



# Campaign Finance Handbook

**2017 Election Cycle | version 3**

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City  
Hall



**New York City Campaign Finance Board**

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# Table of Contents

<b>Preface</b> .....	<b>v</b>
What is the Campaign Finance Board? .....	v
What is My Campaign’s Relationship with the CFB?.....	v
What is an Election Cycle? .....	vi
What Does the Campaign Finance Act Require of My Campaign?.....	vi
What is the Campaign Finance Program? .....	vi
Should I Join the Program?.....	vi
Do I Have to Participate in the Program?.....	vii
How Do I Use This Handbook? .....	vii
What If I Need More Help? .....	viii
<b>Chapter 1: Opening and Managing Your Committee</b> .....	<b>1</b>
What Do I Do First? .....	1
How Do I Open My Committee?.....	2
How Do I Register With the CFB?.....	3
I’m Registered With the CFB—What’s Next? .....	5
How Do I Make Changes to My Registration With the CFB? .....	6
<b>Chapter 2: Raising Money</b> .....	<b>9</b>
What is a Contribution? .....	9
Who Can I Take Contributions From?.....	9
Who Can’t I Take Contributions From?.....	11
What Are the Contribution Limits? .....	11
What is an “Over-the-Limit” Contribution? .....	14
How Are Contribution Limits Calculated? .....	14
How Can Someone Give to My Campaign?.....	16
What Information Must My Campaign Collect for Contributions?.....	22
How Can I Raise Money for My Campaign? .....	27
Can I Have a Raffle to Raise Money?.....	34
What Records Do I Need to Keep for Contributions? .....	34

<b>Chapter 3: Spending Campaign Funds</b>	<b>37</b>
What Are Expenditures?	37
How Much Money Can My Campaign Spend?	38
What Other Expenditures and Transactions Can Affect My Spending Limit?	43
How Should Payments Be Made?	49
What Can I Spend Campaign Funds On?	54
How Do I Document Campaign Expenditures?	55
What Spending is Permitted After the Election?	69
What Records Do I Need to Keep for Expenditures?	70
<b>Chapter 4: Disclosure Statements</b>	<b>71</b>
What is a Disclosure Statement?	71
How Do I Submit Disclosure Statements?	72
What Documentation Do I Submit with CFB Disclosure Statements?	72
How Often Do I Submit Disclosure Statements?	74
Do I Always Have to File an Itemized Disclosure Statement?	77
What If I Have No Financial Activity in a Reporting Period?	78
What If I Terminate My Candidacy?	78
How Can I Avoid Disclosure Filing Problems?	78
<b>Chapter 5: Pre-Election Audit Reviews</b>	<b>79</b>
What is a Statement Review?	79
What is in a Statement Review?	80
What Should I Include in My Statement Review Response?	87
What is the Doing Business Notification?	88
How Do I Respond to a Doing Business Notification?	89
<b>Chapter 6: Election Year and Public Funds</b>	<b>91</b>
Do My Disclosure Statement Filing Requirements Change?	91
How Do I Become Eligible for Public Matching Funds?	92
How Much Public Funds Are Campaigns Eligible to Receive?	99
When Do Campaigns Receive Public Funds?	101
What is a Qualified Expenditure?	102
What is a Runoff Election?	107

What Are Helpful Tips for the Election Year? .....	107
<b>Chapter 7: Election Year and Voter Outreach .....</b>	<b>109</b>
How Does the CFB Help Candidates Get Their Message Out to Voters? .....	109
<b>Chapter 8: Post-Election .....</b>	<b>111</b>
What is the Post-Election Audit? .....	111
What Resources are Available Post-Election? .....	112
How Long Does the Audit Process Take? .....	112
<b>Chapter 9: Transition and Inauguration Entities .....</b>	<b>115</b>
Transition and Inauguration Activities .....	115
Disclosure .....	118
<b>Chapter 10: Internal Controls: Best Practices for Political Campaigns in New York City .....</b>	<b>121</b>
Who Is Responsible for Establishing Internal Controls? .....	121
What is Internal Control? .....	121
Internal Control Environment .....	122
Bank Accounts .....	124
Contributions .....	125
Expenditures .....	127
Petty Cash .....	129
Staff Wages & Consultant Fees .....	130
Recordkeeping .....	131
C-SMART .....	132
<b>Glossary .....</b>	<b>135</b>
<b>Appendix .....</b>	<b>139</b>



# Preface

The Campaign Finance Handbook is published by the New York City Campaign Finance Board for all candidates running—or considering running—for one of the offices covered by the Campaign Finance Act: mayor, public advocate, comptroller, borough president, and City Council member.

## What is the Campaign Finance Board?

In the late 1980s, New York City enacted several ethics reforms intended to bring greater accountability to the political system. With the Campaign Finance Act (Act), city legislators resolved to address the public perception that large political contributions purchased special access to elected officials. When the Act was signed into law by Mayor Ed Koch on February 29, 1988, New York City became the largest municipality in the nation to adopt publicly financed elections via the Campaign Finance Program (Program). On November 8th of that year, the public overwhelmingly approved a City Charter amendment establishing the independent and nonpartisan Campaign Finance Board (CFB).

The CFB enhances the role of New York City residents in elections. The CFB's mission is to increase voter participation and awareness, provide campaign finance information to the public, enable more citizens to run for office, strengthen the role of small contributors, and reduce the potential for actual or perceived corruption.

## What is My Campaign's Relationship with the CFB?

Your relationship with the CFB begins as soon as you open a committee and lasts until well after Election Day through the audit process.

- ❖ **Register.** As soon as you register your committee with the Board of Elections (BOE), and before you begin raising money, you must register with the CFB. (See [page 3](#).)
- ❖ **Disclose.** For the first three years of the election cycle (2014–2016 for the 2017 elections), registered candidates must file disclosure statements with the CFB twice a year, in January and July. During the election year, you must file more frequently, especially just before the primary and the general elections. This handbook teaches you how to file, what to file, when to file, and about the application the CFB provides so you can track your contributions and expenditures and file accurate disclosure statements beginning on [page 71](#).
- ❖ **Certify.** If you decide to join the matching funds program—as most candidates do—you must submit your Certification by June 10th of the election year. See [page 97](#).
- ❖ **Post-election.** Your relationship with the CFB continues past Election Day. You will continue to file disclosure statements, provide documentation requested by the CFB's Audit Unit, respond to your Draft Audit Report, and respond to any violation notices you may receive.

## What is an Election Cycle?

An election cycle is the period leading into an election. In terms of your relationship with the CFB, an election cycle begins on the first date you can register your committee for the upcoming election and ends in January of the year following the election.

This handbook contains references to the 2017 election cycle, which began on January 12, 2014 and runs through January 11, 2018.

## What Does the Campaign Finance Act Require of My Campaign?

The Act requires all candidates running for mayor, public advocate, comptroller, borough president, and City Council member in New York City to register their campaigns with the CFB and provide comprehensive disclosure, on a regular schedule, about the money they raise and spend. The Act sets contribution limits and restrictions, which are enforced by the CFB. After the election, the CFB performs a comprehensive audit of every campaign. Throughout the election cycle, the CFB makes your campaign finance information public on its website.

## What is the Campaign Finance Program?

The Program is a voluntary public matching funds program available to candidates running for NYC office. Candidates who join the Program agree to comply with [spending limits](#) and can qualify for matching funds.

To participate in the Program, you must submit a Certification form by the deadline.

## Should I Join the Program?

The most common reason to join the Program is the opportunity to receive public funds so you can run a competitive campaign. Under the Program, contributions you receive from individual NYC residents are eligible to be matched at a \$6-to-\$1 rate, up to \$175 per contributor (\$1,050 maximum in matching funds per contributor).

The Program gives small contributions a big impact. For example, a \$20 matchable contribution is worth \$140 to your campaign—the original \$20 plus \$120 in matching funds. A \$100 matchable contribution garners \$600 in matching funds for a total of \$700. By matching these modest contributions, the Program allows you to fundraise by reaching out to all members of the community you want to represent, instead of concentrating on big donors. And because you can receive up to 55% of the spending limit in matching funds, you can spend more time campaigning and less time fundraising. Meanwhile, NYC residents have a larger voice in their elections because their contributions are eligible to be matched with public dollars.

For detailed information and analysis about the Program's effect in city elections, check out the [CFB's post-election reports](#) online.



## Do I Have to Participate in the Program?

Participating in the Program is voluntary, and you must submit a Certification to join. If you do not submit a Certification by the deadline, you will be a **non-participant**. Non-participants are not eligible to receive public matching funds, and they are not subject to spending limits. They can donate an unlimited amount to their own campaign. Although non-participants may contribute an unlimited amount of personal funds directly to their campaigns, all other contribution sources contain the same limits and prohibitions as participants. In addition, non-participants must disclose all financial activity and receive an audit as do all candidates.

Candidates who will entirely self-finance their own campaign have a third option—they can join the Program as a **limited participant**. Like non-participants, limited participants are not eligible to receive public matching funds, and they are subject to the same disclosure and audit requirements as participants. However, limited participants cannot accept contributions from any other source, and they agree to comply with the spending limits for the office they are seeking.

## How Do I Use This Handbook?

This handbook is organized to follow your interaction with the CFB from the very beginning—forming a committee and registering with the CFB—through the audit process after the election. The appendix contains a glossary, sample forms, and guidance documents covering complex compliance issues.

Throughout the handbook, you will find icons to alert you to important information, facts, and tips to meet CFB requirements.



### COMPLIANCE ALERT

indicates vital, compliance-related information. Pay very close attention to these alerts!



### CONTACT US

indicates you should contact the CFB (by phone or email) for additional information before proceeding.



### REMINDER

indicates important information that is useful to remember throughout the election cycle, even though it may not be required.



### C-SMART

indicates mandatory instructions and highlights optional features of C-SMART, the CFB's financial reporting application.



### C-Access

lets you know that you should sign in to your C-Access account to receive bulletins and notices that may require a response (e.g., statement reviews, post-election notices), and access public funds payment information.

*This post-it is for highlighting best practices for campaigns to follow. The best practices are optional but help campaigns maintain compliance.*

## What If I Need More Help?

In addition to this handbook, the CFB provides many resources to campaigns to help them with compliance:

- ❖ The CFB's **Candidate Services Unit (CSU)** is dedicated to helping campaigns comply with the Act and Program requirements. A CSU liaison is assigned to each newly registered campaign. Your liaison will send you alerts and reminders about filings and answer questions you have during the election cycle.
- ❖ **C-SMART** is the web-based application the CFB provides to campaigns for recording and disclosing all their financial activity. C-SMART alerts campaigns when entries are missing required information or violate the law or rules (e.g., if you enter a contribution that is over the limit for your office). C-SMART simplifies submitting disclosure with the CFB and the BOE, too. Campaigns are required to use C-SMART.
- ❖ CSU staff conduct both **compliance and C-SMART trainings** at the CFB's offices. Mandatory for certain members of your campaign, these classes provide valuable information about the Act and Rules and hands-on C-SMART instruction.
- ❖ **C-Access** is a personalized CFB website that gives you secure access to your campaign's financial and committee information. It is also a secure online portal to information about your campaign. You will receive your C-Access account information when you register with the CFB. Your account is linked to your registered email address so you'll receive email alerts when new items are posted. The CFB posts notices and important compliance-related documents to your C-Access account, so check it frequently! If you join the Program, C-Access also shows your progress toward qualifying for public funds.
- ❖ The **CFB's website** has a section devoted to candidates, including:
  - \* forms and templates
  - \* disclosure statement deadlines
  - \* limits and requirements
  - \* training schedule
  - \* special election information
  - \* the Campaign Resources section, offering guidance documents and E-Learning resources
  - \* the full text of the Act and the Rules
  - \* a PDF of this handbook

**This handbook is intended as a general reference guide only and provides plain-language guidance to complying with the [Campaign Finance Act](#) (Act), [Board Rules](#) (Rules), and [New York State Election Law](#). Campaigns should review the Act and Rules in their entirety, as this handbook cannot cover every aspect of compliance with the Act and Rules and is not intended to replace or to be inclusive of all laws and statutes governing elections and the Campaign Finance Program.**

# Opening and Managing Your Committee

This chapter covers the basic steps to open and manage your committee.

## The Basics

- Open your committee with the New York City and New York State Boards of Elections (City and State BOE).
- Register with the CFB.
- Attend a CFB Compliance and C-SMART training.
- Set up a system of internal controls to ensure the appropriate use of your campaign's money, accurate recordkeeping, and complete documentation of all transactions.
- Enter all transactions in C-SMART as they occur.
- Always keep the originals of your documentation and make two copies—one set for your records and another set to submit to the CFB.

## What Do I Do First?

Before you file the paperwork to open your committee, there are a number of things to consider, including the following.

### The Office You Might Seek

Are you running for city council, borough president, comptroller, public advocate, or mayor? All candidates for these offices must register with the CFB and follow its rules and requirements.

### Picking a Treasurer

Choose your treasurer carefully—this is the key person responsible for compliance with the CFB and BOE and, along with the candidate, is responsible for:

- accurately reporting transactions
- properly maintaining your campaign's documentation
- submitting disclosure statements to the CFB and State BOE

**Note:** Even though candidates may be their own treasurer, it is not recommended because the reporting and documentation requirements are very time consuming.

## Naming your committee

Choose a committee name that is simple, clear, and easy to remember. If you ran for office in the past, do not use a name that could be confused with the name of your old committee(s). Keep in mind that contributions must be payable to your committee, so choose a name that is short and easy for contributors to remember.

Now you are officially ready to open your committee.

## How Do I Open My Committee?

### 1. Get an Employer Identification Number (EIN)

You must get an EIN for your committee from the Internal Revenue Service, even if you do not intend to have any employees. Apply for an EIN online at [www.irs.gov](http://www.irs.gov) or call the Business and Special Tax Line at (800) 829-4933.

### 2. Register with the Boards of Elections

Once you have an EIN, submit originals of each of these three forms to both the City and State BOEs:

- ❖ [Committee Registration/Treasurer and Bank Information \(Form CF-02\)](#)
- ❖ [Committee Authorization Status \(Form CF-03\)](#)
- ❖ [Candidate's Authorization for a Committee to Make Campaign Financial Disclosures \(Form CF-16\)](#)

You can download these forms from the [State BOE's website](#).

After registering your committee with the City and State BOEs, you will receive a Filer ID and PIN from the State BOE. This information is specific to your committee. Keep the Filer ID and PIN in a safe place because you will need them when you register with the CFB and file your State BOE disclosure statements.

Contact the State BOE at (800) 458-3453 with any questions regarding their registration forms.



#### COMPLIANCE ALERT

Your committee cannot start raising or spending any money until it is registered with the State BOE.



#### REMINDER

If you ran for a covered office in a past election cycle, make sure the name of your new committee is different from any prior committee.



#### COMPLIANCE ALERT

If you have an old committee open, its financial activity will be scrutinized to make sure it relates ONLY to past election matters, such as payments of debt. Do not unnecessarily prolong the life of a previous committee even if it is dormant. If you wish to receive public matching funds, you must have only one committee active in the election cycle.

### 3. Open a Committee Checking Account

You must open a new checking account in the name of your committee. You cannot use a checking account from a past election cycle! To open an account:

- ❖ Bring copies of the forms you filed with the BOE to the bank.
- ❖ Make sure the bank will give you the front and back of canceled checks—this is a basic CFB requirement. Either a physical canceled check or a scanned image of the front and back of the canceled check is acceptable.
- ❖ Get a debit card for the account. Using a debit card is the most convenient way to pay for and track your committee's expenses.
- ❖ Make sure committee checks have your committee's name pre-printed on them.
- ❖ Inquire about online banking, which provides instant access to your account's financial activity. It also lets you print scanned copies of the front and back of canceled checks and view/print bank statements as needed.
- ❖ Keep your username and password to your online banking account and your PIN number for your debit card in a safe and secure location, and limit the number of individuals with access to this information.
- ❖ Ask if the bank provides itemized deposit slips. An itemized deposit slip can be a printed receipt from the bank teller or ATM separating cash deposits from check and money order deposits. It can also be a copy of the handwritten deposit slip with the total cash amount written separately from check and money order deposits. If the printed receipt is not itemized, attach the copy of the handwritten deposit slip to the printed bank receipt.
- ❖ If you become eligible for public matching funds, you will have the option of receiving payment(s) via direct deposit. Ask your bank about direct deposit of funds or EFT (Electronic Funds Transfer). You must confirm your bank participates in the [FedWire program](#) for electronic deposit of public funds.

*You can open an interest bearing account such as a savings account or money market account in addition to a checking account, but deposit contributions into and make expenditures from the checking account only.*

*Authorize only the treasurer and/or a designee to open and close bank accounts. Also, limit the number of people who can sign checks, use the committee's debit card, or make withdrawals. Do not use signature stamps.*

### How Do I Register With the CFB?

Once you have authorized your committee and opened a committee bank account, but before you begin raising and spending money, register your committee with the CFB.

#### Submit a Filer Registration

You must submit a Filer Registration (FR) form to register your committee with the CFB. On this form, you provide basic information about your campaign, such as the names and addresses of the candidate, treasurer, and committee, along with information about your bank account. If applicable,



#### CONTACT US

Contact the Candidate Services Unit (CSU) at (212) 409-1800 or [CSUmail@nyccfb.info](mailto:CSUmail@nyccfb.info) if you need assistance getting started.

you can also list the names and addresses of your campaign manager, liaison, and consultant.

The FR has an optional field for declaring which office you are seeking, but you do not need to declare an office in order to register with the CFB. Submit the FR as soon as you open your committee even if you are still deciding which office you want to seek.

Find the fill-in Filer Registration Form [here](#) or in the [Appendix](#).

When filling out the FR, remember:

- ❖ Make sure it is complete and legible! The CFB will not accept incomplete or illegible FRs. The best way is to use the fill-in form on the CFB's website, and print it.
- ❖ The FR must have the original, notarized signatures of both the candidate and the treasurer.
- ❖ Provide the names and contact information of any individual working on your campaign who may contact the CFB with questions. For your protection, CFB staff will only respond to inquiries about your campaign from persons listed on your FR.

### Look for Your CFB Welcome Kit

CSU mails a Welcome Kit to each registered committee. The kit contains:

- ❖ The name and contact information of your CSU liaison. Your liaison will answer your campaign's questions on compliance and C-SMART, and remind you of upcoming deadlines throughout the election cycle.
- ❖ A schedule of disclosure statement deadlines and a flyer detailing contribution and spending limits, as well as public funds information.
- ❖ Labels to help you organize your documentation.
- ❖ A section to save your [C-Access](#) username(s) and password(s), C-SMART encryption key, along with your BOE Filer ID and PIN.

Keep the Welcome Kit in a safe place for future reference! Write IDs and passwords in the space provided in the Welcome Kit so you can have all of your important committee information in one safe place.



### COMPLIANCE ALERT

The FR does not make you a participant in the Campaign Finance Program. To join the Program, you must submit a Certification form by June 10th of the election year. Special elections have their own deadlines. Your CSU liaison will contact you when the form becomes available.



### C-SMART

C-SMART is the web application you use to record your campaign's financial activity and submit disclosure statements to the CFB and State BOE. C-SMART generates an ID number for every transaction you enter. You must write this transaction ID number on any documentation related to the transaction.

## I'm Registered With the CFB—What's Next?

### Attend Mandatory Trainings

The Act requires the candidate, treasurer, campaign manager, or an individual with significant managerial control over your campaign to attend both compliance and C-SMART trainings if you participate in the Program. CFB trainings are not limited to these individuals—you can send additional campaign staff to trainings, especially if they are helping you with recordkeeping and reporting.

Compliance trainings cover the CFB's rules and requirements. C-SMART trainings teach you to navigate the basic aspects of entering transactions and submitting disclosure statements. Review the [training calendar](#) and follow the instructions to sign up directly.

### Get Organized!

Start organizing your documentation as soon as you open your committee by creating and maintaining a comprehensive filing system for your documents. This will help you maintain and submit your required documentation to the CFB. There is a packet of labels in your Welcome Kit to help you get started. Detailed information on what documentation you need to keep and submit to the CFB is provided throughout this handbook. In general, keep the original and make two copies of each document on 8 ½" x 11" paper—one for you and one for the CFB.



#### COMPLIANCE ALERT

You are required to keep all records for six years after the election. The BOE has different records retention requirements, so you should consult directly with the BOE prior to disposing of any campaign records.

### Set Up Internal Controls

Setting up standard financial controls and procedures will help you protect and manage your campaign's activities. There are three key aspects to establishing and maintaining internal controls:

- ❖ Make sure no single person has complete control over your campaign's financial activities. You should build in steps for independent quality review or spot-check financial transactions. For example, the person who enters contribution transactions into C-SMART should not also be responsible for depositing those contributions into the campaign's bank account. Another simple control is to have someone double-check all bill payments before the checks are mailed to vendors. Think of these as the "checks and balances" in your operation.
- ❖ Make sure your staff is well trained. Provide proper training and guidance to everyone working on your campaign. This can be done by creating simple and clearly written procedures and job descriptions, sending staff members to CFB trainings, and encouraging staff to regularly review CFB materials. If practical, assemble these job descriptions and procedures into binders, or post them on office bulletin boards for campaign staff to review.
- ❖ Limit the number of people who have access to your committee's checking account, log-in information for C-SMART and [C-Access](#), and documentation.

Ideally, a campaign should use the fewest number of people needed to both accomplish the work and maintain a separation of duties. These can be paid staff members or responsible volunteers. See [Chapter 10: Campaign Internal Controls](#) for more information about internal controls your campaign should establish.

## Familiarize Yourself With C-Access

[C-Access](#) is a personalized CFB website that gives you secure access to your campaign's financial and committee information. It is also an online portal where your campaign receives notices regarding compliance and public funds eligibility (see [Chapters 5](#) and [6](#)). CSU will email the username and password to the candidate and/or treasurer. Additional accounts can be created for campaign managers, consultants, or liaisons, upon request by the candidate or treasurer.

## How Do I Make Changes to My Registration With the CFB?

### Changing Contact or Bank Account Information

To add or modify campaign contact information, submit a [Change of Contact Information](#) form. To change your committee's bank account information, submit a [Change of Bank Account](#) form. Be sure to notify both your CSU liaison and the State BOE of any contact information changes.

### Changing Treasurers

Most campaigns keep the same treasurer for the entire election cycle. However, if your campaign must change treasurers, you are required to notify both the CFB and the State BOE.

Notifying the CFB:

- ❖ The candidate and new treasurer must submit a new FR or Certification. The change of treasurer will take effect only after the new FR or Certification is received and processed by the CFB.
- ❖ Call your CSU liaison for more information on changing treasurers.

To resign with the State BOE, the outgoing treasurer must submit the following:

- ❖ Termination or Resignation Request Form (CF-18) with an original signature.
- ❖ Letter of Resignation from the treasurer with an original signature attached to a completed CF-18.
- ❖ Resignation Report that includes all transactions from the cut-off date of the last report filed, up to the date of resignation (if there were no transactions during this time period, a No-Activity Report can be filed as the Resignation Report).

*Key campaign staff, including your treasurer, should be committed to working on your campaign for the entire election cycle. Changing key personnel can negatively impact compliance. If you must change treasurers, do so when you are filing a disclosure statement, not in the middle of a reporting period.*

FYI

### REMINDER

Inform the State BOE of any candidate, treasurer, or other committee information changes.



### COMPLIANCE ALERT

The State BOE prohibits you from accepting or spending funds for your committee from the effective date of the treasurer's resignation until a new treasurer is chosen and registered. A resignation will not be processed by the State BOE unless all requirements for resignation are met.



The new treasurer must:

- ◆ Submit an amended CF-02, CF-03, and CF-16 to the State BOE.

For more information on changing treasurers with the [State BOE](#), see [Resigning as Treasurer](#) on the State BOE's website or call (800) 458-3453.

### Terminating Your Candidacy

If you decide not to run, or you stop pursuing your candidacy after you registered with the CFB, you must submit a [Verification of Terminated Candidacy](#) form to the CFB. Once the form is accepted, your campaign is no longer required to submit disclosure statements.

To terminate your committee with the State BOE, you must submit a termination request by submitting:

- ◆ A fully completed Termination or Resignation Request Form (CF-18) with the original signature of the candidate.
- ◆ A termination report that includes all transactions from the cut-off date of the last report filed, up to the date of termination.

Termination requests must be approved by the State BOE. You must continue to file disclosure reports until the State BOE grants your termination request.

For more information on closing your committee with the State BOE, see [Terminating a Committee](#) on its website or call (800) 458-3453.

In some cases, the CFB will terminate your candidacy if:

- ◆ You did not file petitions with the City BOE

-OR-

- ◆ You were disqualified from the ballot after filing petitions with the BOE and you have not submitted a petition for payment after final disqualification from the ballot

If you receive a notice of termination from the CFB but you intend to continue running and/or seek public funds, you must notify the CFB in writing within 10 days of receiving the notice (see [page 98](#)). Contact your CSU liaison for guidance.



