


Basics for Beginners


April 22, 2020
10:30 a.m. – 12:00 p.m.

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Objectives

- ▣ Review Basic Provisions of FECA
- ▣ Examine Recordkeeping and Filing Requirements
- ▣ Highlight Compliance Resources

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PART 1: BASIC PROVISIONS OF THE FEDERAL CAMPAIGN FINANCE LAW

Federal Election Campaign Act

- ▣ Limits sources and amounts of funds used to finance federal elections
- ▣ Requires candidates and committees that support them to register and report activity
- ▣ Establishes FEC to administer and enforce law

Supporting Candidates



- ▣ Contributions

Contribution Source Limits

- ▣ **Prohibited Sources of Contributions**
 - **Corporations, Trade Associations and Membership/Labor Organizations**
 - **Federal Government Contractors**
 - **Foreign Nationals**
 - **Contributions in Name of Another**



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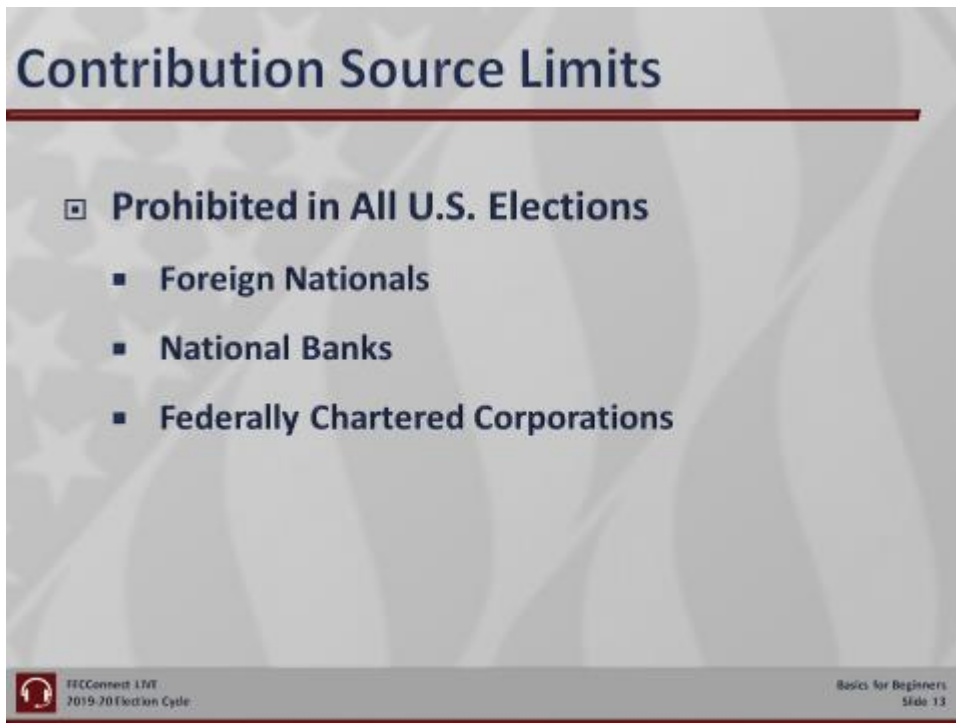
I. Contributions

A. Prohibitions

1. **Corporations (including incorporated membership, trade and cooperative organizations or associations), labor organizations and national banks¹** are prohibited from making contributions in connection with federal elections. **11 CFR 114.2**. Therefore, they may not:
 - a) **Act as conduit for earmarked contribution.**
 - b) **Give discount to campaign or committee that is not in normal business practice.**
 - c) **Allow use of facilities or resources without reimbursement, and, in some cases, advance payment.**
2. **Federal Government Contractors (11 CFR Part 115)**
3. **Foreign Nationals (11 CFR 110.20)**
 - a) **American subsidiary of foreign corporation may establish Separate Segregated Fund (SSF) only if:**
 - (1) Foreign nationals do not control or participate in decisions of SSF; and
 - (2) SSF is not administered or otherwise funded with foreign revenues.

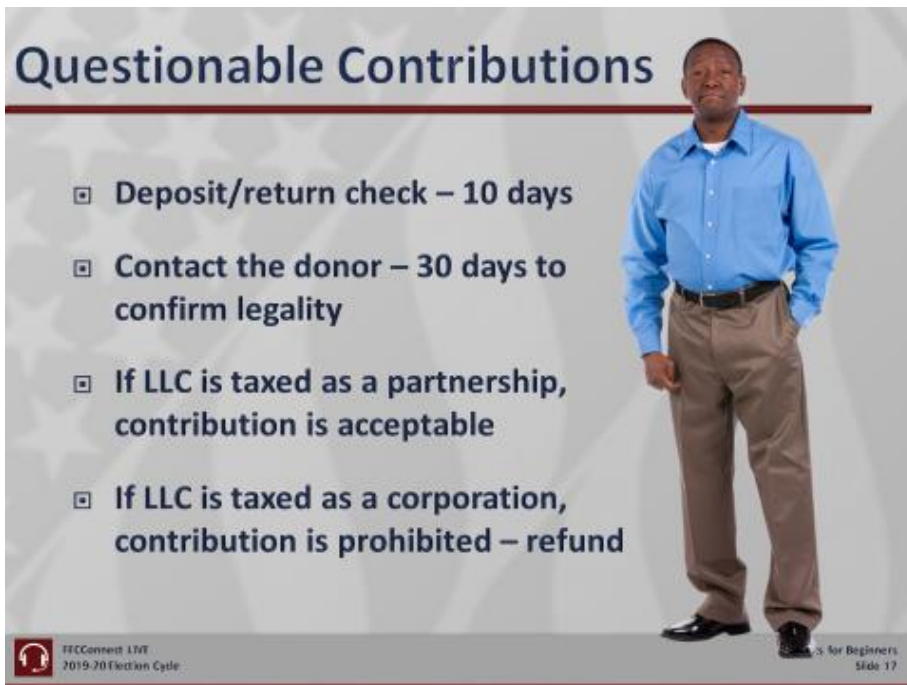
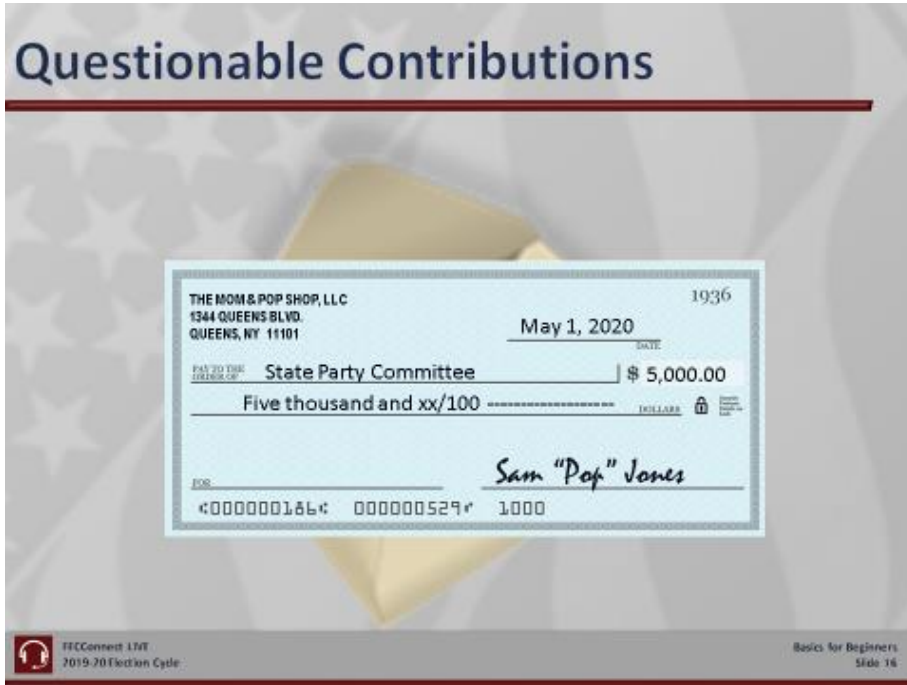
¹ Corporations and labor organizations may contribute to independent expenditure-only committees (i.e., Super PACs) and to the non-contribution account of a Hybrid PAC.

