfeld  
Phase 2 - Pines of Mar Gables  
Del Boca Vista, FL 33433

1F-3490208 101

May 4 2014

PAY Committee to Elect Cosmo Kramer \$ 5,200.00

to the order of Five thousand two hundred and xx/100

YOUR FINANCIAL INSTITUTION  
ADDRESS OF YOUR INSTITUTION

Helen Seinfeld

⑆123456789⑆ 123456 101

Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

- C. **Reattribute** – (11 CFR 110.1(k)(3)(ii)(B)(1)); (*Guide*, p. 25)
1. **Attribution of Contributions by Contributors**
    - a) Individual contributions attributed to person(s) who sign check.
    - b) Joint account – both must sign check or accompanying statement.

## Presumptive Reattribution

1. Attribute \$2,600 to Helen
2. Reattribute excessive \$2,600 to Morty
3. Notify both; offering option of a refund

\* Ensure that neither donor exceeds contribution limit

Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

**2. Presumptive Reattribution**

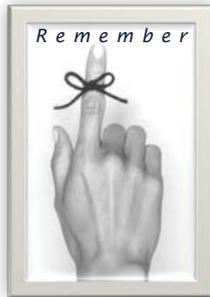
If individual contribution exceeds limit and is made on joint account, but has only one signature:

- a) Attribute permissible amount to the signer; and
- b) Presumptively reattribute excessive amount to other account holder, without obtaining his/her signature.

3. Reattribution may not cause contributors to exceed any contribution limits.
4. Committee must notify contributor of reattribution by paper mail, e-mail, fax or other written method within 60 days of treasurer's receipt of contribution; must notify contributor of right to receive refund instead.

## Avoid Excessives

- ▣ Encourage donors to designate contributions
- ▣ Obtain signatures for joint contributions
- ▣ Presumptive redesignation **NOT** available for multicandidate committee contributions



▣ Designation required if:

- Contributing to a future election (i.e., not next election)
- Contributing to retire debt from a past election

 Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

**D. Avoiding Excessive Contributions**

1. **Campaigns** – Ask contributors to designate contributions for a particular election.
2. **Designate** all contributions your committee makes to federal candidates.
3. **Ask joint contributors** to make sure both sign check or accompanying statement.
4. **Presumptive redesignation NOT available for excessive multicandidate committee contributions** (only individuals and non-multicandidate committees). Redesignation would need to be done the “old” way:
  - a) Campaign asks contributor to provide a written, signed statement redesignating contribution for another election. The request must also state that the contributor may instead receive a refund of the excessive amount.

- b) Contribution is properly redesignated if, within 60 days of receipt, the campaign receives a written, signed statement redesignating the excessive portion to another election.
- c) If the signed authorization is not received within 60 days, the campaign must refund the excessive portion.

**5. Designation of Campaign Contributions by Contributor**

- a) If contributor intends contribution to count toward a future election, beyond the upcoming election.
- b) If contributor wants contribution to retire candidate's debt of a past election. Note: This is permissible only if:
  - (1) Candidate has net debt outstanding from that election; and
  - (2) Contribution, when aggregated with previous contributions to same candidate for same election, does not exceed limit.

**SCENARIO #1: Redesignation/Reattribution of Excessive Contributions**  
*(Guide, pp. 92-94)*

*Congressman Cosmo Kramer is running for re-election in 2014. While visiting his son in New York City, Morty Seinfeld attended the Congressman's St. Patrick's Day fundraiser at Monk's Café. At the event, he made a \$500 contribution, designated for the primary (see check below). When Morty returned home to Florida, he talked to his wife, Helen, about doing more to get their friend Kramer re-elected to Congress. In response, she mailed the campaign a check for \$5,200 (see check below), which the campaign received on April 3, 2014.*



1. How should the committee disclose the \$500 contribution from Morty Seinfeld?
2. Can we accept Helen's contribution check as written? If not, what must the campaign do to remedy the situation?
3. How should the committee disclose the transaction(s) that remedy the excessive contribution?
4. Key issues:

**SCENARIO #1 – ANSWERS:**

## Reporting Receipts

Review

### How to Itemize Receipts

Always Itemize:

- ✓ Contributions from party committees and organizations
- ✓ Contributions from other political committees
- ✓ Transfers
- ✓ Loans

Itemize all other receipts when:

- ✓ Aggregate > \$200 from one source in an election cycle

 Information Division  
2013-14 Election Cycle Campaign Operations Part 1

**REVIEW:** Receipt transactions should include the following itemization information for contribution source:

- Name and mailing address;
- Occupation and employer (individuals only);
- FEC ID number (political committees only);
- Election to which contribution/loan was designated;
- Date of receipt;
- Amount of receipt; and
- Aggregate election-cycle-to-date total for all receipts from same source.