#### COMPLIANCE ALERT

The former treasurer will still be liable for any penalties assessed by the CFB for violations of the Act or Board Rules that occurred while he or she was the treasurer of record.



#### COMPLIANCE ALERT

Your committee must have an ending cash balance of zero and no outstanding liabilities or loans to terminate with the State BOE.



# Raising Money

This chapter covers what you need to know about raising money for your campaign, including who can contribute and how much, what types of contributions are allowed, and what documentation you must keep.

## The Basics

- Have contributors completely fill out and sign a contribution card.
- Make two copies of every check, every money order and every contribution card.
- Enter your contributions in C-SMART as you receive them.
- Screen your contributions for prohibited sources and to make sure they don't exceed the contributions limits. (C-SMART can help because it alerts you when you enter prohibited or over-the-limit contributions!)
- When you deposit contributions, make two copies of your itemized deposit slip or ATM receipt.
- See more detailed information on [Names](#), [Monetary Contributions](#), [In-Kind Contributions](#), [Fundraising Events](#), [NYC Votes Contribute Upload](#), and [Loans](#) in C-SMART.

## What is a Contribution?

A **contribution** is any gift, subscription, advance, or deposit of money or anything of value made in support of the candidate. There are two ways someone can contribute to your campaign: monetary and in-kind. This is explained further as you go through the chapter.

## Who Can I Take Contributions From?

### Individuals

You may accept contributions from any individual if he/she is a U.S. citizen or permanent resident. Only contributions from individual New York City residents are eligible to be matched with public funds.

### Political Committees

You may accept contributions from political action committees (PACs), political party committees, political clubs, and candidate committees—collectively known as **political committees**—if they are registered with the CFB before making the contribution or if they register within 10 days of making the contribution. If the political committee does not register within 10 days, you must return the original contribution or refund the contribution using a certified or bank check.



### REMINDER

Check the CFB's website for an up-to-date list of [registered political committees](#) before accepting a contribution from one. You can also download a copy of the [Political Committee Registration Form](#) from the website. Political committees must register with the CFB for every election cycle.

## Unions

You may accept contributions from **unions**. Unions are not required to register with the CFB. However, if the contribution is from the union's PAC, it must register with the CFB as described.

## Sole Proprietorships

A **sole proprietorship** is a business that is wholly owned by a single person and where there is no legal distinction between the owner and the business. You may accept contributions from sole proprietorships, but contributions from all other types of business are prohibited.



### COMPLIANCE ALERT

You report a contribution from a local or national political party as a transfer rather than a contribution. See the [Other Transfers Guidance Document](#) if you receive this type of contribution.

## Contributions from Minors

You may only accept contributions from people under the age of 18 (minors) under certain circumstances. Before accepting a contribution from a minor, you must determine that:

- ◆ The decision to contribute was made knowingly and voluntarily by the minor.
- ◆ The contribution is from money owned and controlled exclusively by the minor. For example, income earned by the minor would satisfy this requirement.
- ◆ The contribution was not made from gifts given to the minor so that the minor would be able to contribute. This is known as a “nominee contribution” and is illegal.

Contributions from minors will not be matched with public funds.

## Campaign Vendors/Workers

You may accept contributions from individuals who are vendors or workers for your campaign. If an individual is a full-time, salaried employee of a campaign, the contribution from that individual may be eligible to be matched with public funds. Contributions from consultants, temporary employees, and individuals who are officers of or have more than 10% ownership interest in a company that is a vendor to your campaign cannot be matched (see [page 93](#)).

## Who Can't I Take Contributions From?

Your campaign may not accept contributions from any of the sources discussed in this section. If you receive a contribution from any of these prohibited sources, you must refund it to the contributor using a certified or bank check.

### Corporation, LLC, LLP, and Partnership Contributors

Contributions from corporations, limited liability companies (LLCs), limited liability partnerships (LLPs), and partnerships are prohibited. If you receive a contribution from any of these entities, immediately return it to the contributor.

You can generally recognize corporate entities in New York State by these suffixes:

- ◆ Corp. (Corporation)
- ◆ Inc. (Incorporated)
- ◆ Ltd. (Limited)
- ◆ PC (Professional Corporation)

Before accepting and/or depositing an entity's contribution, check the New York State Department of State's database at [www.dos.ny.gov](http://www.dos.ny.gov). If the entity you received the contribution from is listed in the database, it is a prohibited source. Not all prohibited sources are listed in the database. For example, prohibited sources may be registered under different names ("doing business as" or "dba") or may be incorporated/registered in other states. Contact your CSU liaison if you are not sure whether you can accept a contribution.

### Nominee Contributors

If a contributor gives money to your campaign under his or her name but the money in reality came from or is reimbursed by another person or entity, it is called a **nominee contribution**. These types of contributions are not only prohibited but also illegal.

### Anonymous Contributors

Anonymous contributions are prohibited. If you receive an anonymous contribution, State law requires you to pay that amount to the state comptroller for deposit in the general state treasury.

## What Are the Contribution Limits?

There is a limit on the total amount you may accept from a single contributor in an election cycle. Your contribution limit will vary depending on the office you are seeking.



### COMPLIANCE ALERT

If you are not able to refund a prohibited contribution, send the amount of the contribution to the public fund by certified check payable to the "New York City Election Campaign Finance Fund."



### REMINDER

If your campaign accepts a prohibited contribution and either returns or refunds it before notification by the CFB, a penalty will not be assessed.



### COMPLIANCE ALERT

In addition to the Act's contribution limits, New York State election law also has contribution limits. In most cases, the Act's limits are lower than the state limits and take precedence.

For most contributors, the contribution limits are:

OFFICE	CONTRIBUTION LIMIT
Mayor, Public Advocate, and Comptroller	\$ 4,950
Borough President	\$ 3,850
City Council	\$ 2,750

In some cases, a lower contribution limit applies. The **doing business** contribution limits apply to the principals, owners, and senior managers of entities that do business with the City of New York. These individuals are listed in a database maintained by the City, known as the “Doing Business Database” or “DBDB”.

OFFICE	DOING BUSINESS CONTRIBUTION LIMIT
Mayor, Public Advocate, and Comptroller	\$ 400
Borough President	\$ 320
City Council	\$ 250

The DBDB is available at [www.nyc.gov/bizsearch](http://www.nyc.gov/bizsearch), or through [www.nyccfb.info](http://www.nyccfb.info). Always check each contributor against the DBDB to ensure you do not accept an over-the-limit Doing Business contribution. Contributions from or intermediated by individuals doing business with the City will not be matched with public funds.

*Doing Business contribution limits apply to contributors if they are listed in the DBDB at the time of contribution. For additional information, see the [Doing Business FAQs](#).*

### Example

Sarah Wong is the CEO of a corporation with a bridge repair contract with the city for over \$100,000. Fred Schmidt is the treasurer of the corporation. Joe Garcia is a bridge repairer for the company. Because of their positions with the company, Sarah and Fred are listed in the DBDB and their contributions are subject to the Doing Business contribution limit. Joe, on the other hand, does not appear in the DBDB and the Doing Business contribution limits do not apply to him. Each of them gave a contribution to Sophia for Council, a City Council candidate committee.

Sarah contributed \$250. Her contribution is not over the limit, but because she is listed in the DBDB her contribution is not matchable.

Fred contributed \$500. His contribution is over the limit for someone in the DBDB, so Sophia for Council must refund \$250 to Fred using a certified or bank check. The remaining \$250 of Fred's contribution is not matchable.

Joe contributed \$150. His contribution is acceptable and matchable with public funds if it meets all the other requirements.

### Candidate Contributions

Program participants may only give up to three times the contribution limit to their own campaigns.

OFFICE	CANDIDATE LIMIT
Mayor, Public Advocate, and Comptroller	\$ 14,850
Borough President	\$ 11,550
City Council	\$ 8,250

Non-Participants may give an unlimited amount to their own campaigns. However, this exception only applies to the candidate using his or her personal funds (the candidate's family members, including the candidate's spouse, are not allowed to exceed the contribution limit). All funds must first be deposited into the committee's bank account and only the committee can spend on behalf of the candidate's campaign.

## What is an “Over-the-Limit” Contribution?

An **over-the-limit contribution** is a contribution(s) from a single contributor that exceeds the contribution limit for the office which you are seeking. The over-the-limit amount must be refunded to the contributor using a certified or bank check.

## How Are Contribution Limits Calculated?

All contribution limits are:

- ❖ **Per election cycle:** Unlike state and federal elections, the CFB’s contribution limits are for the entire election cycle. In other words, City Council candidates may not accept \$2,750 for the primary election and another \$2,750 from the same contributor for the general election.
- ❖ **Aggregated:** Multiple contributions from the same contributor to the same candidate are added together. The sum of all contributions may not exceed the contribution limit for the election cycle.
- ❖ **Affiliated:** If an individual contributor and an entity he/she owns or has significant decision-making control over give contributions to the same candidate, the contributions from the individual and the entity are added together. Again, the sum of all contributions may not exceed the contribution limit for the election cycle.

In determining whether two contributions are affiliated, the following questions are relevant:

- ❖ Does the individual make decisions or establish policy for the entity?
- ❖ Does the individual have authority over the personnel who make decisions or establish policy for the entity?
- ❖ Do the contributions of the individual and the entity reflect a similar contribution pattern?
- ❖ Does the entity claim to be acting on the individual’s behalf?

Affiliated contributions can be complicated. Contact your CSU liaison for guidance.



### COMPLIANCE ALERT

If you are not able to return an over-the-limit contribution to the contributor, send the amount of the overage to the public fund by check payable to the “New York City Election Campaign Finance Fund.”

### Example—Aggregated

City Council candidate Sophia Rosario receives a contribution of \$2,000 from Mary Smith in December 2010. Since the contribution limits are per election cycle, Mary may contribute only \$750 more to Sophia’s campaign, Sophia for Council, for the rest of the election cycle.



### Example—Affiliated

Sophia for Council receives a \$1,000 contribution from Jane Ryan, the owner of Janey’s Deli—a sole proprietorship located near the campaign’s headquarters. Two weeks later, the deli gives \$1,750 worth of food to the campaign. Because Jane owns Janey’s Deli, these contributions are considered to be from a single source—Jane. The \$1,000 monetary contribution and the \$1,750 donation of food (also known as an “in-kind contribution” as explained later in the chapter) are added together and attributed to Jane. As a result, neither Jane nor Janey’s Deli may contribute more money, goods, or services to the campaign because Jane has reached the \$2,750 contribution limit for City Council candidates.

A few days later, Mac, the butcher at Janey’s Deli, makes a \$50 contribution to the campaign. His contribution is not aggregated with the contributions from Jane and Janey’s Deli because Mac does not decide who receives contributions from Jane or Janey’s Deli.

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**EXCEPTION!** Different labor organizations will not be considered a single source contributor if you can show that:

- The labor organizations do not share a majority of members or officers of their governing boards.
- The labor organizations maintain separate bank accounts with different signatories.
- The labor organizations contribute from separate bank accounts.

---

### Transfers From Your Other Elections

Transfers are movements of money from another committee you authorized to your current committee. If you expect to make this type of transfer, see the [Transfers Guidance Document](#) in the [Appendix](#), because this affects your contribution limit and can lead to compliance issues. Contributions transferred from another committee are not matchable with public funds.

### Earmarked Contributions

An earmarked contribution is a contribution originally given to a political committee with instructions to designate, or “earmark”, that contribution for your campaign. Earmarked contributions are considered to be from both the original contributor and from the political committee, and are subject to the contribution limits, prohibitions, and requirements. This means that an earmarked contribution will be aggregated with any other contributions the original contributor has given your campaign, and the total amount must not exceed the contribution limit for your office.

If your campaign receives an earmarked contribution, it must:

- ❖ Enter the contribution in C-SMART as a contribution from the political committee.
- ❖ Disclose the name of the original contributor in a cover letter accompanying that disclosure statement.

## How Can Someone Give to My Campaign?

There are two ways someone can contribute to your campaign: monetary contributions and in-kind contributions. Monetary contributions are made by check, cash, money order, or credit/debit card.

As you are collecting monetary contributions, remember:

- ❖ Only contributions from individual NYC residents are eligible to be matched with public funds.
- ❖ Employment information is required if a single contribution or the aggregate of multiple contributions from the same person is greater than \$99.

Monetary contributions must be accepted and deposited into your committee's bank account within 10 business days of receipt. If your committee receives cash contributions, you must maintain itemized deposit slips separating cash contributions from check and money order deposits.

Itemized deposit slips can be a printed receipt from the bank teller or ATM separating cash deposits from check and money order deposits. It can also be a copy of the handwritten deposit slip with cash deposits on different deposit slips than check/money order deposits. If the printed receipt is not itemized, attach the copy of the handwritten deposit slip to the printed bank receipt.

### By Check

The best way to receive and document contributions is by **check**. Avoid making compliance mistakes by making sure each check:

- ❖ Is payable to your committee (e.g., "Sophia for Council"), not another committee name and not payable to the candidate.
- ❖ Has the date and amount of the contribution written clearly.
- ❖ Has the contributor's name and address pre-printed (no starter checks unless they are accompanied by a fully completed contribution card).
- ❖ Is signed by the contributor.

Make a photocopy of the check before depositing it into your committee's bank account. If you are depositing more than one check at the same time, be sure to list each check number and the amount of each check on the deposit slip.

*Keep funds that are awaiting deposit in a locked cabinet at all times and deposit daily, if possible.*

*Open the mail daily to ensure contributions are deposited in a timely manner. If your campaign uses a P.O. box, be sure to collect the mail frequently.*



#### C-SMART

If a contributor's check bounces (is returned by your bank due to insufficient funds) after you have entered it in C-SMART, add a "refund" and select "returned check" as the refund type.



#### COMPLIANCE ALERT

When you receive a check contribution from a joint account, report the contributor as the person who signed the check.

## By Cash or Money Order

You may accept cash contributions, but only up to \$100 from any single contributor during the election cycle. You must return any amount over \$100 to the contributor.

You may also accept money order contributions up to the contribution limit. However, only the first \$100 of a money order contribution from an individual New York City resident can be matched with public funds.



### COMPLIANCE ALERT

You must deposit cash contributions into the committee's bank account; do not use them as a source of petty cash.

### Example

Dan Jones contributed \$100 in cash to Sophia for Council. Six months later, he wants to make another contribution of \$75. Sophia for Council may not accept any more cash from Dan, so this new contribution must be in the form of a check, money order, or credit card.

## By Credit/Debit Card and Online

NYC Votes Contribute is a CFB-created tool for collecting online contributions.

- ◆ It streamlines your campaign's compliance with CFB audit and reporting requirements.
- ◆ The CFB-created interface has the ability to import contribution data and documentation into C-SMART.
- ◆ Individuals can contribute directly via your campaign's page on [NYCVotes.org](http://NYCVotes.org) or you can embed the tool on your campaign's existing website.
- ◆ It can be set up in an hour or less!



Visit [www.nycvotes.org](http://www.nycvotes.org) for more information and to sign up.

If your campaign accepts credit/debit card contributions other than through NYC Votes Contribute, there are special processing, reporting, and recordkeeping requirements that must be met in order for these contributions to be eligible to be matched with public funds.



### COMPLIANCE ALERT

Before accepting credit card contributions, contact your CSU liaison to review the content of your campaign's website and the sample backup documentation from your credit card processor. This is to ensure that you are collecting the proper documentation and to help your campaign make sure that all contributions received are in preliminary compliance with CFB requirements.

## ***Processing Method***

The first step in accepting credit card contributions is to decide how your campaign will process them.

- ❖ **Online Processing**— This is where a campaign sets up a website to process online contributions. Required recordkeeping elements, including the credit card information, are captured and submitted to an online processor which processes the contribution immediately. This method requires the campaign’s website to be set up to electronically collect all the information collected on a [Credit Card Contribution Card](#) as well as the contributor’s electronic agreement to the affirmation statement.
- ❖ **Manual Processing**— This is where campaigns make use of a “swipe” terminal, like those used by most businesses, or when a campaign manually enters the contributor’s credit card information into a terminal. When processing contributions using this method, each contributor must complete and sign a [Credit Card Contribution Card](#).
- ❖ **Hybrid Processing**— This is where a campaign asks a contributor to complete a [Credit Card Contribution Card](#) and then separately enters the contributor’s information into the campaign’s website to process the contribution. It also applies to when a campaign collects the contributor’s credit card information using its website, and then, in a separate processing step (in a separate online processing system), manually processes the transaction. Note: Campaigns are not allowed to obtain the information needed to process the contribution by phone. Contributors must provide the information themselves on the campaign’s website or by filling out a Credit Card Contribution Card.

## ***Real-Time Address Verification (AVS)***

Regardless of which method you use, your credit card processor must use real-time address verification to verify transactions, also known as AVS. This is a system whereby the processor verifies the residential address provided by the contributor against the billing address on file for the credit card account. This verification should be based on, at minimum, characters from the street address and zip code and the credit card expiration date. The purpose of AVS is to verify that the contributor is a New York City resident and to ensure that the contributor is using his/her personal funds.

## ***Contribution Websites***

If you choose to accept credit card contributions through your campaign’s website, make sure that the contribution section of the website contains the following elements:

- ❖ Your campaign’s website must clearly identify itself as the campaign’s website and contain a “Paid for By” notice (see [page 64](#)).
- ❖ The following statement must appear in a conspicuous and clearly recognizable manner:  
*“State law prohibits making a contribution in someone else’s name, reimbursing someone for a contribution made in your name, being reimbursed for a contribution made in your name, or claiming to have made a contribution when a loan is made.”*
- ❖ The part of your website that collects contributor information should be secure.
- ❖ It is recommended to list prohibited contributions and contribution limits.

- ◆ Make sure that the maximum contribution amount your website is able to process is the contribution limit for the office you are seeking.
- ◆ Ensure that all information necessary for reporting the contribution and claiming it for matching funds is collected by the website. Use required fields to obtain the information before the transaction can be processed.

### ***Credit Card Processors and Merchant Accounts***

Your campaign will need to work with a credit card processing service to set up and process credit/debit card and online contributions. While not a requirement, you are strongly encouraged to set up credit card processing that uses your own merchant account because this type of processing is more likely to provide the campaign with the records needed to comply with CFB recordkeeping requirements and ensure the contributions may be eligible to be matched with public funds.

A merchant account is a contract under which a bank or financial institution accepts credit card transactions on behalf of the customer (in this case, your campaign). Merchant accounts must be linked to your campaign's checking account so that contributions are deposited electronically. Some credit card processing vendors will also provide your campaign with its own merchant account; if they do not, your bank may be able to set one up for your campaign.

### ***Disclosing Merchant Accounts and Contribution Websites to the CFB***

Once you have established a merchant account, you must disclose it on your Filer Registration or Certification. If you have already submitted this form, an amendment must be submitted using the [Change of Bank Account Form](#).

If you choose to accept credit card contributions through your campaign's website, you must disclose the website address on your Filer Registration or Certification. If you have already submitted this form, an amendment must be submitted using the [Change of Contact Information Form](#).

### ***Reporting***

Your campaign must report any charges and/or fees related to soliciting or processing credit card contributions and ordering reports or statements related to those transactions. In C-SMART, your campaign must report these as "Bills" and "Bill Payments". These expenditures include any percentages withheld as processing or transaction fees, as well as any costs related to creating and maintaining a website.

- ◆ **Contributions made by convenience checks:** So-called "convenience checks" drawn on credit card accounts (i.e., checks that credit card companies send to their customers for use) should be reported and treated like regular checks. Their monetary contribution type is "Check" and backup documentation requirements for checks apply.



#### **C-SMART**

Report the full amount the contributor gave you as the contribution amount in C-SMART. Do not deduct the processing fees charged. Processing fees must be separately entered as "Bills" and "Bill Payments" in C-SMART. The fees may be reported on a periodic basis (to match the processing statement totals for the month, for example) and entered into C-SMART as a single transaction.

## **Recordkeeping**

Your campaign must keep all of the following records related to its credit/debit and online contribution processing.

❖ **Credit Card Processing Company Statements or Reports:** You must obtain statements or reports containing summary information regarding the transactions processed and the fees charged by your credit card processor. Certain companies may generate separate reports to address chargebacks or attempted transactions that failed. Credit card processing company reports may also contain explanations for codes that appear on proof of processing documents. If obtained electronically, these statements or reports must be in the form of a PDF or other format that cannot be easily modified. Otherwise, the CFB may ask the campaign to request that the vendor submit the statements or reports directly to the CFB.

❖ **Proof of Contribution Authorization by the Contributor:** The purpose of requiring proof of contribution authorization by the contributor is the same as the CFB's requirement that contributors sign their checks or, in the case of cash or money orders, sign contribution cards.

If your campaign is accepting credit card contributions online and collecting the online equivalent of a Credit Card Contribution Card, your website must be configured to collect all of the fields on the Credit Card Contribution Card. The contributor's acknowledgement of the affirmation statement may be obtained with a checkbox that is a required field for the contributor to affirm prior to proceeding with the online transaction. This acts as an electronic signature that indicates that the contributor is agreeing to the affirmation.

If you are accepting credit card contributions using manual or hybrid processing, your campaign must ask the contributor to fill out and sign a Credit Card Contribution Card.

❖ **Proof of Processing:** Proof of processing consists of documentation from the credit card processor that must include:

- A transaction number or code from the processor for each individual transaction.
- The contributor's name and residential address as the billing address.
- The credit card type, the last 4 digits of the contributor's credit card account number and the expiration date. (If the processor provides the entire credit card number, you should redact all but the last 4 digits before submitting to the CFB).
- The transaction amount.
- Indication of successful AVS verification (or failure) for each individual transaction.
- Transaction approval (or declination).
- Your committee name or merchant account number must be identifiable as the recipient payee of the transaction.

❖ **Unique Merchant Account Agreement and Statements (if applicable):** A merchant account is established with a contract or agreement. The contract outlines the terms and conditions of the merchant account and demonstrates whether it is a unique (not shared or pooled) account specific to your campaign. For example, the agreement might contain the AVS requirements necessary for the campaign and the fee schedule being charged. The campaign must keep this document, as well as any addenda or changes to it, and submit it to the CFB upon request.

- ◆ **Website Content and Processing Documents:** You must retain copies of your campaign’s web content, completed Credit Card Contribution Cards (including printouts of those completed on the website) and all above-mentioned processing documents.

### By Donating Goods or Services (In-Kind Contributions)

When a person, organization, or entity donates goods or services to your campaign free of charge or provides them at a discount not available to the general public, it is called an **in-kind contribution**. The dollar amount of an in-kind contribution is either the actual price paid (documented with a receipt) or its **fair market value**, which is the price anyone would normally pay for the good or service rendered. The fair market value can be determined by searching the Internet for comparable goods or by asking vendors of a similar product what they would normally charge for the product, service, or space.

The value of an in-kind contribution may not exceed the contribution limit. The dollar value of in-kind and monetary contributions by the same contributor are aggregated. Just as with monetary contributions, you may not accept in-kind contributions from any prohibited entity including corporations, LLCs, LLPs, and partnerships. In addition, in-kind contributions are also campaign expenditures because you would have had to purchase the good or service if it was not donated. In-kind contributions are not matched with public funds.

#### Example—Determining Fair Market Value

Maria Rosario, Sophia’s mother, donates her old computer to her daughter’s campaign. The fair market value of this model is \$300, based on several used computer dealers online. Therefore, the computer is a \$300 in-kind contribution from Maria Rosario to Sophia for Council, and it will be aggregated with any other monetary or in-kind contributions Maria makes to the campaign.

#### Example—Receiving a Discount

Sophia for Council orders banners and flyers from Kew Gardens Printing, a sole proprietorship. The owner, Roger Smith, is a supporter of Sophia’s campaign, so he decides to give the campaign a 50% discount, charging only \$200 for a \$400 order. The \$200 discount is an in-kind contribution to Sophia for Council and will be aggregated with any other contributions from Roger or his business.

An **outstanding liability** — an unpaid bill or debt — is also considered an in-kind contribution if it is not paid within 90 days unless you can demonstrate that the vendor has made a commercially reasonable attempt to collect payment. You can document the vendor’s attempt to collect with follow-up letters from the vendor regarding the invoice, collection notices, etc.

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**EXCEPTION!** The services of campaign volunteers are not in-kind contributions as long as they are truly volunteering their own time and services. However, if someone is paying the “volunteer,” or if the “volunteer” is delegating the work to someone whom he/she pays, then the services performed are an in-kind contribution to your campaign.

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### Example

Gabe Simpson, a certified public accountant who works full-time for TAXES, Inc., volunteers to help keep the books and records for Sophia for Council. He does the work in the evening and on weekends using his personal computer. He is a volunteer and his services are not an in-kind contribution.