- b) **Ban does not apply to permanent resident aliens (green card holders).**
 - c) **Individuals who are foreign nationals may:**
 - (1) Volunteer for Congressional campaign and participate in decision-making, (Note: because volunteer is engaged to candidate.) AO 2004-26.
 - (2) Attend campaign fundraising events (Note: because attendee is engaged to candidate). AO 2004-26.
 - (3) They may not, however, participate in decision-making regarding election activities for a corporation or a political committee. AO 2004-32.
4. **Contributions in Name of Another (11 CFR 110.4(b))**
- a) Cannot reimburse or be reimbursed for contributions.
 - b) Parents cannot give in names of children.
 - c). BCRA increased penalties for violations of this ban.



5. **Certain prohibitions apply to all elections (11 CFR 114.2(a))**
- a) Foreign nationals
 - b) National banks
 - c) Federally chartered corporations

- B. Handling questionable contributions to federal account (11 CFR 103.3)**
- 1. Deposit while checking:** If unsure whether contribution is from a permissible source, campaign may deposit it while confirming permissibility.
 - 2. Refund after 30 days if unable to verify legality:** Within 30 days of receipt, must refund if unable to determine if contribution is permissible.



Questionable Contributions

MICHAEL OR LISA SMITH
123 MAPLE LEAF WAY
MONTREAL, CANADA

1936

May 1, 2020

DATE

PAY TO THE ORDER OF State Party Committee \$ 5,000.00

Five thousand and xx/100

DOLLARS

FOR: Lisa Smith

⑆000000186⑆ 000000529⑆ 1000



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Questionable Contributions

- ❑ Deposit/return check – 10 days
- ❑ Contact the donor – 30 days to confirm legality
- ❑ If donor is US citizen or green card holder, contribution is acceptable
- ❑ If not, contribution is prohibited; campaign must issue a refund



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C. Contribution amount limits (11 CFR 100.52)

1. **Definition:** Anything of value given or loaned to influence a federal election, including:
 - a) Money
 - b) In-Kind (goods and services)
 - c) Loans of money or advances of goods and services
 - d) Bank loan endorsements and guarantees
 - e) Advances of personal funds by staff and volunteers
 - f) Proceeds from sales of fundraising items
 - g) Extension of credit to committee outside ordinary course of business

Contribution Amount Limits

For 2019–20 Elections	Candidate Committee per election	PAC (SSF and Nonconnected) per year	State, District & Local Party Committee per year	National Party Committee per year	Additional National Party Committee Accounts per year
Individual	\$2,800	\$5,000	\$10,000 (combined)	\$35,500	\$106,500
Candidate Committee	\$2,000	\$5,000	Unlimited Transfers	Unlimited Transfers	
PAC: multicandidate	\$5,000	\$5,000	\$5,000 (combined)	\$15,000	\$45,000
PAC: Nonmulticandidate	\$2,800	\$5,000	\$10,000 (combined)	\$35,500	\$106,500
National Party Committee	\$5,000	\$5,000	Unlimited Transfers	Unlimited Transfers	
State, District & Local Party Committee	\$5,000 (combined)	\$5,000 (combined)	Unlimited Transfers	Unlimited Transfers	



2. Contribution limits (11 CFR 110.1 and 110.2)

- a) **Certain limits increased and indexed for inflation**
 - (1) Candidate and party limits increased and indexed; multicandidate committee limits unchanged.
 - (2) Indexing began in 2005 – odd-numbered years.

- b) How applied**
- (1) Limits apply to contributions received and contributions made by committee.
 - (2) If made by an individual, counts against the limit of the person signing the check or accompanying note.
- c) Presidential**
- (1) Primaries – One limit for all.
 - (2) General – No contributions if candidate accepts public funds. (See AO 2007-03, Obama)
 - (3) General Election Legal and Compliance (GELAC) Fund – OK if donations comply with limits.

Limits to Party Committees

For 2019–20 Elections	Candidate Committee per election	PAC (SSF and Nonconnected) per year	State, District & Local Party Committee per year	National Party Committee per year	Additional National Party Committee Accounts per year
Individual	\$2,800	\$5,000	\$10,000 (combined)	\$35,500	\$106,500
Candidate Committee	\$2,000	\$5,000	Unlimited Transfers	Unlimited Transfers	
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National Party Committee	\$5,000	\$5,000	Unlimited Transfers	Unlimited Transfers	
State, District & Local Party Committee	\$5,000 (combined)	\$5,000 (combined)	Unlimited Transfers	Unlimited Transfers	



Multicandidate Status

- ▣ Registered with FEC 6 months
- ▣ Received contributions >50 donors
- ▣ Made contributions to ≥ 5 candidates
- ▣ Alternative: affiliated with one/more multicandidate committees



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- d) **Multicandidate committee status (11 CFR 100.5(e))**
- (1) **Why important:**
Determines whether PAC or party committee can give up to \$5,000 to candidate, per election (and whether candidate can accept it).
 - (2) **Criteria**
 - Registered with FEC 6 months.
 - Received contributions from more than 50 contributors.
 - Has made contributions to at least 5 federal candidates (not needed for state party committee).
 - Alternative: be affiliated with multicandidate committee.

