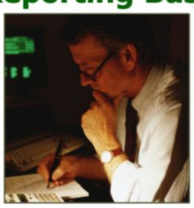
FECConnect LIVE

Year-End Reporting for Candidate Committees

January 22, 2025
12:00pm Eastern

OBJECTIVES

Reporting Basics



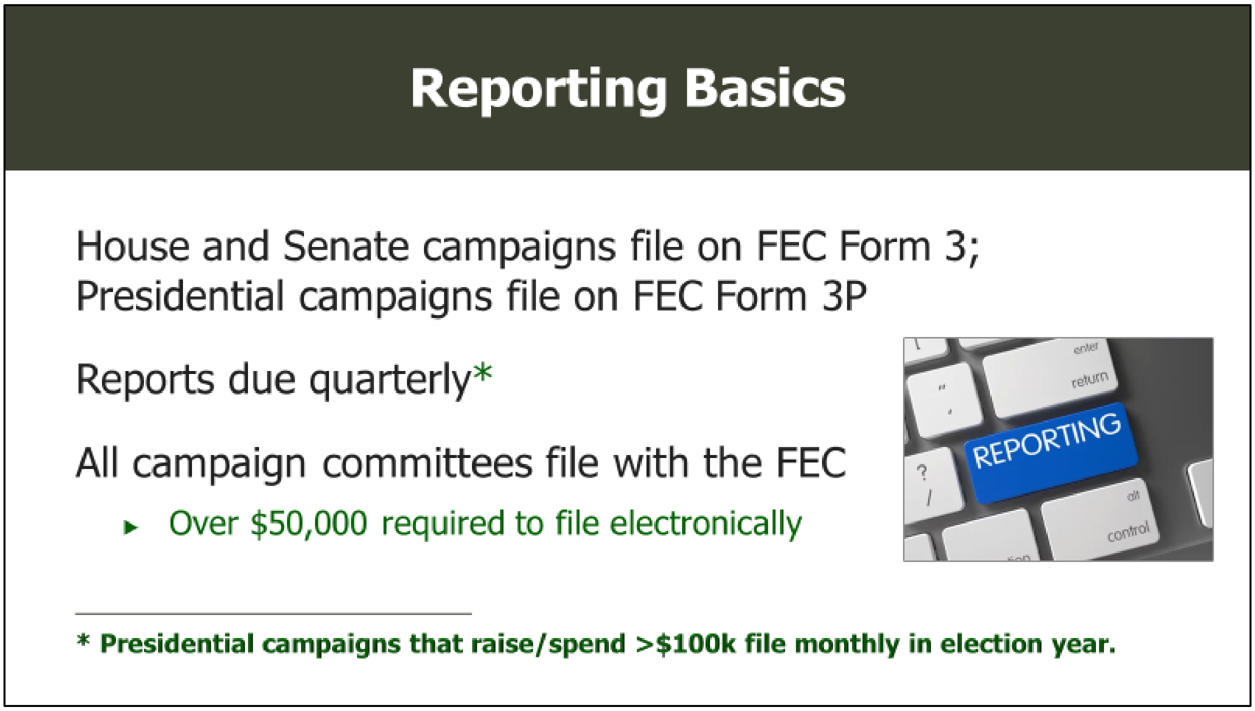
Forms & Schedules

RAD Review & RFAIs

Reporting Scenarios

REPORTING BASICS

I. 2024 Reporting Schedule



A. Filing frequency

1. **House/Senate campaigns**
   Quarterly filing is mandatory for authorized campaign committees in all calendar years.
2. **Presidential campaigns**
   In the election year, Presidential campaign committees that raise/spend more than $100,000 must file monthly; other presidential committees may file monthly or quarterly.

2024 Year-End Reporting Schedule

2024 General Election Candidates

Report Type	Coverage and Due Dates
Year-End	Covers 11/26/2024 - 12/31/2024; Due 1/31/2025

Candidates NOT in the 2024 General Election

Report Type	Coverage and Due Dates
Year-End*	Covers 10/1/2024 - 12/31/2024; Due 1/31/2025

*** Use Post-Election Detailed Summary Page**

B. **Year-End Report covering period**
   1. **Committees of candidates that ran in the 2024 general election:**
      11/26/2024 - 12/31/2024
   2. **Committees of candidates that did not run in the 2024 general election:**
      10/01/2024 - 12/31/2024
      (**Note:** Post-Election Detailed Summary Page must be used on this report)

Election Cycles

New election cycle begins day after previous general election for office sought, and ends on date of next general election for that office

2026 Election Cycle

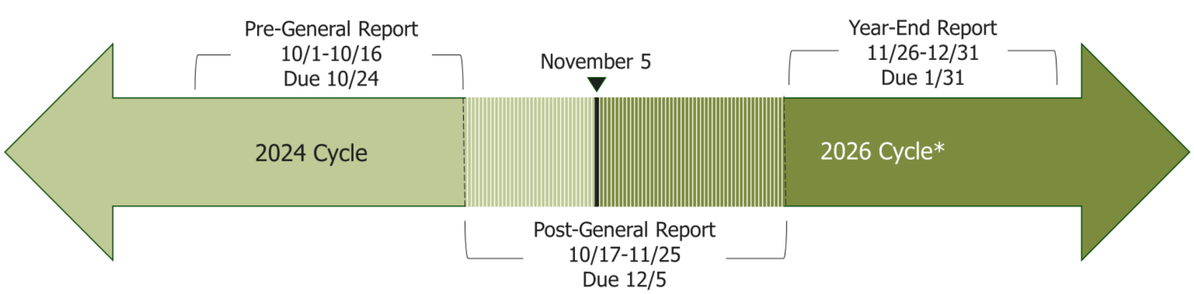
- House: 11/06/2024 - 11/03/2026
- Senate: 11/04/2020 - 11/03/2026

2028 Election Cycle

- President: 11/06/2024 - 11/07/2028

End of Cycle Reporting

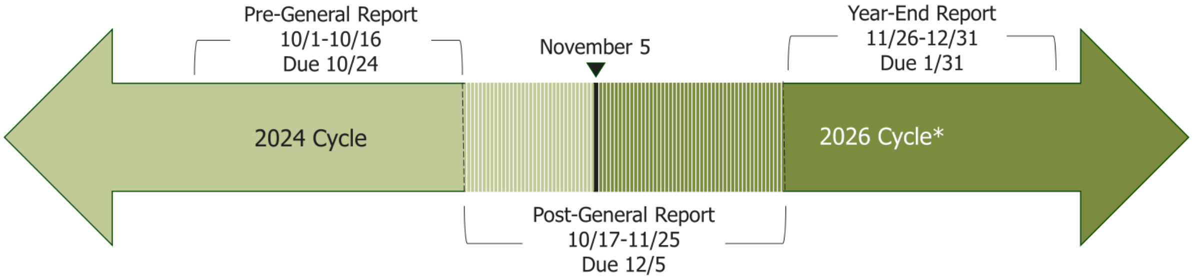
For 2024 General Election Candidates



* 2030 Cycle for Senate Candidates
* 2028 Cycle for Presidential Candidates

End of Cycle Reporting

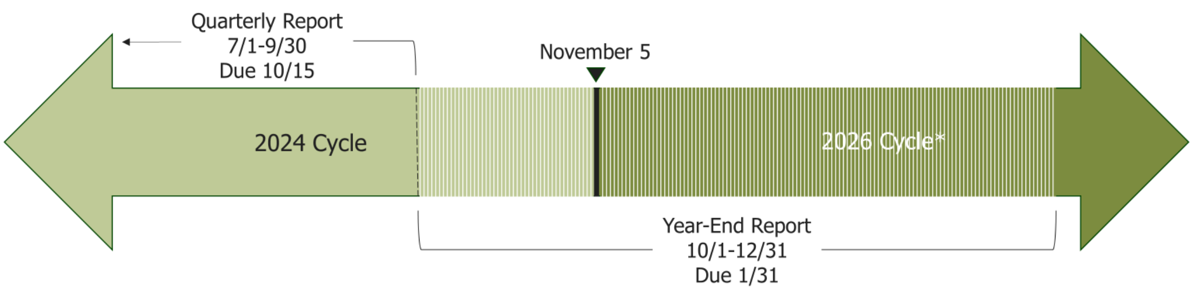
For 2024 General Election Candidates



* 2030 Cycle for Senate Candidates
* 2028 Cycle for Presidential Candidates

End of Cycle Reporting

For Candidates NOT in 2024 General Election



* 2030 Cycle for Senate Candidates
* 2028 Cycle for Presidential Candidates

Post-Election Detailed Summary Page

Splits activity from two election cycles on one report

Has three columns (A, B, and C):

- A = Activity this reporting period
- B = Activity from beginning of cycle through election day
- C = Activity from day after election through close of books of reporting period

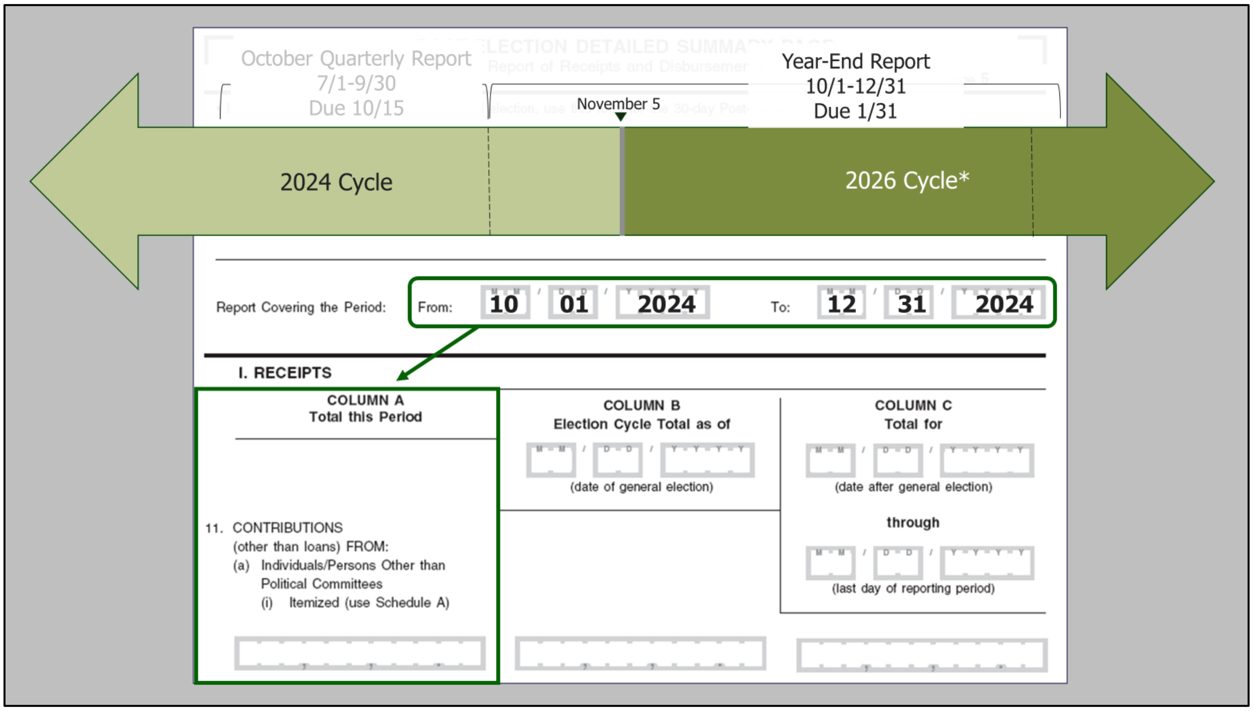
Calculating column B can be tricky:

B* (**prior report**) **+** **A** (this report) **-** **C** (this report) **=** **B** (this report)

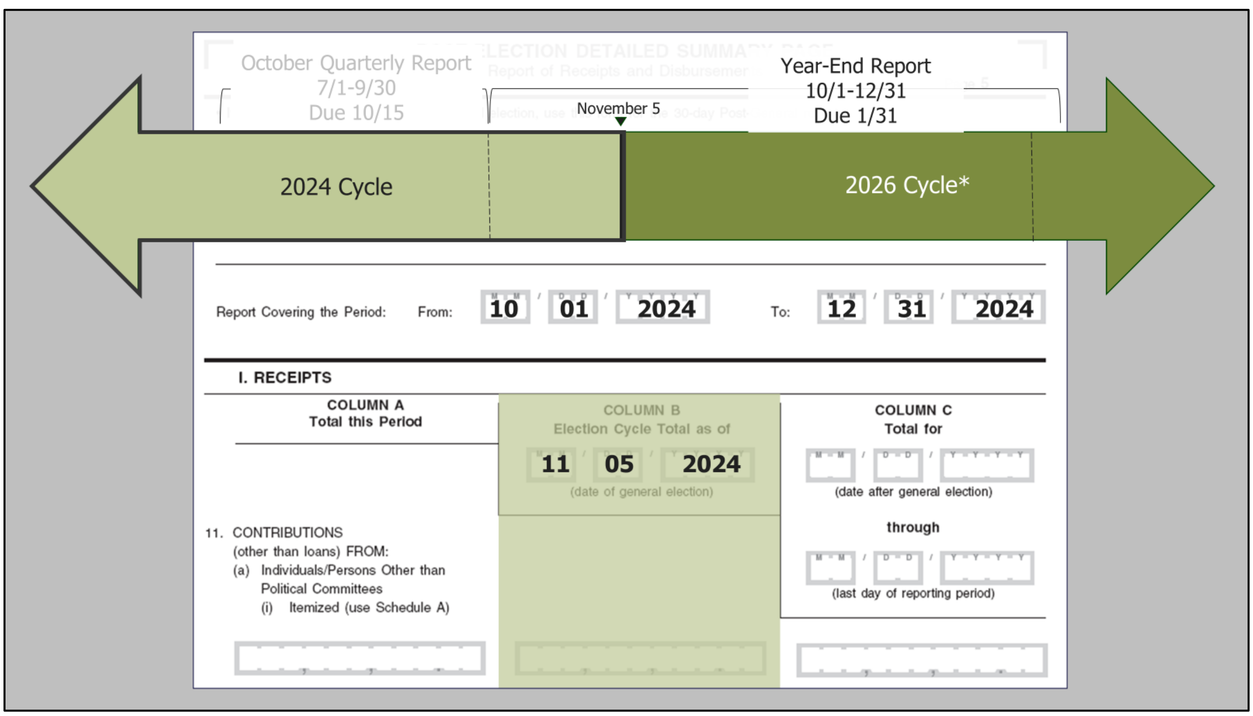
C. Post-Election Detailed Summary Page (PEDSP)

1. **When to file?**
   a) **30-Day Post-General Report** (covering 10/17/2024 - 11/25/2024) for committees of federal candidates who participated in the 2024 general election, or
   b) **Year-End Report** (covering 10/1/2024 - 12/31/2024) for committees of federal candidates who did not participate in the 2022 general election.
2. **Purpose of the PEDSP?**
   The PEDSP splits election cycles apart and is needed for those reports that cover two election cycles, because the law requires reporting by authorized committees to be done on an election-cycle to date basis.
3. **PEDSP has three columns**

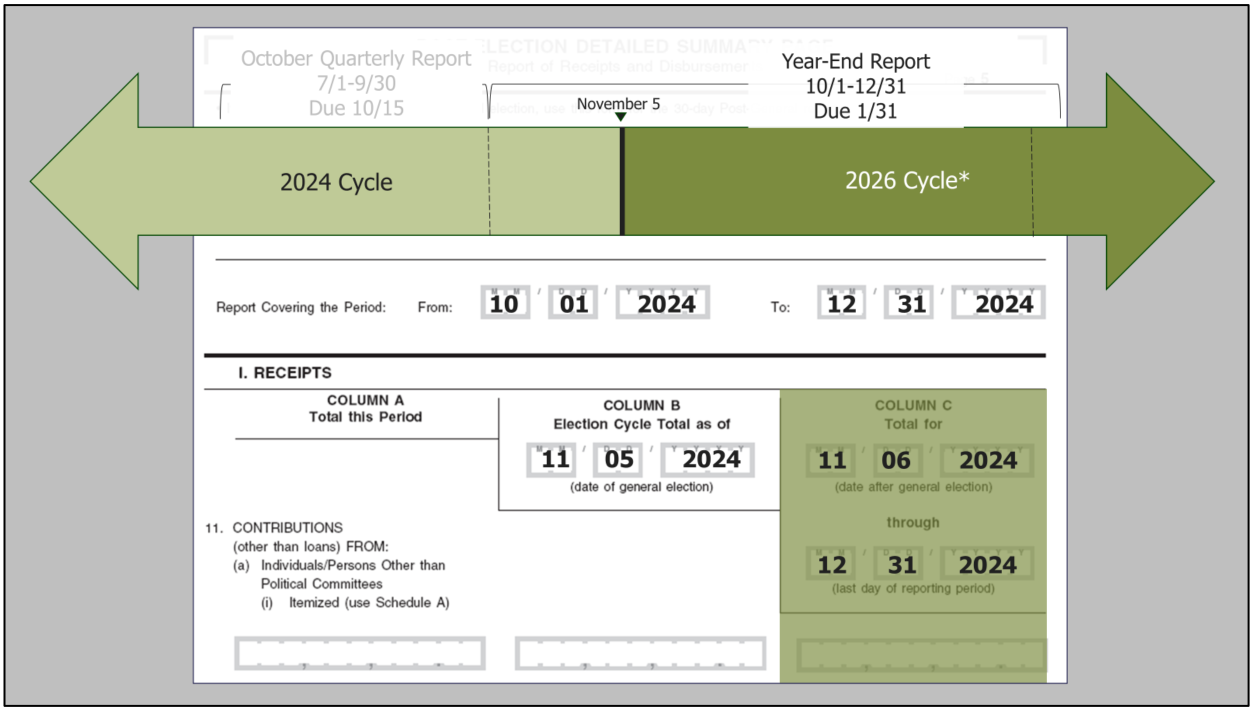
A = Activity from this reporting period



B = Activity from beginning of election cycle through election day (this election cycle)

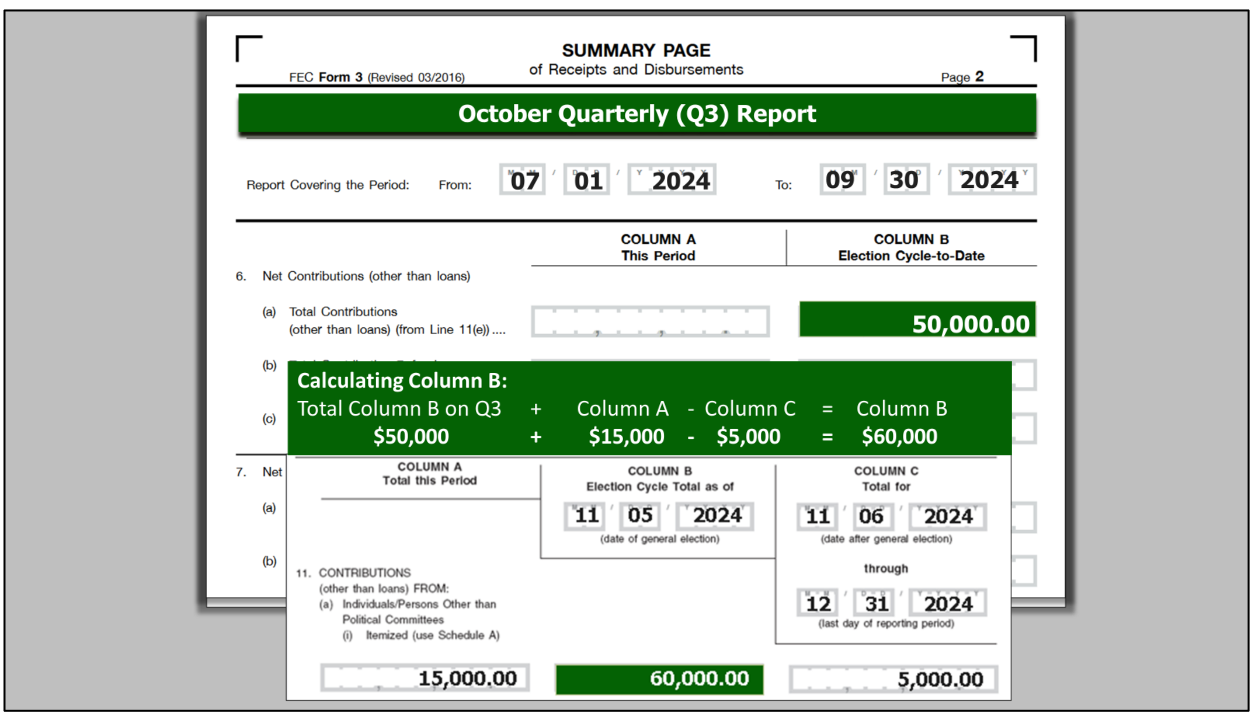


C =   Activity from day after election to end of reporting period (next election cycle)



4. How to calculate PEDSP Column B for Year-End (YE) Report:

Column B from previous report (Q3) + Column A – Column C



Post-Election Detailed Summary Page

Common issues

- Use the correct election date
- Check your math
- Include the Post-Election Detailed Summary Page with the correct report:
  - **Post-General (30G)** for general election candidates
  - **Year-End (YE)** for candidates NOT in general election

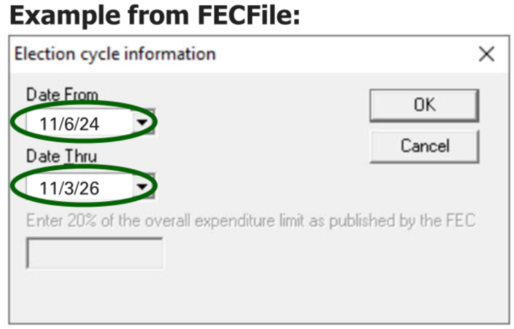
5. **PEDSP common problems:**
   a) Use the correct election date
   b) Be sure to check your math
   c) Use the PEDSP on correct report – Post-General (30G) or Year-End (YE)

Post-Election Detailed Summary Page

Common issues for electronic filers

- Make sure to enter the new election cycle into the software
- Use the same file for the next election cycle as used in 2024

Example from FECFile:



d) **Electronic filers:** Use the same e-file for new cycle that you did for 2024. **Put the new election cycle into your software:**

- House: 11/6/2024 - 11/3/2026
- Senate: 11/6/2024 - 11/5/2030
- President: 11/6/2024 - 11/7/2028

D. **Filing on time**

1. **Paper filers – other reporting considerations**

a) **Statute prohibits extensions** (applicable to paper and electronic filers).

b) **Weekends and holidays**
Filing dates not extended for weekends or holidays. Must be filed on or before business day preceding filing date.