However, if Gabe uses TAXES, Inc.’s copy machine to copy documentation, or instructs his assistant Mary to work on campaign-related bookkeeping, then the cost of the copies and/or the portion of Mary’s salary for the time she spent on campaign work are both in-kind contributions to Sophia for Council. More importantly, TAXES, Inc. is a corporation, so both of these would be prohibited in-kind contributions. Therefore, Gabe must keep the books himself on his own time or Sophia for Council must pay for Gabe’s company’s services.

## What Information Must My Campaign Collect for Contributions?

You must maintain records demonstrating the source and details of all contributions. You must disclose every contributor and contribution to the CFB. You must collect the following information for every contribution and enter it in C-SMART:

- ❖ The contributor’s name and home address.
- ❖ The contributor’s employment information—occupation, employer name, and employer address—if a single contribution or the total of multiple contributions is greater than \$99.
- ❖ Type of contribution (i.e., check, cash, money order, credit/debit card, or in-kind).
- ❖ Amount of contribution.

For monetary contributions, have the contributor fill out and sign a contribution card. A basic contribution looks like the following sample on [page 24](#).



### COMPLIANCE ALERT

If your contributor is retired, a homemaker, a student, or unemployed, he or she must write that in the “occupation” section of the contribution card.



### Contribution cards:

- ❖ Are required for all cash contributions.
- ❖ Are required for check contributions from individuals when the check is signed by someone other than the contributor.
- ❖ Are required for money order contributions when the money order does not contain the contributor's name and residential address printed by the issuing institution.
- ❖ Are required for credit/debit card contributions depending on the processing method (see [page 17](#)).
- ❖ Must be completed, signed, and dated by the contributor at the time the contribution is made.
- ❖ Cannot be altered in any manner once the contributor completes the contribution card and gives it to you with the contribution.

Contributions with incorrect, incomplete, or altered contribution cards will not be matched with public funds.

To collect information for in-kind contributions, use the in-kind contribution form. You may get a letter or other form of documentation from the contributor in lieu of using this form, but it must contain the same details as the sample in-kind contribution form on [page 26](#).

In addition to the in-kind contribution form, you must also attach a receipt or documentation substantiating the value of the in-kind contribution.



### REMINDER

As a best practice, contribution cards should be collected for all contributions in order to confirm the contributor's intent and obtain the information you are required to report to the CFB



### CONTACT US

If you are not using the contribution card templates the CFB provides, have your CSU liaison review your contribution card before you distribute them to contributors.

SAMPLE CONTRIBUTION CARD (Find the template in multiple languages [here](#) or in the [Appendix](#).)

You'll fill this in after you enter the contribution in C-SMART.

Your committee name goes here.

Make sure to include an "amount" line!

You need this information for every contribution.

This information is required for contributions exceeding \$99.

This exact statement is required by law to appear above the signature.

This section is required by law.

### CONTRIBUTION CARD

(The contributor should complete and review the card in its entirety.)

**Committee Use Only**  
 Transaction ID: \_\_\_\_\_

## Sophia for Council

Contribution Type     Check     Cash     Money Order

Amount \$ \_\_\_\_\_

Contributor Name \_\_\_\_\_  
 Home Address \_\_\_\_\_  
 City/State/Zip \_\_\_\_\_  
 Optional: Tel. \_\_\_\_\_ Email \_\_\_\_\_

To comply with New York City Campaign Finance Board reporting requirements, provide your employment information. If you are not employed, indicate what best describes your employment status (e.g., "homemaker", "retired", "student," or "unemployed"). If self-employed, indicate employer as "self" and provide your occupation and employment address.

 Employer \_\_\_\_\_ Occupation \_\_\_\_\_  
 Business Address \_\_\_\_\_  
 City/State/Zip \_\_\_\_\_

I understand that State law requires that a contribution be in my name and be from my own funds. I hereby affirm that I was not, nor, to my knowledge, was anyone else, reimbursed in any manner for this contribution; that this contribution is not being made as a loan; and that this contribution is being made from my personal funds or my personal account, which has no corporate or business affiliation.

Contributor's Signature

Date of Contribution

If a contributor has business dealings with the City as defined in the Campaign Finance Act, such contributor may contribute only up to \$250 for city council, \$320 for borough president, and \$400 for mayor, comptroller, or public advocate.

These check boxes make it easy to enter the correct instrument code in C-SMART.

## DOING BUSINESS CONTRIBUTION INFORMATION

An individual is generally considered to be “doing business” with the City if he/she is a registered NYC lobbyist or is a principal owner, principal officer, or senior manager of an entity that has engaged in, held, applied for, or proposed on any of the following during the prior 12 months:

- Contracts, concessions, franchises, or grants that total over \$100,000 (\$500,000 for construction contracts) other than emergency contracts and contracts awarded by competitive sealed bidding.
- Economic development agreements, including payments in lieu of taxes, City tax incentives, and City financing.
- Contracts for the investment of pension funds or related services.
- The sale, purchase, or lease of real property with or by the City, unless by public auction or competitive sealed bid.
- Uniform Land Use Review Procedure (ULURP) actions, or City Charter office lease or zoning change applications.

Contributions from or intermediated by individuals doing business with the City will not be matched with public funds.

For more details or to verify whether you are listed on the Doing Business Database, see [www.nyccfb.info/candidate-services/doing-business-faqs](http://www.nyccfb.info/candidate-services/doing-business-faqs).

SAMPLE IN-KIND CONTRIBUTION FORM (Find the template [here](#) or in the [Appendix](#).)

**IN-KIND CONTRIBUTION FORM**

**Committee Use Only**  
Transaction ID: \_\_\_\_\_

**Sophia for Council**  
(Committee Name)

**CONTRIBUTOR'S INFORMATION**

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_  
Employer: \_\_\_\_\_  
Occupation: \_\_\_\_\_  
Employer Address: \_\_\_\_\_  
Employer City/State/Zip: \_\_\_\_\_

**IN-KIND CONTRIBUTION DETAILS**

Services/Facilities Provided      Fair Market Value of Contribution: \$ \_\_\_\_\_  
 Property Given      Date Received: \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Expenses Paid      Documentation Attached:    Yes    No

**DESCRIPTION / EXPLANATION OF FAIR MARKET VALUE**  
(Please provide all details)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**REMINDER**

*The campaign committee must explain and keep documentation showing how the fair market value of the in-kind contribution was determined. Attach supporting documentation to this form. This form and documentation will be requested by the CFB during the election cycle and as part of your post-election audit.*

Use this form to document in-kind contributions.

Employment information is also required for in-kind contributions.

If you have receipts for the goods or services donated, that amount is the fair market value.

Describe the goods or services donated to your campaign and how you calculated the value.

## How Can I Raise Money for My Campaign?

In addition to reaching out to their family and friends, candidates often raise money in the following ways.

### Fundraisers

Most campaigns raise money by holding fundraisers. Like any expenditure, fundraisers can be paid for by your campaign or through an in-kind contribution, or a combination of both.

Make sure all written fundraising solicitations (including invitations to fundraisers and internet/email solicitations) include the following statement:

*State law prohibits making a contribution in someone else's name, reimbursing someone for a contribution made in your name, being reimbursed for a contribution made in your name, or claiming to have made a contribution when a loan is made.*

All campaign literature, advertisements, or other communications must include the words “paid for by” followed by the name of your authorized committee (see [page 64](#)).

For a fundraiser, you must keep the following information, in addition to the documentation you must obtain for each contribution, as described earlier in this chapter:

- ◆ Date of the event.
- ◆ Location of the event.
- ◆ Any persons or organization(s) other than the campaign, hosting the event.
- ◆ Itemized list of all expenditures related to the event, whether the campaign or some other host paid for them.
- ◆ List of all contributions received at the event.

If a fundraiser is both paid for and organized/run by someone other than your campaign, then it is not only an in-kind contribution; the organizer must also be disclosed as an intermediary, as described in the next section. If it was organized/run by more than one person, designate one person as the intermediary.

One way to keep track of contributions received at a fundraiser is to keep a log similar to the one found in [Chapter 10: Internal Campaign Controls](#).



### COMPLIANCE ALERT

Don't allow a prohibited source such as an incorporated restaurant to host your fundraiser as an in-kind contribution.

## Intermediaries

An **intermediary** is an individual or entity who:

- ❖ you know is soliciting contributions for your campaign and/or
- ❖ who delivers (or directs someone else to deliver) contributions to your campaign or your fundraising agent.



## REMINDER

If the campaign knows that one individual or entity solicited the contributions and another delivered them, the solicitor should be reported and documented as the intermediary.

---

**EXCEPTION!** The following are not intermediaries:

- the candidate
- the spouse, domestic partner, parents, children, or siblings of a contributor
- fundraising agents retained by your campaign
- full-time campaign staff (paid or volunteer)
- postal workers and delivery messengers
- the members of a “host committee” for a campaign-sponsored event (for contributions raised at that fundraiser)

---

You must obtain a completed intermediary statement from each intermediary. You must also obtain contribution documentation as described earlier in this chapter for every intermediated contribution. Contributions intermediated by individuals doing business with the City will not be matched with public funds.

### Example

Mark, a known supporter of Sophia Rosario’s campaign, asks his co-workers to contribute to her campaign. The campaign knows Mark has solicited contributions on its behalf. The campaign must report Mark as the intermediary for any contributions received by the campaign because of his solicitation, obtain an intermediary statement from Mark, and obtain the required contribution documentation.

SAMPLE INTERMEDIARY STATEMENT (Find the template [here](#) or in the [Appendix](#).)

**Committee Use Only**  
 Intermediary ID: \_\_\_\_\_

**INTERMEDIARY STATEMENT**

Intermediaries are individuals or entities who either deliver contributions to a campaign or solicit contributions to a campaign, where such solicitation is known to the campaign. The intermediary must complete this form and be reported by the campaign. If the campaign knows that one individual or entity solicited the contributions and another delivered them, the solicitor is the intermediary. Postal, delivery or messenger services, fundraising agents, and immediate family members of the contributor are not considered intermediaries.

**Intermediary Information**

Committee Name: Sophia for Council

Intermediary's Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Employer: \_\_\_\_\_

Occupation: \_\_\_\_\_

Business Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

**Contributions Intermediated**

	Contributor's Name	Amount Contributed	<b>Committee Use Only</b> Transaction ID
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____

Attach additional pages if the intermediary has more than ten (10) intermediated contributions.

I hereby affirm that I did not, nor to my knowledge, did anyone else, reimburse any contributor in any manner for his or her contribution and none of the submitted contributions were made by the contributor as a loan. The making of false statements in this document is punishable as a class E felony pursuant to §175.35 of the Penal Law and/or a Class A misdemeanor pursuant to §210.45 of the Penal Law.

\_\_\_\_\_

Intermediary's Signature

\_\_\_\_\_

Date

11/15/16

You must disclose each intermediary's name, address and employment information.

The intermediary must list each contribution. You will need documentation (e.g., contribution cards) for each intermediated contribution.

This statement is required by law to appear above the intermediary's signature.

## House Parties

**House parties** are small, low-cost events that take place in a supporter's own home. For a fundraiser to be considered a house party, the host of the event must plan, fund, and invite the attendees which may or may not include the candidate or campaign staff.

The cost of a house party and the contribution amounts received determine whether you must disclose the host as an intermediary and the cost of the house party as an in-kind contribution:

**Scenario 1:** The cost of the house party is \$500 or less and each contribution made at this house party is also \$500 or less. In this case, you do not need to report the host of the house party as an intermediary and the cost of the party is not an in-kind contribution from the host.

**Scenario 2:** The cost of the party is \$500 or less but there are one or more contributions over \$500. You must report the host as the intermediary for each contribution over \$500, but the cost of the party is not an in-kind contribution.

**Scenario 3:** The cost of the house party is over \$500. You must report the host as an intermediary for all contributions regardless of the amounts, and the entire cost of the house party is an in-kind contribution to the campaign.

The cost of house parties are aggregated by host, meaning that if the same person throws multiple house parties for your campaign, the combined cost of these house parties is used to determine the reporting requirements.

In order for your campaign to determine the cost of each house party, it is important that you ask the hosts to keep all documentation associated with the house party (e.g., receipts for the purchase of food and drinks). The host must provide:

- ❖ Checks, money orders, and contribution cards for each contribution.
- ❖ Receipts or letters listing the expenditures made in connection with the house party/parties.



### REMINDER

Fundraisers your campaign sponsors — even if they are held in a house — are not house parties.



### Example

Joan held a house party for Sophia for Council and spent \$400 on food and invitations. She collected ten contributions of \$25 each at this party. She held another house party three weeks later, spent \$300 on food, and collected another ten \$25 contributions.

Because the combined cost of the parties was \$700, the campaign must disclose a \$700 in-kind contribution from Joan, and report Joan as an intermediary for each contribution she collected at both parties.

If the cost for the house party/parties hosted by the same person exceeds \$500, the host must additionally provide:

- ◆ An in-kind contribution form signed by the host.
- ◆ An intermediary statement completed by the host if there is a single contribution over \$500 or the cost of the house party (or, as in the example above, the cost of multiple house parties) is over \$500.

### Loans

During the election cycle, you may choose to take out a **loan** to cover expenses. You may accept loans only from:

- ◆ individuals
- ◆ banks or lending institutions that issue loans as part of their routine business

You may not accept loans from or have loans guaranteed or secured by:

- ◆ corporations, LLCs, LLPs, and partnerships (with the exception of institutions that issue loans as part of their routine business, such as banks)
- ◆ political committees (registered with the CFB or not)

There is no limit to the amount of money a campaign may borrow, but loans must be repaid in full to the lender before your first election (either the primary or general election). On the day of the election, the unpaid portion of any loan will be considered a contribution by the lender or guarantor and is subject to the contribution limits.



### COMPLIANCE ALERT

A house party has one host who both organizes and pays for the party. If there is more than one person hosting the party, it is not a house party, and must be disclosed as a regular fundraiser, even if it took place at someone's house.

### Example

Sophia Rosario's campaign borrows \$5,000 from her friend Shirley Baker. Shirley already contributed \$1,000 to the campaign. The campaign is able to repay \$2,000 of the loan before the election. However, when the day of the primary election arrives the campaign had not yet paid the remaining \$3,000 to Shirley. Thus, the \$3,000 is considered a contribution from Shirley to the campaign. Aggregated with the \$1,000 Shirley contributed to the campaign earlier in the election cycle, Sophia for Council has now accepted \$4,000 from Shirley Baker and is in violation of the contribution limit, even if the campaign repays the loan after the election.

At the time a loan is made, the lender and the campaign must complete a loan agreement. You must also keep:

- ❖ A copy of the loan check from the lender (loans cannot be made in cash).
- ❖ The front and back of the committee's canceled loan repayment check(s).

If the lender agrees to let the campaign keep the money and not repay the loan, either in whole or in part, this is called a **forgiven loan**. A forgiven loan is considered a monetary contribution to your campaign and is subject to the contribution limits and prohibitions. If all or part of a loan is forgiven, you need to get a letter from the lender stating that the loan is forgiven. Make sure you do not violate the contribution limit or accept a prohibited contribution by accepting a forgiven loan.



#### COMPLIANCE ALERT

The rules and recordkeeping requirements for loans also apply to loans candidates make to their own campaigns!

**LOAN AGREEMENT**

**Committee Use Only**  
Transaction ID: \_\_\_\_\_

Sophia for Council  
 (Committee Name)

**LENDER'S INFORMATION**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Employer: \_\_\_\_\_

Occupation: \_\_\_\_\_

Employer Address: \_\_\_\_\_

Employer City/State/Zip: \_\_\_\_\_

**LOAN DETAILS AND CONDITIONS**

\_\_\_\_\_ agrees to loan  
(lender's name)

\_\_\_\_\_ \$ \_\_\_\_\_ at  
(committee's name) (loan amount)

\_\_\_\_\_ % interest rate (if any) on \_\_\_\_/\_\_\_\_/\_\_\_\_. The repayment of this loan by the committee  
(interest rate) (date of loan)

shall occur on or before \_\_\_\_/\_\_\_\_/\_\_\_\_.  
(date set by the parties)

\_\_\_\_\_/\_\_\_\_/\_\_\_\_  
Lender's Signature Date

\_\_\_\_\_/\_\_\_\_/\_\_\_\_  
Candidate/Treasurer Signature Date

**ATTACHMENT(S)**

Copy of loan check (loans cannot be made in cash)

Copy of committee's loan repayment check(s) (front and back)

\* *Make sure all copies are referenced with the appropriate transaction ID.*

**REMINDER**

*Any loan that has not been repaid by the date of the candidate's next election (primary or general) is considered a contribution from the lender, subject to the contribution limit.*

6/10/15

Complete the lender's information, including employment information.

Give details about the terms of the loan and have the campaign and the lender sign it.

A loan agreement is required documentation for any loan, along with copies of loan and loan repayment checks.

## Can I Have a Raffle to Raise Money?

No! State law prohibits campaigns from raising money through any type of gambling, including raffles.

## What Records Do I Need to Keep for Contributions?

For check contributions:

- ❖ Two copies of the contributor's check.
- ❖ The original and two copies of the completed contribution card if one was obtained.

For cash contributions:

- ❖ The original and two copies of the completed contribution card.

For money order contributions:

- ❖ Two copies of the contributor's money order.
- ❖ The original and two copies of the completed contribution card.

For credit card contributions:

- ❖ The original and two copies of the completed contribution card (if using manual or hybrid processing).
- ❖ Two copies of the Proof of Processing from the credit card processor.
- ❖ See [page 20](#) for more information about recordkeeping for credit card contributions.
- ❖ If you are using NYC Votes Contribute, credit card contribution documentation is automatically uploaded into C-SMART when you complete the import process from your campaign's account page on [www.nycvotes.org](http://www.nycvotes.org). No additional documentation is required.

*You can copy a check or money order with its contribution card together on one page (please make sure they're facing in the same direction).*

*You can also copy multiple checks onto one sheet, just identify each with its C-SMART transaction ID number.*

Deposit records you must keep for monetary contributions:

- ❖ Two copies of the itemized deposit slips separating cash deposits from check/money order deposits.
- ❖ The original and two copies of the bank or ATM receipt.

For refunded contributions:

- ❖ Two copies of the certified or bank check used to issue the refund.
- ❖ The original and two copies of the bank statement confirming the refund posted to the campaign's bank account.
- ❖ Any bank records related to bounced checks.

**FYI**

### REMINDER

Every transaction entered into C-SMART will have a transaction ID number assigned to it. You must write the transaction ID number on every document relating to a particular transaction.

For in-kind contributions:

- ❖ The original and two copies of the in-kind contribution form (or document containing the same information).
- ❖ The original and two copies of the documentation used to prove the fair market value of the in-kind contribution.

For intermediaries:

- ❖ The original and two copies of the intermediary statement.

For loans:

- ❖ Original and two copies of the loan agreement.
- ❖ Two copies of the loan check from the lender.
- ❖ Two copies of the front and back of the committee's canceled loan repayment check(s).



### COMPLIANCE ALERT

For every check, cash, money order, and credit card contribution claimed for match, you must submit a copy of your contribution documentation to the CFB with each disclosure statement as **backup documentation**. Backup documentation supports the validity of each contribution claimed for match (see [page 72](#)).



# Spending Campaign Funds

This chapter explains how much money you can spend during the election cycle, payment methods you can use, what you can spend campaign money on, and documentation you need to keep for each type of expenditure.

## The Basics

- ◆ Use your main committee bank account (checks or debit card) to pay for all expenditures. Avoid using cash.
- ◆ Make sure your bank provides copies of the front and back of canceled checks.
- ◆ Keep copies of the receipt, invoice, and payment documentation for each expenditure.
- ◆ Invoices must contain a detailed description of the goods or services provided, be addressed to your committee, and include the name of the vendor and date of the transaction.
- ◆ Enter each expenditure into C-SMART when you incur the debt and enter payments (full or partial) as you make them.
- ◆ Refer to the “[Purpose Codes Guide](#)” when entering expenditures in C-SMART.
- ◆ Be aware of the spending limit as you make expenditures.
- ◆ All campaign communications must include the words “paid for by” followed by the name of your authorized committee (see [page 64](#)).
- ◆ See more detailed information on [Names](#), [Bills](#), [Advances](#), [Petty Cash](#), [Subcontractors](#), and [Candidate Personal Political Contributions](#) in C-SMART.

## What Are Expenditures?

Goods and services received to further your campaign are **expenditures** whether you pay for them or not.

As you make each expenditure, enter the details in C-SMART. For each expenditure made, you will eventually need to submit the invoice, receipt, and/or contract from the vendor, along with copies of the front and back of the canceled check, the bank statement showing the debit clearing the bank account, or proof of electronic funds transfer (EFT) to document your payments. Documenting different types of expenditures is described later in this chapter.



### REMINDER

A contribution of a good or service to your campaign (in-kind contribution) is also considered an expenditure (see [page 21](#)).

## How Much Money Can My Campaign Spend?

There are three separate **spending limits** (also called **expenditure limits**) covering different parts of the election cycle: out-year (or before the election year), primary election, and general election. An expenditure limit is the maximum total amount your campaign can spend during that particular part of the election cycle. The amounts vary depending on which office you seek. All participants and limited participants are subject to spending limits.

---

**EXCEPTION!** Non-participants (candidates who do not join the Program) do not have spending limits.

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### 2017 SPENDING LIMITS

	MAYOR	PUBLIC ADVOCATE & COMPTROLLER	BOROUGH PRESIDENT	CITY COUNCIL
2014–2016 (Out-year)*	\$328,000	\$328,000	\$146,000	\$49,000
2017 Primary Election†	\$6,969,000	\$4,357,000	\$1,569,000	\$182,000
2017 General Election	\$6,969,000	\$4,357,000	\$1,569,000	\$182,000

\* The amount listed for the “out-year” period is the maximum you can spend for all three years combined. Spending in excess of these amounts will be charged against the first limit applicable in 2017.

† If no primary election is held, there is no primary election spending limit.

The **out-year expenditure limit** applies to the total of your campaign spending between January 12, 2014 and December 31, 2016. If your campaign spends more than the out-year limit, the amount by which you exceed the out-year limit will be deducted from your campaign’s next expenditure limit (primary or general).

#### Example—Out-Year Spending

Sophia for Council spent \$69,000 during the out year, exceeding the \$49,000 out year limit by \$20,000. That \$20,000 will be counted against her primary election expenditure limit, so the campaign can now only spend \$162,000 for the primary instead of \$182,000.

Only campaigns registered and active during the out-year period receive the benefit of an out-year expenditure limit. If you do not spend the maximum allowed, you do not get to carry the difference over to the next election.



The **primary election expenditure limit** runs from January 1 of the election year through Primary Election Day. You will receive the benefit of this expenditure limit if you are on the ballot for the primary election. Exceeding this expenditure limit will result in substantial penalties.

---

**EXCEPTION!** If you are not on the primary election ballot but you are on the general election ballot, you may qualify for a primary election spending limit if:

- Another party is holding a contested primary for the same office and you file all primary election disclosure statements on time (disclosure statements 10, 11, and 12), including applicable daily disclosure statements. (See also [page 74](#).)

**OR**

- Your campaign spent money in reasonable anticipation of a primary election that did not occur. In this case, you must submit a written petition to the CFB no later than 10 business days after the last remaining candidate is disqualified from the ballot. The petition must include an affidavit with supporting documentation demonstrating that you reasonably anticipated a primary election. You must also file all primary election disclosure statements.



### COMPLIANCE ALERT

Penalties for violating the primary and/or general election expenditure limits can be substantial. The law permits a penalty of up to three times the overage for spending limit violations because such violations can significantly affect the outcome of an election and cannot be corrected. In addition to being held liable for penalties, your campaign could lose eligibility for public funds and be required to return any public funds it already received.



### CONTACT US

Call or email your Candidate Services liaison if you need additional guidance on petitioning the Board regarding a reasonably anticipated primary.

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The **general election expenditure limit** covers all spending from the day after the primary election through the day of the general election if you were in a primary, or between January 1 of the election year and the day of the general election if you were not in the primary and are not claiming a primary limit. Exceeding this expenditure limit will also result in substantial penalties.

#### Example—Primary Election Spending

Sophia for Council spent \$134,000 for the primary election, \$28,000 less than her adjusted limit ([see prior example](#)). This \$28,000 does not carry over to the general election—she will still be limited to spending \$182,000 for the general election (if she is on the ballot).

## Expenditure Limit Relief

If you are running against a high-spending non-participant, the expenditure limit for your campaign may be increased or eliminated as follows:

- ✦ If a non-participant raises or spends more than half the applicable spending limit, the spending limit for all participants in that race will be increased by 150%.
- ✦ If a non-participant raises or spends more than three times the applicable spending limit, participants in that race will no longer be subject to a spending limit.

