

Committee Treasurers

Federal Election Commission

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Some information presented in this publication has been modified by the Bipartisan Campaign Reform Act of 2002 (BCRA). An updated version of this publication will be available at a later date. In the interim, please visit the FEC's BCRA page for additional information.

Importance of Treasurer

Under Federal law, a political committee¹ must have a treasurer before it conducts financial transactions. If you are the treasurer of a political committee, you should be aware that you have special responsibilities under the law. These duties are set forth in the Federal Election Campaign Act (the Act) and the Federal Election Commission (FEC) regulations.

The treasurer is responsible for:

- Filing the committee's registration form;
- Depositing receipts;
- Authorizing expenditures;
- Monitoring contributions;
- Keeping records;
- Signing all reports and statements; and
- Filing them on time.

While the treasurer is responsible for seeing that these activities are carried out, committee support staff, volunteers or professional consultants may actually perform the duties. For example, a properly designated assistant treasurer may sign reports in the treasurer's absence, and an accountant or bookkeeper may handle the recordkeeping and reporting duties. Nevertheless, the treasurer remains responsible for the committee's compliance with the Federal campaign finance law. Committee treasurers should therefore have a basic understanding of the law and the treasurer's responsibilities.



¹ A "political committee" is a specially defined term in the Act and regulations. Not all groups active in Federal elections are considered political committees under the law. For more information, consult Section 100.5 of Commission regulations or the appropriate Campaign Guide. These publications are available free of charge.

Treasurer's Responsibilities

Registering the Committee

A political committee must register under Federal law by filing a Statement of Organization (FEC Form 1). The committee treasurer must sign the form and see that it is filed within 10 days after the committee qualifies as a "political committee" under the Act.²

On the form, the committee provides basic information about the committee (such as its name, address and bank) and officially designates the treasurer and custodian of records.

Receipts and Expenditures

The treasurer must make sure that committee receipts are deposited in the designated campaign depository (i.e., the bank or credit union) within 10 days of receipt.

The treasurer must also authorize all committee expenditures or designate agents, either orally or in writing, who may authorize expenditures. Note that candidates who make financial transactions in connection with their campaigns are regarded, under the law, as agents of their respective committees.



Monitoring Contributions

The committee may not accept contributions from sources prohibited under the law or contributions that exceed that law's limits. Similarly, the committee may not make contributions that exceed the legal limits. The treasurer is responsible for monitoring contributions received and made by the committee to ensure compliance with these requirements. Keeping accurate records of receipts and expenditures is essential for this purpose.

Recordkeeping and Reporting

The treasurer is responsible for the timely and accurate filing of financial reports with the Federal and State governments. To carry this out, and to monitor compliance with the law's limits and prohibitions, the treasurer must see that complete and accurate records of receipts and disbursements are maintained from the very beginning of the committee's operations. The Federal campaign finance law is very specific about the information that must be documented and reported.

The treasurer must also sign the required reports.

² See the instructions for FEC forms for information on where to file statements and reports. Forms are available free of charge from the Commission, as are FEC Campaign Guides, which include material on how to fill out forms.

Treasurer's Liability

Compliance with FEC Law

Treasurers are responsible for carrying out their duties under the law, even if their committees have incorporated for liability purposes.

In an enforcement action brought against a committee, the Commission names as respondents (i.e., those alleged to have violated the law) both the committee itself and the committee treasurer, in his or her official capacity. Even when an enforcement action alleges violations that occurred during the term of a past treasurer, the Commission names the current treasurer as a respondent in his or her official capacity.

Committee's Debts

The Act and Commission regulations do not govern a treasurer's personal liability for payment of the committee's debts. In Advisory Opinion 1975-102, the Commission said: "In general, debt claims and liabilities are subject to relevant State law, and the Committee's 'responsibility' for satisfying the obligations would have to be determined with reference to those laws."

Designation of Officers

Under the Federal campaign finance law, a committee must officially designate a treasurer and custodian of records. (The same person may hold both positions.) If it wishes, the committee may also designate an assistant treasurer. It is unnecessary to disclose the names and positions of other officers appointed by the committee such as a chairman or director.

Treasurer

Anybody can become a treasurer. No special training is required, but a knowledge of basic accounting principles is helpful. Otherwise, the treasurer may wish to obtain the services of a bookkeeper or accountant.

A committee treasurer is officially designated on the Statement of Organization, FEC Form 1.