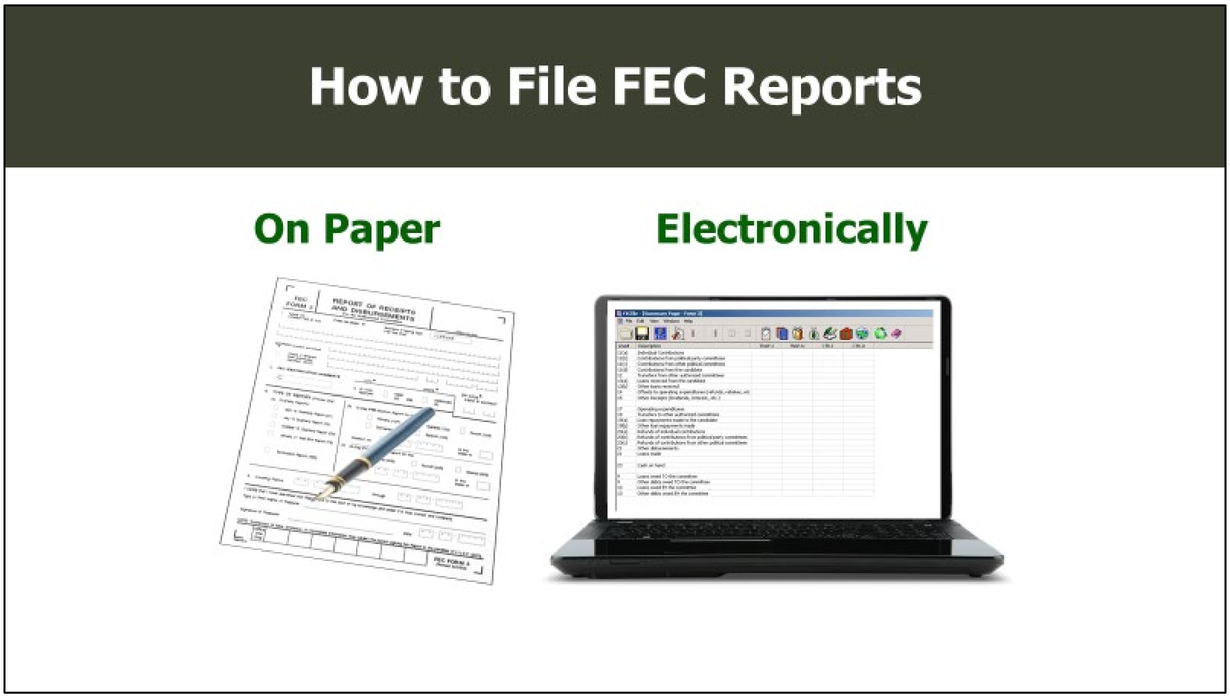
c) **Registered/certified vs. first class mail**

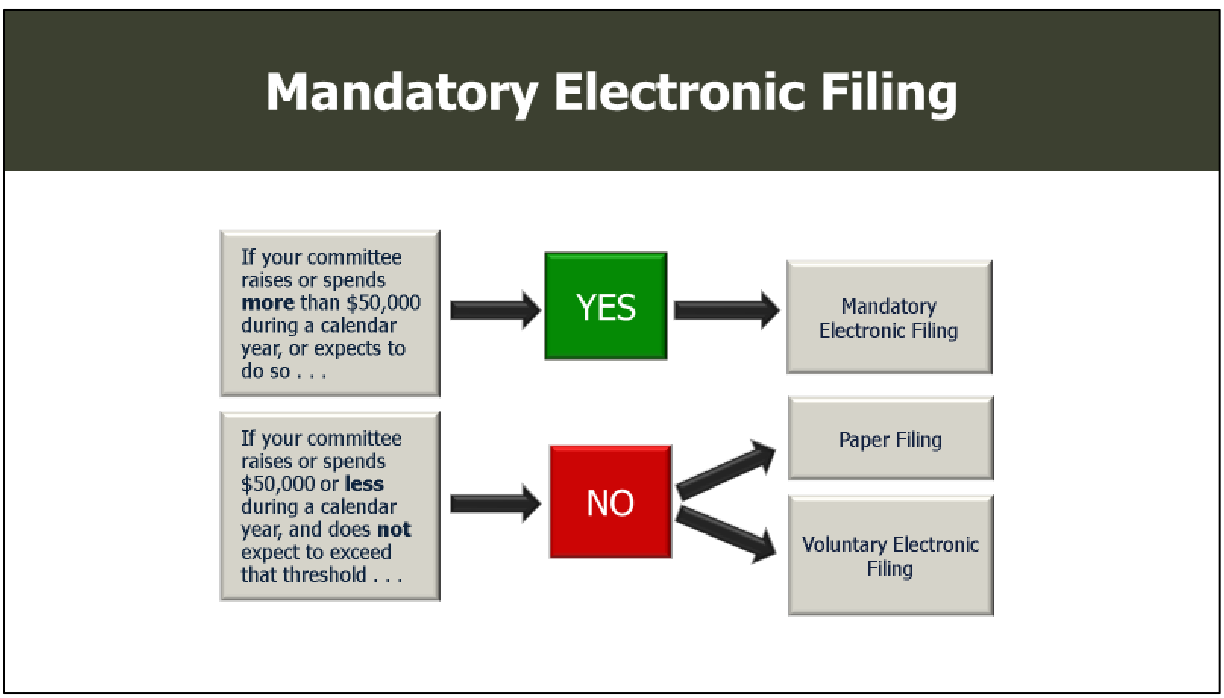
(1) If filing using USPS registered/certified mail, report is considered filed on the date of the U.S. postmark; keep your receipt in the event of a delivery failure.

(2) Reports filed via priority or overnight mail with delivery confirmation or online tracking system will be considered timely filed if postmarked on or before the mailing deadline.

(3) If using first class mail or hand delivery, report is considered timely filed when it is received by the Commission; risk of timely delivery is on the filer.

2. **Electronic filers – filed when received/validated by Commission**
Electronic reports considered "filed" when it is received and validation by the Commission's computer system on or before 11:59 p.m. (Eastern Time) on the filing date.





E. **Electronic vs. paper filing**

1. **Who must file electronically?**

   All campaign committees that raise or spend more than $50,000 in a calendar year, or that have reason to expect to do so.

2. **Who is exempt from mandatory electronic filing?**

   Campaign committees that do not meet the $50,000 threshold above.

F. **Electronic filing**

1. **Passwords required**

   You cannot file without one.

2. **How do you get a password?**

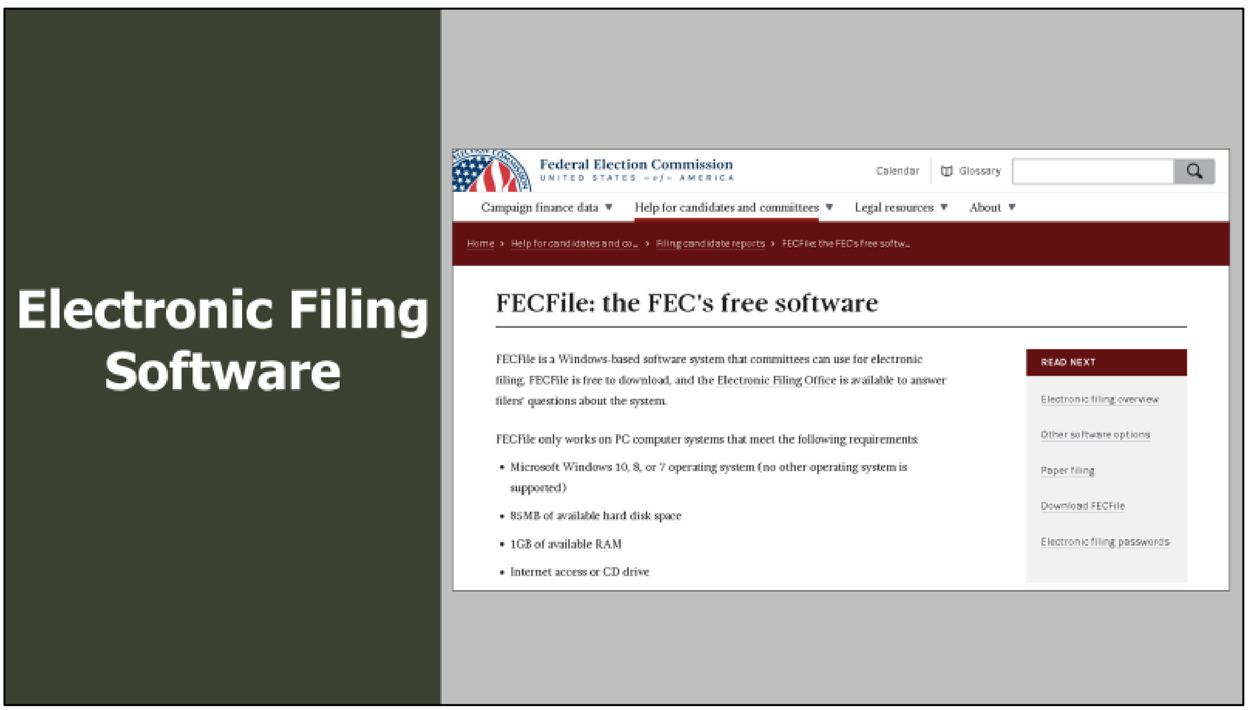
   a) Most committees may obtain or change their password online at webforms.fec.gov/psa/newrequest.htm

   b) Existing committees that have not previously used the online system should contact the Electronic Filing Office for assistance at 202-694-1307 or 800-424-9530 (option 4).

3. **How long does it take?**

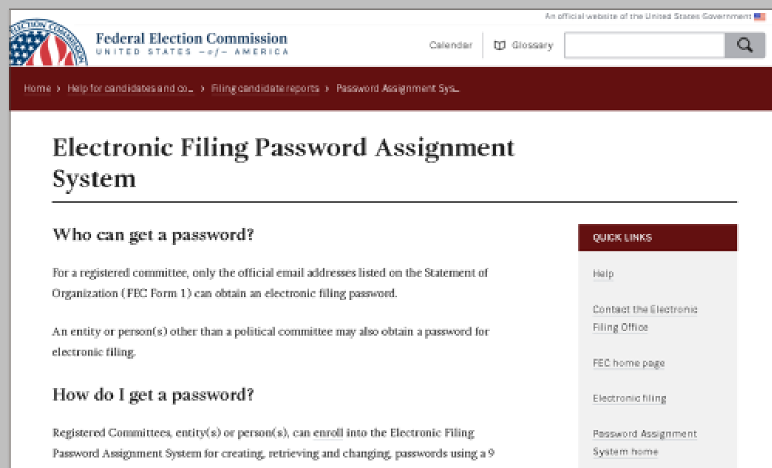
   a) Passwords can now be obtained in just a few minutes online.

   b) We recommend you request your password as early in the process as possible in case any issues arise.



www.fec.gov/help-candidates-and-committees/filing-reports/electronic-filing/

Electronic Filing Passwords



webforms.fec.gov/psa/index.htm

II. Using Best Efforts/Timely Filing

Best Efforts to File on Time

Committee prevented from filing report on time by reasonably unforeseen circumstances beyond its control

Filed the report no later than 24 hours after end of those circumstances

A. Best efforts defense

Not the same as "best efforts" for obtaining contributor information

1. **Reports required on time**

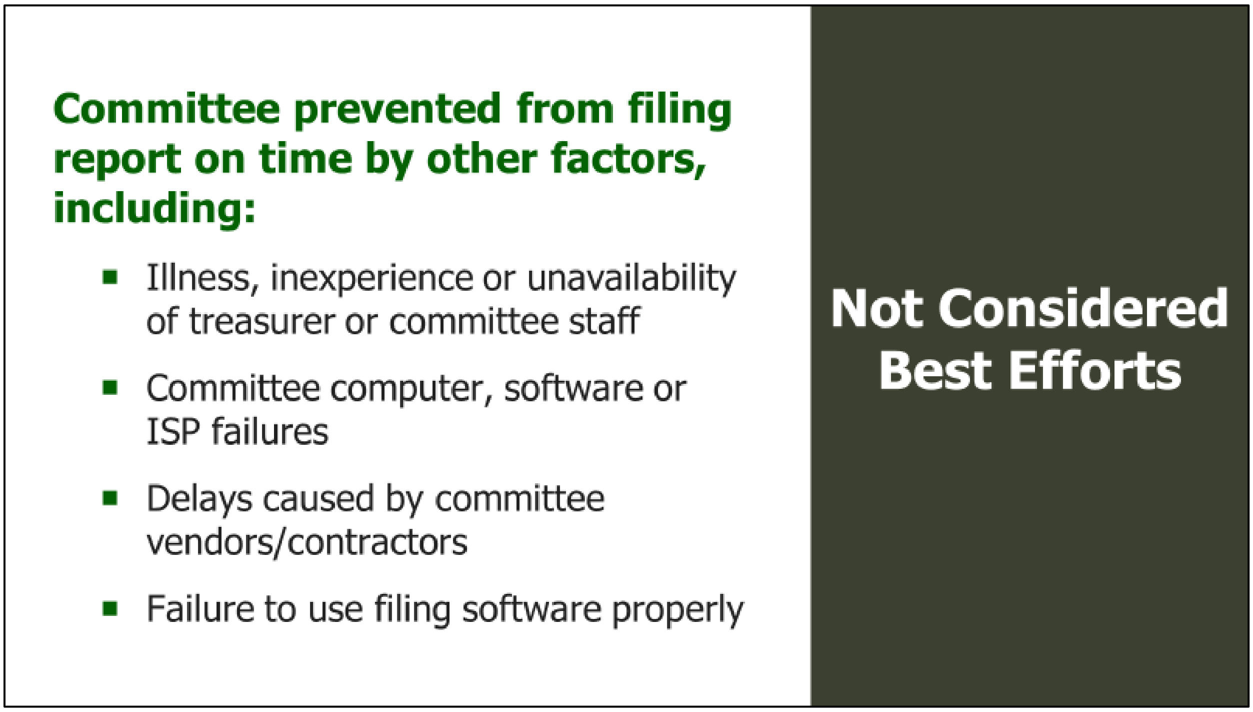
   No extensions.

2. **If report not filed on time**

   Committees may use "best efforts" defense if committee took normal precautions and trained staff, but failure to report was due to circumstances beyond committee's control and the late report was filed within 24 hours after those circumstances ended (pursuant to April 2007 revisions to AFP regulations). 11 CFR 111.35(b)(3)

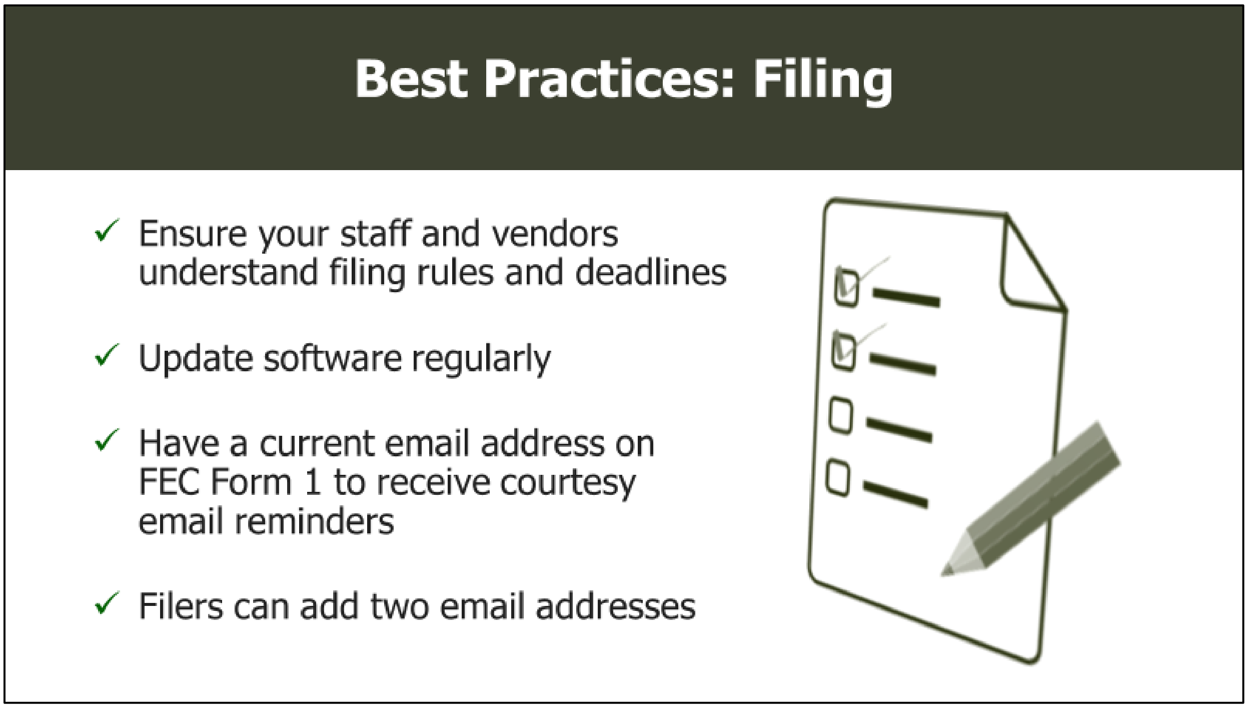
3. **When can best efforts defense be used**

   a) Committee may use best efforts defense if failure to report is due to "reasonably unforeseen circumstances beyond the committee's control," such as the failure of Commission computers or software, despite receiving Commission technical assistance; widespread disruption of information transmissions over the internet; or severe weather or other disaster-related event. 11 CFR 111.35(c).



b) Committee may not use best efforts defense if failure to report is due to unavailability; inexperience or negligence of staff, counsel or organization; failure of committee's computer system; delays caused by vendors; failure to understand or know the law; or failure to use filing software properly. *See* 11 CFR 111.35(d).