The CFB will review disclosure statements to see if expenditure limit relief is warranted and will notify you. You may also petition the Board if you believe your non-participating opponent has triggered expenditure limit relief.

Warning! Never assume your expenditure limit has been increased or suspended unless you receive written confirmation from the CFB.

### *Candidates in both the Primary and General elections*

You can spend up to the full amount of the primary expenditure limit and general expenditure limit if you are on the ballot for both elections. If you do not spend the maximum allowed on the primary, the general election limit does not change; you cannot carry the difference over. Furthermore, if you spend more than the primary limit you cannot “fix” it by spending less in the general election.

### *Post-election spending*

Expenditures made after the date of your last election in which you are a candidate (post-election expenditures)—whether the primary or general—are not subject to the spending limits. However, post-election spending is restricted (see [page 69](#)).

### Attributing Spending

Spending is attributed to a particular spending limit based on when the goods or services are received, used, or rendered, without regard for the date of a bill or bill payment. In other words, you cannot prepay for goods or services in order to evade the applicable expenditure limit.

Goods or services received, used, or rendered in more than one expenditure limit period are attributed to the applicable limits based on the timing and usage of the expenditure. Keep in mind the following:

- ✦ Spending for campaign advertising or other campaign communications is attributed to the spending limit in effect when the advertisement or communication is distributed, broadcast, or published. A communication that is mailed is considered to have been distributed on the date on which it was postmarked.

*On a monthly basis, your campaign should compare its bank statements to C-SMART to monitor how close you are to the applicable spending limit. You should budget for last-minute expenditures and/or late bills.*

*Restrict the number of staff authorized to make expenditures (e.g., sign checks, use the debit card) and make sure staff responsible for your campaign's compliance closely monitors all spending. In most cases, only the candidate, treasurer, and/or campaign manager should be authorized to make expenditures.*

- ❖ Spending for services or deliverables provided over a period that includes both the primary and the general elections shall be attributed in a reasonable manner to each spending limit, as appropriate.
- ❖ You may be required to demonstrate that an expenditure should be attributed to the primary or general spending limit, as appropriate, based on the timing, nature, and purpose of the expenditure.

### Example—Out-Year Attribution

Sophia for Council held a fundraiser on November 19, 2016, but the caterer failed to bill the campaign until January 3, 2017. This expenditure is attributed to the out-year expenditure limit because the fundraiser took place during the out-year period.

### Example—Primary Attribution

Sophia for Council paid its consultant in advance for the first quarter of 2017 on December 27, 2016. Because this payment is for work to be performed in the election year, this expenditure is attributed to the primary expenditure limit.

### Example—General Election Attribution

Sophia for Council purchased \$7000 worth of stamps on August 26, 2017. The campaign used \$1,000 of the stamps to mail primary brochures. It used the rest of the stamps to mail brochures in October for the general election. Even though the campaign paid out the entire amount in August, only \$1,000 counts toward the primary limit; \$6,000 counts toward the general election spending limit.



### REMINDER

Bank fees are considered expenditures. These include monthly bank fees, fees associated with returned checks, etc. Enter all bank fees charged to the committee bank account in C-SMART.



### COMPLIANCE ALERT

Program participants and limited participants can only use one committee per election cycle.

Since expenditures are presumed to be for a candidate's next election, spending by any committee(s) other than the committee you authorized with the CFB will be attributed to your current election cycle's committee if it furthers your campaign in any way.

### Example—Out-Year and Primary Election Attribution

Sophia for Council pays a consultant \$2,500 to develop a public relations plan for its campaign and \$2,500 to design and produce its first mailer. The \$5,000 is paid in October 2016, the strategic PR memo is delivered to the campaign in November 2016, and the mailer is mailed in February 2017.

The \$2,500 for the service to develop the plan is attributable to the out-year spending limit because the work was performed and delivered in 2016. However, the \$2,500 for the mailer is attributable to the primary election spending limit because the service (in this case, the mailer) did not go out until February 2017.

## Exempt Expenditures

**Exempt expenditures** are limited types of campaign spending that do not count toward your expenditure limit if they are reported and adequately documented. Costs related to the following three categories are considered exempt:

- ❖ Challenging or defending the validity of ballot petitions, or canvassing and re-canvassing of election results.
- ❖ Bringing or defending an action or lawsuit that has to do with a candidate's compliance with the Campaign Finance Act, election law, or other laws related to a candidate's run for office or ballot status. This would also include preparing for an appearance before the Campaign Finance Board regarding a candidate's eligibility for public funds.
- ❖ Costs for organizing and photocopying documents in preparation for the post-election audit.



**C-SMART**

Designate expenditures you wish to claim as exempt using the exempt code drop down in C-SMART.

Most campaigns do not have any exempt expenditures because they are only permitted under these limited circumstances, which are interpreted narrowly. For an expenditure to be considered exempt, you must document how it falls within one of these three categories. Exempt expenditures must also be reported as exempt as they occur during the election cycle. Note, there may be instances where only a portion of an expenditure can be claimed as exempt.

Exempt expenditures must be paid by committee check or debit card, not in the form of an advance.

### Example

Sophia for Council hired a law firm to handle a number of legal matters. The firm charged the campaign a total of \$4,500, \$2,500 of which was for helping the campaign review her petitions before submitting them to the BOE, and the remaining \$2,000 was for defending against a petition challenge. Sophia for Council can only claim the \$2,000 spent for defending against the petition challenge as exempt, and must provide documentation, such as a detailed invoice breaking out the costs from the law firm.

## What Other Expenditures and Transactions Can Affect My Spending Limit?

### Joint Expenditures

A **joint expenditure** is an expenditure made by two or more candidates for shared campaign materials or activities. Examples include the printing and distribution of ballot petitions, campaign literature, and fundraisers planned by, featuring, and benefitting more than one candidate. Campaigns are permitted to engage in joint expenditures provided the benefit each candidate derives from the joint activity is proportional to the amount each candidate pays. If you have any joint expenditures, you must document your share of the cost based on the benefit received, and pay that amount.

Your campaign must document joint expenditures by demonstrating how the cost was divided. The CFB recommends that the vendor(s) directly bill each campaign for their equal or proportionate share. The invoices should display both the total cost of the goods or services and itemize each campaign's amount payable.

### Example

Sophia for Council and two other campaigns—Wong for Borough President and Eileen for Mayor—create a palm card promoting their candidacies. The information about Eileen for Mayor takes up one side of the card; Sophia for Council and Wong for Borough President evenly split the other side. The total cost of creating and printing the palm cards is \$4,000, and the vendor bills each campaign separately for its share. Eileen for Mayor is receiving half the benefit of the card and pays half the cost, \$2,000, while Sophia for Council and Wong for Borough President each have a quarter of the card and thus pay \$1,000 each. All three campaigns keep a copy of the invoice showing that it was a joint expenditure and the amount charged.

Another option is for one campaign to cover the total cost(s), and the other campaign(s) reimburse the first campaign for their agreed-upon share. The CFB does not recommend this option because reporting and documenting the transaction becomes much more complicated for all the campaigns involved. Contact your CSU liaison for guidance.

If you cannot demonstrate the cost paid by your campaign was proportionate to the benefit received by your campaign, some or all of the remaining amount of the joint expenditure will be considered an in-kind contribution to your campaign (if you did not pay your fair share) or from your campaign (if you overpaid).

Some of the factors the CFB uses to determine a campaign's proportionate share of joint expenditures include:

- ❖ The focus of the material or activity.
- ❖ The geographic distribution or location of the material or activity.
- ❖ The subject matter of the communication.
- ❖ The references to the candidate or candidate's appearances therein.
- ❖ The relative prominence of a candidate's references in the communication, including the size and location of references to the candidate and any photographs of the candidate.
- ❖ The timing of the communication.
- ❖ Other circumstances surrounding the communication.

---

**EXCEPTION!** Some limited forms of public support by one candidate to another candidate are not considered joint expenditures even when the names of both candidates appear on the same written communications or the candidates appear together at a public event. In order for the mention of a candidate on a list of endorsers to be exempt from reporting either as a joint expenditure or an independent expenditure, it must:

- ❖ Not identify the endorser as a candidate. The endorser may be identified by his or her current office, if any.
- ❖ Not use any language that promotes or encourages a vote for the endorser.

#### Example

Sophia Rosario is endorsed by Borough President Barbara Wong, who is herself running for re-election. Sophia for Council notes this endorsement on all its literature. This is not considered a joint expenditure and no part of the cost for that literature will be attributed to Wong for Borough President as long as the literature does not list Wong as a candidate nor include language that promotes or encourages a vote for Wong.

## Candidate Personal Political Contributions

Certain political contributions made by a candidate using his/her own personal funds are considered campaign-related and must be reported to the CFB.

This applies to contributions made with the candidate's personal funds that:

- ❖ Total more than \$400 to the same entity at any point from the start of the election cycle through Election Day.
- ❖ Are made to political committees that support or oppose candidates in New York City. This includes political parties (including housekeeping accounts), political action committees, political clubs, political organizations, and other entities or groups that support or oppose candidates.

This does not apply to contributions made with the candidate's personal funds to:

- ❖ Other candidate committees.
- ❖ Committees that support only Federal candidates.
- ❖ Committees that the candidate has contributed to in the past, as long as the contributions in the current election cycle are not more than 150% of the amount contributed in the last election cycle. For example, if the candidate contributed \$500 to a committee last cycle, this cycle's contributions to that committee would only need to be reported if they exceeded \$750.

The amount of these contributions:

- ❖ Counts against the campaign's expenditure limit for the period in which they occurred — Out Year, Primary or General Election.
- ❖ Counts against the candidate's contribution limit to his/her own campaign.

Contributions to committees registered with the BOE or Federal Election Commission as independent expenditure committees **do** need to be reported, but **don't** count against the contribution or expenditure limits.

### *Documenting Candidate Personal Political Contributions*

To ensure accurate disclosure, maintain documentation for all candidate personal political contributions including:

- ❖ Receipts for contributions.
- ❖ Copies of personal checks used to make the contribution.
- ❖ Copies of personal bank or credit card statements.



**C-SMART**

All candidates (including non-participants) must report candidate personal political contributions using C-SMART. These transactions will appear on Schedule Y of your next disclosure statement and are only reported to the CFB (not the BOE).

## ***CFB Review***

The CFB will notify your committee if a review identifies any additional candidate personal political contributions that need to be disclosed. Such transactions may be identified through a CFB review of recipients' disclosure to the BOE or Federal Election Commission. You must enter any unreported transactions in C-SMART and submit them with your next disclosure statement.

## ***Candidate Response to CFB Review***

If any of the contributions cited by the CFB should not be considered a campaign contribution and expenditure, you must provide evidence indicating that the contributions were not in furtherance of the campaign. This can be demonstrated through documentation and/or explanation that:

- ✦ The contribution meets one of the exclusions listed above.
- ✦ The candidate has a prior personal relationship with the recipient committee, such as the candidate or close family member serving on its board.

The CFB may consider the timing, nature, and amount of all candidate personal political contributions in determining whether the contributions are campaign related in accordance with [Final Board Determination 2009-1](#) and [Rule 3-03\(e\)](#).

## **Independent Expenditures**

When an individual or entity spends money that benefits your campaign without your campaign's cooperation, approval, or involvement, that is an **independent expenditure**. Some examples include literature promoting your campaign that is paid for, produced, and distributed by another organization, or get-out-the-vote operations.

As long as these expenditures are truly independent, they will neither be considered in-kind contributions to your campaign nor count toward your spending limit. However, if the CFB determines that an expenditure was not independent (that was "coordinated" between your campaign and the other entity), the cost will be considered an in-kind contribution subject to both the contribution and expenditure limits. You may be assessed substantial penalties if you fail to disclose expenditures that are not independent and, in extreme cases, could lose eligibility for public funds and be required to return any public funds already received.

An expenditure is coordinated (not independent) if you or your campaign authorized, requested, suggested, fostered, or cooperated in the activity. The Board determines whether a particular expenditure is independent by looking at the facts of a particular case, and considering various types of evidence of non-independent activity including common staff and consultants, shared space, and joint strategy meetings between your campaign and the other individual or entity, among other things.



### **COMPLIANCE ALERT**

If your campaign uses the same consultant (or other third party providing professional services) as an independent spender, this may lead to a determination that the spender's activity was not truly independent and is instead an in-kind contribution to your campaign, subject to the contribution and spending limits. See [page 21](#) for more information.



Some criteria for determining whether an expenditure is coordinated include:

- ❖ Whether the spender is also an agent of a candidate (e.g., treasurer, campaign manager, or other campaign representative).
- ❖ Whether any person authorized to accept receipts or make expenditures for the spender is also an agent of a candidate.
- ❖ Whether a candidate has authorized, requested, suggested, fostered, or otherwise cooperated in the formation or operation of the spender.
- ❖ Whether the candidate has solicited or collected funds on behalf of the spender during the same election cycle during which the expenditure is made.
- ❖ Whether the spender and any political committee authorized by the candidate have been established, financed, maintained, or controlled by any of the same persons, political committees, or other entities.
- ❖ Whether the spender and the candidate have each consulted or otherwise been in communication with the same third party or parties, if the candidate knew or should have known that the candidate's communication or relationship to the third party or parties would inform or result in expenditures to benefit the candidate.
- ❖ Whether the candidate shares or rents space for a campaign-related purpose with or from the spender.
- ❖ Whether the candidate or any public or private entity held or controlled by the candidate (including a governmental agency, division, or office), has retained the professional services of the spender or a principal member of the spender (including professional or managerial employees) during the same election cycle in which the expenditure is made.

### Example

A political club pays for a newspaper ad in support of Sophia for Council and neither the candidate nor any other campaign staff member was involved in the creation or publication of the ad. In this instance, the cost related to the ad will be considered an independent expenditure. However, if Sophia for Council's treasurer had communicated with the club about the ad, or if Sophia Rosario is the founder of this political club, the expenditure would not be considered independent and would be attributed to the campaign.

Independent spenders that produce certain ads, mailings, or literature or conduct phone banks that refer to a candidate or ballot proposal must file disclosure reports with the CFB. These reports include information about the governance of the independent spender, a copy of the communication and how much it cost, and information about contributions received by the independent spender. These reports are filed at the same time as reports filed by candidates, but only during the year of the election. Although independent expenditures that refer to you (or your opponent) do not count toward your spending limit and will not be considered in-

kind contributions, they will be disclosed on the CFB’s website along with your contribution and expenditure data.

If your campaign makes any independent expenditures—e.g., you pay for an ad supporting Eileen for Mayor without her involvement—your campaign must file an Independent Expenditure Disclosure Report, which is separate from your regular disclosure (for more information, see [Guide to the CFB Independent Expenditure Disclosure Rules](#)). Certain independent expenditures your campaign makes will be subject to [Rule 5-01\(n\)](#) deductions from public funds payments. See [page 100](#) (Deductions from Payments) for more information.



## REMINDER

The CFB requires third-party spenders to disclose their activities. However, your campaign is not responsible for obtaining or providing this disclosure, and in fact your campaign should not communicate with third-party spenders if an expenditure is truly independent.

## Expenditure Refunds

If a vendor returns a portion of your payments, e.g., because it did not provide the goods or services, you must enter this expenditure refund in C-SMART and document it with an amended invoice or receipt, or a letter or email from the vendor indicating details of the refund, including the amount refunded and why.

### Example

Sophia for Council paid \$3,000 in full for a television commercial to be aired 10 times. However, the commercial aired only 6 times. The campaign contacted the vendor and asked for a refund since it did not receive the services stipulated on the invoice. Sophia for Council received a partial refund; obtained a revised invoice showing the expenditure refund and an explanation for the refund; and entered a bill payment refund in C-SMART.

If a vendor issues the refund via check:

- ❖ Copy the vendor’s check and deposit it into your committee bank account.
- ❖ Keep the original receipt and documentation of the refund.

If a vendor issues the refund via credit:

- ❖ Keep a copy of your committee bank statement or your committee credit card statement showing the refund posting to your bank account.
- ❖ If the credit is not actual money returned but rather credit toward another purchase, provide documentation for the amount of the credit and how it was applied.



## C-SMART

If you receive a refund where you have paid the full bill amount, add a “Bill Payment Refund” for the amount refunded.

If you receive a refund where you have not paid the full bill amount, adjust the original bill amount to reflect the new amount due.

## Forgiven Debt/Liability

If a vendor forgives an outstanding amount for goods or services provided or if payments made to a vendor via committee check do not clear your campaign's bank account, the debt is considered forgiven. This is not the same as when a vendor refunds money because it did not provide the goods or services. The amount associated with the forgiven debt or liability will be considered an in-kind contribution from the vendor to your campaign, subject to the limits and prohibitions that apply to contributions, and count toward your spending limit.

Forgiven debts must be entered in C-SMART and you must get a letter from the vendor, lender, or advancer confirming that the debt owed by the campaign is forgiven.

## Fines

Non-criminal fines related to campaign activities, such as Environmental Control Board fines for illegal posterage, may be considered campaign-related expenditures. You must provide documentation for each fine and an explanation of how it relates to your campaign. If you are a Program participant or a limited participant, the amount of the fines will count toward your campaign's spending limit based on the incident/violation date, not the date of the notice or the date of the payment.

Pay each fine using a committee check, debit card, or electronic funds transfer. Keep copies of the front and back of the canceled check, or proof of payment if paid using a debit card or electronic funds transfer, with the ticket or violation notice, your explanation of why it is campaign related, and all other supporting documentation for the violation. Expenses for litigation or appearances at hearings related to civil fines may also be campaign-related, and you must report and document them.

If the candidate pays the fine using personal funds, enter it in C-SMART as an in-kind contribution or advance if the candidate expects reimbursement.

## How Should Payments Be Made?

Campaign expenditures should be made directly from your committee's bank account using:

- ◆ Committee check
- ◆ Committee debit card
- ◆ Electronic payment directly from your committee bank account

Not only does this simplify your recordkeeping, it also ensures your campaign only makes expenditures it can afford.



### COMPLIANCE ALERT

Debts cannot be forgiven by corporations, LLCs, LLPs, or partnerships because contributions from these entities are prohibited.



### C-SMART

Payment of a fine is entered in C-SMART as a bill/bill payment. The amount of a fine should be entered immediately in C-SMART even if you intend to challenge the violation. If the original amount of the fine changes, modify the bill amount and then enter the amount paid.



### COMPLIANCE ALERT

Pay your bills promptly and make sure your checks clear your bank account! Outstanding liabilities left unpaid past 90 days will be considered in-kind contributions to your campaign subject to the limits and prohibitions on contributions unless the vendor makes a commercially reasonable attempt to collect the debt.

Your committee name must be printed on your committee checks. When writing a check, make sure the payee name on the check matches the invoice, receipt, or contract and the check is signed by the candidate, treasurer, or other authorized signatory from your campaign.

### Alternate Payment Methods

Recordkeeping and reporting requirements are more complex for advances and petty cash payments, so it is recommended you use them sparingly, if at all.

#### *Advance Purchases*

When a person pays for a campaign-related expense out of personal funds and expects to be reimbursed, it is an **advance purchase**, which is an expenditure that counts toward your spending limit. The amount advanced by an individual is also considered an in-kind contribution until it is repaid, and applies toward that person's contribution limit to your campaign.

An **advance repayment** is the reimbursement your campaign makes to the advancer and is considered a campaign expenditure.

In order to properly document advance purchases and repayments, use the [Advance Repayment Voucher](#).

In addition to the Advance Repayment Voucher, you must keep:

- ❖ Invoice or receipt for each purchase.
- ❖ Front and back of the canceled committee check used to repay the advance.

If an individual makes several advances, you may reimburse the advancer in one lump sum or make partial repayments.

#### Example

Sophia for Council was short on envelopes for a mailing that had to be sent out that day. A campaign volunteer went to the store and bought a box of envelopes for \$12.00 using his own money, with the expectation of being reimbursed. The volunteer presented the receipt to the treasurer and filled out an Advance Repayment Voucher. The treasurer issued a committee check to the volunteer as the repayment, and entered the details of the advance purchase and advance repayment in C-SMART.



### REMINDER

It is important to establish adequate internal controls for all payment methods.



### C-SMART

Make sure you enter all bills and bill payments in C-SMART. If you do not fully pay a bill within a reporting period—or if you don't enter the payment in C-SMART—C-SMART will automatically classify it as an outstanding liability in your disclosure statements.



### COMPLIANCE ALERT

Advance purchases are not qualified expenditures with the exception of single advance purchases over \$250 if the underlying purchase would otherwise be qualified. (See [page 102](#) for further details on what a qualified expenditure is.)



### C-SMART

Don't enter advance purchases as Bill/Bill Payments, enter them as Advance Purchases/Repayments in C-SMART.

*Reserve advances for low-dollar, last-minute purchases. Reporting and documenting advances and advance repayments is complicated. There is also the danger of accidentally exceeding the contribution limit or inadvertently accepting a prohibited contribution.*

SAMPLE ADVANCE REPAYMENT VOUCHER (Find the template [here](#) or in the [Appendix](#).)

**ADVANCE REPAYMENT VOUCHER**

**Sophia for Council**

(Committee Name)

Advancer's Name: \_\_\_\_\_

Advancer's Address: \_\_\_\_\_

Use this form to document advance(s) by and reimbursement(s) to a single advancer.

**PURCHASE(S)**

Date	Vendor Name & Address	Item Description	Paid by:	Amount	Committee Use Only
					Transaction ID
			<input type="checkbox"/> Cash <input type="checkbox"/> Check <input type="checkbox"/> Credit Card		
			<input type="checkbox"/> Cash <input type="checkbox"/> Check <input type="checkbox"/> Credit Card		
			<input type="checkbox"/> Cash <input type="checkbox"/> Check <input type="checkbox"/> Credit Card		
<b>Total Amount Advanced</b>					

**REPAYMENT**

Date	Committee Check Number	Amount	Committee Use Only
			Transaction ID
	Check (# _____ )		
	Check (# _____ )		
<b>Total Amount Repaid</b>			

Please attach all bills, receipts, invoices and a copy of committee's repayment check(s) (front and back) to the voucher for all transaction(s) made.

\_\_\_\_\_  
Candidate or Treasurer's Signature

\_\_\_\_\_  
Date

5/27/15

Remember to get receipts to document advance purchases.

## Petty Cash

**Petty cash** may be used to make small expenditures. However, petty cash violations are a common compliance problem.

Limits and requirements include:

- ❖ Petty cash must be withdrawn from your campaign’s bank account. (Cash contributions must be deposited into your account; you cannot use them as a source of petty cash.)
- ❖ The amount of petty cash at any given time cannot exceed \$500.
- ❖ Each purchase made using petty cash cannot exceed \$100.

Since cash is a vulnerable asset, your campaign should establish internal controls and create procedures for handling petty cash correctly.

Add money to your petty cash fund by writing a committee check payable to “Cash” and presenting it to a bank teller, or withdrawing cash from an ATM using your committee’s debit card. Any cash withdrawals from your committee bank account will count toward your expenditure limit. Remember to return any change left over from a purchase back into your petty cash fund.

Documentation for petty cash must include:

- ❖ ATM receipt or bank withdrawal slip with a copy of the front and back of the canceled check payable to “Cash”.
- ❖ Receipt or invoice for each petty cash purchase.
- ❖ C-SMART Petty Cash Journal.



### COMPLIANCE ALERT

Because you may not have more than \$500 in your petty cash at any given time, any cash withdrawal larger than \$500 will be questioned by the CFB.



### C-SMART

Use C-SMART to record deposits into the petty cash fund and purchases made. If you re-deposit unused petty cash, enter the transaction as an “Other Receipt” with the source as “Petty Cash Re-deposit.” Run the “Petty Cash Journal” report to review your petty cash fund activity and/or submit the report to the CFB upon request.



### COMPLIANCE ALERT

Cash expenditures (including advances made using cash) are never qualified (see [page 102](#) for further details on qualified expenditures).

## C-SMART PETTY CASH JOURNAL

C-SMART Petty Cash Journal						
Committee Name: Sophia for Council						
Date	Vendor Name	Deposit/Disbursement Amount	Purpose	Stmt	Trans ID	
07/05/2016	Energetic Printing, Inc.	(\$15.00)	Postage		466	
07/03/2016	Petty Cash	\$100.00		5	465	
07/16/2016	Queensboro Printing, Inc.	(\$31.00)	Campaign Mailing		468	
07/10/2016	Tommy's Grocery	(\$27.00)	Fundraising		467	
<b>Total Transactions: 4</b>		<b>Total Deposits:</b>	<b>100.00</b>			
		<b>Total Disbursements:</b>	<b>(73.00)</b>			
		<b>Remaining Balance:</b>	<b>27.00</b>			

## Committee Credit Card

Some campaigns make purchases using a committee **credit card**. The credit card account must be in your committee's name and disclosed as part of your registration with the CFB.