- How should the committee disclose the \$500 contribution from Morty Seinfeld?**  
 Contributions from individuals are reported on Schedule A for Line 11(a)(i).

Receipt – Schedule A, Line 11(a)(i)

Redesignation & Reattribution

<b>SCHEDULE A (FEC Form 3)</b>	Use separate schedule(s) for each category of the Detailed Summary Page	LINE NUMBER: PAGE (check only one) <input checked="" type="checkbox"/> 1a <input type="checkbox"/> 11b <input type="checkbox"/> 11c <input type="checkbox"/> 11d <input type="checkbox"/> 12 <input type="checkbox"/> 13a <input type="checkbox"/> 13b <input type="checkbox"/> 14
Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.		
NAME OF COMMITTEE (In Full) <div style="border: 1px solid black; padding: 2px; text-align: center; font-weight: bold;">Committee to Elect Cosmo Kramer</div>		
Full Name (Last, First, Middle Initial) <b>A. Morty Seinfeld</b>		Date of Receipt M M / D D / Y Y Y Y Y Y <div style="border: 1px solid black; padding: 2px; text-align: center;">03 / 17 / 2014</div>
Mailing Address <b>Phase 2 – Pines of Mar Gables</b>		Amount of Each Receipt this Period <div style="border: 1px solid black; padding: 2px; text-align: center; font-weight: bold;">500.00</div>
City <b>Del Boca Vista</b>	State    Zip Code <b>FL    33433</b>	
FEC ID number of contributing federal political committee. <div style="border: 1px solid black; padding: 2px; text-align: center;">C</div>		Election Cycle-to-Date <div style="border: 1px solid black; padding: 2px; text-align: center; font-weight: bold;">500.00</div>
Name of Employer <b>Self</b>	Occupation <b>Retired</b>	
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		

Information Division  
 2013-14 Election Cycle

Campaign Operations Part 1

- Can we accept Helen’s contribution check as written? If not, what must the campaign do to remedy the situation?**

No. Potentially, these could be joint contributions. However, since only Helen signed the \$5,200 check, Helen has made an excessive contribution for the primary. To remedy this, the campaign can reattribute and/or redesignate the excessive portion of her contribution.

- How should the committee disclose the transaction(s) that remedy the excessive contribution?**

**Reattribution:**

Since Helen’s contribution is drawn on a joint account, the campaign has the option of reattributing the excessive portion to the joint account holder, Morty Seinfeld. The campaign may presumptively reattribute the excessive portion (\$2,600) to Morty for the primary election as long as it would not cause him to exceed his limits.

**Report receipt:** show reporting on Schedule A for Line 11(a)(i). Two separate entries:  
 a. Show check as written: \$5,200 contribution from Helen Seinfeld for primary; and  
 b. Subtract excessive amount of contribution: -\$2,600 removed from Helen Seinfeld’s primary contribution.

For both entries, include cross-reference notations: “retribution and redesignation below.”

In our scenario, Morty Seinfeld made a \$500 contribution before the above check was written, so that attributing the full \$2,600 to him for the primary would cause him to exceed his limit for that election by \$500. Therefore, only \$2,100 may be reattributed to Morty.

**Report retribution:** show reporting on Schedule A for Line 11(a)(i). Show full \$5,200 as primary contribution from Helen Seinfeld. Change attribution of excessive portion to Morty Seinfeld as MEMO entry and include notation in Amount of Each Receipt this Period box indicating, “retribution.”