Affiliated Committees

Committees established, financed, maintained or controlled by same entity:

- Principal Campaign Committee and Other Authorized Committees
- ★ State Party and Registered Local Party Committees in that State
- Corporate Parent and Subsidiaries
- National Membership Organization and its State and Local Units



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- e) **Affiliated committees (11 CFR 100.5(e) and 110.3(a)(3))**
- (1) **How to determine:**
 - Principle: committees established, financed, maintained, or controlled by same entity or group of persons.
 - Others may also be affiliated depending on various factors, such as similar patterns of contributions, common officers, etc.
See 11 CFR 100.5(g) & 110.3(a).
 - (2) **Example:**

State party committees normally affiliated with local party committees in same state; national party and state party have separate limits, but may transfer between each other. Rebuttable presumption – see AO 1978-09.
 - (3) **Why important:**
 - Same contribution limit applies to contributions received and made by affiliated committees.
 - If one committee qualifies as multicandidate, all its affiliated committees qualify.
 - No limit on transfers between affiliated committees.

Affiliated Committees

Generally treated as one committee for purposes of federal campaign finance law:

- **Share limits on contributions made and received**



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Limits from Party Committees

For 2019–20 Elections	Candidate Committee per election	PAC (SSF and Nonconnected) per year	State, District & Local Party Committee per year	National Party Committee per year	Additional National Party Committee Accounts per year
Individual	\$2,800	\$5,000	\$10,000 (combined)	\$35,500	\$106,500
Candidate Committee	\$2,000	\$5,000	Unlimited Transfers	Unlimited Transfers	
PAC: multicandidate	\$5,000	\$5,000	\$5,000 (combined)	\$15,000	\$45,000
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National Party Committee	\$5,000	\$5,000	Unlimited Transfers	Unlimited Transfers	
State, District & Local Party Committee	\$5,000 (combined)	\$5,000 (combined)	Unlimited Transfers	Unlimited Transfers	



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Contribution Amount Limits

- ▣ **Cash contribution cannot exceed \$100**



- ▣ **Maximum anonymous contribution \$50**



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- 3. Other contribution limits**
 - a) Cash contributions – \$100
 - b) Anonymous contributions – \$50

Supporting Candidates



- ▣ **Contributions**
- ▣ **Coordinated Party Expenditures**



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Coordinated Party Expenditures

Limited amounts state and national party committees may spend on behalf of—and in coordination with—general election nominees

Presidential Nominee	\$26,464,700
Senate Nominees	\$103,700 to \$3,175,100
House Nominees*	\$51,900

* In states with only one representative, the limit is \$103,700.

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II. Coordinated Party Expenditures (11 CFR 109.32 through 109.37)

A. Definition

Expenditures made by a party committee on behalf of its nominee in the general election. Committees have a “coordinated party expenditure” limit (calculated each election cycle) that is *separate* from its contribution limit to the candidate.

B. Amount

Expenditures may range from paying bills for candidate to paying for “coordinated communications” on behalf of the candidate.

Click here for chart listing 2020 coordinated party expenditure limits: <https://www.fec.gov/updates/coordinated-party-expenditure-limits-adjusted-2020/> (See *Party Operations, Part 1* for more details)

Sources of Support



- ▣ Contributions
- ▣ Coordinated Party Expenditures
- ▣ Independent Expenditures

Independent Expenditure

Payment for communication that expressly advocates election or defeat of clearly identified candidate, but is not made in cooperation, consultation or in concert with, or at the request or suggestion of, the candidate or his/her campaign, or a political party committee or the agents of either.


III. Independent Expenditures (11 CFR 100.16)

A. Definition

Expenditure for communication that "expressly advocates" the election or defeat of a clearly identified candidate and that is not made in cooperation with, or at the request or suggestion of, the candidate or his/her campaign or its agents, or a political party or its agents.

Independent Expenditure


Express Advocacy No Coordination

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Independent Expenditure

- **No limit on amount of expenditure**
- **Corporations and labor organizations may make IEs, but prohibited in-kind contribution results if coordinated**

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B. The basics

1. No limits if definition met

One may spend an unlimited amount because the expenditure is not coordinated (and thus, a contribution).

2. **If coordinated, in-kind contribution results (11 CFR 109.21)**
Corporation prohibited from making (coordinated) in-kind contribution.
3. **Disclaimer required**

Supporting Candidates



- ▣ Contributions
- ▣ Coordinated Party Expenditures
- ▣ Independent Expenditures
- ▣ Disclaimers

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Disclaimers

- ▣ Identify who paid for a communication
- ▣ Clarify whether a campaign authorized it
- ▣ Appear on all “public communications,” widely distributed emails, public websites

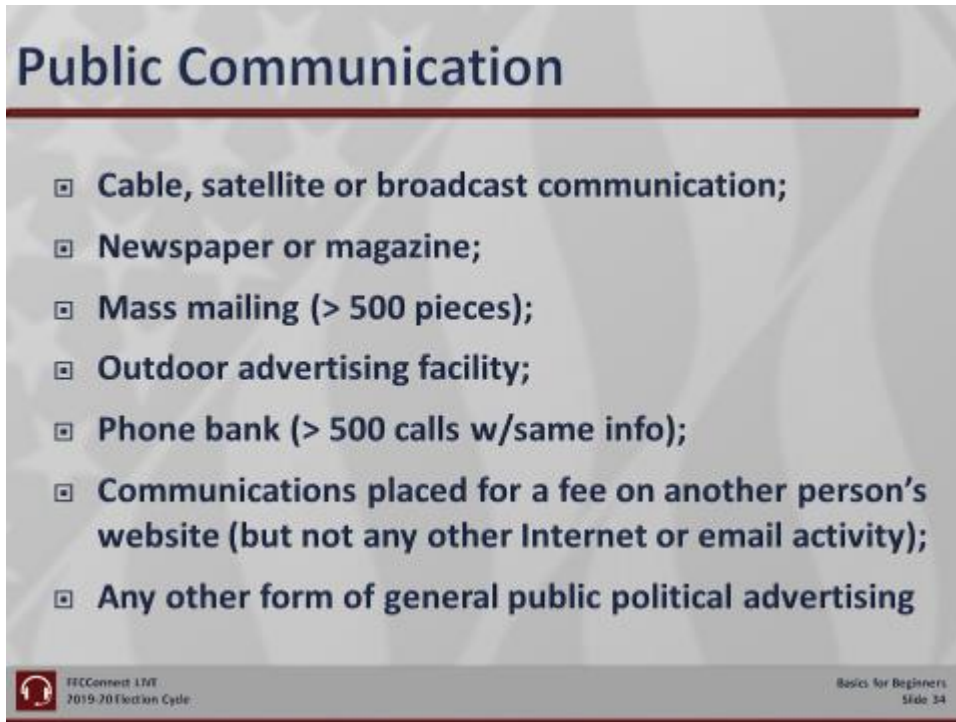
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IV. Disclaimer Notices on Communications (11 CFR 110.11)