This method of payment is not recommended by the CFB because it may cause your campaign to rely on credit as opposed to available campaign funds. Further, recordkeeping and reporting requirements for credit card expenditures are more complicated.

Documentation for expenditures by committee credit card must include:

- ❖ Monthly statements from the credit card company, with the transaction ID number written next to each purchase.
- ❖ Front and back of the canceled committee check(s) used to pay the credit card bill, or bank statements showing an electronic payment from your committee bank account.
- ❖ Invoices, bills, or receipts for each purchase listed on the credit card statement, with the transaction ID number written on all of these documents.



**C-SMART**

Review [C-SMART Help](#) for instructions on entering expenditures made using a committee credit card. Contact your CSU liaison if you have any questions.



**REMINDER**

A purchase made with a personal credit card, even that of the candidate, is either an advance (if the person expects to be reimbursed) or an in-kind contribution.

## DOCUMENTING YOUR CREDIT CARD EXPENDITURES

Payment Due Date	New Balance	Past Due Amount	Minimum Payment
5/18/2017	\$656.73	\$0.00	\$25.00

Account Number: 1234 9876 1234 9876

\$

1234987612349876000092000026294100000000000001

Sophia for Council  
226 Waldron Street  
Queens, NY 11368

Credit Card Services  
123 Cresthaven Lane  
Delaware, DE 12345

Account Activity		
Date of Transaction	Merchant Name or Transaction Description	\$ Amount
4/3	United States Postal Service	\$ 50.00 498
4/9	ABC Printing	\$ 65.10 501
4/18	Book Store Corp.	\$ 40.95 506
4/29	Electronics Store Corp.	\$ 500.68 520
	<b>Total:</b>	<b>\$ 656.73 530</b>

Write the C-SMART transaction ID for each purchase.

## What Can I Spend Campaign Funds On?

You may only spend campaign money on expenditures to further your candidate's nomination or election.

**Campaign-related expenditures** that further your campaign typically include TV and radio ads, staff salaries, campaign office expenses, rent, literature, postage, fundraising costs, petition expenses, and election day get-out-the-vote efforts. Under the Act, the following are presumed to be campaign-related:

- ❖ Computer hardware, software, and other office technology purchased more than two weeks before the election.
- ❖ Food and beverages for campaign workers and volunteers.
- ❖ Community events, including attendance at events hosted by civic and neighborhood associations.
- ❖ Demonstrating eligibility for public funds or defending against a claim that public funds must be repaid.
- ❖ Travel related to your campaign or the holding of public office.
- ❖ Expenditures to facilitate, support, or otherwise assist in the execution or performance of the duties of public office.
- ❖ Legal defense of non-criminal matters arising out of your campaign.
- ❖ A single post-election event for staff, volunteers, and/or supporters held within 30 days of the election.
- ❖ Payment of non-criminal penalties or fines arising out of your campaign.
- ❖ Ballot proposal advocacy if there are clear indicia that the expenditures relate to the candidate.
- ❖ Contributions to charitable organizations designated as 5-01(c)(3) organizations.
- ❖ Contributions to candidate, political, or constituted party committees.

Expenditures made for personal use and not in furtherance of a political campaign for elective office are **non-campaign related expenditures**. Under the Act, the following are presumed to be non-campaign related:

- ❖ Computer hardware, software, and other office technology purchased less than two weeks before the election.
- ❖ Expenditures made to defray the normal living expenses of the candidate, immediate family of the candidate, or any other individual.
- ❖ Residential or household items, supplies, or expenditures.
- ❖ Clothing, haircuts, and other personal grooming.
- ❖ Funeral, cremation, or burial expenses, including any expenses related to a death within a candidate's or officeholder's family.
- ❖ Automobile purchases.
- ❖ Tuition payments and childcare costs.
- ❖ Dues, fees, or gratuities at a country club, health club, recreational facility, or other nonpolitical organization unless part of a specific fundraising event that takes place on the organization's premises.



- ❖ Admission to a sporting event, theater, concert, or other entertainment event not part of a specific campaign activity.
- ❖ Non-campaign related travel, food, drink, or entertainment.
- ❖ Gifts, except for brochures, buttons, signs, and other campaign materials and token gifts valued at not more than \$50 that are for the purpose of expressing gratitude, condolences, or congratulations.



### COMPLIANCE ALERT

Not all campaign-related expenditures can be paid for with public funds. See [page 102](#) for a full list of expenditures that can be paid with public funds (“qualified expenditures”).

Even if an expenditure is presumably campaign-related, the CFB will still look at the context in which the expenditure was made, such as:

- ❖ The timing and nature of the purchase.
- ❖ The necessity of the expenditure.
- ❖ Whether there is a high proportion of spending on a specific category of expenditure.
- ❖ Whether the campaign has already purchased similar or duplicative services or equipment.
- ❖ Whether a high amount or proportion of payments was made to individuals rather than to entities.
- ❖ Whether there is a pattern of making non-campaign-related or improper post-election expenditures.
- ❖ The reporting of the expenditure.
- ❖ Whether the expenditure was made to a family member or relative of the candidate, or to an individual or entity with whom the candidate has a business or other financial relationship.



### COMPLIANCE ALERT

The documentation you maintain for each expenditure should contain sufficient detail about its purpose and timing to demonstrate that it is campaign-related.

## How Do I Document Campaign Expenditures?

You need documentation showing what your campaign purchased, such as bills, invoices, receipts, and contracts. You also need documentation to show the method of payment, such as canceled checks, bank statements, etc. Documentation must be obtained at the time you make an expenditure. As each bill/bill payment is entered into C-SMART, write the transaction ID numbers on all corresponding documents. Be sure to make copies, and store the originals and copies in a safe and accessible location. You will be required to submit copies of expenditure documentation to the CFB upon request during the election cycle and/or with your post-election audit.

Detailed records are crucial for complying with the CFB’s requirements. If you lose any documentation, go back to your vendor and request a duplicate copy. If you are unable to obtain a duplicate copy from the vendor and must create a new record, indicate on the new record that it is a re-created document. Any re-created document must be accompanied by a statement explaining the circumstances surrounding the creation of the new record. The statement must be signed and dated by the candidate, treasurer, or other campaign representative with first-hand knowledge of the expenditure, and the signature must be notarized.

## Wages & Salaries

Wages, salaries, and fees for campaign workers and consultants must be reasonable and represent work performed on behalf of your campaign. The expected payment amount—whether an hourly or weekly rate, or a flat sum—must be determined and documented before an individual or vendor begins working for your campaign.

Your campaign must have written documentation for all wages, salaries, and fees. The chart below shows the type(s) of documentation and details to be included for different types of workers.

It is up to your campaign to determine whether an employee is full-time, part-time, one-time, or a **consultant**. Consultants provide professional services or expert advice to your campaign in a particular area, such as compliance, campaign strategy, or managing election day and other field worker operations. Keep samples of their work product demonstrating services performed (e.g., memos, print and email correspondence, etc.).

When hiring a consultant for your campaign, it's important to keep in mind that if your consultant also works for independent spenders, this could lead to determinations that the spenders' activity is not independent and therefore an in-kind contribution to your campaign, subject to the contribution and expenditure limits. This would occur if the consultant works for both candidates and independent spenders who either spend on behalf of the candidate or in opposition to any of the candidate's opponents. Below are considerations that should be discussed with a potential consultant and/or incorporated into a contract:

- ❖ Does the consultant intend to be the general consultant and/or agent of potential third party spenders in the upcoming election?
- ❖ How will the consultant avoid taking actions that would violate the Campaign Finance Act or CFB Rules? What are the consequences for the consultant if it does so?
- ❖ How will the consultant ensure that non-public information concerning one client will not be shared with other clients?
- ❖ How will the consultant ensure that the same staff and management do not work on the accounts of both candidate committees and independent spenders?
- ❖ What mechanisms exist to ensure all clients are aware of the existence of any other client that could lead to a finding of coordination and non-independence?

For more information, please see "[Political Consultants Who Work for Both Candidates and Independent Spenders](#)" on the CFB website.



### COMPLIANCE ALERT

If your campaign receives public funds, bonus payments, or gifts to employees are entirely prohibited unless written into an employee's contract at the time of hiring. However, you cannot issue payment of bonuses post-election even if written into a contract pre-election. Further, you cannot pay a bonus based on whether or not your campaign receives public funds or has funds remaining after the election.

*Consult the IRS, NYS Department of Taxation, and other authorities for information on payroll deductions (federal, state, local, and social security) and filing tax returns and state unemployment benefits returns.*

## DOCUMENTATION FOR WAGES AND SALARIES

TYPE OF DOCUMENT	DETAILS TO BE INCLUDED	USE THIS FOR
<p>Time Sheets (Weekly or Daily)</p>	<ul style="list-style-type: none"> <li>• Committee name</li> <li>• Name and address of employee</li> <li>• Rate of pay (daily, weekly or hourly)</li> <li>• Days and hours worked</li> <li>• Detailed description of work performed, including location</li> <li>• Total hours worked</li> <li>• Total amount earned (rate x hours)</li> <li>• Dated signature of employee</li> <li>• Dated signature of campaign representative</li> <li>• Amount paid and method of payment</li> </ul>	<ul style="list-style-type: none"> <li>• Part-time employees</li> <li>• One-time employees, e.g., election day workers</li> <li>• Supplementing full-time employee contracts</li> <li>• Workers hired by consultants to do part-time or one-time work (to be collected by consultant)</li> </ul>
<p>Contracts</p>	<ul style="list-style-type: none"> <li>• Committee name</li> <li>• Name and address of employee or consultant</li> <li>• Start and end date</li> <li>• Detailed description of services to be performed</li> <li>• Amount and total fee</li> <li>• Frequency of payment (e.g., monthly, weekly)</li> <li>• Dated signature of employee or consultant</li> <li>• Dated signature of candidate or treasurer</li> </ul>	<ul style="list-style-type: none"> <li>• Full-time employees</li> <li>• Consultants</li> </ul>
<p>Invoices</p>	<ul style="list-style-type: none"> <li>• Committee name</li> <li>• Name and address of employee or consultant</li> <li>• Period covered by invoice</li> <li>• Detailed description of services performed during period</li> <li>• Amounts due</li> </ul>	<ul style="list-style-type: none"> <li>• Supplementing full-time employee contracts</li> <li>• Consultants</li> </ul>
<p>Statement from payroll processor (employees paid through this service should also have documentation showing what services they perform, e.g., a contract)</p>	<ul style="list-style-type: none"> <li>• Committee name</li> <li>• Name and address of payroll processor</li> <li>• Names of employees</li> <li>• Rates of pay</li> <li>• Hours worked</li> <li>• Amounts paid</li> <li>• Breakdown of salary and withholdings</li> </ul>	<ul style="list-style-type: none"> <li>• Campaigns that have significant numbers of employees or who choose to use a payroll service</li> </ul>

SAMPLE DAILY TIME SHEET (Find the template [here](#) or in the [Appendix](#).)

<b>DAILY TIME SHEET</b>	<b>Committee Use Only</b> Transaction ID: _____
<b>Sophia for Council</b> (Committee Name)	
Employee Name: _____	Add the transaction ID number once you enter the payment in C-SMART.
Home Address: _____	
Phone: _____	
Date: _____ Time In: _____ Time Out: _____ Hours Worked: _____	Provide a detailed description of the work performed, including location.
Duties Performed: _____ _____ _____	
Salary/Wage/Fee: \$ _____ per: hour   day (circle one) Total Paid: \$ _____	
<b>VERIFICATION</b>	
I hereby affirm that the employee named above has performed the duties, worked the hours, and was paid the amount listed above.	
_____ Employee Signature	_____ Date
_____ Treasurer Signature	_____ Date
<hr style="border: 1px solid black;"/>	
<b>For Committee Use Only</b>	
Paid: \$ _____ by cash or check (circle one)	Check Number: _____
Paid by: <input type="checkbox"/> Committee	<input type="checkbox"/> Other: _____
11/30/15	

**WEEKLY TIME SHEET**

<b>Committee Use Only</b> Transaction ID: _____
--

Sophia for Council  
 (Committee Name)

Employee Name: \_\_\_\_\_

Home Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Period Covered: \_\_\_\_\_

Salary/Wage/Fee: \$ \_\_\_\_\_ per: hour | day (circle one)

Add the transaction ID number once you enter the payment in C-SMART.

	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
Date								
Time In:								
Time Out:								
Hours Worked								
Duties Performed	_____							
Duties Performed	_____							
Duties Performed	_____							
Total Hours Worked				Paid Amount				

Provide a detailed description of the work performed, including location.

**VERIFICATION**

I hereby affirm that the employee named above has performed the duties, worked the hours, and was paid the amount listed above.

\_\_\_\_\_  
 Employee Signature Date

\_\_\_\_\_  
 Treasurer Signature Date

**For Committee Use Only**

Paid: \$ \_\_\_\_\_ by cash or check (circle one) Check Number: \_\_\_\_\_

Paid by:  Committee  Other: \_\_\_\_\_

## Campaigns Using a Payroll Processor

In addition to maintaining contracts and/or time sheets for each employee, if your campaign uses a payroll processor you will need to do the following in order to disclose payroll-related transactions in C-SMART. Below is an overview of how to disclose different elements of payroll:

- ❖ **Workers' wages:** Enter separate bill/bill payments to each worker for the gross amount of wages pre-tax or other deductions. For example, if you pay a worker \$10/hour and they work 10 hours, you would enter the full \$100.00 earned as the bill/bill payment for the worker's wages.
- ❖ **Employee taxes and deductions:** Since you will enter the gross payments to workers as a bill/bill payment, no additional entry in C-SMART is necessary to show the taxes and individual employee deductions. You will keep a copy of each pay stub documenting the deductions as the reason for the variance between the gross wages entered in C-SMART and the amount of the paycheck issued to the worker.
- ❖ **Employer taxes and deductions:** Any payments you make as an employer beyond what is already deducted from the worker's paycheck (such as paying employer-related state/federal taxes, social security, etc.), should be reported as separate bill/bill payments to the entity to which these payments are made.
- ❖ **Professional services:** If you contract with a payroll services provider, you must have a detailed contract with the provider. Any direct fees paid to the provider for professional services should be entered in C-SMART as bill/bill payments to the provider.
- ❖ **New York Disability Insurance Withholding:** This amount (typically \$0.60 per week) should be entered as an "Other Receipt" because the money is deducted from the worker's paycheck but held in the campaign's bank account.

As a best practice in order to ensure proper reporting of payroll-related expenditures, you should send the contract with your provider and sample payroll documentation to your CSU Liaison for review.



### COMPLIANCE ALERT

With each disclosure statement filing, you must submit all payroll records (pay stubs, payroll processor documentation, etc.) covering the disclosure period.

If a contract expires and you want to retain an employee or consultant, you can amend the original contract or write a new contract that includes the new period(s) covered and any other relevant changes or additions to the employee's tasks and duties. If an employee leaves the campaign before their contract expires, obtain a resignation letter from that employee.

---

**EXCEPTION! Volunteers** are individuals who work on behalf of your campaign without payment for their time or services. You are not required to keep any documentation about volunteers.

Note: you cannot pay or give bonuses to volunteers for work they have performed on a voluntary basis. If you decide to offer paid employment to someone who has been volunteering for your campaign, you must create an employee contract and document the future work this person will perform as described in the previous section. Once an individual has been paid, he or she may not work as a volunteer for professional services of a similar nature.

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### COMPLIANCE ALERT

Consultants who hire and pay field workers must provide your campaign with time sheets for each worker substantiating the amount paid and details of the work performed.



### CONTACT US

Your CSU liaison can help with a preliminary review of employee and/or vendor contracts.

## Office Rent and Office Expenses

You may rent space for your campaign office. You must have a lease between your campaign and landlord specifying the terms of your tenancy (the chart found on the next page lists details that should be included in your lease agreement).

In addition to renting space for a campaign office, your campaign is allowed to spend money on office supplies and equipment, and website development and maintenance. Your lease and utility accounts must be in your committee's name—these cannot be established in the name of the candidate, treasurer, or other campaign worker.

If you purchase a wireless device and plan for you or your staff, the contract must be in your committee's name and be reasonably priced. You must cancel your committee's wireless service immediately after the election. Any early termination fee will be considered a permissible post-election expenditure provided the cancellation is done within the billing cycle immediately following the election. Any additional usage after an election may be considered an impermissible post-election expenditure (see [page 69](#)).

You may reimburse the candidate, campaign staff, and/or volunteers for the use of their personal wireless devices rather than purchasing new devices for them. However, you can only reimburse them if they incur campaign-related costs above the normal, regular cost of their existing plans. You cannot reimburse for an unlimited plan because no additional cost has been incurred. To reimburse personal phone usage, you need:

- ❖ Written log listing campaign calls made and to whom.
- ❖ Copies of itemized bills flagging campaign calls and demonstrating the amount over the standard cost of the individual's plan.
- ❖ Advance Repayment Voucher.

*To save on wireless costs, consider family/group prepaid plans, devices, or month-to-month service. Also, use prepaid devices to avoid paying early termination fees.*

## DOCUMENTATION FOR OFFICE RENT AND OFFICE EXPENSES

TYPE OF OFFICE EXPENSE	DOCUMENTATION	DETAILS TO BE INCLUDED
Rent for campaign office	Lease or rental agreement	<ul style="list-style-type: none"> <li>• Landlord name and address</li> <li>• Committee name and address</li> <li>• Tenancy dates</li> <li>• Monthly rent amount and due date.</li> <li>• Specifics—size of space, utilities covered, furniture or office equipment included, etc.</li> <li>• Amount of security deposit and date for return</li> <li>• Dated signatures of landlord and candidate/treasurer</li> </ul>
Office supplies and equipment	Invoices and/or receipts	<ul style="list-style-type: none"> <li>• Vendor name</li> <li>• Date of purchase</li> <li>• List of items purchased</li> <li>• Price for each item</li> <li>• Total amount</li> </ul>
Utilities including wireless plans	Invoices (all pages)	<ul style="list-style-type: none"> <li>• Utility name</li> <li>• Committee name and address</li> <li>• List of services</li> <li>• Period covered</li> <li>• Total amount billed</li> </ul>
Website development and maintenance	Contract with web developer(s)	<ul style="list-style-type: none"> <li>• Vendor name and address</li> <li>• Committee name</li> <li>• Detailed description of services to be rendered</li> <li>• Date on which website is expected to go live</li> <li>• Amount and frequency of payment (e.g., monthly, weekly, single payment)</li> <li>• Duration of the contract</li> <li>• Dated signatures of vendor and candidate/treasurer</li> </ul>

### Voter Communications (Campaign Literature, Mailings, Signs, Ads)

Your campaign will produce materials to communicate with potential voters. You must keep detailed records and samples of all campaign communications with the public, including literature, signage, advertisements, and other materials. All of these materials must include a “paid for by” statement (see [page 64](#)).



## DOCUMENTATION FOR VOTER COMMUNICATION

COMMUNICATION TYPE	DOCUMENTATION	WORK PRODUCT (materials demonstrating the work done)	DETAILS TO BE INCLUDED
Radio or TV Ad	<ul style="list-style-type: none"> <li>Contract with media buyer and/or TV/radio stations</li> <li>Invoice(s)</li> </ul>	<ul style="list-style-type: none"> <li>Ad script</li> <li>Detailed broadcast records, including date(s) and time(s) aired, number of placements, length of ad(s), and station(s)</li> </ul>	<ul style="list-style-type: none"> <li>Vendor name</li> <li>Committee name</li> <li>Price per minute</li> <li>Total purchase amount</li> <li>Dated signatures of vendor and candidate/treasurer on contract</li> </ul>
Print, internet, or billboard ad	<ul style="list-style-type: none"> <li>Contract with media buyer and/or newspaper, magazine, or Internet site</li> <li>Invoice(s)</li> </ul>	<ul style="list-style-type: none"> <li>Tear sheet(s) for print ads (or copy of ad from the publication)</li> <li>Screenshot(s) for Internet ads</li> <li>Photo of billboard</li> </ul>	<ul style="list-style-type: none"> <li>Vendor name</li> <li>Committee name</li> <li>Dated signatures of vendor and candidate/treasurer on contract</li> <li>Date(s) of ad</li> <li>Price per insertion and total cost</li> </ul>
Literature (e.g., pamphlets, flyers, posters, brochures, lawn signs)	<ul style="list-style-type: none"> <li>Invoice(s) and/or receipt(s)</li> </ul>	<ul style="list-style-type: none"> <li>Samples of printed materials</li> </ul>	<ul style="list-style-type: none"> <li>Vendor name</li> <li>Committee name</li> <li>Detailed description of the piece</li> <li>Rate per piece, total number produced, and total purchase amount</li> </ul>
Mailing	<ul style="list-style-type: none"> <li>Contract with mail house and/or consultants</li> <li>Invoice(s) and/or receipts</li> <li>Bulk mail purchase receipts from USPS</li> </ul>	<ul style="list-style-type: none"> <li>Sample mailing piece</li> </ul>	<ul style="list-style-type: none"> <li>Vendor name</li> <li>Committee name</li> <li>Itemized description of goods</li> <li>Rate per piece, total number mailed, and total purchase amount</li> <li>Dated signatures of vendor and candidate/treasurer on contract</li> </ul>
Phonebanking	<ul style="list-style-type: none"> <li>Contract</li> <li>Invoice(s) and/or receipt(s)</li> </ul>	<ul style="list-style-type: none"> <li>Copy of phone bank script</li> </ul>	<ul style="list-style-type: none"> <li>Vendor name</li> <li>Committee name</li> <li>Date/hours phone banking was conducted</li> <li>Description of calling activity, e.g., robocall or live</li> <li>Total purchase amount</li> </ul>

## “Paid For By” Requirement

All campaign literature, advertisements, or other communications must include the words “paid for by” followed by the name of your authorized committee (For example, “Paid for by Sophia for Council”). If your campaign authorizes any individual or entity other than your campaign to pay for any of these things (including communications in support of or opposition to any other candidate), the communication must include the words “authorized by” followed by the name of your authorized committee and this must be reported as an in-kind contribution to your campaign.

- ❖ For printed material, Internet ads, or websites, the statement must be in a font of conspicuous size and style contained in a box within the borders of the communication.
- ❖ For radio/audio communications, the statement must be clearly spoken at the beginning or end of the communication.
- ❖ For TV/video communications, the statement must be clearly spoken at the beginning or end of the communication and, simultaneous with the spoken disclosure, written in a font of conspicuous size and style contained in a box within the borders of the communication.
- ❖ For telephone communications, the statement must be clearly spoken at the beginning or end of the communication. If the statement is spoken at the end of the communication, then the name of the candidate must also be clearly spoken at the beginning of the call.

The “paid for by” statement must be in the same language as the majority of the communication. For example, if the communication is mostly in Spanish, the “paid for by” statement must be in Spanish.

## Travel Expenses

Your campaign may pay for or reimburse travel expenses for campaign-related activity only. This may include costs related to gas, parking, vehicle rentals, public transportation, cab fees and other campaign-related travel.

Pay for travel expenditures using committee checks, debit cards, or electronic funds transfers. Attach copies of the front and back of canceled committee checks, or proof of payment if paid using a debit card or electronic funds transfer, to the corresponding invoices, bills, and travel logs.

**You do not have to maintain a travel log when using public transportation within New York City.**

If your campaign intends to reimburse campaign staff or volunteers for use of their personal vehicle, you must obtain a vehicle use log similar to the one seen [here](#) with the following details:

- ❖ Date of travel.
- ❖ Starting and ending location.
- ❖ Purpose of trip (including names of driver and passengers).
- ❖ Odometer readings (beginning and ending mileage).



### COMPLIANCE ALERT

If the name of your authorized committee does not include the first and/or last name of the candidate, then the words “paid for by” or “authorized by” must be followed by the first and last name of the candidate, either instead of or in addition to the name of your authorized committee.

- ◆ Signature of the person seeking reimbursement certifying the following:
  - \* He/she was the sole driver of the vehicle used for the trips noted on the log.
  - \* The completeness and accuracy of the travel log.
  - \* Confirmation the trips noted on the log were used only for campaign-related purposes.

For rental cars: keep rental agreement between your campaign and the rental company in addition to the documentation above.

Use the standard rate of \$0.28 per mile to calculate the reimbursement.

If you are traveling outside of New York City for a conference or fundraiser in furtherance of your campaign, you must maintain a travel log documenting the following:

- ◆ Reason for travel.
- ◆ Name(s) of individual(s) who participated in the travel.
- ◆ Complete travel itinerary including date(s) of travel, type(s) of transportation used, and lodging information.
- ◆ Conference agenda if traveling to a conference. Fundraiser invitation if traveling to a fundraiser.
- ◆ Detailed invoices and receipts to document travel costs.

When campaign funds are used to cover expenses for both personal and campaign-related travel, the campaign must be reimbursed for the personal share within 30 days. The reimbursement should be entered in C-SMART as an “Other Receipt” from the individual.