**SCHEDULE A (FEC Form 3)  
 ITEMIZED RECEIPTS**

FOR LINE NUMBER: (check only one)  
 11a  11b  11c  12  13a  13b  13c

NAME OF COMMITTEE (In Full)  
**Committee to Elect Cosmo Kramer**

**A. Helen Seinfeld**  
 Mailing Address: Phase 2 – Pines of Mar Gables, Del Boca Vista, FL 33433  
 Date of Receipt: 04 / 03 / 2014  
 Amount of Each Receipt this Period: 5,200.00  
 Name of Employer: Self, Occupation: Homemaker  
 Receipt For:  Primary,  General,  Other (specify)  
 Election Cycle-to-Date: 2,600.00

**B. Helen Seinfeld**  
 Mailing Address: Phase 2 – Pines of Mar Gables, Del Boca Vista, FL 33433  
 Date of Receipt: 04 / 03 / 2014  
 Amount of Each Receipt this Period: -2,600.00  
 Name of Employer: Self, Occupation: Homemaker  
 Receipt For:  Primary,  General,  Other (specify)  
 Election Cycle-to-Date: 2,600.00  
**MEMO Reattribution and Redesignation below**

**Morty Seinfeld**  
 Mailing Address: Phase 2 – Pines of Mar Gables, Del Boca Vista, FL 33433  
 Date of Receipt: 04 / 03 / 2014  
 Amount of Each Receipt this Period: 2,100.00  
 Name of Employer: Self, Occupation: Retired  
 Receipt For:  Primary,  General,  Other (specify)  
 Election Cycle-to-Date: 2,600.00  
**MEMO Reattribution**

**Information Division  
 2013-14 Election Cycle**

*Campaign Operations Part 1*

With the remaining \$500, the campaign can presumptively redesignate the excessive \$500 to the general election as a remedy.

**Redesignation:**

Campaign committees may also remedy an excessive contribution by applying the excessive portion to a future election. The campaign may presumptively redesignate the excessive portion to the general election as long as the contribution:

- Is made before the candidate’s primary election;
- Is not designated;
- Would be excessive if treated as a primary election contribution; and
- As redesignated, does not cause the donor to exceed any other limits.

Helen Seinfeld has not yet made any general election contributions; therefore, the campaign may presumptively redesignate either the full \$2,600 excessive portion of primary contribution to the general, or the \$500 that remains after the reattribution to Morty. To maximize the availability of funds for the primary, the campaign chooses the latter.

**Report redesignation:** show reporting on Schedule A for Line 11(a)(i) as a \$500 contribution from Helen Seinfeld. Change designation to general as a MEMO entry and include notation in Amount of Each Receipt this Period box indicating, “redesignation.”

**SCHEDULE A (FEC Form 3)  
 ITEMIZED RECEIPTS**

FOR LINE NUMBER: (check only one)  
 11a  11b  11c  11d  
 12  13a  13b  14

NAME OF COMMITTEE (in Full)  
**Committee to Elect Cosmo Kramer**

A. Full Name (Last, First, Middle Initial)  
**Helen Seinfeld**

Mailing Address  
**Phase 2 – Pines of Mar Gables**  
 City **Del Boca Vista** State **FL** Zip Code **33433**

FEC ID number of contributing federal political committee. **C**

Name of Employer **Self** Occupation **Homemaker**

Receipt For:  
 Primary  General  
 Other (specify)

Election Cycle-to-Date **5,200.00**

Date of Receipt **04 / 03 / 2014**

Amount of Each Receipt this Period **5,200.00**

**See reattribution and redesignation below**

Full Name (Last, First, Middle Initial)  
**A. Helen Seinfeld**

Mailing Address  
**Phase 2 – Pines of Mar Gables**  
 City **Del Boca Vista** State **FL** Zip Code **33433**

FEC ID number of contributing federal political committee. **C**

Name of Employer **Self** Occupation **Homemaker**

Receipt For:  
 Primary  General  
 Other (specify)

Election Cycle-to-Date **3,100.00**

Date of Receipt **04 / 03 / 2014**

Amount of Each Receipt this Period **500.00**

**MEMO Redesignation**

Receipt For:  
 Primary  General  
 Other (specify)