A. Basic rules

1. Identifies who paid for a public communication
2. Clarifies whether a campaign authorized it
3. Required on all “public communications,” widely distributed emails and public websites



B. Public communication defined (11 CFR 100.26)

Includes communications made using the following media:

1. Broadcast, cable or satellite;
2. Newspaper or magazine;
3. Outdoor advertising facility;
4. Mass mailing (>500 substantially similar mailings w/in 30 days);
5. Phone bank (>500 substantially similar calls w/in 30 days);
6. Communications placed for a fee on another person's web page.

C. Disclaimer also required on:

1. Electronic mail (> 500 substantially similar communications sent by a campaign committee); and
2. Websites of political committees.

Disclaimer Examples

▣ **Party Ad Authorized by Candidate:**

“Paid for by the Indiana State Party and authorized by the Leslie Knope for Congress committee.”

▣ **Party Ad Not Authorized by Candidate:**

“Paid for by Indiana State Party (www.INparty.org) and not authorized by any candidate or committee.”



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C

D. Wording of disclaimer (11 CFR 110.11(b))

1. Authorized but not financed by campaign

“Paid for by the Indiana State Party and authorized by Leslie Knope for Congress Committee.”

2. Not authorized by campaign (i.e., independent expenditure, electioneering communication)

“Paid for by Indiana State Party (www.INparty.org) and not authorized by any candidate or committee.”

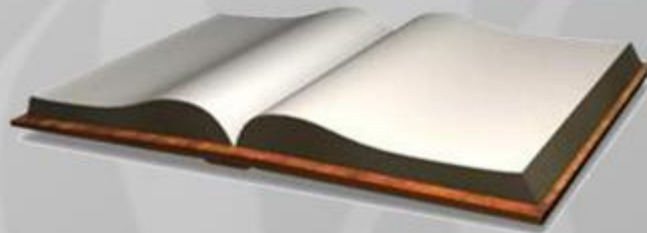
3. Clear and conspicuous placement of disclaimer notice

Disclaimer notices must be clearly and conspicuously displayed.
Cannot be difficult to read or placed where it is easily overlooked.

Clear and Conspicuous

A disclaimer must be presented in a clear and conspicuous manner to give the reader, observer or listener adequate notice of who is responsible for the message

- 11 CFR 110.11(c)(1)



Clear and Conspicuous

▼ Printed Materials

**Disclaimer must be contained
within a printed box set apart
from content of communication**

E. Special rules for printed communications


1. Disclaimer must be contained within a printed box set apart from content of communication.

2. Print must be of sufficient type size to be “clearly readable” and must have a reasonable degree of color contrast between the background and the printed statement.
3. Safe Harbor: 12 point type in newspapers; magazines; flyers; signs; and other printed communications no larger than 24” x 36.”

Clear and Conspicuous

▼ Radio and Television

- Audio approval statement voiced by candidate/sponsor
- TV: Full screen view or photo of candidate or sponsor and 4 x 4 written disclaimer



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- F. Special rules for TV and radio ads not authorized by a candidate’s committee (11 CFR 110.11(c)(4))**
Identify the committee responsible for the communication
(e.g., “*The State Party is responsible for the content of this ad.*”)



- G. Disclaimer is not required when:**
1. It cannot be conveniently printed (e.g., pens, bumper stickers, campaign pins and buttons);
 2. Its display is not practical (e.g., wearing apparel, skywriting, water towers); or
 3. Item is of minimal value, does not contain a political message and is used for administrative purposes (e.g., committee checks and receipts).

PART 2: REGISTRATION AND REPORTING REQUIREMENTS

I. Committee Registration (11 CFR 102.1(c) and 102.2)

Campaign Finance Laws

- ▣ **National/State Parties**
 - Raise / Spend > \$1,000
- ▣ **Local Party Organizations**
 - Spend > \$1,000 contributions/expenditures
 - Raise > \$5,000 in federal contributions
 - Spend > \$5,000 on exempt activities

PARTY REGISTRATION
Presented by the
FEC Information Division
<https://www.youtube.com/FECtube>

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A. FEC Form 1 (Statement of Organization)

1. When to file

a) Registration thresholds

(1) **National and state party organizations** - becomes a political committee when, during a calendar year, it:

(a) Spends more than \$1,000 in contributions and other expenditures or

(b) Raises more than \$1,000 in contributions

(2) **Local party organizations** - becomes a political committee when, during a calendar year, it:

(a) Spends more than \$1,000 in contributions and other expenditures

(b) Raises more than \$5,000 in contributions;

(c) Spends more than \$5,000 on exempt activities.

b) **Political committees (other than campaign committees)**

– file within 10 days of triggering registration.

Committee Registration

FEC FORM 1 STATEMENT OF ORGANIZATION

1. NAME OF COMMITTEE (in full) 12724M5

Web form available for easy online filing!

ADDRESS (number and street) (Check if address is changed)

CITY STATE ZIP CODE

COMMITTEE'S E-MAIL ADDRESS (Please provide only one e-mail address) (Check if address is changed)

COMMITTEE'S WEB PAGE ADDRESS (URL) (Check if address is changed)

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2. How to file

- a) Forms may be downloaded and printed from the FEC website:
<https://www.fec.gov/help-candidates-and-committees/forms/>
- b) Link to Form 1 webform:
<https://webforms.fec.gov/webforms/form1/index.htm>

3. Requirements

Committees that file electronically must include their email address. Others are encouraged to do so.

4. Amendments

Amend Statement of Organization (and other filings) when necessary within 10 days of change.