## DOCUMENTATION FOR TRAVEL COSTS

TYPE OF TRAVEL	REQUIRED DOCUMENTATION	DETAILS TO BE INCLUDED
Travel by Private Car	Vehicle use log for each trip and each vehicle	<ul style="list-style-type: none"> <li>• Date of travel</li> <li>• Starting and ending location</li> <li>• Purpose of trip (including names of driver and passengers)</li> <li>• Odometer readings (beginning and ending mileage)</li> <li>• Signature of the person seeking reimbursement</li> </ul>
Travel by Rental Car	Rental agreement and Vehicle use log	<ul style="list-style-type: none"> <li>• Detailed rental agreement between committee and car rental company, and proof of payment for each vehicle rented</li> <li>• Date and time(s) of travel</li> <li>• Name(s) of the driver and passenger(s)</li> <li>• Purpose of travel</li> <li>• Location of all stops (including non-campaign related stops)</li> </ul>
Travel Outside of New York City	Travel log	<ul style="list-style-type: none"> <li>• Reason for travel</li> <li>• Name(s) of individual(s) traveling</li> <li>• Complete travel itinerary include date(s) of travel, type(s) of transportation used, and lodging information</li> <li>• Conference agenda if traveling to a conference. Fundraiser invitation if traveling to a fundraiser</li> <li>• Detailed invoices and receipts to document travel costs</li> </ul>
<p>NOTE: Travel between two stops is considered an individual trip for logging purposes even if the stops are part of a multi-stop itinerary.</p>		

### Fundraisers

Costs for campaign fundraisers may include expenditures for the venue, decorations, food and drinks, entertainment, and invitations. You must compile and maintain the following documentation for each campaign-sponsored fundraising event:

- ❖ Date and location of the event.
- ❖ Itemized list of all expenditures, including samples of invitations, flyers, advertisements, etc.
- ❖ A campaign event contributions log similar to the sample on [page 133](#).

## Petitioning Expenses, Polling, and Get-Out-the-Vote Activities

Your campaign is likely to have expenditures for petitioning (e.g., wages, voter lists, printing, circulation, and litigation), polling (e.g., pollster fees, telephones, voter lists), and get-out-the-vote activities (literature distribution, door-to-door canvassing, etc.). Documentation for most of these expenditures have been covered previously, e.g., time sheets for petition carriers, printing contracts for printing blank petitions, etc. You will also need documentation that is unique to these expenditures, e.g.:

- ◆ samples of blank petitions
- ◆ copy of polls and descriptions of where they were conducted

## Subcontractors

Some vendors your campaign hires will use a **subcontractor**—an individual or entity that takes on some of the work for your vendor. For example, this is frequently the case when you hire a media consultant who designs and produces advertisements, but purchases airtime or print space from another vendor.

If a vendor pays an individual subcontractor more than \$5,000 throughout the course of your campaign, you must report the name and address of the subcontractor, a description of the goods or services provided by the subcontractor, and the total cost of the subcontracted services. The best way to obtain this information is by having your vendor complete a [Subcontractor Disclosure Form](#).

*At the time you hire a vendor, let them know they will have to provide this information about subcontractors that receive more than \$5,000.*

### Example

Sophia for Council entered into a contract with Strategic Campaign Consulting for \$20,000 to develop and print literature for the campaign. Strategic Campaign Consulting designs the literature but pays ABC Printing \$8,000 to print it. Because Strategic Campaign Consulting paid ABC Printing more than \$5,000, Strategic Campaign Consulting provides a completed subcontractor disclosure form to Sophia for Council disclosing ABC Printing as a subcontractor, and Sophia for Council enters the subcontractor's information in C-SMART.

Use this form to collect the information you must disclose about subcontractors.

**SUBCONTRACTOR DISCLOSURE**

Sophia for Council

(Committee Name)

Candidates in New York City are required to report information about subcontractors who are paid more than \$5,000. A subcontractor is any individual or entity hired by a vendor to perform work contracted between the vendor and your campaign.

Vendor Name: \_\_\_\_\_

Vendor Address: \_\_\_\_\_

\_\_\_\_\_

Did you use subcontractors?  Yes  No

If yes, did the cost of subcontracted goods or services provided by any single person or entity exceed \$5,000 during the campaign?  Yes  No

If yes, please provide the following information:

1

Subcontractor Name: \_\_\_\_\_

Subcontractor Address: \_\_\_\_\_

\_\_\_\_\_

Services Provided: \_\_\_\_\_

Cost of Services Provided: \_\_\_\_\_

2

Subcontractor Name: \_\_\_\_\_

Subcontractor Address: \_\_\_\_\_

\_\_\_\_\_

Services Provided: \_\_\_\_\_

Cost of Services Provided: \_\_\_\_\_

Vendor Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

11/30/15

## What Spending is Permitted After the Election?

Program participants who have received (or expect to receive) public funds must be cautious about making any **post-election expenditures**.

Only limited expenditures associated with winding down your campaign and responding to the post-election audit are permissible, including:

- ❖ Reasonable payment of rent and outstanding utility bills related to winding down your campaign.
- ❖ Reasonable moving or storage costs related to closing the campaign office.
- ❖ Payment of taxes and other reasonable expenses for compliance with applicable tax laws.
- ❖ Payment of staff salaries in accordance with existing contracts or agreements for specific post-election work. These payments should not be excessive and should be in proportion to the size of the campaign and the work performed.
- ❖ One-time printing and distribution of “thank you” notes to contributors, staff, and campaign volunteers.
- ❖ A single post-election event for staff, volunteers, and/or supporters held within 30 days of the election.
- ❖ One-time printing and distribution of a holiday card mailing to contributors, campaign volunteers, and staff.
- ❖ Reasonable fees associated with defending against a claim that public funds must be repaid, incurred prior to the date of the issuance of the Final Audit Report.

Your campaign is prohibited from spending money on the following items after the election:

- ❖ Bonuses or gifts to staff or volunteers.
- ❖ Contributions to other campaigns, organizations, or clubs.
- ❖ Spending for transitional and inaugural activities.
- ❖ Post-election mailings (except for the mailings described above).



### COMPLIANCE ALERT

Even if permissible, post-election expenditures will never be considered qualified expenditures. Once the election is over, your campaign must shut down/deactivate any accounts or services (credit card processors, email servers, fundraising databases, webhosting, etc.) that charge a fee.

Failure to close these accounts or terminate these services will result in findings of improper post-election spending if you received public funds.



### COMPLIANCE ALERT

Post-election expenditures are reviewed carefully by the CFB and may be considered improper if the expenditures are determined to be unreasonable or non-campaign related. Furthermore, an expenditure may be considered non-campaign related or an improper post-election expenditure if you are missing or have inadequate documentation to demonstrate its purpose.

## What Records Do I Need to Keep for Expenditures?

You must keep the original and two copies of each document.

### From your bank:

- ❖ The front and back of every canceled committee check
- ❖ Bank statements
- ❖ Wire transfer records showing electronic payments (may be listed on your bank statements)

### From your vendors:

- ❖ Contracts
- ❖ Invoices or receipts (including those supporting credit card payments, petty cash payments, and advance repayments)
- ❖ Samples of the work product
- ❖ Bulk mail purchase receipts from USPS
- ❖ Subcontractor disclosure form, if applicable
- ❖ Expenditure refund receipts and/or copy of the refund check

### Other:

- ❖ Credit card statement
- ❖ Advance repayment vouchers
- ❖ C-SMART petty cash journal

*Use the labels included in your CFB Welcome Kit to create an organized filing system for your records. Contact your CSU liaison for additional labels.*



### REMINDER

Every transaction entered in C-SMART will have a transaction ID number assigned to it. You must write the transaction ID number on every document relating to a particular transaction.



# Disclosure Statements

This chapter covers how and when to report your campaign's financial information and organize your filings. You must report all the money your campaign raises and spends to both the Campaign Finance Board (CFB) and the State Board of Elections (BOE) in the form of disclosure statements.

## The Basics

- You cannot submit disclosure statements until you have registered your committee (see [Chapter 1](#)).
- Attend both a Compliance and a C-SMART training before you file your first disclosure statement.
- Use C-SMART to file your disclosure statements with the CFB and the State BOE.
- To complete your disclosure statement, submit backup documentation and bank records to the CFB no later than the disclosure statement due date.
- See more detailed information on [CFB Submission](#), [BOE Submission](#), [Daily Pre-Election Disclosure](#), [Reports](#), [Upload Documentation \(Bulk\)](#), [NYC Votes Contribute Upload](#), and [Merge Duplicate Names](#) in C-SMART.

## What is a Disclosure Statement?

A disclosure statement is a report you prepare and submit using C-SMART to disclose your campaign's financial activity in a reporting period. The length of a reporting period varies throughout the election cycle, with more frequent disclosure required closer to election days (see the Disclosure Statement deadlines on [page 75](#)). Your disclosure statement will include all contributions you received and all expenditures you made during that reporting period. You must disclose all contributions in the reporting period in which they were received, or they will not be matched with public funds. You must also disclose all expenditures in the reporting period in which the expenses were incurred, even if they remain unpaid. For some types of activity, you will also have to submit paper records, called backup documentation, to the CFB. This is discussed in detail later in the chapter.

The CFB reviews your disclosure statements and alerts you about compliance problems. The statement review process is covered in the next chapter.

The CFB will post your disclosure information on its website in its [searchable database](#) and [campaign finance summary report](#). This allows the public and the media to see who is contributing to local campaigns and how the money is being spent.

## How Do I Submit Disclosure Statements?

You must use C-SMART to submit your disclosure statement. Only the candidate or treasurer listed on your committee's Filer Registration or Certification can verify and submit disclosure statements. The candidate or treasurer must review and check the verification and confirmation sections, which will serve as an electronic signature. Your statement must be received electronically by midnight on the due date. You will receive a delivery confirmation after you successfully submit your disclosure statement.



### COMPLIANCE ALERT

There are no extensions for disclosure statement due dates.

For detailed guidance, see “A Step-by-Step Guide to Filing Day” in the [Appendix](#).

Prior to submitting your disclosure statement, make sure:

- All your transactions have been entered into C-SMART.
- Your State BOE Filer ID and PIN are on hand.
- You have reviewed a draft of your disclosure statement for accuracy.

### New York State BOE Filing

C-SMART also creates your State BOE disclosure statement as a file on your computer. You can either attach and email this file to the State BOE at [efsfiling@elections.ny.gov](mailto:efsfiling@elections.ny.gov) (recommended) or copy the file to a disk, which must then be mailed to:

New York State Board of Elections  
40 North Pearl Street, Suite 5  
Albany, NY 12207

You may need to submit additional documentation to the State BOE. Visit [www.elections.ny.gov](http://www.elections.ny.gov) for guidance or call 1-800-458-3453.

## What Documentation Do I Submit with CFB Disclosure Statements?

You must submit backup documentation for contributions you claim for match, all bank records covering the disclosure period (including bank statements, itemized deposit slips, credit card and merchant account statements, if applicable), loan documentation, intermediary statements, a list of fundraising agents you used, and documentation for segregated bank account activity (if any) during the reporting period with each disclosure statement you submit to the CFB. The documentation you must submit for each type of transaction is described below, and guidance documents in the [Appendix](#) offer more information and examples. (See also [Chapter 2](#), which discusses the recordkeeping requirements for these transactions.) Backup documentation must be either scanned and uploaded directly into C-SMART, hand-delivered to the CFB by 5pm, or postmarked by the due date (if mailed). Simply placing the documentation in the mailbox will not guarantee a timely postmark. If your backup documentation is late, your



### COMPLIANCE ALERT

Your disclosure statement will be rejected if you do not submit backup documentation for your matching claims or if you fail to write the transaction ID number on the documentation.

entire filing will be considered late even if you submit the disclosure statement generated by C-SMART on time.

Submit copies of this documentation unless originals are specifically requested by the CFB. Write the transaction ID number on every piece of backup documentation.

### Backup Documentation for Matchable Contributions

You must submit backup documentation for every contribution you claim for match. See the chart below for backup documentation you must submit for each type of monetary contribution:

TYPE	BACKUP DOCUMENTATION
Check	Copy of check
Cash	Copy of contribution card
Money Order	Copy of contribution card and copy of money order
Credit Card	Credit card proof of processing and copy of contribution card, if required (see <a href="#">page 20</a> )

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**EXCEPTION!** Non-participants and limited participants are not required to submit backup documentation with disclosure statements because they are not claiming matching funds.

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### Bank Records

You must submit all bank records covering the disclosure period:

- ❖ Bank Statements (up to the most recent statement received). You must submit all pages of each bank statement, even if any pages are blank.
- ❖ Itemized deposit slips.
- ❖ Merchant Account statements (if accepting credit card contributions outside of NYC Votes Contribute).
- ❖ Credit card statements (if using a campaign credit card to make purchases).

If you wish to submit bank records electronically, follow the instructions in the [Electronic Submission of Campaign Documentation](#) guidance document.

## Loan Documentation

If you received any loans or made any loan repayments during the reporting period, you must submit the following documentation with your disclosure statement:

- ❖ Detailed loan agreement(s) (see [page 33](#)).
- ❖ Copies of the loan check(s).
- ❖ Copies of your repayment checks (front and back).

Loan documentation is required from all candidates, regardless whether they participate in the Program.

## Fundraising Agent Documentation

If your campaign used any fundraising agents you must submit a cover letter listing them with your disclosure statement. This information is required regardless whether you join the Program.

## Segregated Bank Account Documentation

If you opened a segregated bank account to avoid a deduction in your public funds payment (see [page 100](#)), you must submit copies of segregated bank account contribution cards and checks for contributions received during the reporting period. You will also submit copies of the bank statements you received for the segregated bank account during the reporting period.

## How Often Do I Submit Disclosure Statements?

You are required to file disclosure statements on scheduled dates throughout the election cycle (see chart below). In the out-year period, disclosure statements are submitted twice a year, in January and July. During the election year, the submissions are more frequent. Each reporting period ends four days before the disclosure statement due date. This four-day window gives you time to prepare, review, and submit your campaign's disclosure statement. It is a violation of the Act to submit a disclosure statement late. You could be subject to a penalty and your matching claims for that disclosure period could be invalidated.

Generally, you must file every disclosure statement once you register your campaign with the CFB. However, the following are exceptions to this requirement.

### Candidates Who Are Not in the Primary Election

If you are not on the ballot for the primary election, you are not seeking the benefit of a primary election spending limit (see [page 39](#), and you have not made a contribution to another candidate during the reporting period, you are not required to file the following primary election disclosure statements:

- ❖ Statement 10 (32 day pre-election)
- ❖ Statement 11 (11 day pre-election)
- ❖ Daily pre-election disclosure statements during the two weeks before the primary election
- ❖ Statement 12 (10 day post-election). (However, you must file Statement 12 timely if you wish to receive public funds for the general election on the earliest possible payment date.)

**DISCLOSURE STATEMENT DEADLINES—2017 ELECTION CYCLE\***

<b>Statement Number</b>	<b>Statement Due Date</b>	<b>Disclosure Period</b>
1	July 15, 2014	January 12, 2014–July 11, 2014
2	January 15, 2015	July 12, 2014–January 11, 2015
3	July 15, 2015	January 12, 2015–July 11, 2015
4	January 15, 2016	July 12, 2015–January 11, 2016
5	July 15, 2016	January 12, 2016–July 11, 2016
6	January 17, 2017	July 12, 2016–January 11, 2017
7 <sup>†</sup> (CFB only)	March 15, 2017	January 12, 2017–March 11, 2017
8 <sup>†</sup> (CFB only)	May 15, 2017	March 12, 2017–May 11, 2017
	<b>June 12, 2017</b>	<b>Certification Deadline</b>
9	July 17, 2017	May 12, 2017–July 11, 2017
10	August 11, 2017	July 12, 2017–August 7, 2017 (32 day pre-election)
11	September 1, 2017	August 8, 2017–August 28, 2017 (11 day pre-election)
Daily Pre-Election	DAILY	August 29, 2017–September 11, 2017
	<b>September 12, 2017</b>	<b>Primary Election</b>
12	September 22, 2017	August 29, 2017–September 18, 2017 (10 day post-election)
13	October 6, 2017	September 19, 2017–October 2, 2017 (32 day pre-election)
14	October 27, 2017	October 3, 2017–October 23, 2017 (11 day pre-election)
Daily Pre-Election	DAILY	October 24, 2017–November 6, 2017
	<b>November 7, 2017</b>	<b>General Election</b>
15	December 4, 2017	October 24, 2017–November 30, 2017 (27 day post-election)
16 <sup>‡</sup>	January 16, 2018	December 1, 2017–January 11, 2018

\* Please note that the election year calendar is subject to change.

<sup>†</sup> Disclosure statements 7 and 8 are only filed with the CFB. All other disclosure statements must be filed with **both** the CFB and New York State Board of Elections.

<sup>‡</sup> **All** candidates (those in the primary and/or general elections) must file the last disclosure statement of the 2017 election cycle on January 16, 2018.

You must disclose all contributions in the disclosure statement due immediately after the contributions are received. If contributions are not disclosed for the disclosure period in which they were received, they will not be matched with public funds.

You must also disclose all expenditures for the disclosure period in which the expenses are incurred.

## Candidates Who Are Not in the General Election

If you are not on the ballot for the general election and you have not made a contribution to another candidate during the reporting period, you are not required to file the following general election disclosure statements:

- ❖ Statement 13 (32 day pre-election)
- ❖ Statement 14 (11 day pre-election)
- ❖ Daily pre-election disclosure statements during the two weeks before the general election
- ❖ Statement 15 (27 day post-election)



### CONTACT US

Before you skip any filing, contact your CSU liaison.

## Daily Pre-Election Disclosure

During the two weeks before either a primary, general, or special election, you must disclose aggregate contributions or loans over \$1,000 from any single contributor or lender and aggregate expenditures to any single vendor over \$20,000 (whether paid or incurred) within 24 hours using the **Daily Pre-Election Disclosure Statement** filing option in C-SMART. Keep in mind that contributions include monetary or in-kind contributions, as well as forgiven bills, advances, or loans.



### C-SMART

During the two weeks before the election, enter contributions and loans as they are received and expenditures as they are incurred and paid. C-SMART will alert you if a transaction needs to be reported in a Daily Pre-Election Disclosure Statement. See the [C-SMART Help Contents](#) for specific instructions on how to file a Daily Pre-Election Disclosure Statement.

### Example: Contributions

Sophia for Council receives a \$600 contribution eight days before the primary election, a \$500 contribution from the same contributor five days before the election, and an additional \$100 contribution from the same contributor two days before the election. In this case, C-SMART will alert the campaign to submit a Daily Pre-Election Disclosure Statement to the CFB at the time of the second and third contributions. Note: The same would be true if the second or third contribution had been a loan instead because contributions and loans from a single source are aggregated for this requirement.

### Example: Expenditures

Sophia for Council contracts with ABC Printing for \$10,000 of literature during the two weeks before the primary election. Three days later (but still before the election), the campaign contracts with ABC Printing for another \$15,000 of literature. Since the total amount of expenditures the campaign contracted with ABC Printing during the two-week period before the election is now greater than \$20,000, C-SMART alerts the campaign that it must submit a Daily Pre-Election Disclosure Statement to the CFB no later than 24 hours after the second expenditure.

The State BOE also requires similar 24-hour notification of certain contributions and loans. If you receive a single contribution or loan in excess of \$1,000 during the daily pre-election disclosure period, you are required to file separately with the New York State Board of Elections (BOE). File using their 24 Notification Form. Unlike the daily pre-election disclosure statement with the CFB, you do not need to file the 24 Hour Notification Form with the BOE for any expenditures made during this two-week period. **Only contributions and loans over \$1,000 need to be disclosed to the BOE.** See the [State BOE](#) website for further information.

## Do I Always Have to File an Itemized Disclosure Statement?

Yes, unless your campaign registers with the CFB as a small campaign because you do not expect to ever raise or spend more than \$1,000.

### Registering as a Small Campaign

Registering as a small campaign is an option that is only available to campaigns who have not, in total to date, raised or spent more than \$1,000 and do not expect to ever do so.

If you meet this qualification, you may submit a [Small Campaign Registration Form](#) instead of a Filer Registration to the CFB. Once your campaign is registered as a small campaign, you are not required to submit disclosure statements to the CFB as long as you do not raise or spend more than \$1,000.

Find the [Small Campaign Registration Form](#) [here](#) or in the [Appendix](#).

After registering as a Small Campaign, if your campaign ever raises or spends more than the small campaign limit of \$1,000, you must submit a Filer Registration to the CFB and your next disclosure statement and all future disclosure statements must be itemized disclosure statements filed via C-SMART. The first itemized disclosure statement your campaign files must include all of your campaign's transactions—from the beginning of your campaign through the end of that reporting period. Even if your campaign registers as a small campaign, bank records may be requested pre-election or during the campaign's post-election audit.

### BOE filing for campaigns with limited activity

The BOE rules are different. Your campaign may be eligible to submit an In-Lieu-of Statement with either the City or State BOE, if neither your total receipts nor total expenditures exceed \$1,000 and you did not file an itemized disclosure statement previously. Candidates whose committees are registered with the State BOE (because they expect to eventually raise or spend more than \$1,000) may satisfy both their State and City BOE filing requirements by filing solely with the State BOE. For more information, contact the State BOE.



#### REMINDER

Contributions received while your campaign is registered as a small campaign will not be matched with public funds.



#### COMPLIANCE ALERT

Once you have filed an itemized disclosure statement with the CFB, you cannot register as a small campaign.

## What If I Have No Financial Activity in a Reporting Period?

Even if you have no financial activity in a given reporting period, you still must submit a disclosure statement to the CFB and State or City BOE. For candidates who have previously submitted an itemized disclosure statement using C-SMART, you must continue to use C-SMART to file all subsequent disclosure statements to the CFB. With the State or City BOE, you must submit a No-Activity Report for the given disclosure period, depending on your level of activity.

## What If I Terminate My Candidacy?

Once you have terminated your candidacy (or your candidacy has been terminated by the CFB because you are not on the ballot), you are no longer required to file disclosure statements with the CFB. You will, however, be bound by all other requirements of the Act and CFB Rules. You must continue to file with the State BOE until the committee is officially terminated with the State BOE. See [Chapter 1](#) for information on terminated candidacies and closing your committee.

## How Can I Avoid Disclosure Filing Problems?

- ❖ Review the Filing Day Checklist included in the Step-by-Step Guide to Filing Day to ensure that your filing is complete.
- ❖ Submit disclosure statements early in the four-day window, to give yourself time to correct any problems that may come up before the statement due date.
- ❖ If you submit documentation electronically, make sure to follow all the instructions in the [Electronic Submission of Campaign Documentation Guidance Document](#). If you mail documentation, get a dated receipt (and if possible, a tracking number) from the post office or delivery service.



# Pre-Election Audit Reviews

Pre-election audit reviews are done after each statement you file to identify potential violations and invalid matching claims.

## The Basics

- Pre-election audit reviews are your opportunity to correct potential problems with your compliance and your matching funds claims.
- Make sure you know your C-Access username and password and add [caccess-noreply@nyccfb.info](mailto:caccess-noreply@nyccfb.info) to your list of email contacts, so C-Access emails do not go to your spam folder.
- Your pre-election audit reviews will be posted to your C-Access account. You must use C-Access to obtain these documents.
- Closely follow the instructions when preparing your responses to Statement Reviews and Doing Business notifications, and provide any documentation requested. You may also need to file amendments using C-SMART.
- Always issue refunds using a bank or certified check using funds from your committee's bank account.
- Take action on these reviews by the stated deadline! Failing to do so can lead to higher penalties and/or loss of matching funds.
- Keep a copy of your Statement Review response for your records.
- See more detailed information on [CFB Submission](#), [BOE Submission](#), [Upload Documentation \(Bulk\)](#), [Reports](#), and [Letters](#) in C-SMART.

## What is a Statement Review?

A **Statement Review** is issued after the CFB reviews each of your disclosure statements. It details findings of non-compliance in the most recent statement and may include unresolved issues from past disclosure statements. If you are seeking public matching funds, it also provides a list of matching claims found to be invalid and the reason. Statement Reviews are always posted to your [C-Access](#) account.

Many of the issues that the CFB uncovers during the statement review process can be avoided by careful entry of data into C-SMART. C-SMART displays alerts whenever you try to save transactions in violation of the law, or save incomplete records.



### REMINDER

When a Statement Review is posted to your campaign's C-Access account, the candidate and treasurer will receive an email from [caccess-noreply@nyccfb.info](mailto:caccess-noreply@nyccfb.info) informing them the Statement Review is available to view or download.

For example, if you try to save a name record with missing information, an alert will pop up. If you enter a contribution that exceeds the limit, an alert will pop up. Train your staff to pay attention to these alerts, and call CSU if they have questions about them. Careful attention to entering transactions in C-SMART will alert you to common findings that affect your ability to receive matching funds and/or lead to penalties.