4. **For more information, review:** *www.fec.gov/law/cfr/ej_compilation/2007/notice_2007-7.pdf* (rules) and *www.fec.gov/law/cfr/ej_compilation/2007/notice_2007-13.pdf* (policy statement) and the May and July 2007 *Record* issues.



B. Best practices for filing reports

1. Ensure your staff and vendors understand filing rules and deadlines.
2. E-filers: update your software regularly.
3. Have a current email address on the Statement of Organization (FEC Form 1) to electronically receive Requests for Additional Information (RFAIs) and courtesy reminders about reports due. Up to two email addresses can be provided on a FEC Form 1 for receiving FEC communications.
4. Notify the Commission of address, email and treasurer changes by filing an amended FEC Form 1.
5. Provide timely and adequate responses to RFAIs.

REPORTS ANALYSIS DIVISION (RAD) REVIEW PROCESS AND REQUESTS FOR ADDITIONAL INFORMATION (RFAIs)

I. RAD Review of Reports & RFAIs

A. RAD review and referral policy

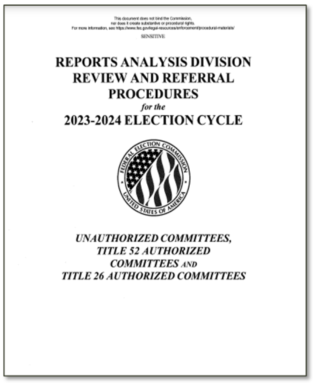
Policy is reassessed every election cycle and revisions/changes made based on input from RAD and other offices (such as the Office of General Counsel (OGC)) and Commissioners. A redacted version of the RAD review and referral policy can be found on the FEC website.

B. Categories of review

1. Internal policy contains categories of review the Analyst checks.
2. Policy has established thresholds for making determinations on whether to send a RFAI.
3. Thresholds are confidential.

RFAI Thresholds

Thresholds are confidential;
Policy is approved by Commission


REPORTS ANALYSIS DIVISION
REVIEW AND REFERRAL
PROCEDURES
for the
2023-2024 ELECTION CYCLE

UNAUTHORIZED COMMITTEES,
TITLE 52 AUTHORIZED
COMMITTEES AND
TITLE 26 AUTHORIZED COMMITTEES

Review and Referral Policy

www.fec.gov/documents/4676/Final-Redacted-2023-2024-RAD-Review-Referral-Procedures.pdf

Review of Reports

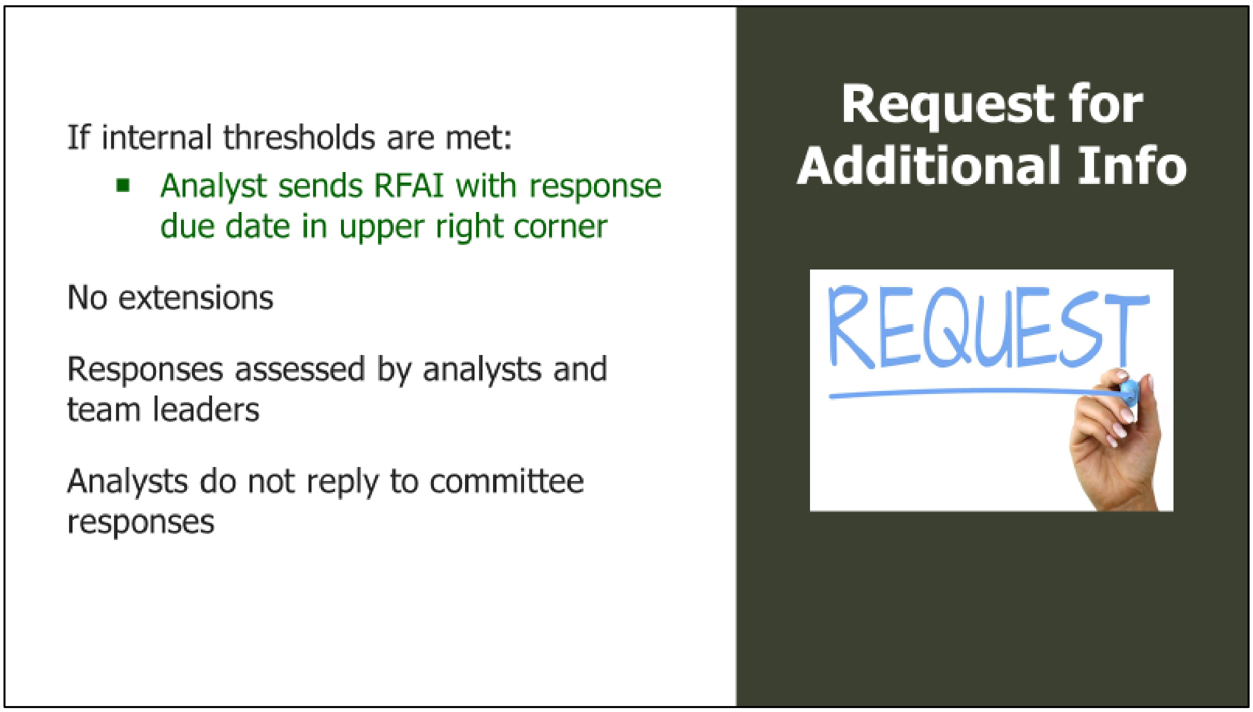
Thresholds applied on per report basis

- If a reporting issue appears on multiple reports, committee may receive multiple RFAIs on same issue
- Analyst does not consider previous responses to RFAIs, except:
  - Best efforts procedures; and
  - Foreign address safe harbor guidelines

It's possible to see an issue questioned on one report, but not on another

C. Review is conducted, and thresholds are applied, on a per report basis, meaning the thresholds are applied to each report reviewed.

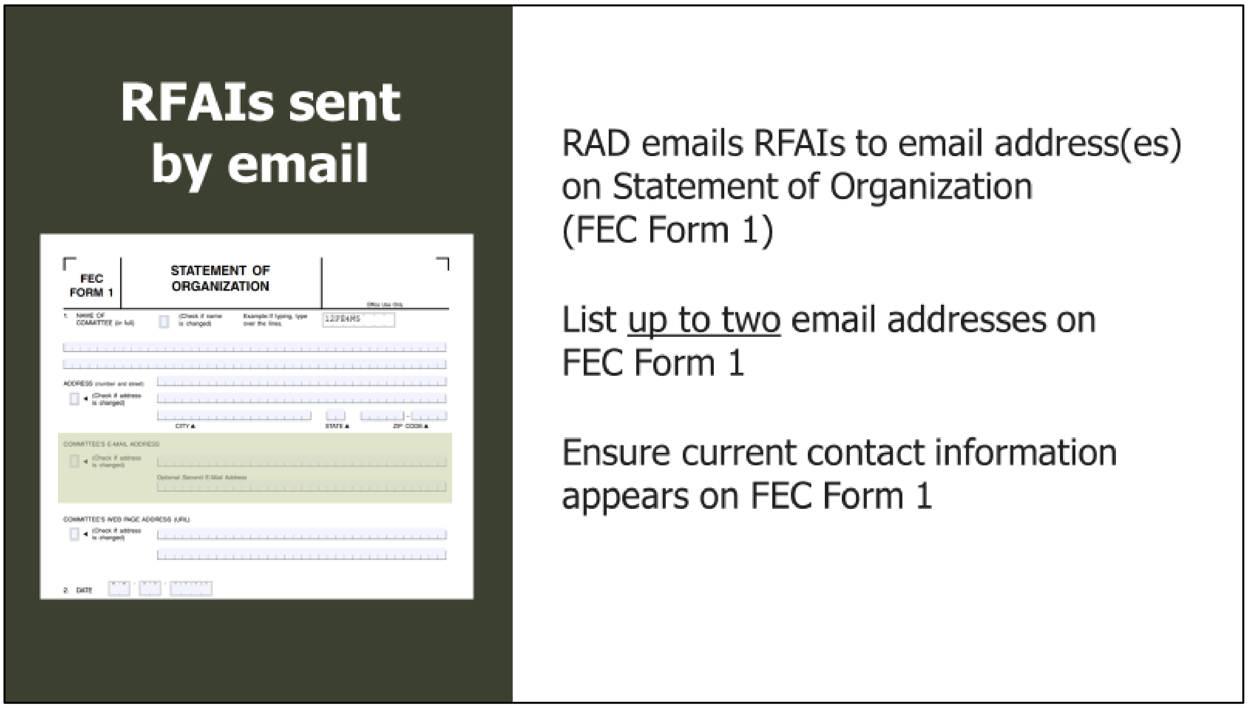
1. This means a committee may receive a RFAI identifying the same issue already addressed in response to a RFAI referencing a different report.
2. Exceptions include outlining best efforts procedures which would apply to the two-year cycle, and responses relating to foreign address inquiries that indicate safe harbor guidelines are followed for **all** contributions apply for the two-year election cycle.
3. There may be several issues that are aggregated together to meet a single threshold, so it's possible to see an issue questioned on one report that isn't included in an RFAI on for another report**.**



D. Request for Additional Information (RFAI)

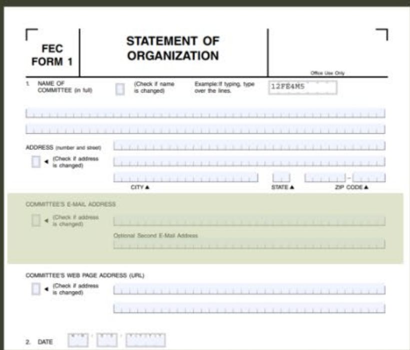
1. **If internal thresholds are met, an RFAI is sent** with a "Response Due Date" in the upper right hand corner of the letter, extensions are not granted. The committee Analyst's name and contact telephone number are also provided in the letter.

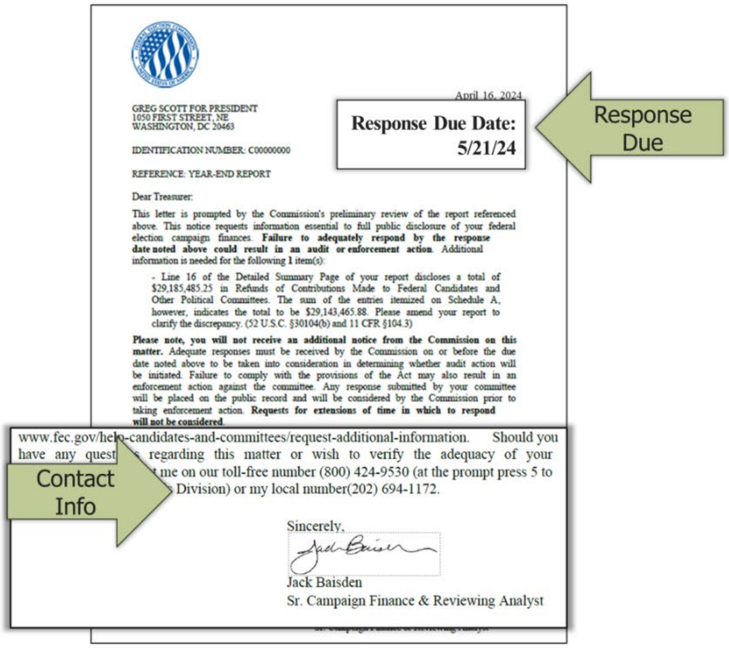
Tip: *You can find out who your Analyst is by visiting: www.fec.gov/help-candidates-and-committees/question-rad/*



2. Committees should ensure that they have provided the most current mailing address, email address and phone numbers on their Statement of Organization (FEC Form 1).
3. RAD sends RFAIs via email to the committee's official email address, as disclosed on the FEC Form 1. Up to two email addresses can be provided (both will be used for emailing RFAIs). Committees will have the option to continue to receive RFAIs on paper through the mail.

RFAIs sent by email





April 16, 2024

GREG SCOTT FOR PRESIDENT
1050 FIRST STREET, NE
WASHINGTON, DC 20463

Response Due Date: 5/21/24

IDENTIFICATION NUMBER: C00000000

REFERENCE: YEAR-END REPORT

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 1 item(s):

- Line 16 of the Detailed Summary Page of your report discloses a total of $29,185,485.25 in Refunds of Contributions Made to Federal Candidates and Other Political Committees. The sum of the entries itemized on Schedule A, however, indicates the total to be $29,143,465.88. Please amend your report to clarify the discrepancy. (52 U.S.C. §30104(b) and 11 CFR §104.3)

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

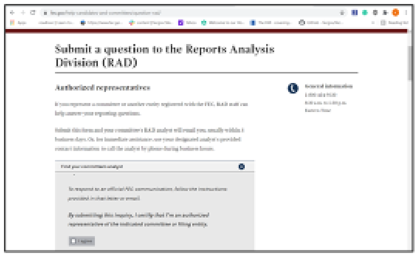
www.fec.gov/help-candidates-and-committees/request-additional-information. Should you have any quest… regarding this matter or wish to verify the adequacy of your … me on our toll-free number (800) 424-9530 (at the prompt press 5 to … Division) or my local number(202) 694-1172.

Sincerely,

Jack Baisden
Sr. Campaign Finance & Reviewing Analyst

Responding to RFAIs

Analysts do not always contact committees when a response is insufficient



Committee should contact its analyst before and/or after filing a response

Prepared by the Federal Election Commission

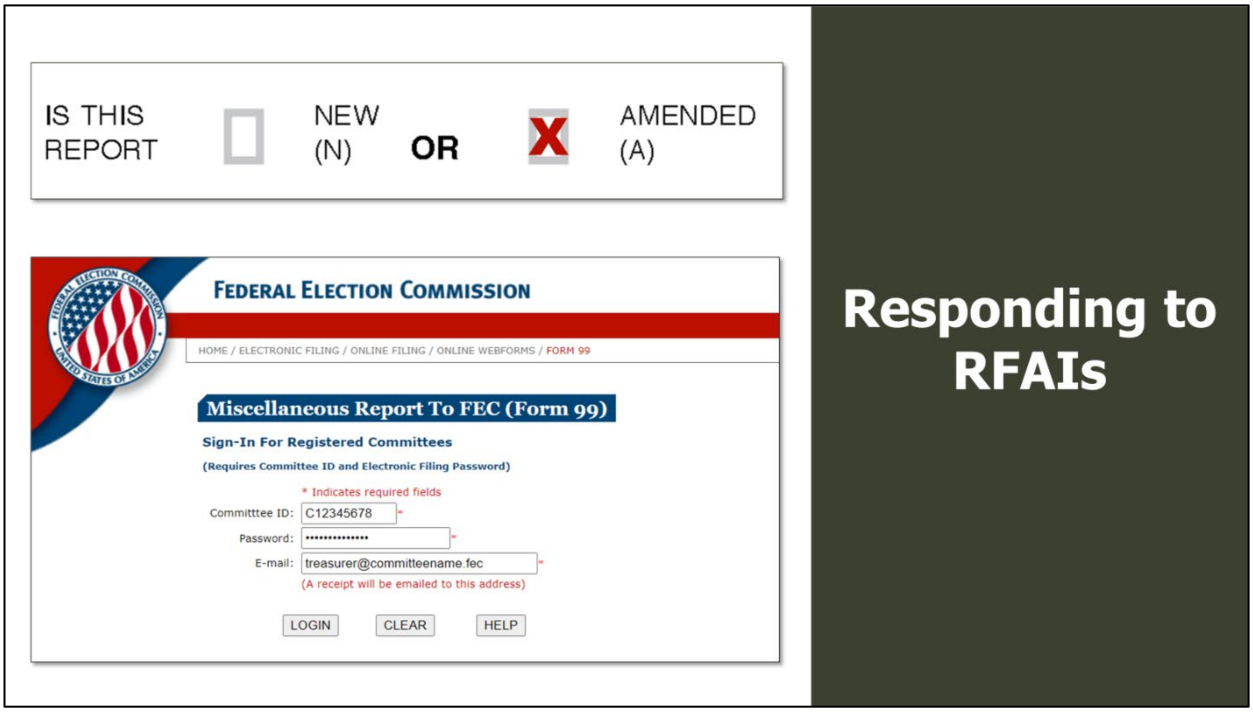
Responding to RFAIs

Analysts do not make legal conclusions

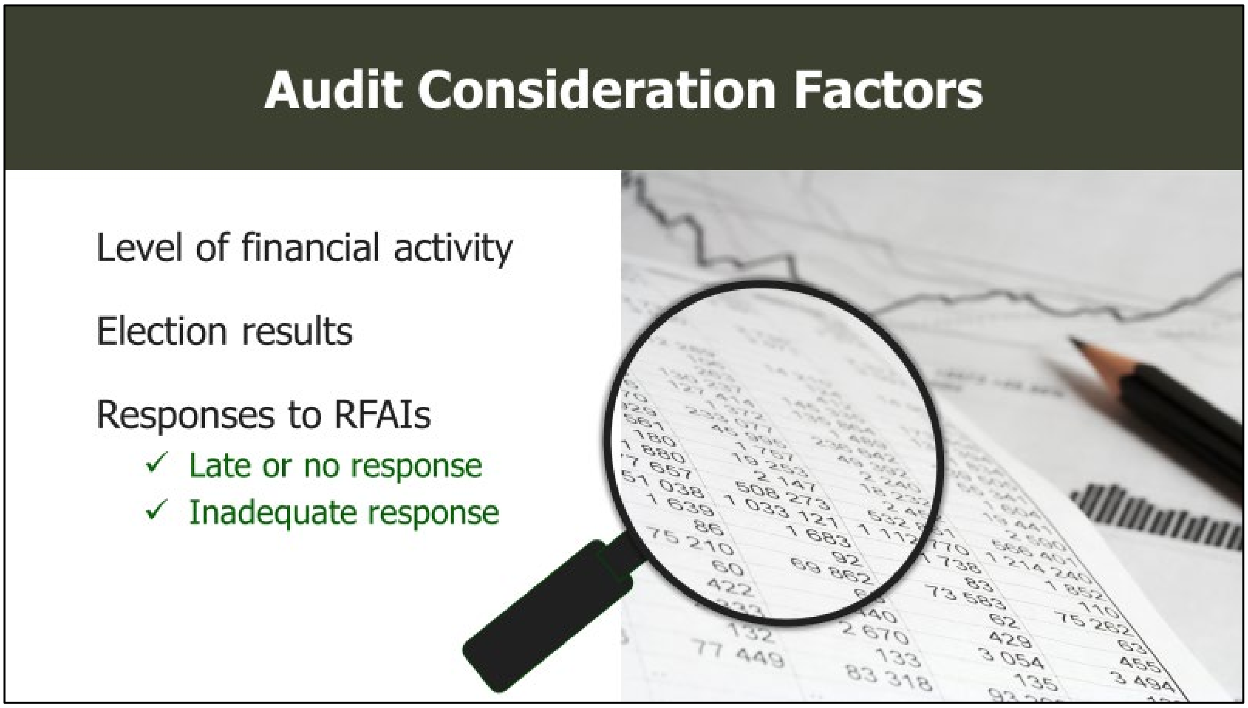
Analysts cannot categorize your activity

In some cases, RAD consults OGC before sending an RFAI and when assessing a committee's response

4. **Responses are assessed by the Analysts and in some cases, team leaders**
   a) Analysts do not reply to responses.
   b) Contact is not made with committees in every case when a response is not sufficient. Further explanation below.
   c) Committees are encouraged to contact their assigned Analyst prior to responding if unsure about how to respond or after a response is filed to ensure an adequate response is received.
   d) Keep in mind that Analysts can't make legal conclusions or give guidance on a legal conclusion being made by a committee. In addition, they cannot determine what category your activity falls under (e.g., independent expenditures or coordinated party expenditures).
   e) In some cases, RAD consults with OGC before sending an RFAI and when making a response assessment.



5. **Must amend report when changing information that affects entries on a report**
   This would include additions, changes or deletions.
6. **Miscellaneous text submission (FEC Form 99)**
   Used for narrative responses that do not affect actual entries within a report. (For example, when outlining procedures for "best efforts" in obtaining contributor information.)