B. Name and address of committee

1. Party committees

Name cannot include the name of any candidate.

2. Use committee's official name on:

- a) FEC reports and statements.
- b) Disclaimer notices for public advertising.

Committee Registration

STATEMENT OF

▼ **E-Mail Address:**

- **Required for E-Filers**
- **Necessary to receive report notices and other FEC notifications**

COMMITTEE'S E-MAIL ADDRESS (Please provide only one e-mail address)

(Check if address is changed) _____

COMMITTEE'S WEB PAGE ADDRESS (URL)

(Check if address is changed) _____

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3. **Street address, email, website**
 - a) E-Mail required for electronic filers; necessary to receive FEC report notices and other courtesy materials.
 - b) URL required if committee has web page.

Committee Registration

► Affiliated Committees

6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor

Local Party Committee

Mailing Address 123 City Circle

Anytown CITY US STATE 00000 ZIP CODE

Relationship: Connected Organization Affiliated Committee Joint Fundraising Representative Leadership PAC Sponsor

Committee Registration

► Treasurer & Assistant Treasurer

8. Treasurer: List the name and address (phone number -- optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name of Treasurer

Mailing Address

Title or Position


Full Name of Designated Agent

Mailing Address

Title or Position

Telephone number

FEC Recommended



Committee Registration

▼ Treasurer & Assistant Treasurer

- Deposits receipts
- Authorizes all expenditures
- Monitors contributions
- Keeps all required records
- Signs reports
- Files accurate reports on time



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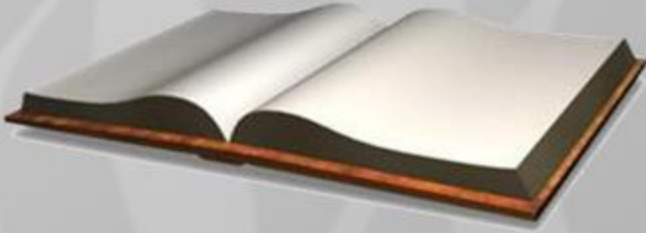
C. Treasurer & Assistant Treasurer (11 CFR 102.7, 102.9 and 104.14)

1. **Treasurer required – Asst. Treasurer recommended**
Identify on Form 1.
2. **Duties:**
 - a) Depositing receipts.
 - b) Authorizing all expenditures.
 - c) Monitoring contributions.
 - d) Keeping all required records.
 - e) Signing reports.
 - f) Filing accurate reports on time.

Treasurer Required

Committee cannot raise or spend funds
when office of treasurer is vacant.

- 11 CFR 102.7(b)



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- D. Amendments to Form 1 (11 CFR 102.2(a)(2))**
1. Required within 10 days after change in information.
 2. Paper filers may amend by letter or Form 1; E-filers must amend electronically by submitting a replacement Form 1.

Treasurer's Liability

- ▶ Treasurer generally named as enforcement respondent in official capacity
- ▶ Personal liability possible if:
 - Knowingly & willfully violated the Act;
 - Recklessly failed to fulfill duties; or
 - Intentionally ignored information that led to the violation



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3. Treasurer responsible for compliance

- a) Usually named in enforcement actions.
- b) Online resources:
 - (1) **Treasurer liability:**
<https://www.fec.gov/updates/treasurers-liability/>
 - (2) **Information on misappropriated funds:**
<https://www.fec.gov/help-candidates-and-committees/keeping-records/misappropriated-funds/>
 - (3) **Policy statements:**
 - Treasurer personal liability:
<https://transition.fec.gov/law/policy/2004/notice2004-20.pdf>
 - Embezzlement policy
https://transition.fec.gov/law/cfr/ej_compilation/2007/notice_2007-9.pdf

Recordkeeping

Contributions over \$50, record:

- Amount
- Date received
- Donor's name and address
- Full-size photocopy or digital image of check



Contributions aggregate over \$200, record:

- Above information plus occupation and employer for individual donors



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E. Recordkeeping (11 CFR 102.8 and 102.9)

1. For receipts

- a) For any amount, need date received and amount.
- b) Over \$50, name and address of contributor/payor.
- c) Over \$200, above plus occupation and employer.

Making Best Efforts

- ✓ Request contributor info when soliciting contribution
- ✓ If info missing, make follow-up request within 30 days
- ✓ Amend report to disclose missing information once received



Follow-up Request

THANK YOU

Thank you for your generous contribution to the Committee for Good Government. With help from supporters like you, good government is guaranteed!

As you may know, Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 in a calendar year.

Federal law requires us to use our best efforts to collect and report the name, mailing address, occupation and name of employer of individuals whose contributions exceed \$200 in a calendar year.


2. **Best efforts (11 CFR 104.7)**
 - a) Required to make “best efforts” to obtain, maintain and report required information.

- b) To show “best efforts,” committee must:
- (1) Request information in solicitation materials, along with applicable disclaimer informing contributors that information is required under federal law;
 - (2) 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); and
 - (3) Amend reports to disclose information received but not previously disclosed (or include information in memo reports on the next report filed).

Recordkeeping

All disbursements, record:

- Amount
- Date
- Name and Address of Payee
- Purpose of Disbursement



For contributions:

- Above information, plus name of candidate, state, district and election designation

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- 3. For disbursements**
- a) For any amount, need name of payee, address, purpose, date made.
 - b) For contributions made, also need name of candidate, state, district, and election designation.

Recordkeeping

Retain records for three years from the date of the report to which the records relate



Any time after
April 15, 2023

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- 4. Record retention**
Retain each record for three years from the date of the report on which it was last disclosed.

II. Filing Dates (11 CFR 104.5(c))

- A. During election year (even-numbered year)**
Party committees file quarterly or monthly.

Quarterly Filers - 2020

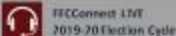
Report Type	Coverage and Due Dates
April Quarterly	Covers 1/1 - 3/31; Due 4/15/20
July Quarterly	Covers 4/1 - 6/30; Due 7/15/20
October Quarterly	Covers 7/1 - 9/30; Due 10/15/20
Pre-Election	Covers 1st day of current period to 20 days before election; Due 12 days before election (12G covers 10/1 - 10/14; Due 10/22/20)
Post-General	Covers from 1 st day of period to 11/23; Due 12/03/20
Year-End	Covers 11/24 - 12/31/20; Due 1/31/21


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Quarterly Filers - 2020

Pre-Primary Reports

- ☐ Due 12 days before any primary in which the committee makes previously undisclosed contributions or expenditures
- ☐ Required for campaign committees in connection with candidate's primary


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1. **Quarterly reporting schedule**
 - a) Reports due April 15, July 15 and October 15 and January 31; Pre-Primary, Pre-General (if applicable), and a Post-General.
 - b) Reporting period begins the day after close of books of last report filed.