## What is in a Statement Review?

A Statement Review will include some or all of the following:

- ❖ Cover letter with response deadline date
- ❖ Statement Review Checklist and Verification Statement
- ❖ Invalid Matching Claims (IMC) Report
- ❖ Statement Review Reports
- ❖ Candidate Threshold Status Report
- ❖ Statement Review Response Checklist

The most common elements included in a Statement Review are described below. Your Statement Review will only contain reports that apply to you. Additional information on how to respond is provided with each report.

### Cover Letter

- ❖ Describes the contents of the Statement Review.
- ❖ Provides contact information for an auditor who can help answer any questions you may have about a specific finding or transaction.
- ❖ States the deadline by which you must respond to the findings.

### Statement Review Checklist and Verification Statement

The Checklist and Verification Statement lists all the reports included in your Statement Review and must be completed and sent back to the CFB with your response. It provides space for you to indicate which reports you are addressing in your response, and requires the signature of the candidate or treasurer.

## SAMPLE STATEMENT REVIEW CHECKLIST AND VERIFICATION STATEMENT

<b>NEW YORK CITY CAMPAIGN FINANCE BOARD</b>	
<b>STATEMENT REVIEW CHECKLIST AND VERIFICATION STATEMENT</b>	
<p>Checked items in the 'Reports Sent by CFB' column are being sent to your campaign for a response. Please mark the 'Response Submitted' column for each finding to which you are responding and submit a copy of this checklist with your response. Please complete the information below and sign and date the verification at the bottom of this page.</p>	
Reports Sent by CFB	Response Submitted
1. Invalid Matching Claims	✓
2. Financial Disclosure Reporting Discrepancies	✓
3. Threshold Report (No Response Required)	✓
<p>List which disclosure statement(s) are being amended in response to this statement review (by statement number): #(s) <u>1, 4, 5</u></p>	
<p><u>Verification</u></p> <p>I understand that (a) intentionally or knowingly making a false statement or intentionally or knowingly violating any provision of the New York City Campaign Finance Act is a class A misdemeanor pursuant to Section 3-711(3) of the Act; (b) knowingly making a false written statement is a Class A misdemeanor pursuant to New York State Penal Law Section 210.45; and (c) knowingly offering false written information with the belief that it will become a part of the records of a public office and with the intent to defraud is a Class E felony pursuant to New York State Penal Law Section 175.35.</p> <p>I hereby verify that the information filed herewith is true and complete to the best of my knowledge, information, and belief.</p>	
<p><u>Sophia Rosario</u> Treasurer's or Candidate's Signature</p>	<p><u>Today's Date</u> Date Signed</p>

### Invalid Matching Claims (IMC) Report

As explained in [Chapter 4](#), all contributions claimed for match must be documented and reported properly. The IMC Report is a list of contributions preliminarily deemed invalid for match. Each transaction contains one or more invalid codes indicating the reason(s) why a contribution may not be valid for match. See [Invalid Matching Claims \(IMC\) Codes Guide](#) which contains a complete list of the IMC codes, including an explanation of the code and information on how to correct or dispute an invalid matching claim. Reports are separated by disclosure statement number. Each Statement Review will include IMC reports of past disclosure statements showing claims which remain invalid.

## SAMPLE INVALID MATCHING CLAIM

<b>Transaction ID:</b> R0008897 <b>Contributor:</b> Sampson, Winifred <b>Address:</b> 73-06 Woodside Avenue <b>Occupation:</b> Teacher <b>Employer:</b> NYC DOE <b>Employer Address:</b> 35-01 Union Street	<b>Type:</b> Check <b>Amount:</b> \$175.00 <b>Match Amt:</b> \$175 <b>Rcvd Date:</b> 11/26/2016	<b>Campaign Response</b> <b>Check Appropriate Box(es)</b>  <b>Documentation Submitted</b> <input type="checkbox"/> <b>Transaction Modified</b> <input type="checkbox"/> <b>Matching Claim Withdrawn</b> <input type="checkbox"/> <b>Transaction Deleted</b> <input type="checkbox"/> New Transaction ID: _____  <b>Other Response/Explanation:</b>
<b>Invalid Codes</b> SRC-9 - Address Verification (AVS) Failed or AVS Not Performed		<b>Response Inadequate</b> <input type="checkbox"/>

To address this contribution, check the box(es) that describe the action(s) taken to respond.

Provides the reason why a transaction was invalidated.

Record any written response or explanation in this space.

Box will be checked in cases where a response has been submitted, but more information or documentation is needed.

To respond to an invalid matching claim:

- ❖ Check the box(es) that describes the action(s) you have taken. You may need to provide an explanation in the space provided.
- ❖ Submit the IMC Report with boxes checked, responses written in the appropriate fields, and required documentation, e.g., copy of a complete and signed contribution card.
- ❖ Submit amendment(s) to your disclosure statement(s) if your response requires you to modify, delete, or withdraw a matching claim using C-SMART.

To make a contribution eligible for match, you must address every invalid code for that contribution.

Some invalid matching claims cannot be corrected because the contribution simply does not meet the requirements. For example, a contribution from a Connecticut resident will never be matched because only contributions from New York City residents are eligible for public matching funds (see [page 93](#)).

If you agree that a claim does not meet the requirements for match, withdraw the matching claim for the transaction by changing the Matching Amount field in C-SMART to zero (\$0), submit an amendment for the statement and indicate you are withdrawing the claim by checking the “Claim Withdrawn” box on the IMC Report.

While you are not required to respond to all IMCs by the statement review response deadline, you are encouraged to respond to as many as possible. Any unresolved invalid claims will appear again in the next Statement Review.



### REMINDER

To respond to some findings, you may have to modify transactions in C-SMART and submit amendments to your previously filed disclosure statement(s). Do not run these amendments until you have made all the required changes in C-SMART (this is discussed later in the chapter).

## Prohibited Contributions

Your campaign will receive Prohibited Contributions reports corresponding to any contribution(s) your campaign received from a prohibited source: corporations, PCs, LLCs, LLPs, partnerships, and unregistered political committees (see [page 11](#)). If you accepted a prohibited contribution, you must do the following by the statement review response deadline:

- ❖ Refund the prohibited contribution using a bank or certified check drawn from your committee's bank account.
- ❖ Enter the details of the refund in C-SMART.
- ❖ Make a copy of the bank or certified check and write the transaction ID of the refund on the documentation.
- ❖ Submit a copy of the refund check to the CFB as part of your response.

If you dispute the finding that a contribution is prohibited:

- ❖ Write a detailed explanation directly on the report.
- ❖ Provide documentation to support your claim.
- ❖ Return the report to the CFB.

Contributions that are from prohibited sources cannot be successfully disputed and must be returned.



**C-SMART**

Refunds entered in C-SMART will appear on your campaign's next disclosure statement; you will not need to submit an amendment.

### Example

Sophia for Council discloses a \$500 contribution as being from an individual, Manuel Rodriguez. The campaign fails to notice that the contribution check says "Manny's Auto Shop," which is the account for Manuel's incorporated business. During the statement review, the CFB flags this contribution as prohibited on the Prohibited Contributions Report. Because the funds were drawn on a corporate account, this finding cannot be successfully disputed.

Sophia for Council refunds the contribution promptly, enters the refund in C-SMART, and notes this on the report, which it returns as part of its Statement Review response along with a copy of the refund check.

## Aggregate Contributions Over-the-Limit

If the total amount of contributions you accepted from a single entity exceeds the contribution limit for your office sought, you will receive an Aggregate Contributions Over-the-Limit Report listing the contributions in question.

You must do the following by the deadline:

- ❖ Refund the over-the-limit contribution using a bank or certified check with funds drawn from your committee's bank account.
- ❖ Enter the details of the refund in C-SMART.
- ❖ Make a copy of the bank or certified check and write the transaction ID on the documentation.
- ❖ Submit a copy of the refund check to the CFB as part of your response.

If you dispute the finding that a contribution is over-the-limit:

- ❖ Write a detailed explanation directly on the report.
- ❖ Provide documentation to support your claim.
- ❖ Return the report to the CFB.

### Example

Sophia for Council reports a \$1,500 contribution from Mike Johnson in Queens and a \$1,500 contribution from Michael Johnson in Queens. Both contributions come from the same zip code but the second one is missing the street address. Based on the similarity of the names and addresses, these two contributions are aggregated by the CFB as being from the same contributor, and the Aggregate Contributions Over the Limit report indicates that the 2nd contribution puts this contributor \$250 over the contribution limit, which must be refunded.

Sophia for Council successfully disputes this finding by:

- obtaining a letter from Michael Johnson showing his street address is different from Mike Johnson's and affirming that he is not Mike Johnson.
- updating C-SMART with the complete address and submitting an amendment.
- including a copy of Michael Johnson's letter with the campaign's Statement Review response.

If you declared the office sought on your campaign's Filer Registration or Certification, your contribution limit review will be based on the actual contribution limit for that office (see [page 11](#)). If you are undeclared, the CFB will base its review on the citywide office limit of \$4,950. If you accepted contributions for the limit of a higher office (e.g., citywide or borough president) and then run for lower office (e.g., City Council), in order to avoid findings of violation or penalties, you must refund the overage for each over-the-limit contribution at the time you declare which office you are seeking.

## Example

Sophia for Council registered with the CFB as undeclared and accepted contributions at the borough president level of \$3,850 for regular contributions. In the election year, the candidate amended her registration with the CFB to declare her office sought as City Council. The campaign immediately refunded contributions over the City Council contribution limit(s) using certified checks, entered the details of each refund in C-SMART, and submitted copies of the refund checks to the CFB.

Accepting any prohibited or over-the-limit contributions is a violation subject to penalty. If you make a refund by the response deadline, the penalty will likely be lower. If you are unable to return a prohibited or over-the-limit contribution to the contributor (e.g., the contributor moved without providing a forwarding address), you may pay the refund amount to the Public Fund by the statement review response deadline (make checks payable to “**New York City Election Campaign Finance Fund**”).



### COMPLIANCE ALERT

Participants will not be eligible to receive public funds until all prohibited or over-the-limit contributions have been refunded.

## Suspected Intermediaries

You will receive a Suspected Intermediaries report if patterns in your contributions suggest some contributions may have been intermediated, and no intermediary was reported. If any of the contributions on the report were delivered or solicited by an intermediary, you must:

- ❖ Update C-SMART to indicate which contribution(s) were delivered or solicited by an intermediary.
- ❖ Write the action(s) you are taking directly on the report.
- ❖ Have the intermediary complete an [Intermediary Statement](#) and submit a copy with your response.
- ❖ Submit amendment(s) to your disclosure statement(s).
- ❖ Return the report to the CFB.

If contributions listed on the report were not delivered or solicited by an intermediary, you must:

- ❖ Write a detailed explanation on the report describing how the contributions were received.
- ❖ Provide documentation to support your claim.
- ❖ Return the report to the CFB.

## Missing Employer Information

The Missing Employer Information report lists contributors who gave over \$99 whose employment information is missing or incomplete in your campaign’s reporting.

### SAMPLE MISSING EMPLOYER INFORMATION REPORT

**New York City Campaign Finance Board**  
**Campaign Finance Information System**  
**Missing Employer Information (only transactions > \$99 )**

Page 1 of 1

**INSTRUCTIONS:** This report lists contributions greater than \$99, by statement and transaction ID, for which you have not reported complete employment information. Please amend your disclosure statement to report the information and indicate in the right column which transactions have been modified.

Election: 2017  
Candidate: Rosario, Sophia (ID:1389-UN)  
Office: 5 (City Council)

Contributions missing all or some employment info. =  $\frac{10}{25} = 40.00\%$  of transactions are lacking complete employment info

						Check Appropriate Box(es)
Trans ID: R0000115	Comm: H	StmntSch: 1ABC	Rcvd Date: 01/13/2014	Amount: \$500.00		<input type="checkbox"/> Transaction Modified <input type="checkbox"/> Other Response
Contributor:		Employer:		Match Amt: \$0		Provide Other Response \ Explanation:
Holmes, Anne		Name: [REDACTED]		Prev Amt: \$0.00		
298 Smith Street		Street No.: [REDACTED] Name: [REDACTED]		Cont.Type: Ind		
Brooklyn NY, 11201		City: [REDACTED] State: [REDACTED]		Instr Code: Check		
Interm ID:		Occ: [REDACTED]		Check #: 3456		

The shaded fields in the sample indicate what information is missing from your disclosure. In order to respond:

- ❖ Review the contribution cards for the contributor’s employment information. If the information is not available, contact the contributor to obtain the information by phone, email, or letter.
- ❖ Once you receive the employment information, add it to the contributor’s existing name record in C-SMART.
- ❖ Submit amendment(s) to your disclosure statement(s).

*If you collect employment information from every contributor and enter in C-SMART, you can avoid receiving this report.*

**Example**

Joe Smith gave Sophia for Council a \$50 contribution. On the contribution card, Joe did not provide his employment information. At a later date, Joe gave the campaign an additional \$75 contribution. Because Joe’s contributions exceed \$99, the campaign must obtain and disclose Joe’s employment information.



## Expenditures Over-the-Limit

This report details the amount by which your campaign appears to have exceeded the spending limit based on your campaign's reporting. It is sent if the CFB believes your campaign may have violated the expenditure limit for either the primary or general election (see [page 38](#)). You may also receive this report as a warning if your campaign reports spending 75% or more of the applicable spending limit.

If you believe this finding is in error, you must provide an explanation and documentation. The report may contain expenditures attributed from a different period (i.e., out-year) to the spending limit of either the primary or general election. You can address an attributed expenditure by explaining or submitting documentation as to why the transaction should not be attributed to the primary or general election and count against that limit. If your campaign claimed any exempt expenditures, you must provide the CFB with documentation detailing how the expenditures meet the criteria (see [page 42](#)).

You must respond to this finding by the statement review response deadline. Exceeding the expenditure limit is a violation subject to penalty. Candidates who have exceeded the spending limit will not be eligible to receive any public funds (see [page 38](#)).

## Candidate Threshold Status

The Candidate Threshold Status report shows your campaign's progress toward reaching the two-part threshold requirement for receiving matching funds (see [page 95](#)). The threshold number and dollar amount reflect your campaign's valid matchable contributions at the time the report was prepared. This report is for informational purposes only, and does not require a response.

Note: If you have not declared the office sought, the CFB cannot determine how many residents count for threshold purposes and "N/A" will be indicated as the threshold number on the report.

## Campaign Response Checklist

At the end of your Statement Review package, you will find a Statement Review Response Checklist which is just for your use. It contains reminders to help ensure your response is complete.

## What Should I Include in My Statement Review Response?

A complete response to your Statement Review must contain a paper response and typically will include amendments to your disclosure statements filed using C-SMART.

On paper:

- ◆ Statement Review Checklist and Verification Statement signed and dated by the candidate or treasurer.



C-Access

For the most up-to-date information on your campaign's threshold status, check C-Access!



### COMPLIANCE ALERT

If you disagree with a Statement Review finding, you should write an explanation directly on the report and include documentation to support your argument.

- ❖ Each report that was included in your Statement Review, with additional information and/or explanations written on each report.
- ❖ Supporting documentation (including copies of contribution cards or checks, refund checks, intermediary statements, etc., with the transaction ID number written on each piece of documentation).

Via C-SMART:

- ❖ Amendments to your disclosure statement(s), after you have made all the required changes in C-SMART. Because you may have made changes to transactions in more than one reporting period, you should run the Modified Statements Report in C-SMART to find out which disclosure statements you must amend with the CFB and State BOE.



### COMPLIANCE ALERT

Whenever you file amendments with the CFB, you must also submit amendments to the State BOE.

On or before the response deadline, deliver by hand, submit electronically, or send by mail your Statement Review response to the CFB, and submit amendments to the CFB and the State BOE. If the Statement Review response is due close to a public funds payment date, we strongly suggest you hand deliver your response to the CFB. Mailed responses may not be received by the CFB in time for review before the payment.

## What is the Doing Business Notification?

Individuals who are doing business with the city have lower contribution limits and their contributions cannot be matched with public funds (see [page 12](#)). These individuals are listed in the [Doing Business Database \(DBDB\)](#). After you file a disclosure statement, the CFB reviews your campaign's contributions to ensure compliance with the "doing business" law and will issue a Doing Business Notification if you have contributions from individuals listed in the DBDB that exceed the doing business contribution limit. This notification is issued within 20 calendar days of your disclosure statement filing and posted to your [C-Access](#) account. The candidate and treasurer receive an email from [caccess-noreply@nyccfb.info](mailto:caccess-noreply@nyccfb.info) when a Doing Business Notification is available to view or download. You have 20 days to respond.

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**EXCEPTION!** During the six-week period before the primary or general election, the CFB has 3 business days to notify your campaign of any contributions over the doing business limit. However, your campaign still has 20 days to respond.

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If you declared which office you are seeking on your campaign's Filer Registration or Certification, the Doing Business Notification will be based on the limit for your declared office.

If you are undeclared, the Doing Business Notification will be based on the lowest doing business contribution limit, which is \$250 (the limit applicable to City Council candidates).

## How Do I Respond to a Doing Business Notification?

If you receive a Doing Business Notification, within 20 days, you must:

- ❖ Refund the over-the-limit portion of the contribution using a bank or certified check drawn from your committee's bank account.
- ❖ Enter the refund in C-SMART.
- ❖ Make a copy of the bank or certified check and write the transaction ID number of the refund on it.
- ❖ Submit the copy to the CFB along with your response.



### COMPLIANCE ALERT

Accepting a contribution over the Doing Business limit is not a violation as long as the over-the-limit portion is refunded by the deadline date on the notification. No extensions will be granted.

As noted above, the CFB bases its review for undeclared candidates on the lowest doing business limit. If you are undeclared but currently intend to run for an office other than City Council, and thus are accepting doing business contributions at that office's limit, you may respond to the notification by explaining this in writing, while refunding any amount over the limit for the office you intend to seek. However, to meet its notification deadline, the CFB will continue to notify you based on the lower limit. If you declare for a lower office, you will have only 20 days to refund the difference between the higher and lower office limits.

If you don't believe a contributor listed in your Doing Business Notification should be subject to the doing business limit, either because they are not the individual listed in the DBDB or they should not be listed in the DBDB:

- ❖ Provide a written explanation of why you are contesting the finding.
- ❖ If the contributor is not the individual listed in the DBDB, provide a written statement from the contributor to that effect.
- ❖ If the contributor is the individual listed in the DBDB but feels they are listed in error, the contributor can apply for removal but that will take more than 20 days. Refund the contribution to avoid a violation.



### REMINDER

Contributors can apply for removal from the DBDB by contacting the Doing Business Accountability Project of the Mayor's Office of Contract Services at (212) 788-8104 or [DoingBusiness@cityhall.nyc.gov](mailto:DoingBusiness@cityhall.nyc.gov).

If the contributor in dispute does turn out to be "doing business" with the city and the contribution was not refunded by the 20-day deadline, a penalty may be assessed. Respond early enough to meet the refund deadline.

You can submit your response via:

- ❖ Email to [CFBDoingBusiness@nyccfb.info](mailto:CFBDoingBusiness@nyccfb.info)
- ❖ Hand delivery to the CFB office

Always be sure to identify your candidate and committee in any correspondence. Additional information on how to respond is provided in your Doing Business Notification.



# Election Year and Public Funds

This chapter covers what you need to know about the requirements during the election year and how to qualify for public funds.

## The Basics

- ◆ Submit disclosure statements more frequently.
- ◆ Attend mandatory compliance and C-SMART trainings, if you have not already done so.
- ◆ Monitor your budget and spending to avoid exceeding the primary and/or general election spending limits.
- ◆ Organize all records so you are ready for potential election year documentation requests.
- ◆ Check C-Access frequently for important notices.
- ◆ See more detailed information on [Upload Documentation \(Bulk\)](#), [CFB Submission Reports](#), and [Names](#) in C-SMART.

## Do My Disclosure Statement Filing Requirements Change?

Yes. During the election year, you will file disclosure statements on a more frequent basis with both the CFB and State BOE although the contents of the disclosure statements stay the same.

Candidates who are only on the ballot for the primary election must file:

- ◆ Disclosure statements 6–12 and 16
- ◆ Daily pre-election disclosure statements two weeks prior to the primary election

Candidates who are only on the ballot for the general election must file:

- ◆ Disclosure statements 6–9 and 13–16
- ◆ Daily pre-election disclosure statements two weeks prior to the general election

Candidates who are on the ballot for both the primary and general elections must file:

- ◆ All disclosure statements
- ◆ Daily pre-election disclosure statements for both the primary and general elections



### COMPLIANCE ALERT

Under certain circumstances, you may have to file primary or general election disclosure statements even if you are not on the ballot for one of those elections (see [page 74](#)).

## How Do I Become Eligible for Public Matching Funds?

Candidates for New York City public offices who join the Program and meet the requirements can qualify to receive public matching funds at a rate of \$6 in public funds for every matchable dollar raised.

Requirements:

- ❖ Be in compliance with the Act and Rules, including the filing of all disclosure statements
- ❖ Meet a two-part **threshold**
- ❖ Submit a **Certification** form by the deadline—**June 12, 2017** (for the 2017 election cycle)
- ❖ Be on the ballot and be opposed by another candidate on the ballot
- ❖ Repay any public funds and/or penalties owed to the CFB from a previous election (if applicable)
- ❖ File a personal financial disclosure report with the [New York City Conflicts of Interest Board \(COIB\)](#) by the deadline date to submit petitions and confirm compliance with the COIB by July 31, 2017 (for the 2017 election cycle).

You will not be eligible to receive public funds if any of the following occurs:

- ❖ If you fail to meet any of the requirements above
- ❖ You endorse or publicly support your opponent
- ❖ The documentation submitted to support your matching claims contains a substantial percentage (20% or higher) of documentation errors (i.e. invalid matching codes)
- ❖ You fail to disclose employment information for a substantial percentage (25% or higher) of your contributors.

### Be in Compliance

You must be in compliance with the Act and Rules throughout the election cycle.

To ensure your campaign is in full compliance, you must:

- ❖ File complete and timely disclosure statements and provide all required bank records covering the disclosure period with each filing.
- ❖ Actively screen for over-the-limit and prohibited contributions before entering them in C-SMART and before depositing them into your committee's bank account.
- ❖ Promptly return any mistakenly accepted over-the-limit and prohibited contributions to the contributor using a bank or certified check.
- ❖ Actively monitor spending to ensure your campaign makes only campaign-related expenditures and stays within the spending limits.
- ❖ Fully report all transactions.
- ❖ Check [C-Access](#) frequently to review and respond to notices.



**C-Access**

Starting in July of the election year, in addition to regular Statement Reviews, C-Access will be used to communicate findings that affect your eligibility for public funds and require an immediate response.

- ❖ Submit documentation to the CFB upon request.
- ❖ Not owe penalties or public funds from a previous election.

## Compliance Visits

The CFB may conduct a compliance visit in addition to reviewing your campaign's disclosure statements and sending notices via C-Access. A **compliance visit** is an on-site review of your documents, recordkeeping, and procedures. An auditor and your CSU liaison may visit your campaign headquarters or the location where you keep campaign records and use C-SMART. It is an opportunity for you to have a one-on-one conversation with your auditor and your CSU liaison about any questions and concerns you may have about compliance.

Compliance visits usually take place after the Certification deadline and before your campaign receives its first public funds payment. You will receive a notice to schedule a date and time for the visit and how to prepare for it.

In general, you need to demonstrate that your campaign has adequate financial controls in place. Your treasurer and/or campaign manager should be prepared to explain the nature of these controls during the visit.

Check [C-Access](#) frequently after your compliance visit because the CFB may have questions and findings. Some findings or violations could prevent a public funds payment and/or require an immediate response by the due date indicated in the letter.

## Meet Threshold

In order to qualify for public funds, your campaign must demonstrate it has at least a minimal level of financial support from your community. This is accomplished by meeting a two-part **threshold**:

- ❖ **Dollar Amount:** Collect the required amount of money in valid matchable contributions from individual New York City residents. Only the first \$175 of an individual's total monetary contribution(s) counts toward threshold.
- ❖ **Number of Contributors:** Collect the required number of matchable contributions of \$10 or more from individuals who reside in the area you seek to represent. (You can accept contributions from outside this area, but they will not count toward this part of the threshold.)

**Matchable contributions** are monetary contributions from individual New York City residents. Once your campaign meets the two-part threshold, you can receive \$6 in public funds for every matchable dollar raised up to \$175 per contributor resulting in \$1,050 in matching funds per contributor.

For money order contributions, only the first \$100 will be eligible for match, although you can receive money order contributions up to the contribution limit.

Because you can only receive up to \$100 in cash from a contributor only the first \$100 will be eligible for match.