Election Cycle-to-Date **2,600.00**

**MEMO Reattribution**

**Information Division  
 2013-14 Election Cycle**

*Campaign Operations Part 1*



## Partnerships/LLCs

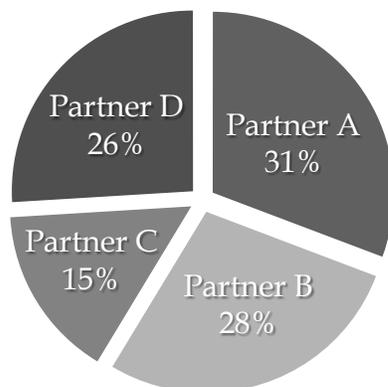
- ▣ Partnerships/Non-corporate LLCs may contribute  $\leq$  \$2,600 per election
- ▣ Dual Attribution
  - Counts as contribution from partnership and from non-corporate members
  - Allocation based on ownership stake or other agreement among partners

### B. Dually Attributed

1. Contributions are attributed both to the partnership (or LLC) and also to individual partners based on their share of the profits/losses.
2. Partnerships and LLCs must provide campaign with written statement indicating attribution to partners.
3. Cannot attribute to any corporate partners.

## Example: Dual Attribution

Partnership Contribution:



Partner A	\$800
Partner B	\$725
Partner C	\$400
Partner D	\$675
<hr/>	
Partnership	\$2,600

## Partnerships/LLCs

- ▣ Contributions by:
  - Corporate partner/member
  - Any LLC treated as corporation

**PROHIBITED**



- C. **Types of LLCs**
1. **LLC Treated as Partnership** - treated as partnership for tax purposes, partnership rules above apply.
  2. **LLC Treated as Corporation** - If treated as corporation for tax purposes, corporate prohibition on contributions applies.

*Partnership*

**SCHEDULE A (FEC Form 3)  
 ITEMIZED RECEIPTS**

Use separate schedule(s) for each category of the Detailed Summary Page

FPE LINE NUMBER: **X** 11a 11b 11c 11d 11e 11f 11g 11h 11i 11j 11k 11l 11m 11n 11o 11p 11q 11r 11s 11t 11u 11v 11w 11x 11y 11z

PAGE OF

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)  
**Committee to Elect Cosmo Kramer**

Full Name (Last, First, Middle Initial)  
**A. J. Peterman Catalog, LLP**

Mailing Address  
**229 West 81st Street**  
**New York NY 10024**

Date of Receipt  
**04 01 2014**

FEC ID number of contributing federal political committee.  
**C**

Amount of Each Receipt for this Period  
**2,600.00**

Name of Employer  
**J. Peterman Catalog**

Occupation  
**Owner/Founder**

Receipt For:  
 Primary  General  
 Other (specify)

Election Cycle-to-Date  
**2,600.00**

See partnership attribution below

Full Name (Last, First, Middle Initial)  
**B. John Peterman**

Mailing Address  
**229 West 81st Street**  
**New York NY 10024**

Date of Receipt  
**04 01 2014**

FEC ID number of contributing federal political committee.  
**C**

Amount of Each Receipt for this Period  
**1,300.00**

Name of Employer  
**J. Peterman Catalog**

Occupation  
**Owner/Founder**

Receipt For:  
 Primary  General  
 Other (specify)

Election Cycle-to-Date  
**1,300.00**

**MEMO Partnership Attribution**

Full Name (Last, First, Middle Initial)  
**C. Elaine Benes**

Mailing Address  
**229 West 81st Street**  
**New York NY 10024**

Date of Receipt  
**04 01 2014**

FEC ID number of contributing federal political committee.  
**C**

Amount of Each Receipt for this Period  
**1,300.00**

Name of Employer  
**J. Peterman Catalog**

Occupation  
**Senior Editor**

Receipt For:  
 Primary  General  
 Other (specify)

Election Cycle-to-Date  
**1,300.00**

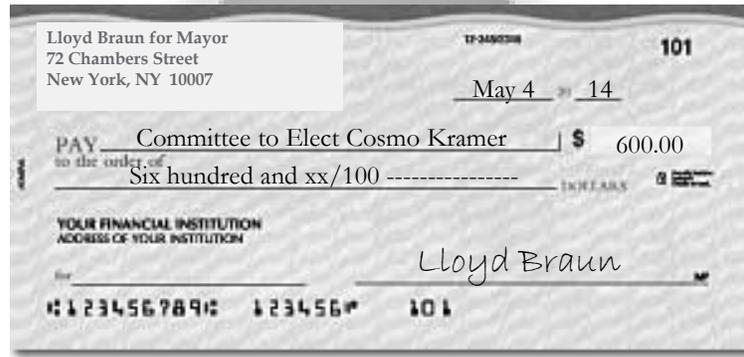
**MEMO Partnership Attribution**

- Report total from partnership
- Use memo entries for individual partners

**D. Reporting Partnership Contributions**

1. Itemized on Schedule A for Line 11(a)(i).
2. The campaign reports the contribution from entity (partnership/LLC) and includes notation in the Receipt this Period box indicating, “See partnership attribution below.”
3. Use MEMO entries to indicate attribution to partners/members that aggregate over \$200 for the election cycle. Do NOT add them again to the totals.