Monthly Filers 2020

Reporting Period	Due Date
January 1 - 31	February 20
February 1 - 29	March 20
March 1 - 31	April 20
April 1 - 30	May 20
May 1 - 31	June 20
NO PRE-PRIMARY REPORTS	
July 1 - 31	August 20
August 1 - 31	September 20
September 1 - 30	October 20
October 1 - 14 (Pre-General)	October 22
October 15 - November 23 (Post-General)	December 3
November 24 - December 31 (Year-End)	January 31, 2021

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2. **Monthly reporting schedule**
 - a) Required for:
 - (1) All national party committees; and
 - (2) State, district and local party committees that engage in reportable federal election activity.
 - b) Monthly filers must file report on 20th of each month, except Pre-General and Post-General in lieu of November and December monthly reports.
 - c) Reporting period begins the day after close of books of last report filed.

Choosing a Filing Schedule



Committees active in many states may benefit from filing monthly.



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Changing Filing Frequency

- ▶ **Request on or before next report**
 - **Electronic filers must submit request electronically**
- ▶ **No more than once per year**



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- B. Changing filing schedule**
 - 1. May only change filing schedule once per calendar year.**


2. Timing

- a) Party committees that are not required to file monthly may change their filing schedule from quarterly to monthly or from monthly to quarterly only after notifying the Commission in writing (or electronically if an e-filer), of its intention at the time it files a required report under its current filing schedule or in a separate miscellaneous text submission (Form 99) filed at any time.
 - b) Such political committee will then be required to file the next required report under its new filing schedule and will receive a letter which lists the subsequent filing requirements.
3. A party committee that files semi-annually in 2019 automatically files quarterly in 2020. No need to notify FEC (unless switching to monthly).


III. How and When to File

How to File FEC Reports

On Paper



Electronically



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Mandatory Electronic Filing

If your committee raises or spends **more than \$50,000** during a calendar year, or expects to do so . . .

→

YES

→

Mandatory Electronic Filing

If your committee raises or spends **\$50,000 or less** during a calendar year, and does **not** expect to exceed that threshold . . .

→

NO

↘

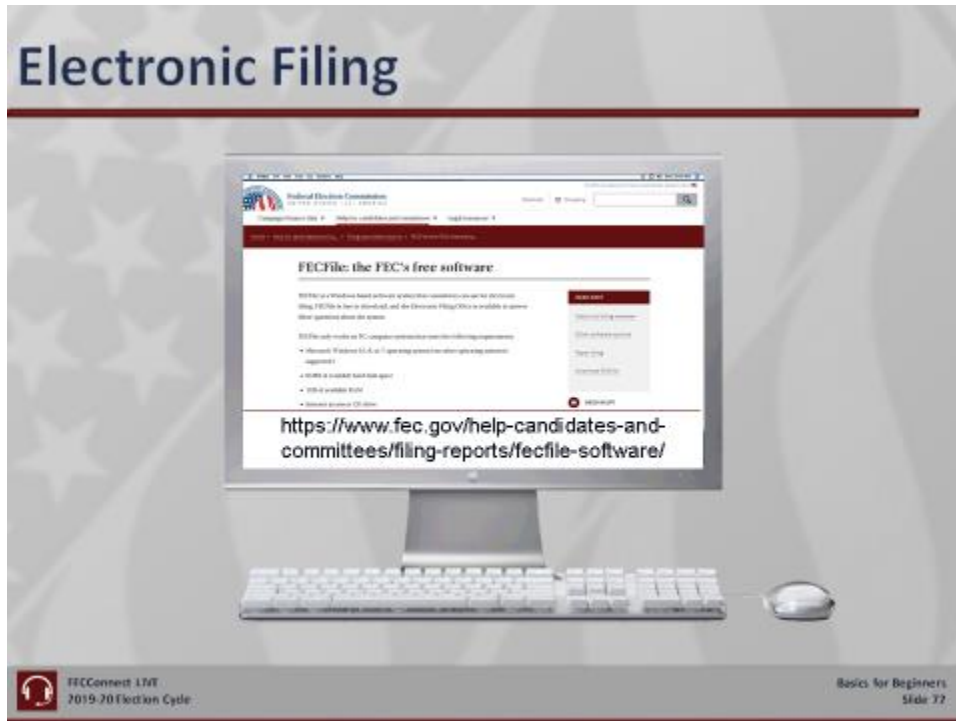
Paper Filing

↙

Voluntary Electronic Filing

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- A. **Electronic filing (11 CFR 104.18)**
 - 1. **Mandatory v. voluntary**
 - a) **Mandatory:** Committees that raise or spend more than \$50,000 in calendar year or have reason to expect to do so.
 - b) **Voluntary:** All Other Filers.

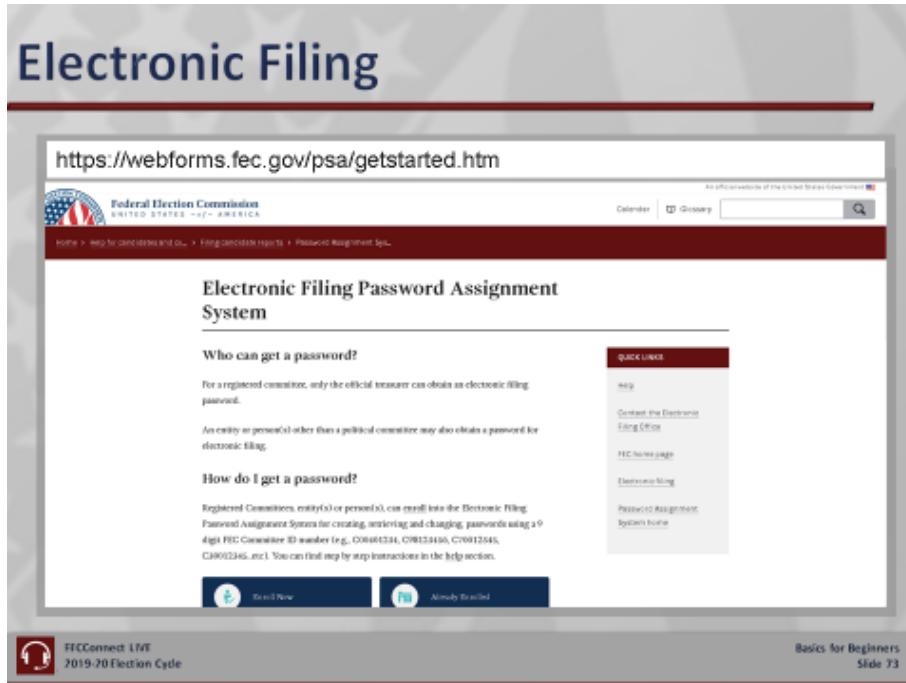


<https://www.fec.gov/help-candidates-and-committees/filing-reports/fecfile-software/>