E. Referrals to the Audit Division

1. **Factors for making referrals to the Audit Division**
    a) Level of financial activity
    b) Election results
    c) Responses to RFAIs:
        - Late or no response
        - Inadequate response
2. **The number of amendments filed is not a factor**
3. **The number of RFAIs is not a factor** if responded to adequately and on time.

OGC & ADRO Referrals

Policy includes referral thresholds

RAD calls committee before referring matter to explain RFAI and request response

Committee's adequate and timely response may prevent referral

F. Referrals to Office of General Counsel (OGC) and Alternative Dispute Resolution Office (ADRO)

1. Internal policy includes thresholds for determining whether a matter should be referred to OGC or ADRO.
2. Committee will receive a phone call from RAD prior to a referral to ADRO or OGC to explain RFAI and request a response.
3. An adequate response is required by the timeframe given to prevent the matter from being referred.

Enforcement

Action initiated by:

- FEC Audit and review
- Sworn and notarized complaint
- Referral from another office

Agency actions:

- Administrative Fines
- Alternative Dispute Resolution
- Matters Under Review (MURs)

Internal Controls

A process designed to ensure:

- Effective and efficient operations
- Reliable financial reporting
- Compliance with laws and regulations
- Protection of the organization's assets

Formalize in writing

Educate committee staff

Verify that professional compliance firms use internal controls and best practices

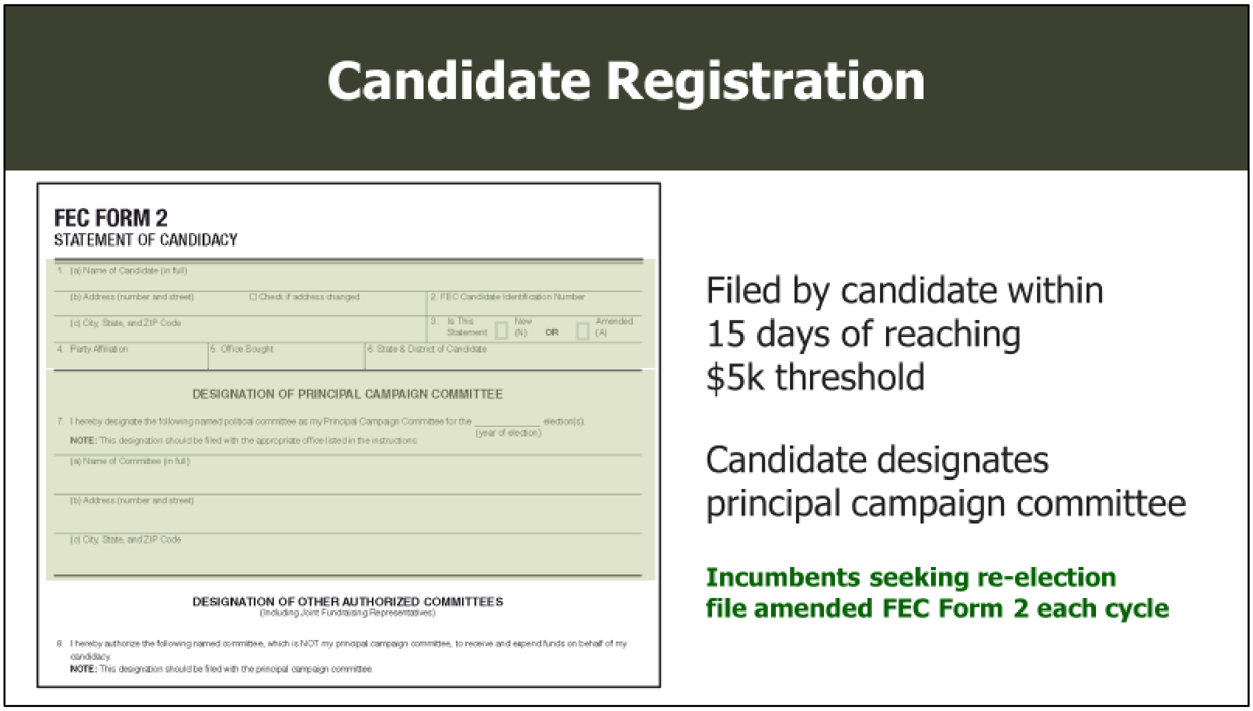
G. Fraud controls

1. Most banks offer services to prevent check and ACH fraud.
2. Fraud prevention programs (often referred to as Positive Pay systems) allow your bank to work more closely with your committee to verify that:
    a) The checks presented to the bank for payment on your account are authorized; and
    b) The ACH debits made against your committee's account are approved committee expenses.
3. Some banks may charge a fee for these services, but others offer them for free. Contact your financial institution for more information.

More: Internal controls resources: *www.fec.gov/help-candidates-and-committees/keeping-records/misappropriated-funds/*

FEC REPORTING FORMS, SCHEDULES & REPORTING FINANCIAL ACTIVITY

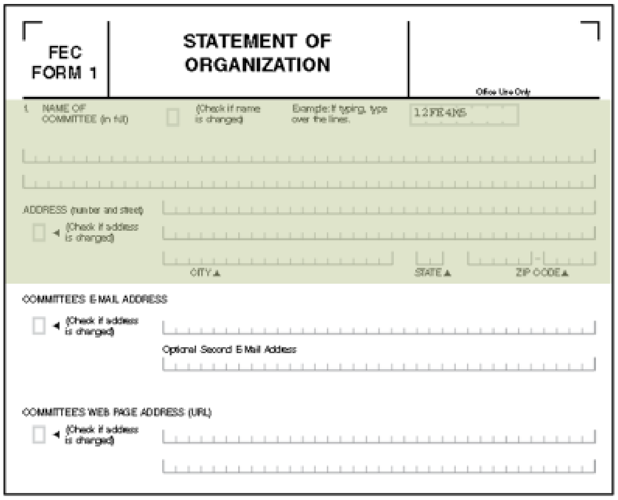
I. Candidate and Committee Registration



A. Candidate registration – FEC Form 2 (11 CFR 101.1)

Individual files the Statement of Candidacy (FEC Form 2) within 15 days of triggering candidacy (i.e., raise/spend over $5,000).

Committee Registration


FEC FORM 1

STATEMENT OF ORGANIZATION

Office Use Only

1. NAME OF COMMITTEE (in full)

(Check if name is changed)

Example: If typing, type over the lines.

12FE4M5

ADDRESS (number and street)

(Check if address is changed)

CITY ▲ STATE ▲ ZIP CODE ▲

COMMITTEE'S E-MAIL ADDRESS

(Check if address is changed)

Optional Second E-Mail Address

COMMITTEE'S WEB PAGE ADDRESS (URL)

(Check if address is changed)

Principal campaign committee's name must include candidate's name

Unauthorized committee cannot use candidate's name in its name

B. **Committee registration** (11 CFR 102.1(c) and 102.2)
Principal Campaign Committees file Statement of Organization (FEC Form 1) within 10 days of designation by candidate on Statement of Candidacy (FEC Form 2).

1. **Requirements**
   Committees that file electronically must include their email address. Others are encouraged to do so.
2. **Amendments**
   Amend FEC Form 1 (and other filings) when necessary within 10 days of change.
3. **Access to FEC Form 1**
   a) Forms may be downloaded and printed from the FEC website: *www.fec.gov/help-candidates-and-committees/forms/*
   b) Link to FEC Form 1 webform: *webforms.fec.gov/webforms/form1/index.htm*

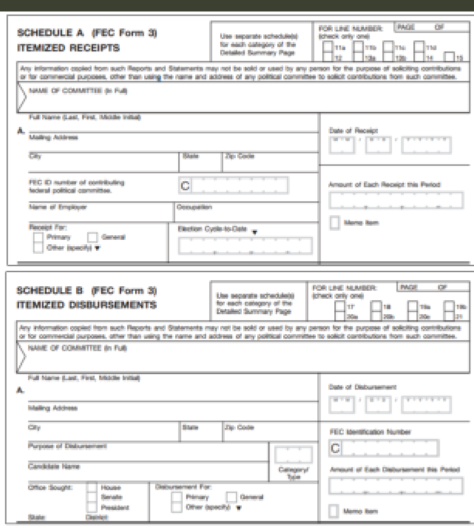
II. Campaign Finance Disclosure on FEC Form 3

FEC Form 3

Used by House and Senate Filers

- **Cover Page:** Shows report type/coverage dates
- **Summary Page:** Overview of receipts and disbursements
- **Detailed Summary Page:** Overview of receipts and disbursements by category
- **Schedules:** Show detailed info by line number

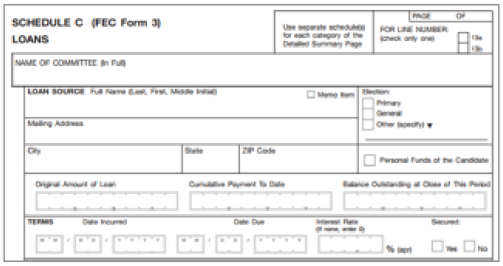
Common Itemization Schedules



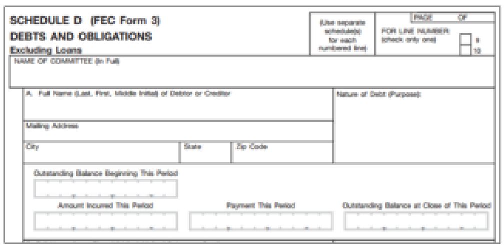
Schedule A
Itemized Receipts

Schedule B
Itemized Disbursements

Common Itemization Schedules



Schedule C
Loans



Schedule D
Debts and Obligations

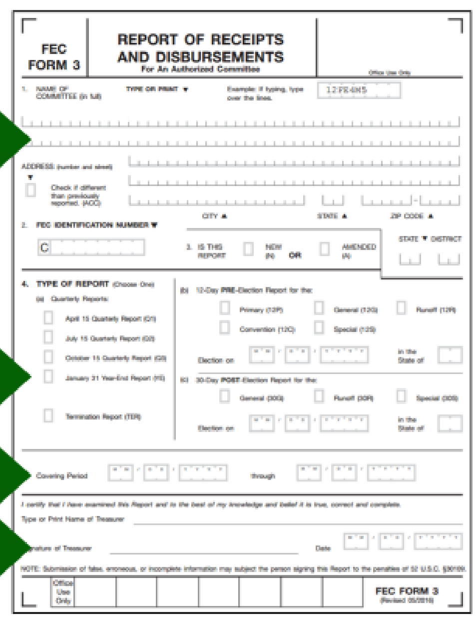
Summary Page

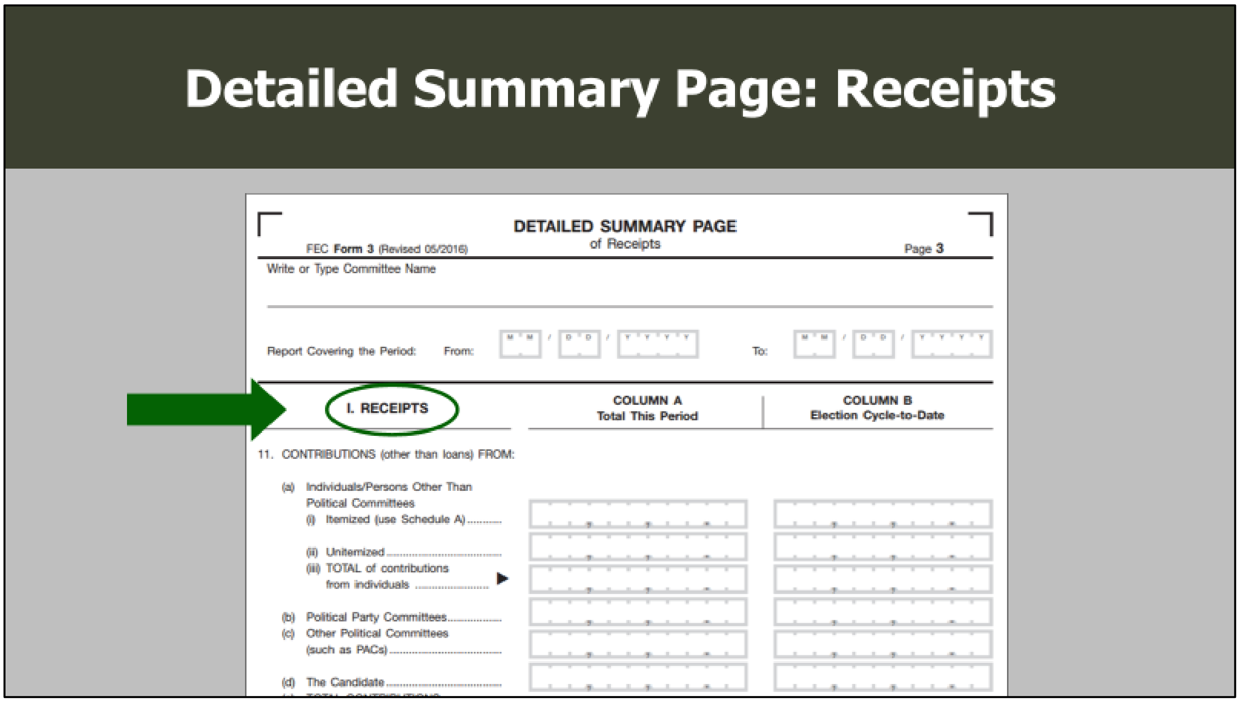
Committee name, mailing address, FEC ID number

Type of report (e.g., Year-End)

Period covered

Treasurer's signature and date





A. Report receipts on the appropriate line number

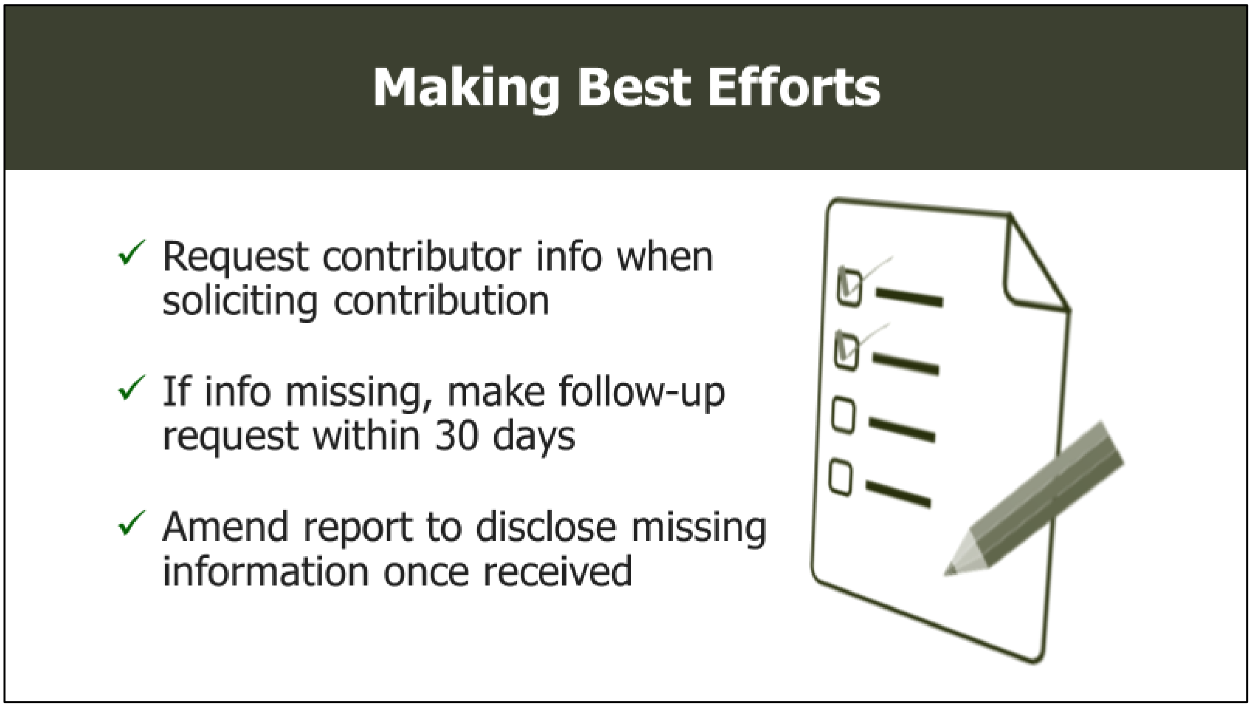
1. Itemize regardless of amount:

a) Contributions from political committees – Line 11b or 11c

b) Transfers from affiliated authorized committees – Line 12

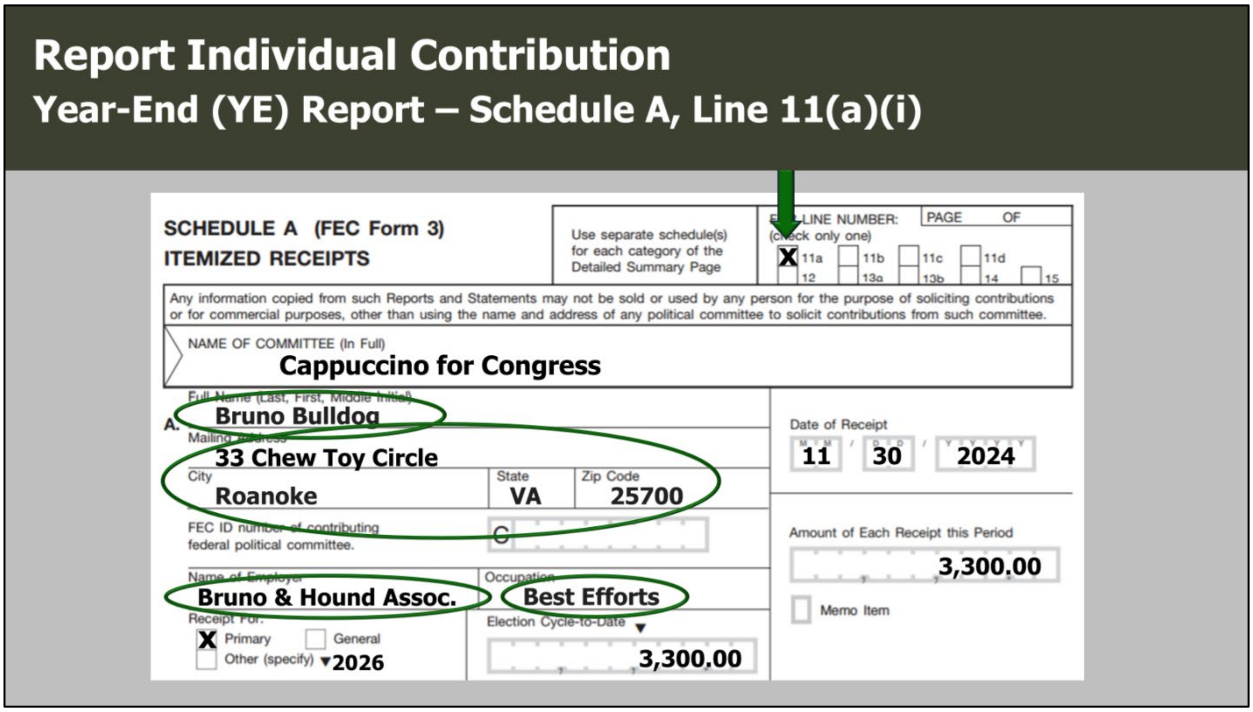
c) Loans received – Line 13a or 13b

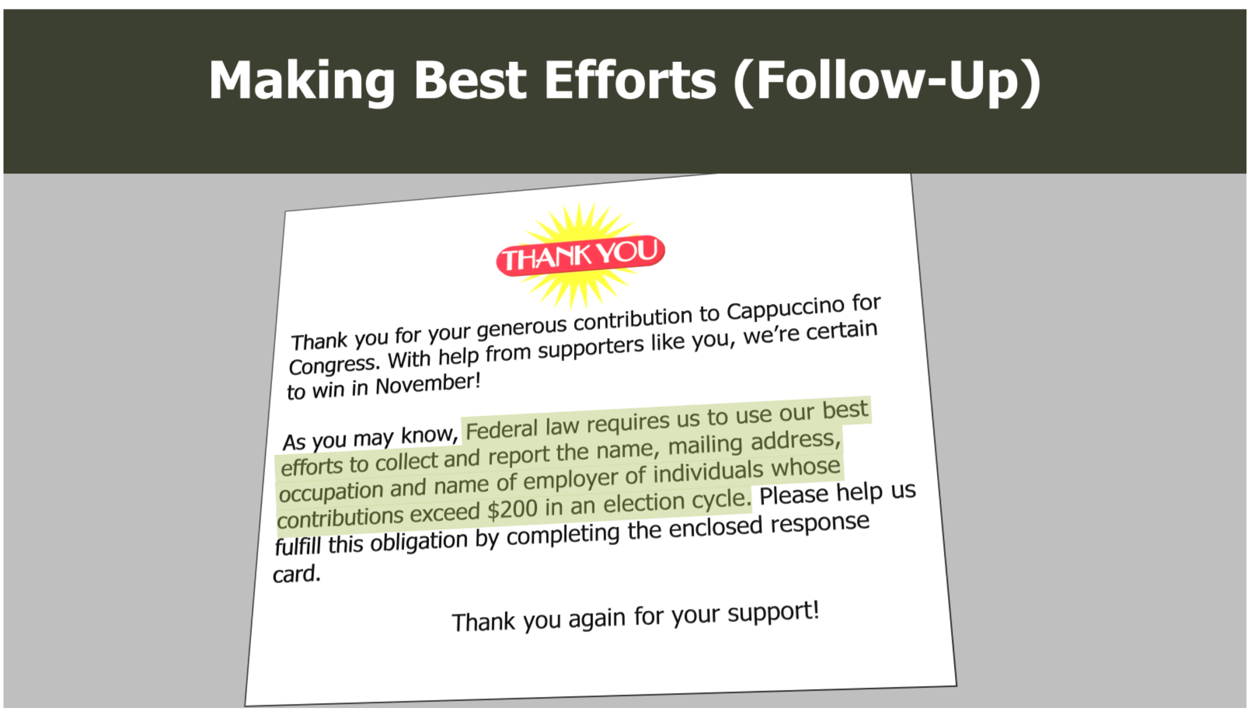
2. **Threshold for other categories**
Itemize all other receipts once they exceed $200 when aggregated with other receipts from that same source during the election cycle.