Assistant Treasurer

If the treasurer is unable to exercise his or her duties (for example, is not available to sign a report), only an assistant treasurer who has been officially designated on the Statement of Organization may assume the treasurer's duties. This is also true if the current treasurer resigns. Under the law, a political committee may not accept contributions or make expenditures without a treasurer. An officially named assistant treasurer, however, may function as the treasurer until a new treasurer is designated on an amended Statement of Organization. To avoid delays in reporting and other compliance problems that could develop in the treasurer's absence, the Commission recommends that committees designate an assistant treasurer on their Statements of Organization.



The assistant treasurer may be named when the treasurer first files the Statement or at a later time, in which case the treasurer would file an amended Statement.

Custodian of Records

The Statement of Organization also calls for the name of the custodian of records. The treasurer may act as custodian or appoint another person. If some one other than the treasurer is named, the treasurer nevertheless remains responsible for seeing that proper records are kept.

Change in Officers

Any change in the information disclosed on the Statement of Organization, including a change in officers, must be reported within 10 days after the change take place. The treasurer must file either an amended Statement of Organization or a signed letter. The amendment need only contain the committee's name, identification number (assigned by the FEC when the Statement is originally filed) and information pertaining to the change.

For example, the treasurer must file an amended Statement to officially designate an assistant treasurer if that officer was not named on the original form. If there is a change in treasurer, the form may be signed by either the outgoing or incoming treasurer.

Assistance from the FEC

The Commission offers free publications to help treasurers carry out their duties. Treasurers should refer to the Federal Election Campaign Act and the FEC regulations. The Commission also recommends that treasurers consult the following FEC publications (as appropriate):

- *Campaign Guide for Congressional Candidates and Committees*;
- *Campaign Guide for Political Party Committees*;
- *Campaign Guide for Corporations and Labor Organizations* (which covers the activities of PACs political action committees established by profit and nonprofit corporations and by labor unions);
- *Campaign Guide for Nonconnected Committees* (which covers rules for PACs not established by corporations or unions); and
- *Advisory Opinions* (a brochure which explains how to request clarification of the election law regarding proposed committee activities).

To further assist treasurers, the Commission automatically sends them a monthly newsletter, the Record, and reporting notices, both of which announce reporting deadlines. The notices also contain FEC reporting forms.

You can order FEC publications, extra forms and additional subscriptions to the Record by phone. Call the FEC on the toll-free number, 800/424-9530.

The Commission also operates a public information office to help committee staff understand and comply with the campaign finance law. Call the toll-free number if you have any questions on this brochure or other aspects of the law. FEC staff are waiting to help you.

Treasurer's Index to Act and Regulations

The Federal Election Campaign Act and FEC regulations contain several provisions on the treasurer's responsibilities. For easy reference to those provisions, the indexes below list the specific citations.

The Act

The Federal Election Campaign Act is contained in Title 2 of the United States Code (2 U.S.C.). The following provisions expressly mention the legal obligations of treasurers:

- Agents designated by treasurer, Section 432(a)
- Authorization of expenditures, Section 432(a)
- Best efforts in recordkeeping and reporting, Section 432(i)
- Contributions forwarded to treasurer, Section 432(b)
- Preservation of records and reports, Section 432(d)
- Prohibited contributions and expenditures, Sections 441a(f), 441b(a), 441c(a), 441e(a) and 441f
- Recordkeeping obligations, Section 432(c)
- Reporting obligations, Section 434(a)(1)
- Vacancy in office, Section 432(a)

The Regulations

FEC regulations are contained in Title 11 of the Code of Federal Regulations (11 CFR). The following provisions expressly mention the legal obligations of treasurers:

- Assistant treasurer, Section 102.7(a)
- Agents authorized by treasurer, Sections 102.7(c) and 102.9
- Authorization of expenditures, Section 102.7(c)
- Best efforts in determining contribution's legality, Section 103.3(b)
- Best efforts in recordkeeping and reporting, Sections 102.9(d) and 104.7
- Contributions forwarded to treasurer, Section 102.8
- Custodian of separate segregated fund, Section 114.6(d)(5)
- Deposit of receipts, Section 103.3(a)
- Preservation of records and reports, Sections 102.9(c) and 104.14(b)(2) and (3)
- Prohibited contributions and expenditures, Sections 110.4(a)(2), 110.4(b)(1), 110.9(a), 114.2(c) and 115.2
- Recordkeeping obligations, Sections 102.9 and 104.14(b)
- Reporting obligations, Sections 104.1(a) and 104.14(d)
- Signature of treasurer, Section 104.14(a)
- Vacancy in office, Section 102.7(a) and (b)