- 2. **Use updated software**
 - a) Software revised when forms changed – always use the latest version. Auto update feature makes it simple.
 - b) Latest version of FECFile – build 8.3 available for download at <https://efilingapps.fec.gov/registration/fecfile.htm>.
- 3. **Paper filing by e-filer**

Committees that submit a report on paper that should have been filing electronically will be treated as non-filers and may be subject to enforcement actions (including administrative fines).
- 4. **For more information:** <https://www.fec.gov/help-candidates-and-committees/filing-reports/electronic-filing/>.
- 5. **Passwords**
 - a) **Required**

Before you can electronically file your report, you will have to obtain a password. You cannot file without one.



<https://webforms.fec.gov/psa/getstarted.htm>

b) Who can get a password?

For registered committees, only the official treasurer can obtain an electronic filing password. It is important that the committee has provided a valid e-mail address on its Statement of Organization, as a validation e-mail will be sent to the committee.

c) How do you get a password?

- (1) Most committees may obtain or change their password on-line.
- (2) Existing committees that have not previously used the on-line system should contact the Electronic Filing Office for assistance at 202-694-1307.

B. Filing amendments required for:

1. Errors

Committee discovers that an earlier report contained erroneous information or mathematical errors.

2. Disclosure of late information

Committee obtains required reporting information concerning a particular transaction after the transaction has been reported.

3. Response to Request for Additional Information (RAI)

FEC sends letter (e-mail) and requests amendment. Response due date appears in upper right corner of RAI.

4. **Procedures for filing amendment**
 - a) **Paper filers**
 - (1) It is not necessary to resubmit the entire report.
 - (2) Complete the signature page of the Summary Page, checking box indicating that it is an amended report.
 - (3) Attach corrected schedules, if necessary.
 - (4) Attach cover letter explaining change (recommended).
 - b) **Electronic filers**
 - (1) Must submit amendments in electronic format (if original was filed electronically).
 - (2) Amendment must include complete report (as opposed to just the portion requiring an amendment).

Filing on Time

- ▣ **No Extensions**
 - Filing dates not extended for weekends or holidays.
 - Must be received on business day preceding filing date.
- ▣ **Registered/Certified vs. Overnight Mail**
 - If filing using USPS registered/certified mail, keep receipt.
 - “Overnight Mail” means next-day express or priority mail with delivery confirmation or overnight service with online tracking system. Same terms as registered/certified mail. (Keep receipt/tracking number.)

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- C. **Reporting considerations for paper filers**
 1. **Statute prohibits extensions** (applicable to paper and electronic filers).
 2. **Weekends and holidays**

Filing dates not extended for weekends or holidays. Must be received on business day preceding filing date.
 3. **Registered vs. overnight mail**
 - a) If filing using USPS registered mail, keep receipt.
 - b) “Overnight Mail” means express or priority mail with a delivery confirmation or an overnight service with an on-line tracking system. File using same terms as certified/registered mail. (Keep receipt.)

Administrative Fine Program

- ▣ Civil money penalties for filing late, or not filing at all.
- ▣ Size of fine depends on various factors.

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D. Administrative Fine Program (AFP)

General information on AFP:

<https://www.fec.gov/legal-resources/enforcement/administrative-fines/>

1. Background

Program for assessing civil money penalties for violations for failure to file reports on time and/or at all.

2. Applies to:

- Late filers
- Non-filers
- Regulations found at 11 CFR 111.30-111.45

Administrative Fine Program

- **Election-sensitive reports:**
 - **Late filer** – filed after due date, but prior to four days before the applicable election
 - **Non-filer** – filed later than that or not at all
- **Non-sensitive reports:**
 - **Late filer** – filed ≤ 30 days after the due date
 - **Non-filer** – filed > 30 days late or not at all



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3. **Civil money penalties -- factors in determining:**

The interaction of several factors will determine the size of the penalty (also see calculator on website at <https://www.fec.gov/legal-resources/enforcement/administrative-fines/calculating-administrative-fines/>.)

a) **Election sensitivity**

- (1) Election sensitive reports include:
 - October Quarterly of election year,
 - October Monthly of election year, and
 - Pre-election reports for primary, general and special elections.
- (2) All other reports are considered nonsensitive.

b) **Whether committee is a late filer or a non-filer**

- (1) For sensitive reports
 - (a) Late filer – when report is filed after the due date but more than four (4) days prior to the election.
 - (b) Non-filer - report filed after due date and four (4) days or less before the election, or not at all.
- (2) For nonsensitive reports
 - (a) Late filer – when report is filed within 30 days after the due date.
 - (b) Non-filer – when report is filed 31 or more days after due date, or not at all.
- (3) Can still be considered a “nonfiler” even if report is eventually filed.

Administrative Fine Program

- ▣ **Prior civil money penalties for reporting violations**
- ▣ **Financial activity in report**
- ▣ **Smaller penalties for activity < \$50,000**
- ▣ **More information on FEC website at**
<https://www.fec.gov/legal-resources/enforcement/administrative-fines/>



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- c) **Prior civil money penalties for reporting violations under the AFP.**
- d) **Financial activity**
 - (1) Amount of financial activity in the report – total amount of receipts and disbursements.
 - (2) Committees with less than \$50,000 in financial activity during the reporting period in question are subject to reduced penalties.
 - (3) Most recent revision to the AFP regulations to adjust penalties for inflation effective as of January 1, 2019. <https://sers.fec.gov/fosers/showpdf.htm?docid=401529>.
 - (4) Campaign Finance Analysts will not be able to tell you if you will be fined or how much. You can use the administrative fine calculator (<https://www.fec.gov/legal-resources/enforcement/administrative-fines/calculating-administrative-fines/>) to estimate your fine. Your committee will be notified in writing if the FEC assesses a civil penalty against your committee under the AFP.