B. **Best efforts** (11 CFR 104.7)
Required to make "best efforts" to obtain, maintain and report required information.

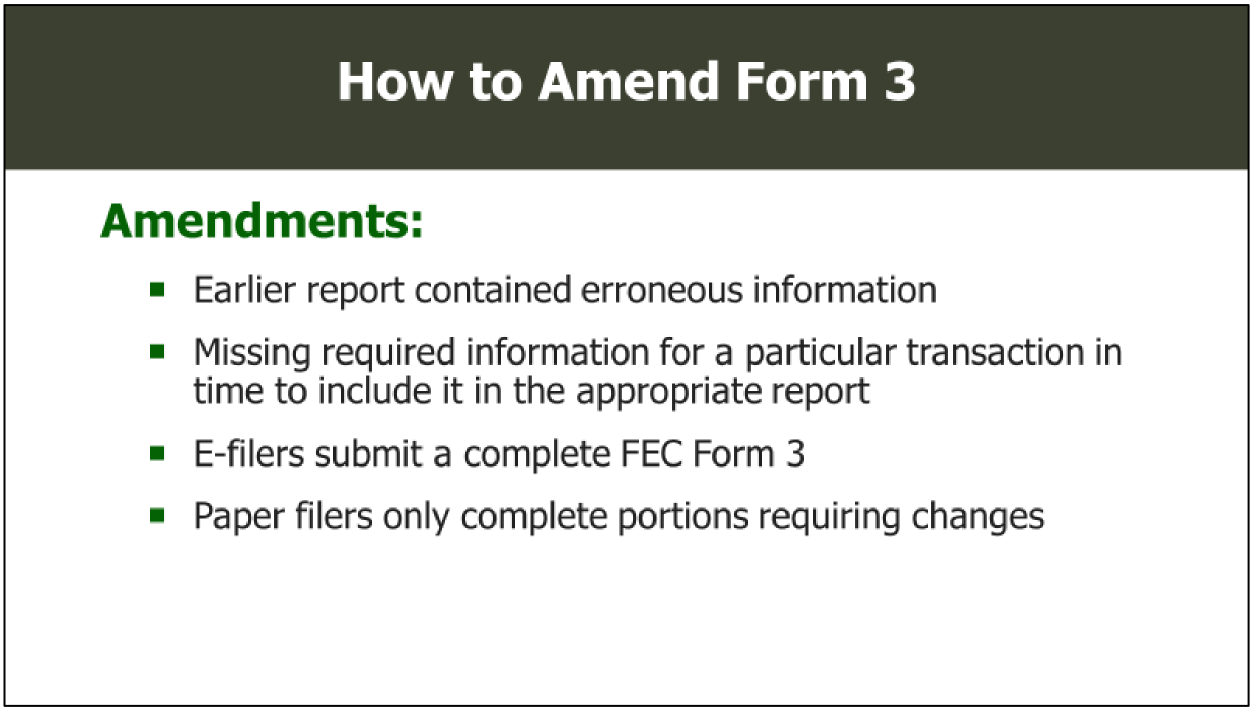
1. **To show "best efforts," committee must:**
    a) Request information in solicitation, along with applicable disclaimer informing contributors that information is required under federal law; and



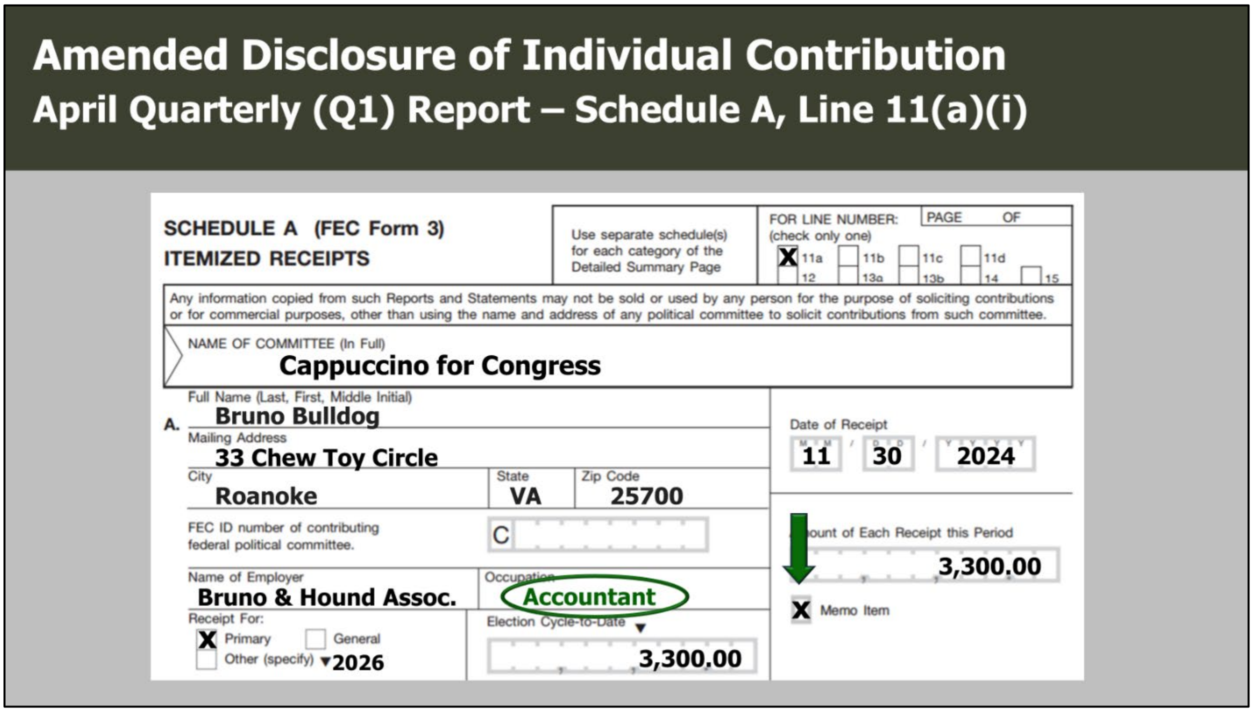


b) Make follow-up request within 30 days of receipt of contributions lacking required information, keep written documentation of follow-up request (with no additional solicitation made).

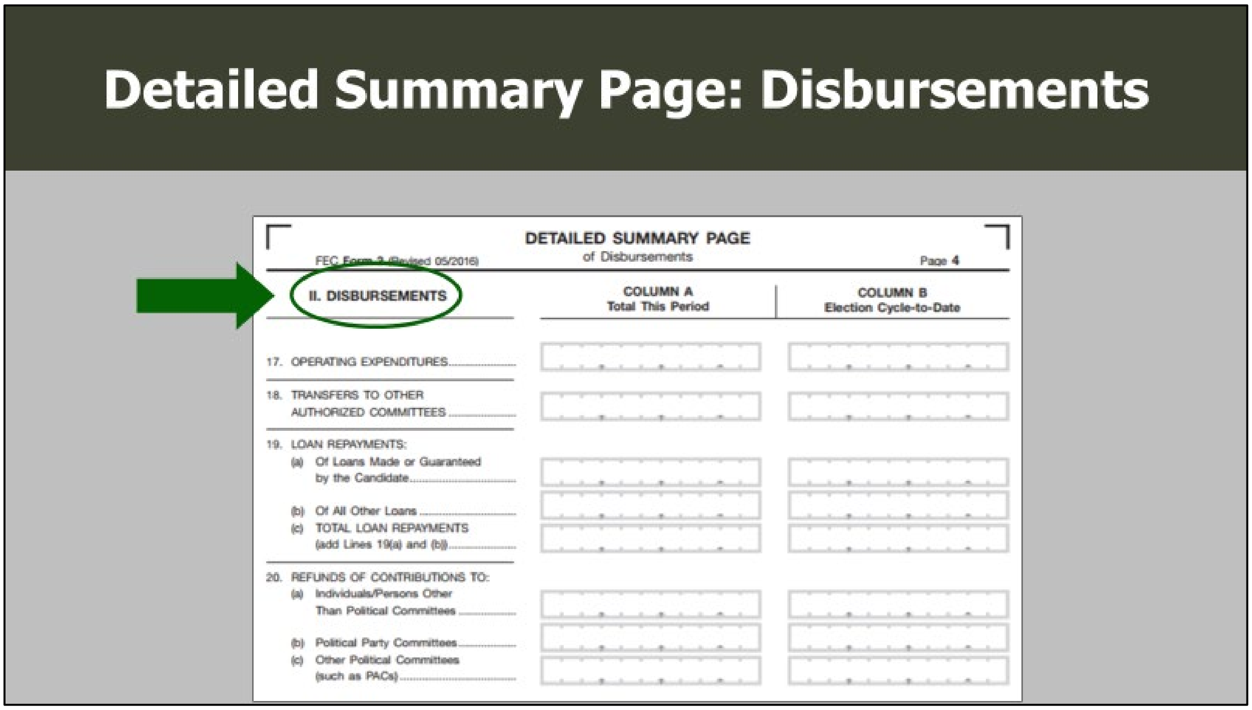
2. **Amend reports** to disclose information received but not previously disclosed (or include information in memo reports on the next report filed).

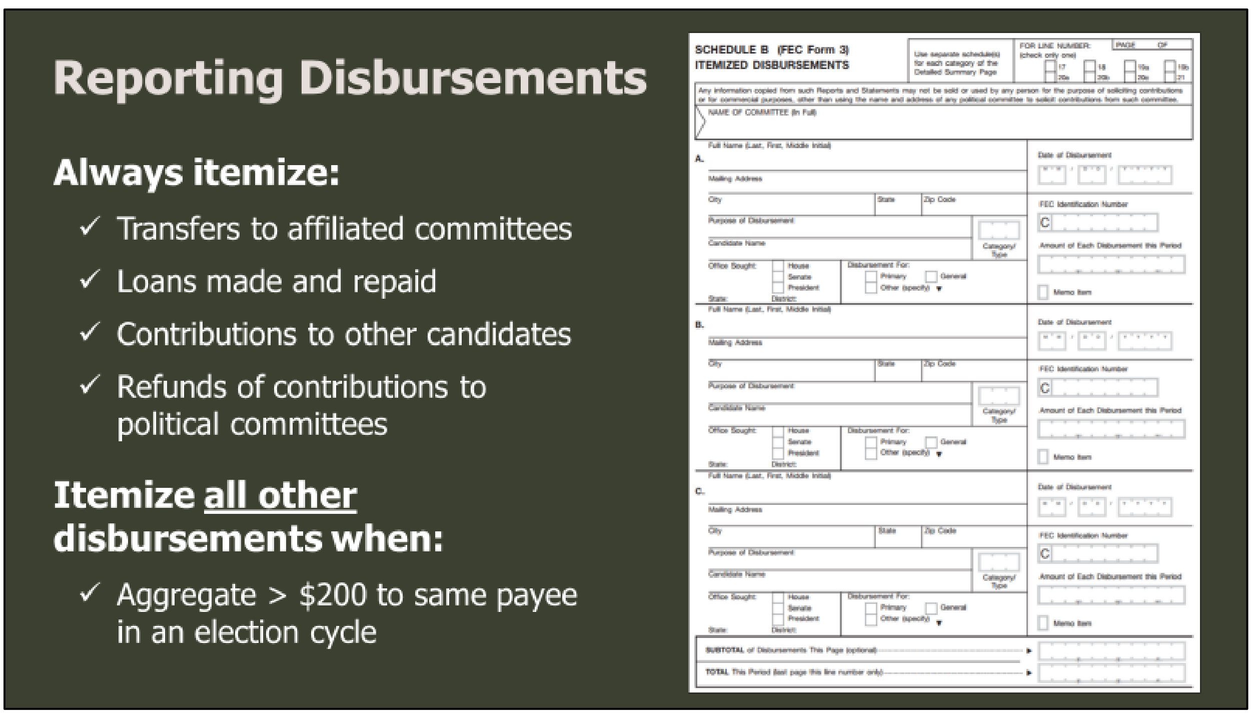


3. **Amending FEC Form 3**
   a) **File an amendment when:**
      - Campaign discovers that an earlier report contained erroneous information.
      - Committee does not obtain all the required information concerning a particular transaction in time to include it in the appropriate report.



b) **Amended disclosure for receipt of best efforts information:** If committee receives contributor information after the contribution has been reported, it should either file an amendment to the report originally disclosing the contribution or file an amended memo Schedule A listing all the contributions for which additional information was received with its next regularly scheduled report.





C. **Report disbursements on the appropriate line number**

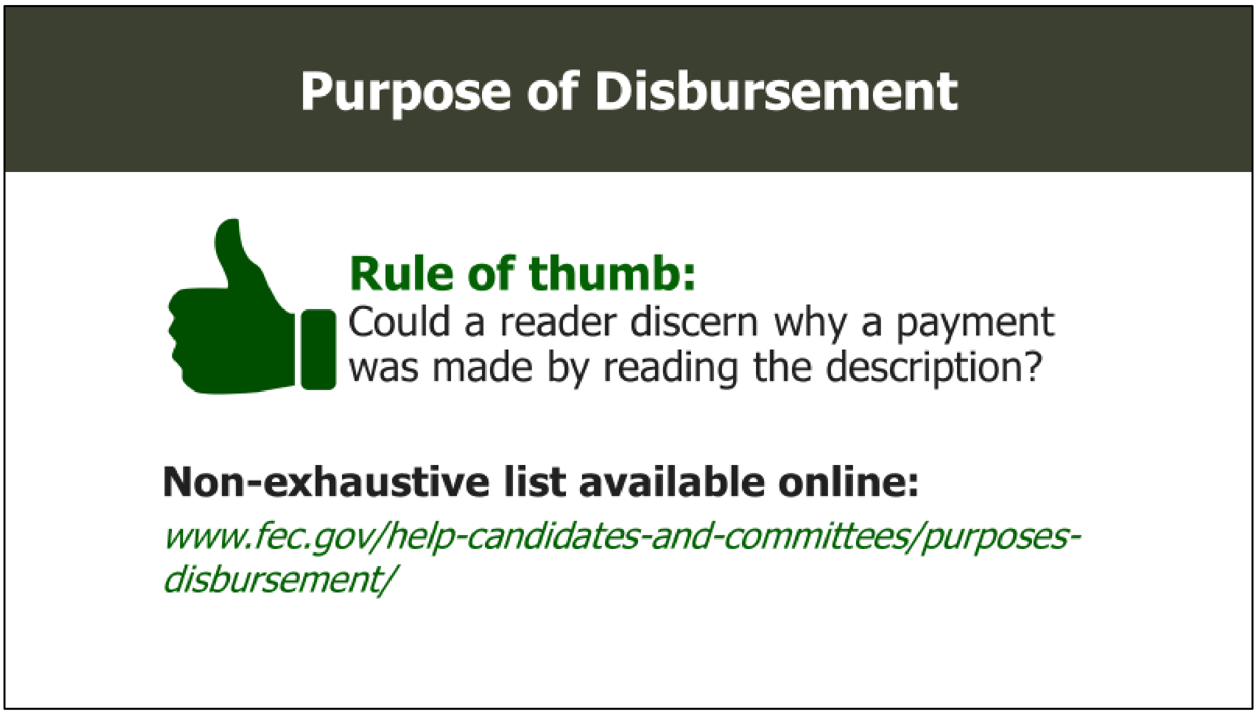
1. **Itemize regardless of amount:**
   a) Transfers to affiliated authorized committees – Line 18
   b) Loan repayments – Line 19

c) Refunds of contributions to political committees – Line 20

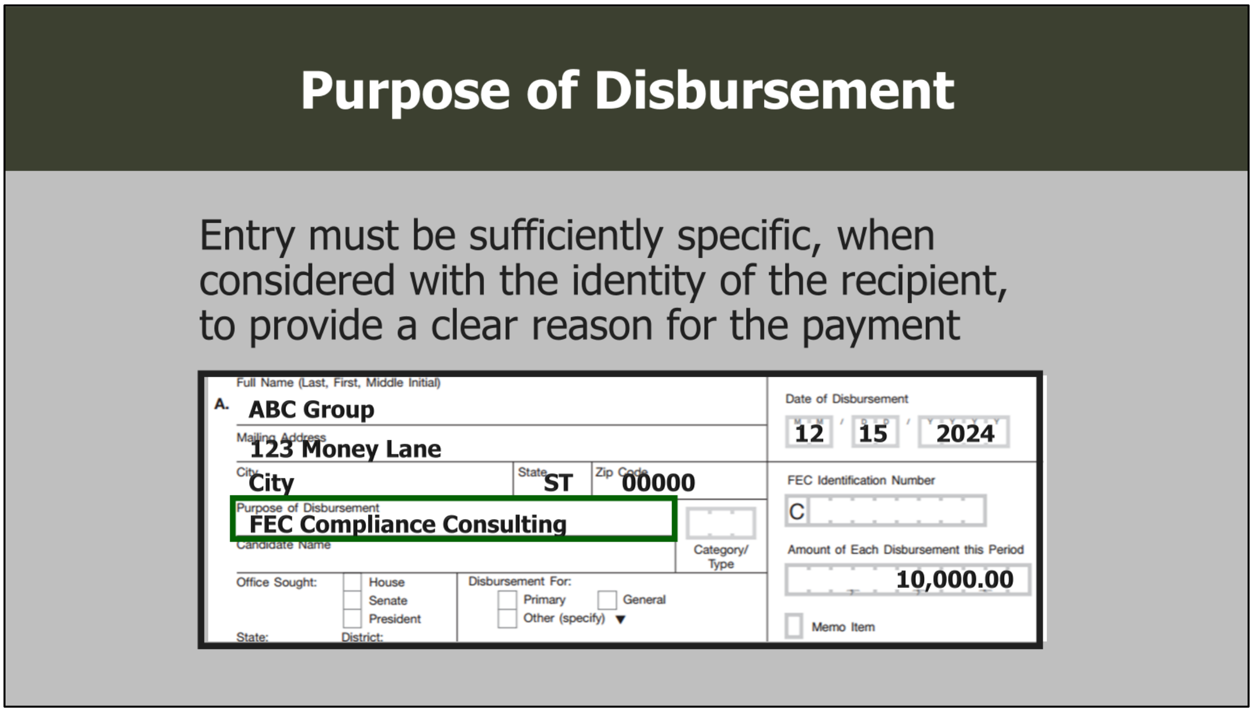
d) Contributions made to other federal candidates/other political committees – Line 21

2. **Threshold for other disbursement categories**

Itemize all other disbursements once they exceed $200 when aggregated with other disbursements to the same payee during the election cycle.



www.fec.gov/help-candidates-and-committees/purposes-disbursement/



D. Purpose of disbursement

1. FEC regulations require that the "purpose of disbursement" entry for each disbursement be sufficiently specific, when considered with the identity of the recipient, to provide a clear reason for the payment. 11 CFR 104.3(b)(3) and (4).
2. Policy statement includes non-exhaustive lists of acceptable and unacceptable "purpose of disbursement" descriptions intended to provide additional guidance to the regulated community and to foster consistency among filers.
3. As a general guideline, the statement suggests that filers consider whether a person unaffiliated with the campaign/committee could discern why a payment was made by reading the description they have provided.
4. List is updated periodically and available online: *www.fec.gov/help-candidates-and-committees/purposes-disbursement/*

E. Disbursements requiring additional itemization

Certain disbursements require supporting information that can be reported as a memo entry. The supporting memo entry must include the original vendor, date, amount, address, and purpose.