## Contribution from Unregistered Organization



 Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

## Permissible Sources

### Unregistered Organizations

- ❑ Must use federally permissible funds
- ❑ Counts toward federal registrations threshold
  - If nonfederal PAC is sponsored by corp./union:
    - ❑ Registration with first dollar spent on federal elections or upon formation
  - Other nonfederal committees:
    - ❑ Registration after raises or spends > \$1,000

 Information Division  
2013-14 Election Cycle

Campaign Operations Part 1

#### VI. Unregistered Organizations (*Guide*, p. 64)

- A. **Limit: \$2,600/election** limit (indexed for inflation). However, there are two facts they need to consider:

**B. Must use federally permissible funds**

1. Organization can demonstrate through a reasonable accounting method that it has sufficient federally-permissible funds to cover the amount of the contribution at time it is made; or
2. Has established a separate account containing only funds permissible under the Act. 11 CFR 102.5(b).

**C. Counts toward registration threshold**

1. Making contributions to federal candidates may trigger their own registration as a federal political committee.
2. State PACs sponsored by corporations or unions must register as federal SSFs within 10 days of the decision to make a contribution to a federal candidate.
3. Contributions from other unregistered organizations (i.e., local party organization, state campaign committee) count against a \$1,000 per year aggregate registration threshold. 11 CFR 100.5(a) - (c).

**Receipt – Schedule A, Line 11(a)(i)**

<b>SCHEDULE A (FEC Form 3)</b>		Use separate schedule(s) for each category of the Detailed Summary Page	LINE NUMBER: (check only one)	PAGE
<b>ITEMIZED RECEIPTS</b>			<input checked="" type="checkbox"/> 11a	<input type="checkbox"/> 11b
			<input type="checkbox"/> 12	<input type="checkbox"/> 13a
			<input type="checkbox"/> 11c	<input type="checkbox"/> 11d
			<input type="checkbox"/> 13b	<input type="checkbox"/> 14

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full) <b>Committee to Elect Cosmo Kramer</b>			
Full Name (Last, First, Middle Initial) <b>Lloyd Braun for Mayor</b>			
A. Mailing Address <b>72 Chambers Street</b>		Date of Receipt MM / DD / YYYY <b>05 / 08 / 2014</b>	
City <b>New York</b>	State <b>NY</b>	Zip Code <b>10007</b>	
FEC ID number of contributing federal political committee. C <span style="border: 1px solid black; border-radius: 50%; padding: 2px;"> </span>		Amount of Each Receipt this Period <b>600.00</b>	
Name of Employer		Occupation	
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		Election Cycle-to-Date <b>600.00</b>	

Federally permissible funds

Contribution from Unregistered Organization

Information Division  
2013-14 Election Cycle
Campaign Operations Part 1

**D. Reporting Contribution from Unregistered Organizations**

1. Itemize on Schedule A for Line 11(a)(i) “Individuals/Persons Other Than Political Committees.”
2. Itemize once exceeds \$200/election cycle.
3. Include all itemization information (see above) – NO ID disclosed (field is for FEC ID number only).

## Workshop Evaluation

*Help Us Help You!*

Please complete an evaluation  
of this workshop.

The image shows a screenshot of a survey form. The title is 'FEC Regional Conference for Candidates: Ethics & PM'. Below the title, it says 'WORKSHOP EVALUATION' and 'October 23, 2013'. There are several sections with questions and input fields, including 'What did you like best about this workshop? Please specify.' and 'Are there other topics you would like to see covered in future training events? Please specify.' There is also a 'Other Comments' section at the bottom.

## Break For Lunch

Lunch in Salon B

Next Workshop:  
Campaign Operations, Part 2

2:00 - 3:30 PM