Best Efforts to File on Time

- **Best efforts defense for late filing if:**
 - **Committee was prevented from filing report on time by reasonably unforeseen circumstances beyond committee's control**
 - **Filed the report no later than 24 hours after the end of those circumstances**



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- E. Timely filing/using best efforts (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.**

Best Efforts to File on Time

- ▣ **Committee may use best efforts defense if late filing is due to:**
 - **Severe weather or other disaster-related event**
 - **Failure of FEC computers or software that FEC support cannot resolve**
 - **Widespread disruption of information transmissions over internet**



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3. **When can best efforts defense be used:**
 - a) Committee may use best efforts defense if failure to report is due to 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.

Best Efforts to File on Time

- ▣ **Committee may not use best efforts defense if late filing is due to:**
 - **Negligence;**
 - **Illness, inexperience or unavailability of treasurer or committee staff;**
 - **Committee computer, software or ISP failures;**
 - **Delays caused by committee vendors/contractors;**
 - **Failure to know; or**
 - **Failure to use filing software properly.**



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



- F. Finding reporting dates**
1. **Dates and deadlines page** - <https://www.fec.gov/help-candidates-and-committees/dates-and-deadlines/>
 2. **Commission calendar** - <https://www.fec.gov/calendar/>
 3. **FEC Record** - https://www.fec.gov/updates/?update_type=fec-record&category=reporting
 4. **Tips for Treasurers** - https://www.fec.gov/updates/?update_type=tips-for-treasurers
 5. **Email notices** sent to address(es) on Form 1
 6. **Phone or email** – 800-424-9530; info@fec.gov

PART 3: BEST PRACTICES FOR FILING

Best Practices: Filing

- ✓ **Ensure your staff and vendors understand filing rules and deadlines**
- ✓ **Update your software regularly**
- ✓ **Have a current email address on Form 1 to receive courtesy email reminders**

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Best Practices:

- Ensure your staff, vendors and counsel understand reporting and filing rules and deadlines.
- Update your software regularly.
- To keep up with filing deadlines, make sure your committee has a current email address on its Form 1 (for receiving courtesy reminders). (To do this, submit a complete electronic Form 1 with a new email address.) Deadlines are also posted online at <https://www.fec.gov/help-candidates-and-committees/dates-and-deadlines/> and in January of each year on the *Record* blog: https://www.fec.gov/updates/?update_type=fec-record

I. Request for Additional Information (RFAI)

Request for Additional Info (RFAI)

- ▣ Assigned Campaign Finance Analyst reviews every report committee files
- ▣ If Analyst has questions, sends RFAI with response due date in upper right corner
- ▣ No extensions
- ▣ Please respond in a timely manner

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A. If internal thresholds are met, an RFAI is sent.

1. RFAI has 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.
2. **Tip:** You can find out who your analyst is by visiting:
<https://www.fec.gov/help-candidates-and-committees/question-rad/>

RFAIs Sent by Email

Electronic filing must file amendments to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. For more information about the report review process or specific filing information for your committee type, please visit <http://www.fec.gov/ef>. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1138.

Sincerely,
Carolina Mongeon
Carolina Mongeon
Sr. Campaign Finance & Reporting Analyst
Reports Analysis Division

427

Analyst's Phone Number

Analyst's Name

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Responding to RFAIs

- ▣ **File amendment to:**
Add, Change or Delete actual entries on FEC report
- ▣ **Use miscellaneous text submission (Form 99) for:**
Narrative responses that do not affect actual entries within a report
(e.g., demonstrating best efforts, demonstrating safe harbor guidelines are followed for all contributions with a foreign address)

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- B. Must amend report when changing information that affects entries on a report.**
This would include additions, changes or deletions.

- C. Miscellaneous text submission (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.)

PART 4: HIGHLIGHT COMPLIANCE RESOURCES



The graphic is titled "Compliance Help" and features three main icons: a computer monitor displaying the FEC website, a red rotary telephone, and an envelope with an @ symbol. Below each icon is its corresponding resource: www.fec.gov, the phone number 1-800-424-9530, and the email address info@fec.gov. The bottom left corner includes the text "FECConnect LIVE 2019-20 Election Cycle" and the bottom right corner includes "Basics for Beginners Slide 97".



<https://www.fec.gov/help-candidates-and-committees/>



<https://www.fec.gov/help-candidates-and-committees/trainings/>

Compliance Help



<https://www.youtube.com/FECTube>

Compliance Help



The graphic shows a smartphone with a blue screen. On the screen, there is a circular logo for the Federal Election Commission (FEC) with an envelope icon in the center. To the right of the logo, the word "Mail" is written in a large, white, serif font. Below the logo and the word "Mail", the text "Email Subscription Service" is written in a smaller, white, sans-serif font.

Subscribe to:

- A specific topic
- Entire categories of information
- Multiple categories
- All subscription items

Topics include:

- Regulations
- Advisory opinions
- News releases
- Campaign finance data
- FEC outreach programs

At the bottom left of the slide, there is a small icon of a person and the text "FEConnect LIVE 2019-20 Election Cycle". At the bottom right, it says "Basics for Beginners Slide 96".

https://public.govdelivery.com/accounts/USFEC/subscriber/new?qsp=CODE_RED

Toll-free Information Line

- ▣ For tech support with e-filing, press 4 for the Electronic Filing Office
- ▣ For reporting help, press 5 to reach your RAD Analyst
- ▣ For other questions, press 6 for an Information Specialist



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Compliance Help



info@fec.gov



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RAD Email Inquiries



<https://www.fec.gov/help-candidates-and-committees/question-rad/>

Latest FEC Updates



<https://www.fec.gov/updates/>



The slide features a background with a faint American flag pattern. At the top, the text "Workshop Evaluation" is displayed in a dark blue, sans-serif font, underlined by a thick dark red horizontal line. Below this, the phrase "Help Us Help You!" is written in a large, elegant, dark red script font. Underneath, the text "Please complete an evaluation of this workshop." is presented in a dark blue, sans-serif font. A large, white-outlined arrow points to the right, containing the text "Link provided in chat box" in a dark red, sans-serif font. The bottom left corner contains a small red circular icon with a white person silhouette, followed by the text "FECCConnect LIVE 2019-20 Election Cycle". The bottom right corner contains the text "Basics for Beginners Slide 99".

Workshop Evaluation

Help Us Help You!

Please complete an evaluation
of this workshop.

Link provided in chat box

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Workshop Evaluation: <https://www.surveymonkey.com/r/KDKN5S6>