1. Staff reimbursements
2. In-kind contributions from the candidate
3. Credit card payments

Poll Question

Which of these purposes of disbursement entries do you think would be adequate?

- ☐ A: Consulting
- ☐ B: Campaign Materials
- ☐ C: Technology
- ☐ D: Printed Door Hangers

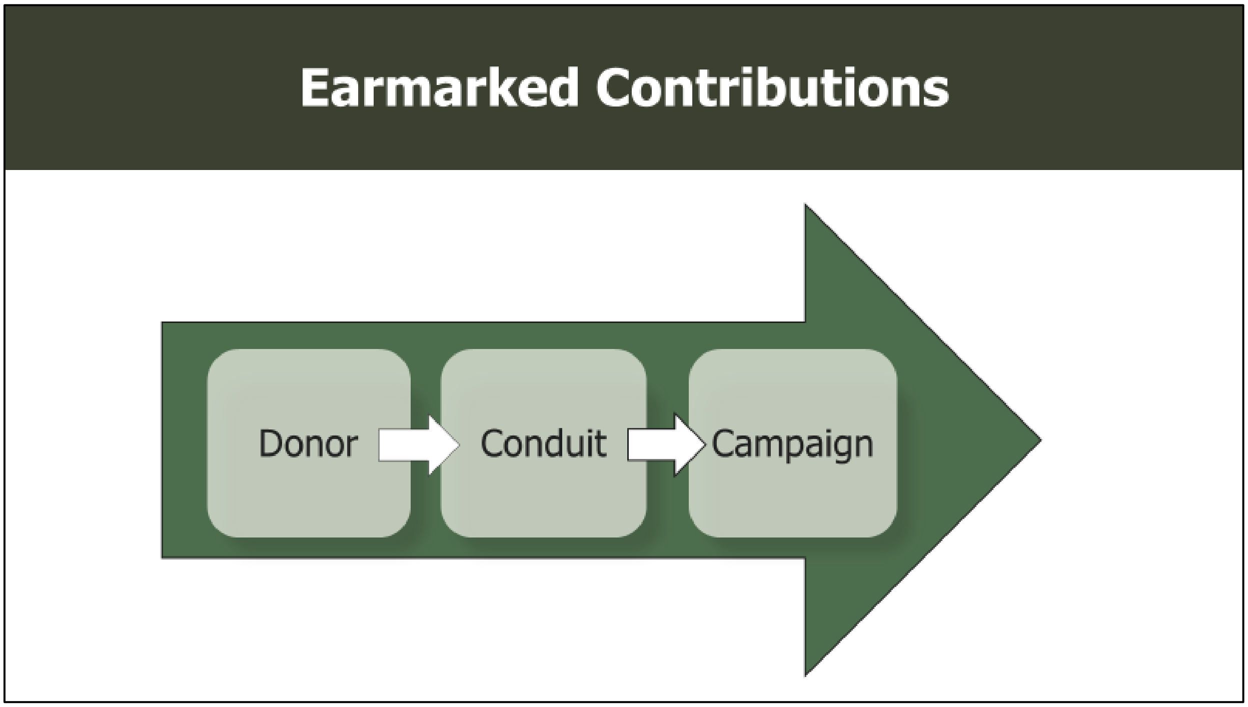
Poll Answer

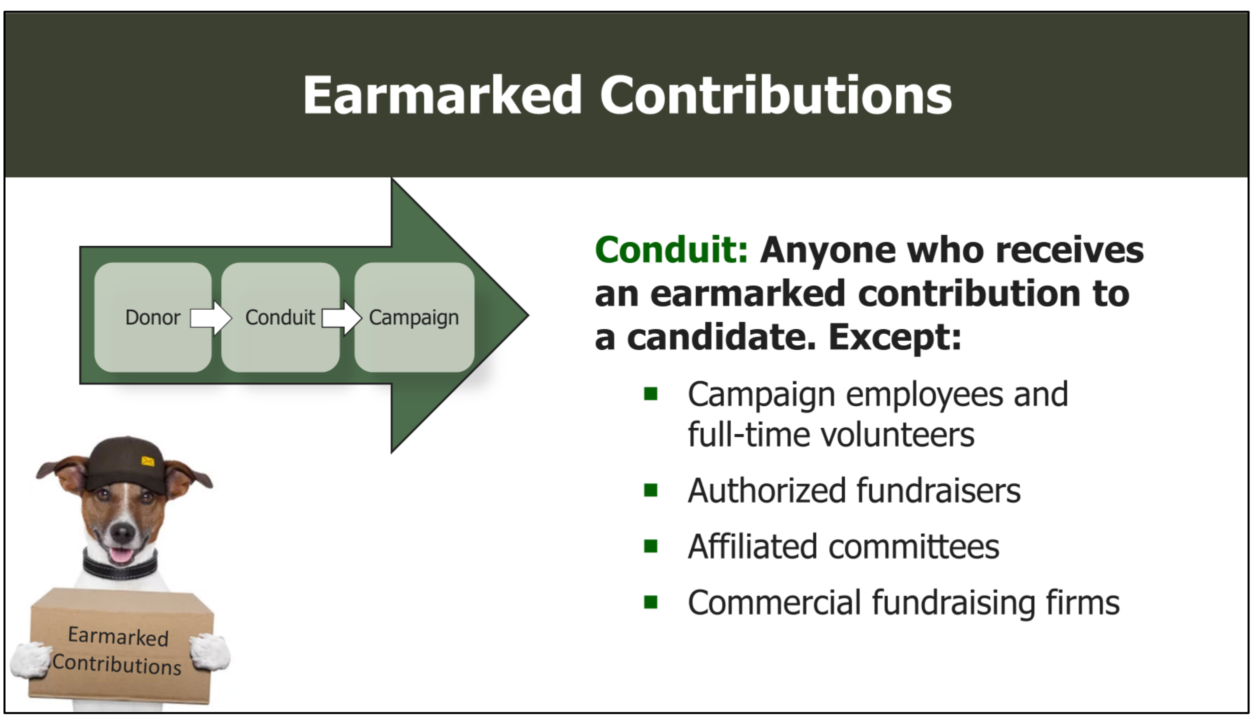
Which of these purposes of disbursement entries do you think would be adequate?

- ☐ A: Consulting
- ☐ B: Campaign Materials
- ☐ C: Technology
- ☑ **D: Printed Door Hangers**

EXAMINE REPORTING SCENARIOS

SCENARIO #1 **Earmarked Contributions** (11 CFR 110.6);
(*Guide*, Appendix A, pp. 143-146)

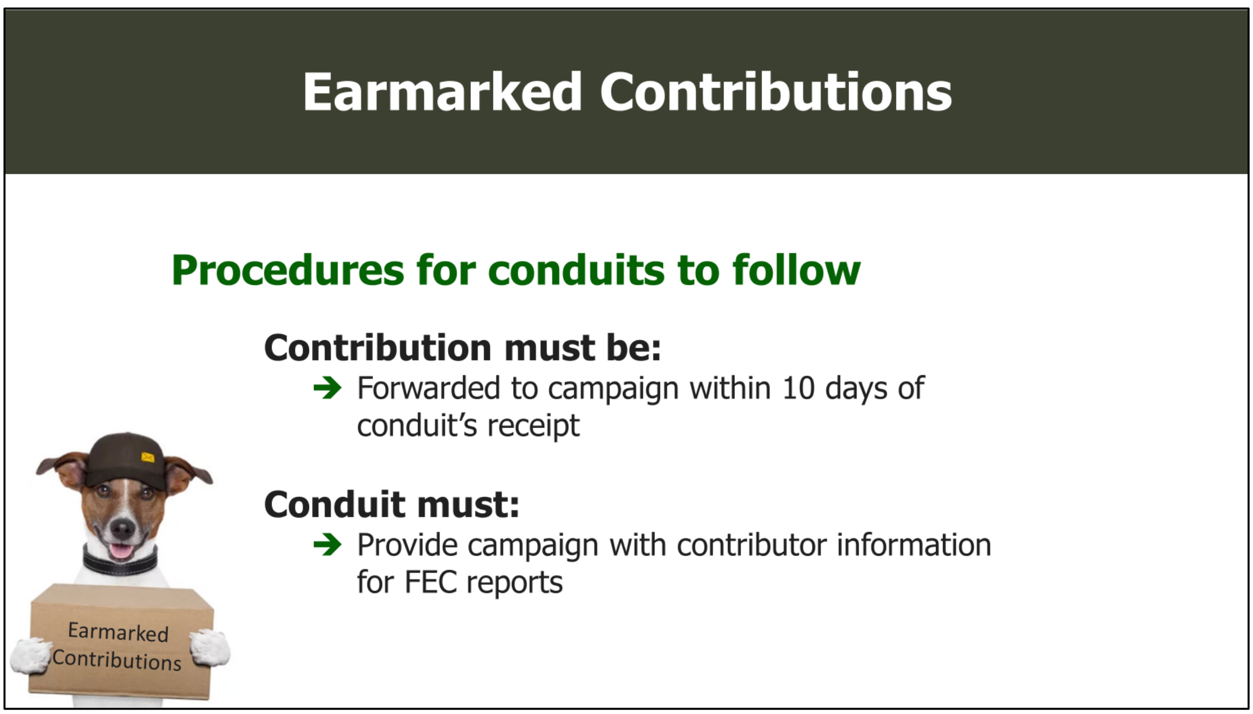




Earmarked contributions
A contribution to a candidate which the contributor directs (either orally or in writing) through an intermediary or conduit.

Conduit/intermediary
Anyone who receives and forwards an earmarked contribution to a candidate. This includes individuals, political committees, unregistered committees and partnerships.

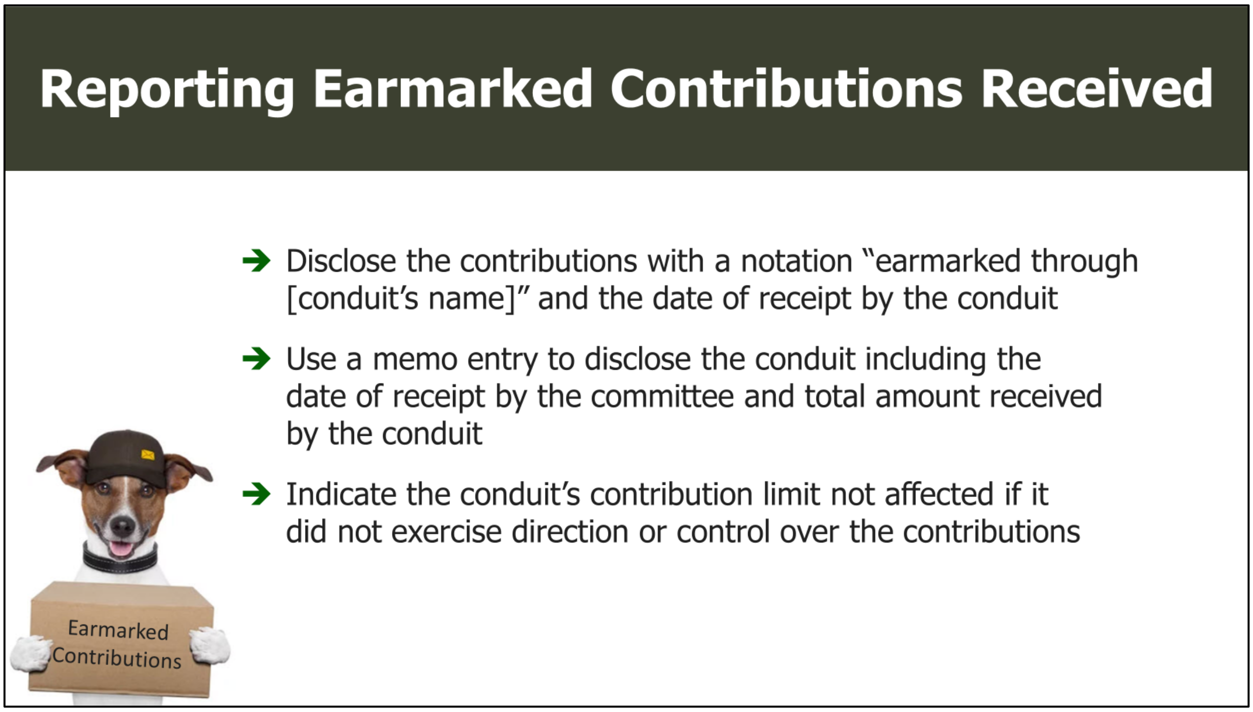
Persons NOT considered conduits include:
- Corporations, unions and other prohibited sources;
- Employees or full time volunteers working for campaign;
- Individuals expressly authorized to raise money on behalf of candidate;
- Committees affiliated with campaign committee; and
- Commercial fundraising firms retained by campaign.

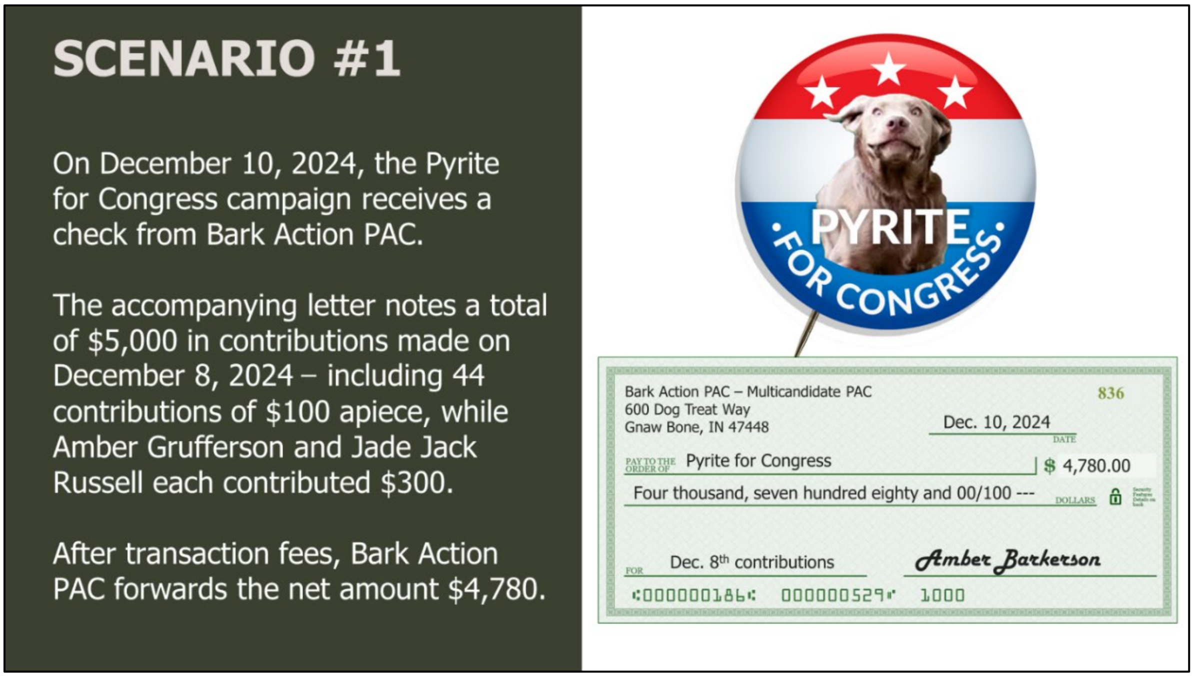


Effect on contribution limits
- An earmarked contribution counts against the contributor's limit for the recipient candidate.
- Conduit limit is affected when the conduit exercises direction or control over the contributor's choice of recipient candidate.

Transmittal to campaign

- The conduit must forward an earmarked contribution to the recipient campaign committee within 10 days of receiving the contribution.
- Campaign should receive transmittal report from conduit containing the contributor information needed to disclose on FEC report.





On December 10, 2024, the Pyrite for Congress campaign receives a check from Bark Action PAC (Bark PAC) comprising individual contributions earmarked through the PAC. The letter accompanying the check notes that on December 8, 2024, Bark PAC collected a total of $5,000 in contributions from a total of 44 individuals. In the letter, the PAC provides contributor information and contribution amounts. Almost all the contributions are for $100, but Amber Grufferson and Jade Jack Russell each contributed $300.Bark PAC deducts transaction fees before forwarding the net amount of $4,780 to the Pyrite for Congress campaign.

Poll Question

1. For this receipt, what should the committee disclose on its report?

- ☐ A: Contributions forwarded by the conduit
- ☐ B: Memo entry with conduit information including amount forwarded
- ☐ C: Both

Poll Answer

1. **For this receipt what should the committee disclose on its report?**

   ☐ A: Contributions forwarded by the conduit
   ☐ B: Memo entry with conduit information including amount forwarded
   ☑ **C: Both**

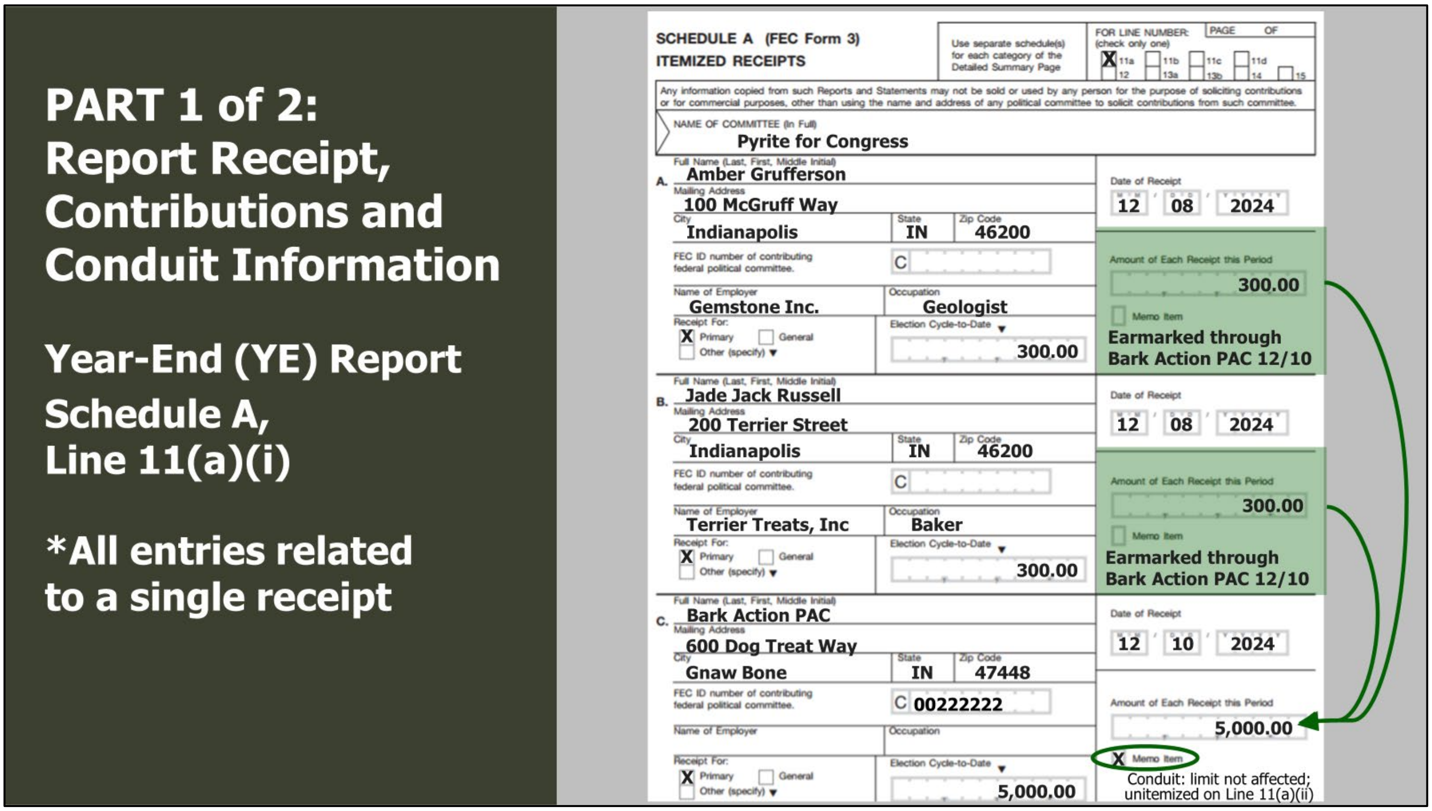
   The earmarked contributions collected in this scenario count as contributions from the individuals, since the decision to make the contribution to the candidate was independently made by the individual contributors, not under the PAC's direction or control in its report, the campaign discloses information about the conduit, and includes memo entries to itemize those contributions aggregating more than $200 per election cycle. The campaign also notes that the PAC's limit was not affected.

2. **How does the committee disclose the receipt of earmarked contributions?**
   When disclosing earmarked contributions, the committee reports both any itemized contributions from individual(s) and the receipt from the conduit.

   - **Report itemized contributions from individual(s)** on Schedule A for Line 11(a)(i). The Date of Receipt for these entries is the **date the conduit received the money from the contributors**. The itemization should also include a notation in the Receipt This Period box indicating, "Earmarked through Bark PAC." Note that each of the $100 contributions do not require itemization, but the value should be included in the total amount of unitemized contributions reported on Line 11(a)(ii).

   - **Report the receipt from conduit** on Schedule A for Line 11(a)(i) as a MEMO entry (check "Memo Item" box). The Date of Receipt is the **date the campaign received the funds from the conduit**. Itemization should also include a notation in the Receipt This Period box indicating "Conduit: limit not affected; unitemized on Line 11(a)(ii)"

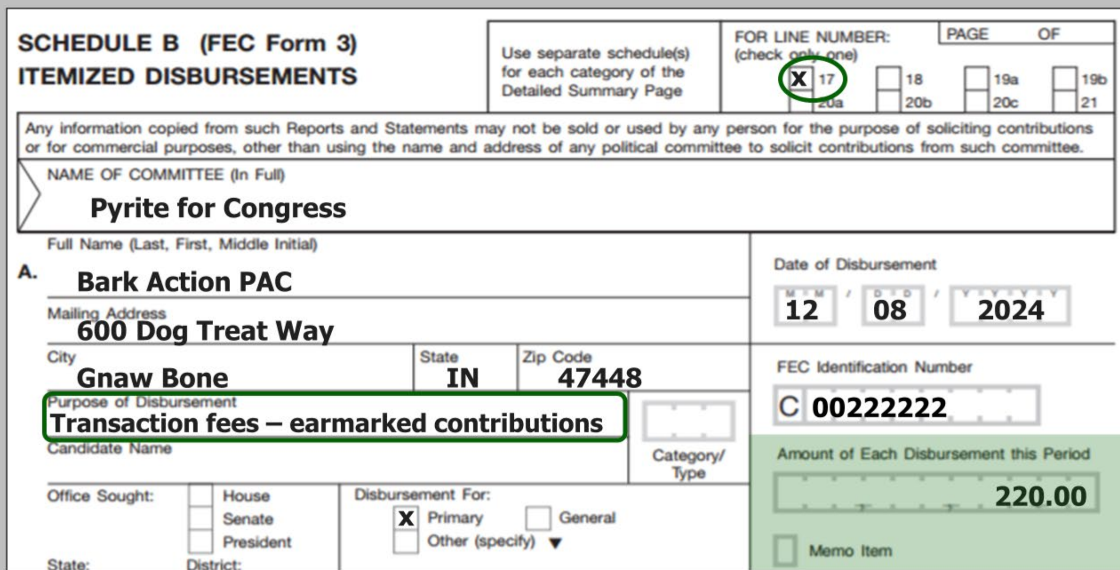
Reporting example continues on next page



- **Report the Conduit PAC transaction fees as a disbursement** on Schedule B for Line 17. The Date of Disbursement is the date the conduit received and processed the contributions. Include a brief but complete Purpose of Disbursement noting “Transaction fees – earmarked contributions.”

Part 2 of 2: Report Transaction Fees as Disbursement

Year-End (YE) Report – Schedule B, Line 17


SCHEDULE B (FEC Form 3)
ITEMIZED DISBURSEMENTS

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

FOR LINE NUMBER: (check only one)
X 17 | 18 | 19a | 19b | 20a | 20b | 20c | 21

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)
Pyrite for Congress

A. Full Name (Last, First, Middle Initial)
Bark Action PAC

Mailing Address
600 Dog Treat Way

City: Gnaw Bone
State: IN
Zip Code: 47448

Purpose of Disbursement
Transaction fees – earmarked contributions

Candidate Name

Category/Type

Office Sought: House / Senate / President
State: District:

Disbursement For: X Primary / General / Other (specify)

Date of Disbursement
12 / 08 / 2024

FEC Identification Number
C 00222222

Amount of Each Disbursement this Period
220.00

Memo Item

Key issues:

- The date of receipt may be different for the conduit and the contributor(s).
- Use MEMO entry (check the "Memo Item" box) for conduit if the amount of earmarked contributions passed on by the conduit exceeds $200 in the election cycle.
- The conduit's contribution limit is affected if the conduit exercises direction or control over the choice of candidate. Please note that if the conduit's limit is affected, the conduit must tell the campaign.
- If earmarked contributions are received by the conduit during one reporting period, but the conduit transmits the contributions to the campaign during the next reporting period, call the Reports Analysis Division (800-424-9530, option 5) for reporting guidance.

SCENARIO #2 **Net Debts Outstanding** (*Guide*, Chapter 4, "Contributions to Retire Debts, pp. 30-31)

Net Debts Outstanding Calculation

Receipts – Disbursements = Cash on Hand

Debts – Cash on Hand = Net Debts

Debts – Net Debts Outstanding

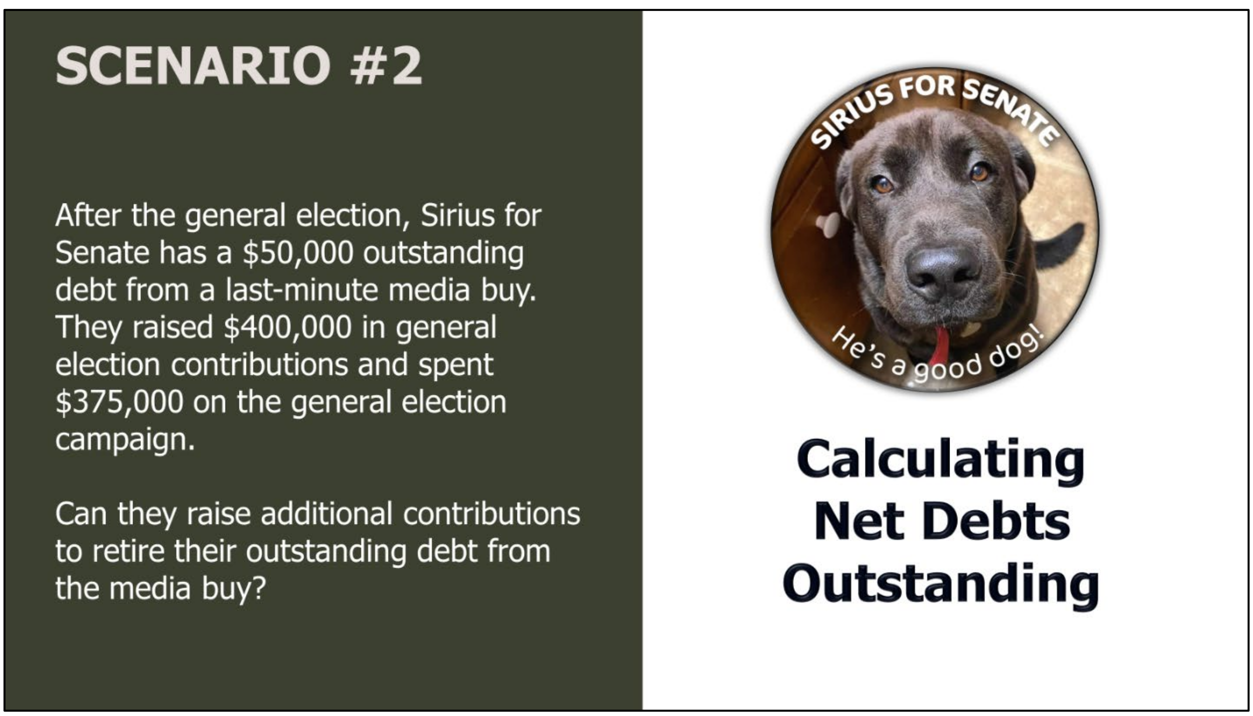
Calculation compares what a campaign raised and spent in a particular election to the debts outstanding for that election

To do this you need your committee's:

- Total receipts for a particular election
- Total disbursements for that election
- Outstanding obligations owed for that election
- Estimated costs of winding down

Retiring debts through contributions
If a campaign committee has *Net Debts Outstanding* after an election is over, the committee may, under limited circumstances, accept contributions after the election to retire those debts.

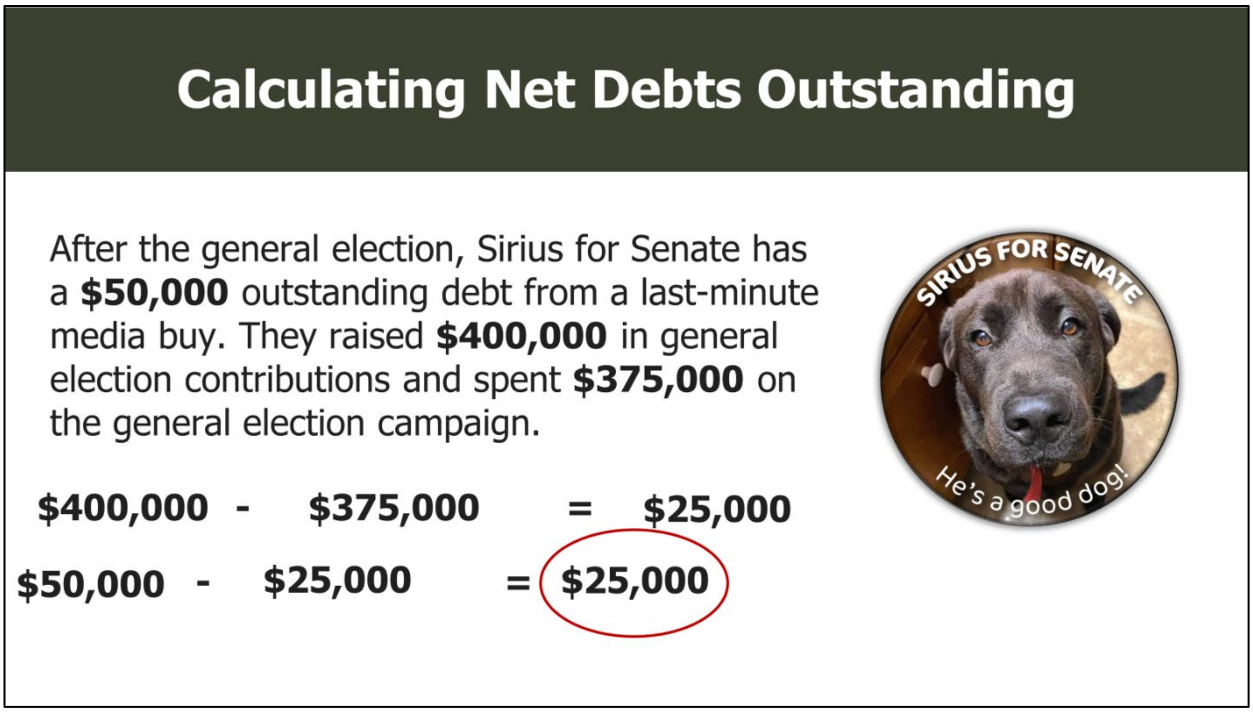
- The campaign must have *Net Debts Outstanding* on the day it receives the contribution.
- Debt retirement contributions:
    - Must be designated for that election; and
    - Cannot exceed the contributor's limit for the designated election.
- Contributions to retire debt are still subject to the limitations and prohibitions of the Act. Contributions cannot exceed *Net Debts Outstanding* amount.
  [11 CFR 110.1(b)(3)ii]



After the November 5 general election, Senate candidate Sirius has a $50,000 outstanding debt from a last-minute media buy. The campaign raised $400,000 in general election contributions and spent $375,000 on the general election campaign.

1. **Can the Sirius for Senate campaign raise contributions to retire the 2024 general election debt?**
   Net debts outstanding is the amount the committee can raise to retire debt; an amount that is adjusted continuously. To determine the amount of net debts outstanding, the committee makes the following calculations:

   Receipts ($400,000) – Disbursements ($375,000) = Cash on Hand ($25,000)
   Debts ($50,000) – Cash on Hand ($25,000) = Net Debts Outstanding ($25,000)



Because the Sirius for Senate campaign has $25,000 in net debts outstanding for the 2024 general election, the campaign can raise up to $25,000 in general election contributions to retire that debt.

Key issues:

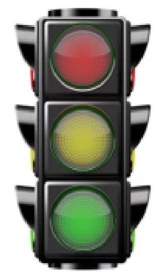
- Contributions to retire debt are designated for that election (since an undesignated contribution made after an election count toward the limit for the candidate's upcoming election)
- Contributions to retire debt cannot exceed the contributor's limit for the designated election
- A campaign calculates its net debts outstanding as of the day of the election. Thereafter, the campaign continually recalculates its total net debts outstanding as additional funds are received for, or spent on, the election for which the debt remains.
- More information: www.fec.gov/help-candidates-and-committees/handling-loans-debts-and-advances/retiring-debts-candidate/

SCENARIO #3 **Terminating a Committee** (*Guide*, pp. 137-142)

Onto the Next Election Cycle

Are you stopping, going or uncertain?

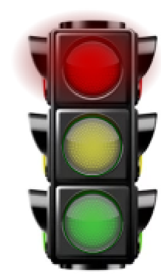
- Continue to file regularly scheduled reports
- Statement of Organization (FEC Form 1): Amend if necessary, e.g., within 10 days of any change
- Statement of Candidacy (FEC Form 2): Update form for next election cycle within 15 days of raising/spending >$5,000



Terminate the Committee

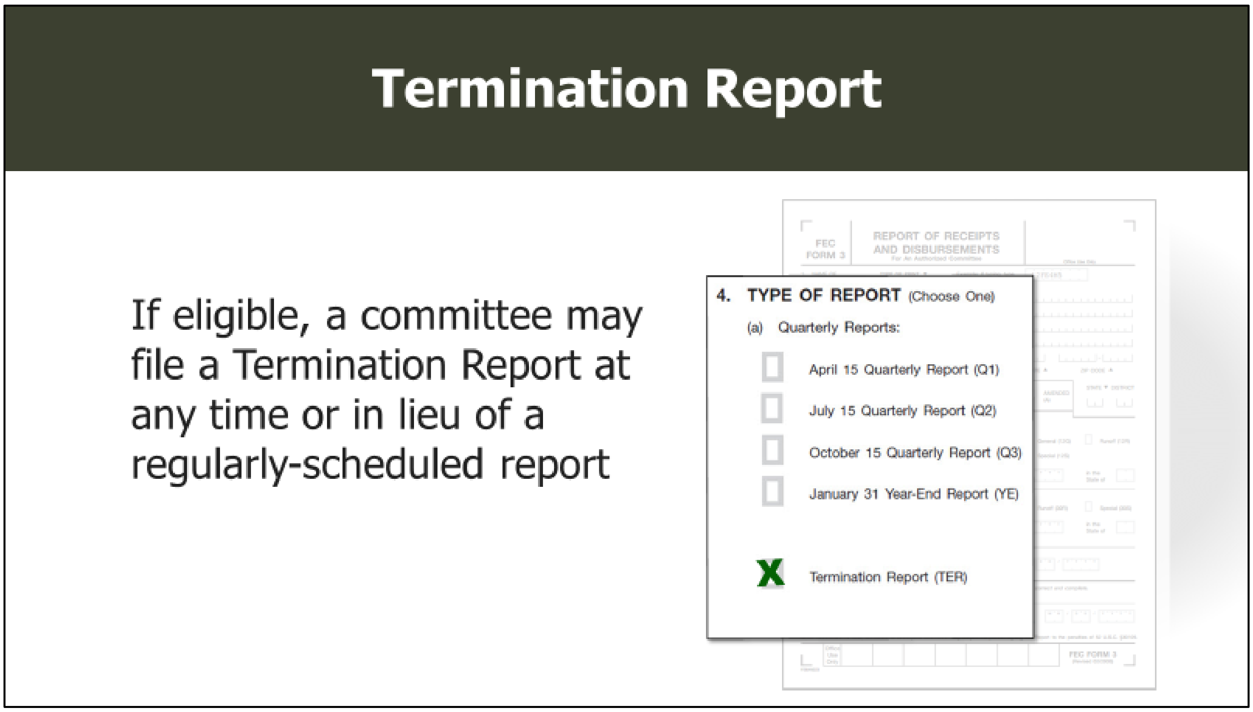
Committee is eligible to terminate if it:

- No longer makes or intends to make contributions or expenditures
- Has no outstanding debts or obligations
- Is not involved in an ongoing audit, enforcement action, or litigation



Eligibility to terminate

- Committee must not intend to receive contributions, make expenditures or make any disbursements that would otherwise qualify it as a political committee. [11 CFR 102.3(a)(1)](11 CFR 102.3(a)(1)).
- Committee involved in an FEC enforcement action, FEC audit or litigation with the FEC cannot terminate. Must continue to file regularly-scheduled reports until the matter is resolved.



How to file a termination report:
Committees file a termination report by selecting the “Termination Report” box on FEC Form 3/3P, Line 4 of the Summary Page.

Termination Report

Must include:

- All receipts and disbursements not previously reported
- An accounting of debt retirement, if the committee has outstanding debts
- The purpose for which any leftover campaign funds will be used

Termination Report

Tips for terminating committees:

- Reduce cash on hand to $0
- Remedy any outstanding excessive contributions
- Pay or resolve any outstanding debts
- Send signed letter forgiving any candidate loans
- Correct outstanding issues cited in any RFAIs

What to file

- Previously unreported receipts and disbursements.
- An accounting of debt retirement or settlement.
- Purpose for which any remaining committee funds will be used.
- Signed candidate loan forgiveness letter for any outstanding loans from the candidate.

Poll Question

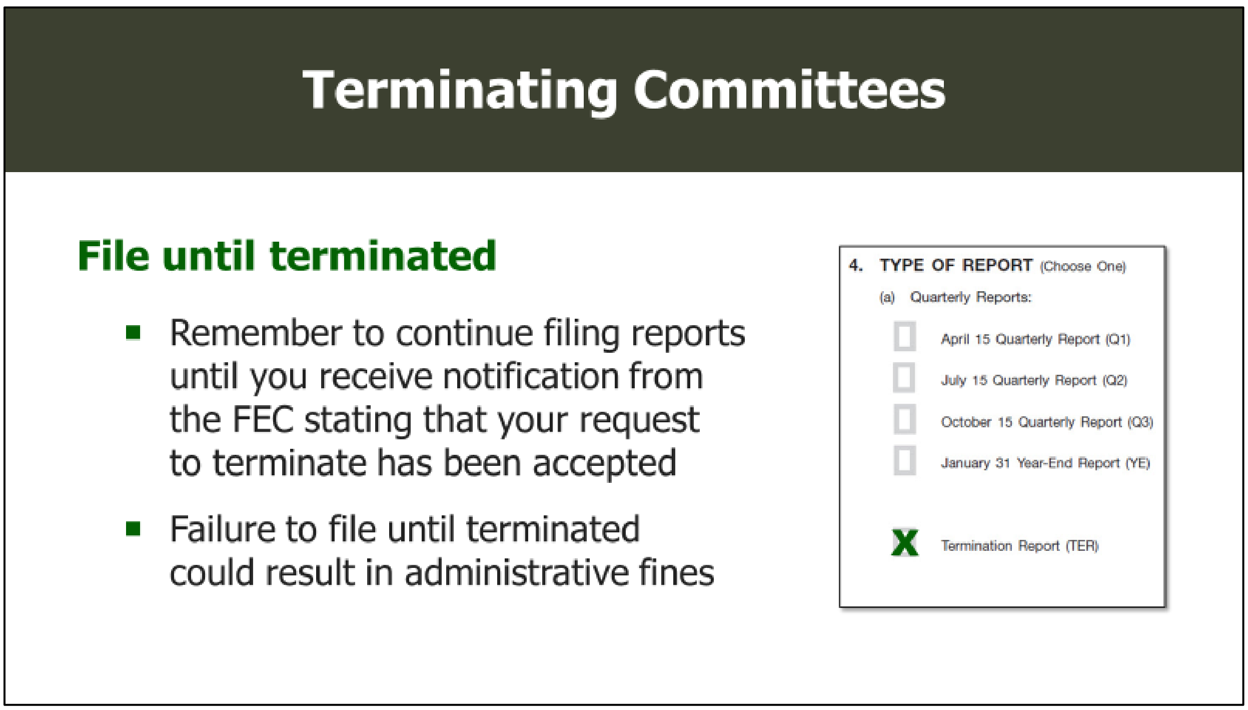
When can a committee stop filing reports with the FEC?

☐ A: After filing a Termination Report
☐ B: Once the candidate is no longer in office
☐ C: After receiving a letter from the FEC approving their termination request
☐ D: When there is no activity to report

Poll Answer

When can a committee stop filing reports with the FEC?

- ☐ A: After filing a Termination Report
- ☐ B: Once the candidate is no longer in office
- ☑ **C: After receiving a letter from the FEC approving their termination request**
- ☐ D: When there is no activity to report

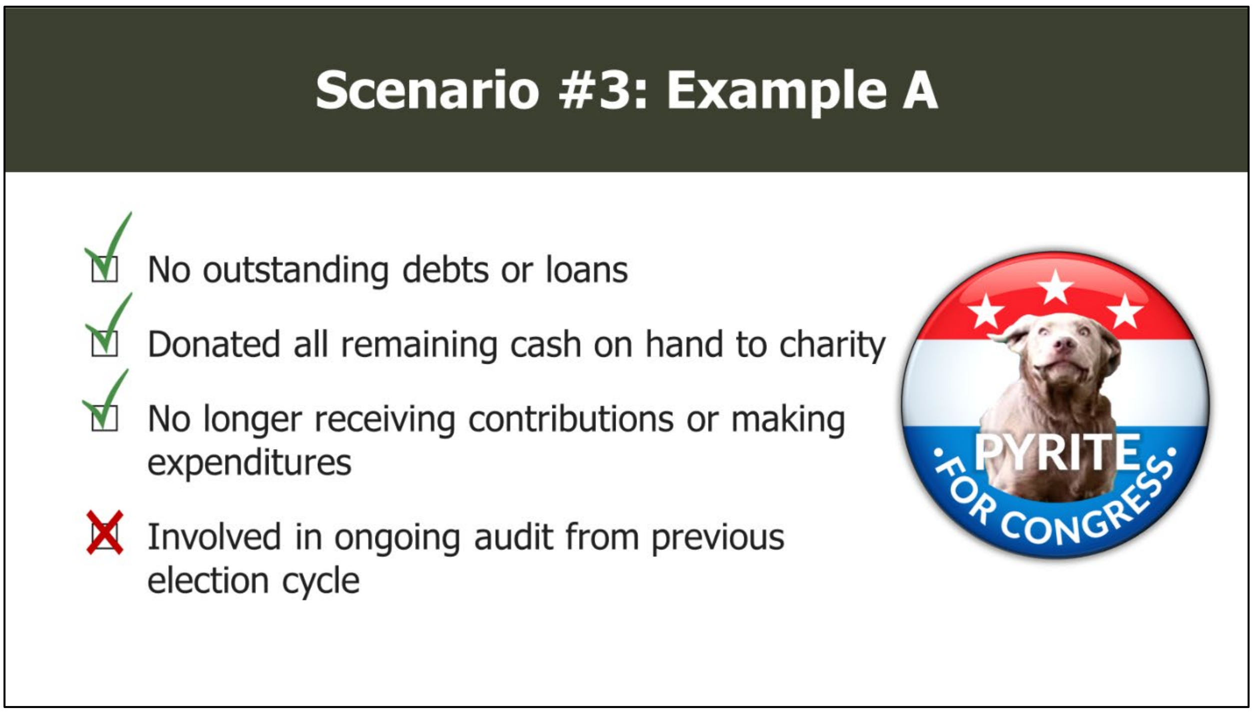


Example A

After an unsuccessful 2024 campaign, U.S. House candidate Pyrite is looking to terminate her campaign committee. The Committee:

- ☐ *Has no outstanding debts or loans*
- ☐ *Donated all its cash on hand to a charitable organization*
- ☐ *Is no longer receiving contributions or making expenditures*
- ☐ *Is involved in an ongoing audit from the prior election cycle*

Is the Pyrite for Congress committee eligible to terminate?



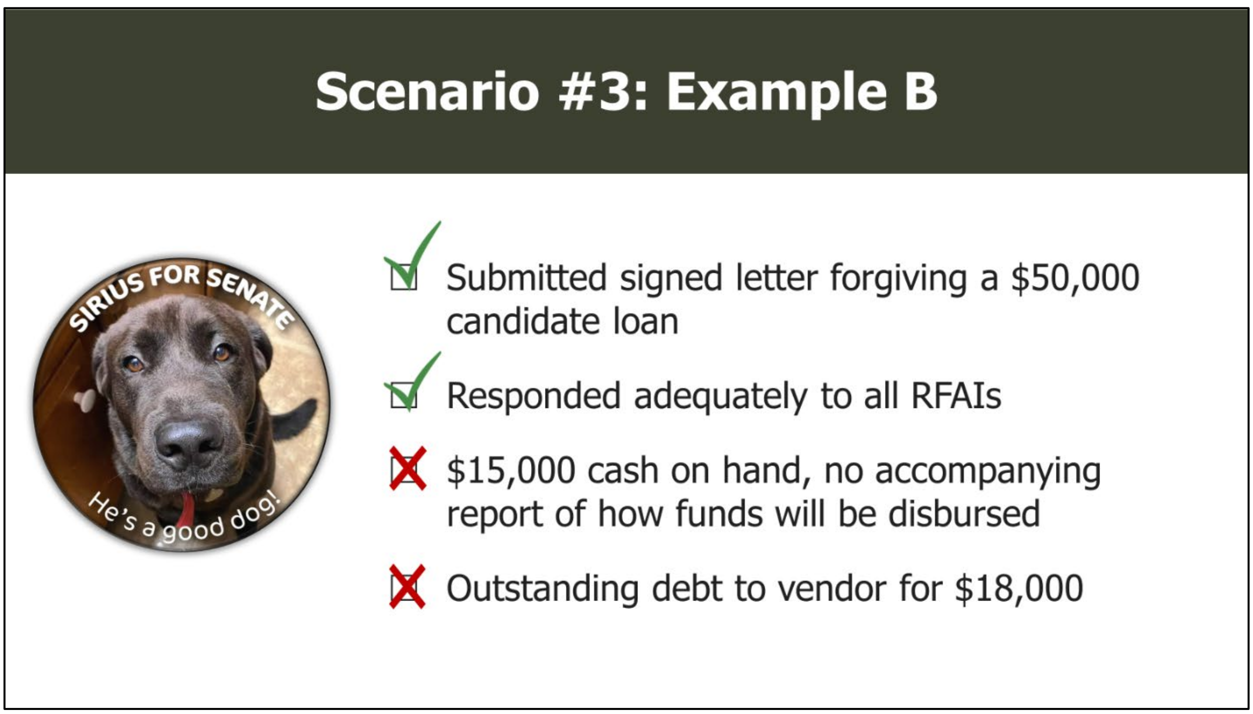
Because the committee is still involved in an ongoing audit, it is not eligible to terminate at this time. The committee must continue to file reports until the issue is resolved

Example B

U.S. Senate candidate Sirius wants to terminate his campaign before filing the Year-End Report. His campaign:

- ☐ *Has submitted a signed letter from the candidate forgiving an outstanding $50,000 loan*
- ☐ *Responded adequately to all requests for additional information (RFAIs)*
- ☐ *Has $15,000 cash on hand and has not included information on how funds will be disbursed*
- ☐ *Has an $18,000 outstanding debt to a vendor*

Is the Sirius for Senate campaign eligible to terminate?



The campaign is not eligible to terminate at this time because it has:

(1) Cash on hand and no reporting of how funds will be disbursed; and
(2) An outstanding $18,000 debt to a vendor.

The committee must continue to file reports until the issue is resolved**.**

SCENARIO #4: **Candidate Loans** (*Guide*, pp. 101-102; 119-121)

Background: On September 23, 2024, Candidate Cappuccino dipped into her savings account and loaned $50,000 to her campaign committee as a last push before the November 5, 2024, general election. The receipt of the loan was previously disclosed on the committee's October Quarterly Report.

On November 30, 2024, the campaign repays Cappuccino $5,000 of her loan.

1. **How is the committee's loan repayment to the candidate disclosed?**
   If payment is applied to the principal AND interest balances, the committee may use one check but must break out each part and disclose them separately. Payment towards the principal balance is shown as a loan repayment, and payments toward interest are reported as operating expenditures.
   - **Report principal payment** on Schedule B for Line 19(a); itemization should include notation in Purpose of Disbursement box indicating, "Candidate Loan Payment."
   - **Report interest payment** on Schedule B for Line 17; itemization should include a notation in Purpose of Disbursement box indicating, "Interest Payment on Loan." In this scenario, Cappuccino did not charge the committee interest.

   NOTE: principal repayments must be continuously reported on Schedule C for each reporting period.

Part 1 of 2: Report Loan Disbursement

Year-End (YE) Report – Schedule B, Line 19(a)

SCHEDULE B (FEC Form 3)
ITEMIZED DISBURSEMENTS

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

FOR LINE NUMBER: (check only one)
☐ 17 ☐ 18 ☒ 19a ☐ 19b
☐ 20a ☐ 20b ☐ 20c ☐ 21

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): Cappuccino for Congress

A. Full Name (Last, First, Middle Initial): Cappuccino Hound
Mailing Address: 120 Bark Street
City: Shenandoah State: VA Zip Code: 22800
Purpose of Disbursement: Payment – Candidate personal funds loan
Candidate Name:
Category/Type:
Office Sought: ☐ House ☐ Senate ☐ President
State: District:
Disbursement For: ☐ Primary ☒ General ☐ Other (specify)

Date of Disbursement: 11 / 30 / 2024
FEC Identification Number: C
Amount of Each Disbursement this Period: 5,000.00
☐ Memo Item

Part 2 of 2: Report Loan Payment

Year-End (YE) Report – Schedule C, Line 13(a)

SCHEDULE C (FEC Form 3)
LOANS

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

FOR LINE NUMBER: (check only one) ☒ 13a ☐ 13b

PAGE OF

NAME OF COMMITTEE (In Full): Cappuccino for Congress

LOAN SOURCE Full Name (Last, First, Middle Initial): Cappuccino Hound ☐ Memo Item
Mailing Address: 120 Bark Street
City: Shenandoah State: VA ZIP Code: 22800

Election: ☐ Primary ☒ General ☐ Other (specify)

☒ Personal Funds of the Candidate

Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
50,000.00	5,000.00	45,000.00

TERMS
Date Incurred: 09 / 23 / 2024
Date Due: None
Interest Rate (If none, enter 0): None % (apr)
Secured: ☐ Yes ☒ No

SCENARIO #4B

After the campaign, Treasurer Mocha Brewer is working to close out the books on the 2024 election.

The only outstanding debt is the $45,000 balance left on Cappuccino's personal funds loan. The candidate decides to forgive the loan balance and convert it to a contribution.

Candidate Loan Forgiveness

After a successful election campaign, Treasurer Mocha Brewer is working to close out the books on the 2024 election. Wishing to start the new year without any debt, Cappuccino decides to forgive the balance of the loan on December 21, 2024.

2. **How should the committee show the forgiveness of a personal funds loan by the candidate?**

   Report candidate forgiveness of the loan: Show reporting on Schedule C for Line 13(a). The "Balance Outstanding at Close of This Period" should be $0. (Do not include the forgiven loan balance into the total of "Cumulative Payment To Date," since the money was not actually repaid.)

   For electronic filers: Please include Memo Text with your report stating that the candidate forgave the loan.

   For all filers: When the candidate forgives a loan, the committee should file a letter signed by the candidate stating that the loan is forgiven. (Please note that this requirement applies to paper and electronic filers alike. Memo text at the end of an electronically filed report stating that the candidate forgave the loan will not be accepted in lieu of the letter.)

   NOTE: Do not include the forgiven loan balance in the "Cumulative Payment To Date," total since the money was not actually repaid.

Candidate Loan Forgiveness

- ⇨ Written, signed letter from candidate
- ⇨ Schedules B and C do not show payments
- ⇨ Ensure loan ending balance is correct

Candidate Loan Forgiveness

December 21, 2024

To: Treasurer Mocha Brewer

I hereby forgive the $45,000 outstanding balance of my personal funds loan to my campaign committee.

Sincerely,
Cappuccino Hound

Report Loan Forgiveness
Year-End (YE) Report – Schedule C, Line 13(a)

SCHEDULE C (FEC Form 3)
LOANS

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

PAGE OF

FOR LINE NUMBER: (check only one) [X] 13a [ ] 13b

NAME OF COMMITTEE (In Full): **Cappuccino for Congress**

LOAN SOURCE Full Name (Last, First, Middle Initial): **Cappuccino Hound**

[ ] Memo Item

Election: [ ] Primary [X] General [ ] Other (specify)

Mailing Address: **120 Bark Street**

City: **Shenandoah** State: **VA** ZIP Code: **22800**

[X] Personal Funds of the Candidate

Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
50,000.00	5,000.00	0.00

TERMS Date Incurred: **06 / 04 / 2024** Date Due: **None** Interest Rate (If none, enter 0): **None** % (apr) Secured: [ ] Yes [X] No

Key issues:

Candidate loan repayments

- Use both Schedules B for Line 19(a) and Schedule C for Line 13(a).
- When the candidate forgives a loan, the committee should file a letter signed by the candidate stating that the loan is forgiven – for both paper and electronic filers.

Personal Funds Loan vs. Bank Loan

Candidates may loan their personal funds for campaign purposes or loan funds derived from a bank. The disclosure differs for each type of loan.

- **Personal funds loan**
  Report receipt as a contribution (Schedule A) and loan (Schedule C)
- **Bank loan**
  Report receipt as a contribution (Schedule A), loan (Schedule C), and include disclosure of bank loan terms (Schedule C-1)

More Reporting Help

Guides for campaigns and committees
www.fec.gov/help-candidates-and-committees/guides/

FECTube YouTube channel (including "Help with FECFile")
www.youtube.com/user/FECTube

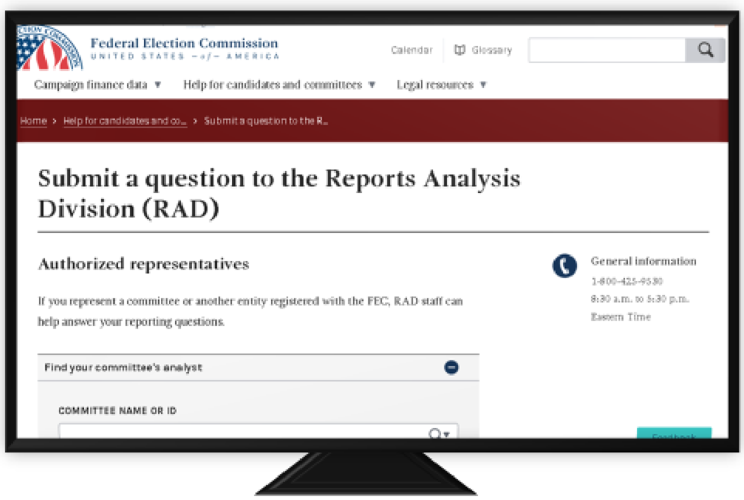
Extended phone coverage

Call your analyst! 800-424-9530, press 5

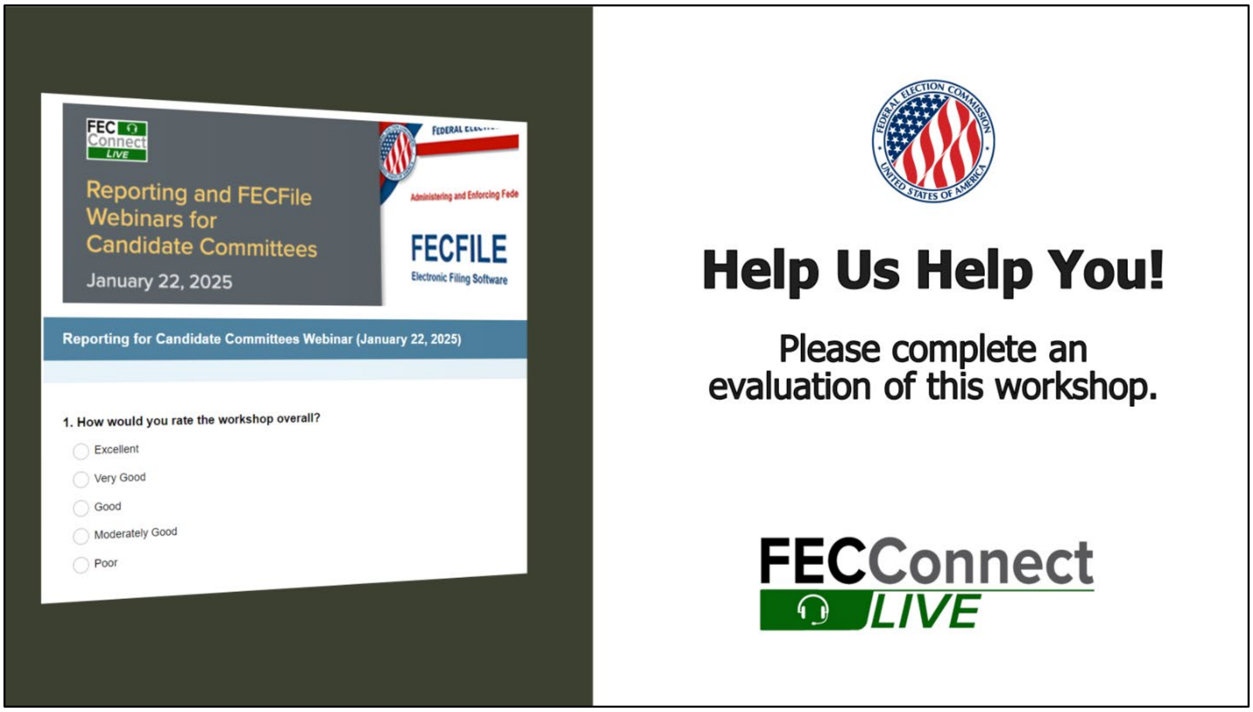
www.fec.gov/help-candidates-and-committees/guides/

www.youtube.com/user/FECTube

Compliance Help



www.fec.gov/help-candidates-and-committees/question-rad/



Evaluation link: https://www.surveymonkey.com/r/VZP8LVB