## CONTACT US

If you owe penalties or have a public funds repayment obligation from a previous election, contact the CFB Legal Unit at (212) 409-1800 and speak with a staff attorney.



## REMINDER

Contributions you want to claim for match must be reported in the same reporting period in which they were received. You must also submit backup documentation for each of these contributions (see [page 72](#)).

Non-matchable contributions include:

- ❖ Contributions from non-New York City residents
- ❖ Contributions from or intermediated by individuals doing business with the City
- ❖ Contributions from one-time employees or vendors of your campaign
- ❖ Contributions from minors (individuals under 18)
- ❖ Contributions from entities such as registered political committees, unions, and sole proprietorships
- ❖ Contributions received after December 31 of the election year
- ❖ In-kind contributions

Also, a contribution is not matchable if it is in the form of:

- ❖ The purchase price paid for an item with significant intrinsic and enduring value (i.e., such as a good or service provided by the campaign).
- ❖ The purchase price paid for or otherwise induced by a chance to participate in a raffle, lottery or similar drawing for valuable prizes.

If a contributor is essentially getting back his/her money in the form of a valuable good, service, or opportunity to win such a good or service, the contribution cannot be matched with public funds.

The following goods and services that are frequently offered by campaigns to would-be contributors in the normal context of the campaign are not considered valuable and do not prevent a contribution from being matchable:

- ❖ Limited food and beverages
- ❖ Limited musical or other entertainment
- ❖ Campaign literature
- ❖ Campaign buttons
- ❖ Campaign t-shirts
- ❖ Other campaign paraphernalia



### COMPLIANCE ALERT

Contributions from individual New York City residents that are claimed for match may be deemed invalid if they are not properly reported, documented, or are not otherwise in compliance with the Act or Board Rules.



### COMPLIANCE ALERT

Paying contributors to work on your campaign makes their contributions invalid for match. This can result in your campaign losing threshold status and being required to repay all public funds received.



### C-SMART

City Council Candidates:  
C-SMART verifies in-district contributors to help track your progress toward meeting threshold.



### CONTACT US

Call CSU before holding a fundraising event that might raise concerns about whether contributions received at the event will be considered matchable.



### REMINDER

You will receive a Threshold Report and an Invalid Matching Claims Report in your statement review (see [Chapter 5](#)).



The total amount of matchable contributions you must raise and the number of contributions you must collect to meet threshold vary by office. Strive to exceed the minimum because some matching claims may be invalidated!

### THRESHOLD REQUIREMENTS

OFFICE	DOLLAR AMOUNT	NUMBER OF CONTRIBUTORS (\$10 or more)
Mayor	\$ 250,000	1,000 New York City residents
Public Advocate & Comptroller	\$ 125,000	500 New York City residents
Borough President*		
Bronx	\$ 27,702	100 Bronx residents
Brooklyn	\$ 50,094	100 Brooklyn residents
Manhattan	\$ 31,717	100 Manhattan residents
Queens	\$ 44,614	100 Queens residents
Staten Island	\$ 10,000	100 Staten Island residents
City Council	\$ 5,000	75 Council district residents
* The dollar amount threshold for borough president candidates is based on the population of the borough.		

## Example

Consider the chart below illustrating Sophia for Council’s progress toward meeting threshold. Sophia Rosario is running for City Council, so she must collect at least 75 matchable contributions of \$10 or more from individuals living within her district. She must also raise at least \$5,000 in matchable contributions, which can come from any New York City resident (not just residents of her district). These contributions must be documented and reported properly to the CFB to count toward threshold.

Type Of Contributor	Contribution Type	Contribution Amount	Matchable?	THRESHOLD	
				Part 1: Matchable Dollar Amount	Part 2: In-District Contributor?
NYC Resident—In District	Check	\$1,000	Y	\$175	Y
NYC Resident—Out of District	Money Order	\$175	Y	\$100	N
Registered PAC	Check	\$2,750	N	\$0	N
Long Island Resident	Cash	\$20	N	\$0	N
NYC Resident—Doing Business	Credit Card	\$50	N	\$0	N
NYC Resident—In District	Check	\$2,750	Y	\$175	Y
NYC Resident—In District	Cash	\$50	Y	\$50	Y
NYC Resident—In District	Cash	\$5	Y	\$5	N
NYC Resident—Individual vendor to the campaign	Check	\$500	N	\$0	N
NYC Resident—Out of District	Check	\$200	Y	\$175	N
<b>Totals</b>		<b>\$7,500</b>		<b>\$680</b>	<b>3</b>

So far, Sophia for Council has raised a total of \$7,500. However, only \$680 counts toward the dollar amount threshold requirement because only valid matching claims up to \$175 per contributor count toward the threshold, not the campaign’s total contributions received. Therefore, Sophia for Council is \$4,320 short of the \$5,000 minimum.

In addition, only four of her contributors live in her district and one of them only contributed just \$5, which means she only has three in-district contributions that count toward the 75 district residents required to meet threshold.

Sophia will need to receive more matchable contributions, especially from residents within her district, in order to qualify for matching funds.

## Submit a Certification Form

In order to join the Program, you must file a Certification form by the deadline date of **June 12, 2017** (for the 2017 election cycle) to become a participant. By submitting this form, you agree to abide by the Program's rules and requirements.

Participating candidates accept responsibility for financial control over their campaigns. Both the candidate and the treasurer agree, among other things, to:

- ❖ Read, understand, and follow the requirements of the Act and Board Rules.
- ❖ Authorize only one committee designated on the Certification for the covered election.
- ❖ Accept legal notices to the home addresses listed on the Certification and promptly notify the CFB of any changes to the contact information by amending the Certification.

If you registered with the CFB by submitting a Filer Registration, you must still submit a Certification to join the Program. The Certification will be available in the election year on the CFB's website, and your CSU liaison will alert you when the form is available.

When completing the Certification, remember:

- ❖ The Certification must have the original, notarized signatures of both the candidate and treasurer, who must also initial each verification.
- ❖ It must be complete and legible, otherwise it will not be accepted by the CFB. The Certification is available as a fillable form on the CFB's website, so you can fill it out and save it on your computer.
- ❖ You need to provide the names and contact information of any individuals working on your campaign who may contact the CFB with questions. For your protection, CFB staff will only respond to inquiries about your campaign from persons listed on your Certification.
- ❖ You must submit the form to the CFB by mail or hand delivery.

We recommend you hand deliver your Certification to the CFB. Your CSU liaison will review it to make sure it is complete and give you a delivery receipt. If you mail the Certification, it must be postmarked on or before the deadline date. Keep a copy of your completed Certification for your records.



### REMINDER

Both the candidate and treasurer are subject to the requirements of the Act and Board Rules. They may be held jointly and severally liable for any penalties assessed against the campaign.



### COMPLIANCE ALERT

If you submit your Certification after the legally mandated deadline or it is considered incomplete or illegible, you will not be a participant in the Program and you will not be eligible to receive public matching funds.

*If you mail the Certification, get a dated receipt (and, if possible, a tracking number) from the post office or delivery service provider. Again, if the form is incomplete or illegible, it could be rejected.*

## Be on the Ballot and Opposed By Another Candidate on the Ballot

Candidates must be on the ballot and opposed by another candidate on the ballot to be eligible for public matching funds. If the New York City BOE does not list you as being on the ballot for either the primary or general election, your campaign will not receive public matching funds for that election.

- ❖ If the City BOE disqualifies you from the ballot, your campaign will not receive public matching funds.
- ❖ If you appeal the disqualification, you must notify the CFB in writing of any attempts to get back on the ballot and if the disqualification is reversed.
- ❖ If you end your candidacy after being removed from the ballot, see [page 7](#) for information on how to terminate your campaign.

If the City BOE disqualifies all of your opponents from the ballot:

- ❖ Your campaign will not receive public funds.
- ❖ You must notify the CFB in writing if any of your opponents' disqualifications were reversed on appeal and your campaign seeks public funds.

If you were temporarily on the ballot with opposition but were subsequently disqualified from the ballot, or if all of your opponents were disqualified from the ballot:

- ❖ You may submit a petition to the CFB for public funds covering expenses incurred during the period in which you or your opponent(s) were on the ballot. The deadline for this written petition is 30 days after the date you or your opponent(s) were finally disqualified.

**Write-in candidates** (whose names do not appear on the ballot but for whom voters can vote by writing in their name on the ballot) are not eligible to receive public funds, nor can a candidate on the ballot receive public funds if his/her only opposition are write-in candidates.

## COIB Compliance

All candidates must submit a personal financial disclosure report to the [New York City Conflicts of Interest Board](#) (COIB). The purpose of the financial disclosure law is to provide accountability on the part of public servants, and to help ensure there are no conflicts between a public servant's official and private interests. The deadline to file the report with the COIB is the same as the deadline for filing designating petitions.

You must ensure you are in compliance with the COIB requirements by July 31, 2017 (for the 2017 election cycle) in order to receive public funds.

For questions about the financial disclosure report, contact the COIB at (212) 442-1400 or visit their [website](#).

## How Much Public Funds Are Campaigns Eligible to Receive?

The maximum amount of public funds your campaign can receive is equal to 55% of the applicable [spending limit](#) for the office you are seeking. The table below shows the maximum public funds for each office.

### MAXIMUM PUBLIC FUNDS PAYMENTS (PER ELECTION—PRIMARY AND/OR GENERAL)

MAYOR	PUBLIC ADVOCATE	COMPTROLLER	BOROUGH PRESIDENT	CITY COUNCIL
\$3,832,950	\$2,396,350	\$2,396,350	\$862,950	\$100,100
The Program matches each dollar a NYC resident gives, up to \$175, with six dollars in public funds, for a maximum of \$1,050 in public funds per contributor.				

### Public Funds May Be Capped

Even if you are eligible for the maximum amount of public funds based on your valid matching claims, you will be capped at 25% of the maximum if you are not running in a primary or special election for an open seat (an office for which no incumbent is seeking reelection). You can request to have this cap lifted by submitting a signed Certified Statement of Need attesting to the need and the reason(s) for additional public funds. This request must be made by the [filing deadline](#) for the disclosure statement preceding the anticipated payment date. In addition to the Statement of Need, you must also submit documentation demonstrating the existence of certain condition(s) and criteria detailed in the Certified Statement of Need for Additional Public Funds found on the CFB's website.

### Public Funds Withholding

The CFB will withhold:

- ◆ 5% of your eligible public funds payment until the last pre-election public funds payment date.
- ◆ The over-the-limit portion of any Doing Business contribution not refunded within 20 days of your Doing Business notification. The withholding is removed by refunding the over-the-limit portion and documenting it to the CFB. It will still be considered a violation subject to penalty because you did not refund it by the deadline date in your Doing Business notification.



#### COMPLIANCE ALERT

After receiving public funds, you may not return or refund a contribution, unless directed by the CFB to do so, unless the contribution exceeds the contribution limit, is otherwise illegal, or is returned because of the particular source involved.

## Suspension of Public Funds Payments

Certain violations may result in the suspension of public funds payments. Such violations include, but are not limited to:

- ❖ Failing to file a complete and timely disclosure statement.
- ❖ Accepting prohibited contributions.
- ❖ Exceeding the contribution or expenditure limits.
- ❖ Submission of fraudulent backup documentation or matching claims.



## REMINDER

Send the CFB a letter if you wish to decline public funds.

## Deductions from Payments

The total amount of public funds payable to your campaign will be reduced by the following (also known as Rule 5-01(n) deductions):

- ❖ Transfers or expenditures by your current committee to another committee controlled by the candidate that is not involved in the current election.
- ❖ Expenditures by your committee to pay expenses for or debt stemming from a previous election, including payments of penalties and public funds repayments.
- ❖ Expenditures made for the purpose of furthering your election to the position of Speaker of the City Council.
- ❖ Loans to, or spending for, other candidates or political clubs that are not reimbursed within 30 days (or by the date of the election, whichever is earlier), unless you can show the expenditure was made to a political party or political club (not another candidate) for a tangible item (such as the purchase of an advertisement in a fundraising journal) that directly promotes your candidacy.
- ❖ The amount of outstanding civil penalties assessed by the CFB as a result of your campaign's failure to comply with the Act and Rules during the current election.
- ❖ Contributions to political committees, unless the total amount of such contributions does not exceed:
  - \* \$10,000 if running for mayor, public advocate, comptroller.
  - \* \$5,000 if running for borough president.
  - \* \$3,000 if running for city council.
- ❖ Independent expenditures, unless the total amount of such expenditures does not exceed the amounts above.

Your total public funds payment will be reduced by the dollar amount of total deductions. This means your campaign loses one dollar in public funds for every dollar deduction covered by Rule 5-01(n), and if your campaign would have maxed out, you will receive less than the maximum based upon these deductions.

## Example

Sophia for Council contributes \$4,000 to Eileen for Mayor. Since Sophia for Council is a City Council campaign and the \$4,000 exceeds the \$3,000 maximum for City Council campaigns, Sophia for Council's public funds will be reduced by \$1,000 (the amount of the overage).

To avoid Rule 5-01(n) deductions, open a segregated bank account separate from your committee's bank account and make these types of expenditures from that account. See the [Segregated Bank Account Guidance Document](#) for information on opening, funding, and using a segregated bank account.

## When Do Campaigns Receive Public Funds?

There are four public funds payment dates for the primary election and four public fund payment dates for the general election.

For the primary election, the first public funds payment occurs after the City BOE's hearings on ballot petitions. The remaining three payments are made during the 30 day period before the primary. Two are based on matching claims filed in certain disclosure statements and are disbursed four business days after the disclosure statement deadline. An additional payment date is not directly linked to any disclosure statement and is for campaigns that have addressed or corrected invalid matching claims or have otherwise become eligible for (additional) public funds.

The first general election payment occurs four business days after disclosure statement 12 is due. If you are only in the general election but would like to qualify for the first general election public funds payment, you must submit statement 12.

View the [Public Funds Payment Schedule](#) on the CFB website for more information.



### CONTACT US

Segregated bank accounts are complicated and any funds remaining in the account must be returned to contributors by December 31st of the year following the election. Contact your CSU liaison for guidance.



### C-Access

A public funds determination letter will be posted to your [C-Access](#) account!



### COMPLIANCE ALERT

In order to receive a public funds payment within a four-day turnaround period, your disclosure statement and backup documentation must be filed with the CFB and accepted by close of business on the statement's due date (see [Chapter 4](#) to review the procedures for filing a disclosure statement).

*Receive your public funds via direct deposit. Attach a voided committee check to your Certification form where indicated.*

## What is a Qualified Expenditure?

Expenditures that can be paid for using public funds are called **qualified expenditures**. Only expenditures your campaign incurs in the election year (excluding post-election expenditures) to further your candidate's nomination or election may be considered qualified expenditures. Qualified expenditures may include, but are not limited to:

- ❖ Campaign office rent
- ❖ Television and radio advertisements
- ❖ Print advertisements
- ❖ Developing and maintaining a campaign website
- ❖ Campaign literature
- ❖ Fundraising
- ❖ Mailings
- ❖ Staff salaries
- ❖ Consultants

Receiving public funds is an enormous responsibility: you must be diligent in your reporting and recordkeeping because you must account for how you spend every public dollar your campaign receives. If you do not document enough qualified expenditures, your campaign will be required to return the undocumented portion to the Public Fund. Document your expenditures at the time each transaction occurs with detailed invoices, receipts, lease agreements, contracts, and time sheets, and enter them in C-SMART.

The CFB will determine which expenditures are qualified during your post-election audit based on the documentation you submit. With your campaign's post-election audit, you will have to:

- ❖ Demonstrate public funds were spent in accordance with the Act and Board Rules.
- ❖ Document qualified expenditures equal to or greater than the amount of public funds received.

See the examples of sufficiently and insufficiently detailed invoices. The sufficiently detailed invoice clearly describes the goods purchased and gives the quantity, the rate, and the total amount. The insufficiently detailed invoice does not contain enough detail nor is it addressed to the committee.



### REMINDER

Good recordkeeping is key to documenting your qualified expenditures. See [Chapter 3](#) for detailed expenditure recordkeeping requirements.

*After the election, once you have paid all liabilities, if there is any money left in your bank account(s) and you received public funds, your bank balance is considered public money and must be returned to the CFB (up to the amount of public funds received). This is true even if your campaign documents qualified expenditures equal to or greater than the amount of public funds your campaign received.*




### COMPLIANCE ALERT

Qualified expenditures must be paid for using a committee check, debit card, credit card, or as a single advance purchase of \$250 or more.



SAMPLE OF A SUFFICIENTLY DETAILED INVOICE

 <p>printing, inc. 223 Astoria Blvd. Astoria, NY 11102</p>			
Date:	[xx-xx-xx]		
Bill to:	Sophia for Council 78-42 Northern Blvd. Jackson Heights, NY 11372		
<b>Quantity</b>	<b>Description</b>	<b>Rate</b>	<b>Amount</b>
2,000	Invitations for Spring Fundraiser	\$2.00/piece	\$4,000.00
2,000	Envelopes for Invitations	\$0.03/piece	\$ 60.00
2,000	Postage for Invitations	\$0.45/piece	\$ 900.00
	Tax	8.875%	\$ 440.20
		<b>Total:</b>	<b>\$5,400.20</b>

SAMPLE OF AN INSUFFICIENTLY DETAILED INVOICE

 <p>printing, inc. 223 Astoria Blvd. Astoria, NY 11102</p>	
Bill to:	Sophia for Council 78-42 Northern Blvd. Jackson Heights, NY 11372
<b>Description</b>	<b>Amount</b>
Invitations, envelopes, and postage for Spring Fundraiser	\$5,400.20

Expenditures that cannot be paid for using public funds are considered **not qualified**. These include, but are not limited to:

- ❖ Expenditures not made in the election year and post-election spending, even if permissible.
- ❖ Expenditures for any purpose other than the furtherance of the candidate's nomination or election.
- ❖ Expenditures not properly reported at the time the expense is incurred or are not itemized in your disclosure statement.
- ❖ Expenditures that are not properly documented.
- ❖ Expenditures paid in cash.
- ❖ Payments to the candidate, family members, or a business entity in which the candidate or a family member has a 10% or greater ownership interest. Family members are: the candidate's spouse, domestic partner, parent, child, grandparent, grandchild, brother or sister, or the spouse or domestic partner of such child, grandchild, parent, grandparent, brother or sister.
- ❖ Illegal or otherwise prohibited expenditures.
- ❖ Payments for goods or services that are never received (e.g., retainer agreements), or are above their fair market value.
- ❖ Expenditures made after any of the following: a BOE declaration that the candidate's petitions are invalid, a candidate's removal from the ballot, or the removal of all other opposing candidates from the ballot.
- ❖ Expenditures made primarily to advocate a vote for or against a ballot proposal, unless made also to further the participating candidate's nomination for election.
- ❖ Payment of any penalty or fine imposed due to any violation(s) of local, state, or federal law.
- ❖ Expenditures to challenge or defend the validity of designating or nominating petitions, or certificates of nomination, acceptance, authorization, declination, or substitution, and expenses for canvassing election results.
- ❖ Contributions, transfers, or loans to other candidates or committees.
- ❖ Gifts.
- ❖ Reimbursement(s) of an advance, except an advance of a single purchase over \$250. Note: Advances where the underlying purchase was made in cash or by the candidate and/or his/her family members are never qualified.
- ❖ Expenditures to facilitate, support, or otherwise assist in the execution or performance of the duties of public office.



## REMINDER

Expenditures your campaign makes beginning January 1 of the election year may be qualified even though you will not receive any public funds until much closer to the election.

## Example

Sophia for Council received \$45,000 in public funds, so her campaign must document at least \$45,000 in qualified expenditures. She submits expenditure documentation to the CFB as part of her post-election audit. After the CFB reviews the campaign's documentation, Sophia for Council receives the Expenditure Sample Report below, which lists election-year expenditures sorted by dollar amount—largest to smallest. The “Notes” column describes the results of the CFB's review. “Q” denotes qualified expenditures; the rest have a different code assigned to them indicating the reason why the transactions are not qualified. The code key at the end of the report explains the codes and how to make the expenditure qualified. Remember, some expenditure types are never qualified.

The \$8,500 expenditure to Campaign Strategy, LLC and the \$3,750 expenditure to SMJ Media Group are not qualified because the campaign did not submit the front and back of the canceled committee check.

The \$7,027.04 expenditure to New York Cable Network is not qualified because the campaign did not submit an invoice.

The \$6,500 expenditure to the Brooklyn Independent Gazette is not qualified because the campaign did not submit the back of the canceled committee check and the invoice is not detailed enough.

The \$55.00 expenditure to Brooklyn Bridge Dry Cleaners is not qualified because it is considered a non-campaign related expenditure, which can never be a qualified expenditure.

Therefore, Sophia for Council must repay \$11,650 to the Public Fund unless she submits the documentation required to make the correctable transactions qualified.

# Expenditure Sample Report

**Candidate:** Rosario, Sophia (ID: 5123)  
**Office:** 5 (City Council)  
**Election:** 2017

Sorted by Amount

**Total Public Funds Received:** \$45,000

Payee Name	Bill Trans ID	Comm ID /Stmnt/Sch/Ref	Purpose Cd	Invoice Date/ Paid Date	Check No	Bank Account	Liability	Amount	Notes
ABC Printing, Inc.	523	H 10/F/R0000524	LITER	07/16/2017 07/17/2017	1052	Bank of America, 23456178500	\$0.00 Running total:	\$16,750.00 \$16,750.00	Q
Turning Stone Strategies	484	H 9/F/R0000485	CONSL	06/21/2017 06/30/2017	922	Bank of America, 23456178500	\$0.00	\$15,000.00 \$31,750.00	Q
Campaign Strategy, LLC	701	H 13/F/R0000702	CONSL	09/25/2017 09/29/2017	1145	Bank of America, 23456178500	\$0.00	\$8,500.00 \$40,250.00	C
New York Cable Network	668	H 11/F/R0000669	TVADS	08/25/2017 08/25/2017	1131	Bank of America, 23456178500	\$0.00	\$7,027.04 \$47,277.04	I
Brooklyn Independent Gazette	797	H 15/F/R0000798	PRINT	10/20/2017 10/20/2017	1346	Bank of America, 23456178500	\$0.00	\$6,500.00 \$53,777.04	B, DI
SMJ Media Group	350	H 9/F/R0000355	TVADS	05/20/2017 05/25/2017	801	Bank of America, 23456178500	\$0.00	\$3,750.00 \$57,527.04	C
Ruiz, Timothy	1015	H 16/N/R0001015	WAGES	08/16/2017			\$1,600.00	\$1,600.00 \$59,127.04	Q
Brooklyn Bridge Dry Cleaners	15	H 6/F/R0000016	OTHER	01/02/2017 01/02/2017	Debit	Bank of America, 23456178500	\$0.00	\$55.00 \$59,182.04	NCR

**Total Count:** 8  
**Total Count with Q:** 3

**Total:** \$59,182.04  
**Total with Q:** \$33,350.00  
**Total Adjustments to Q:** \$0.00

**Total Q:** \$33,350.00  
**Total Public Funds Received:** (\$45,000)  
**Public Funds to be Returned:** (\$11,650)

**CODE KEY**

Code	Description
B	Copy of the back of the cancelled check was not provided. Please re-submit both front and back of cancelled check.
C	Copy of the cancelled check (front and back) not provided.
DI	More detailed contemporaneous invoice than previously provided is requested.
I	Copy of invoice was not provided.
NCR	Not Qualified – Non-Campaign Related.

## What is a Runoff Election?

If no candidate for citywide office (mayor, public advocate, or comptroller) receives more than 40% of the vote in the primary election, the two leading candidates compete in a runoff election to determine their party's nominee for the general election. There are additional contribution and spending limits for runoffs. Campaigns can begin raising money for a runoff election once they demonstrate to the CFB a runoff election is “reasonably anticipated.”

Your CSU liaison will send candidates who may be affected more information about the runoff as you get closer to the primary election. You may also review the [Runoff Guidance Document](#) for more information.

## What Are Helpful Tips for the Election Year?

- ❖ Attend a [Compliance training and C-SMART training](#), even if you went to a training earlier in the election cycle.
- ❖ Familiarize yourself with the disclosure statement due dates.
- ❖ Stay in compliance with the CFB's rules and requirements, and continue maintaining contribution and expenditure documentation.
- ❖ Submit early/hand deliver backup documentation to ensure four-day turnaround payments.



# Election Year and Voter Outreach

This chapter covers the CFB's voter education efforts and how your campaign can take advantage of these opportunities to reach the voters free of charge.

## How Does the CFB Help Candidates Get Their Message Out to Voters?

The CFB produces and mails the official New York City Voter Guide for each regularly scheduled primary and general election. The Guide is produced in print, online, and in video format. Currently, only candidates for municipal offices are allowed to submit statements for the Voter Guide, although the online edition contains information about other races on NYC ballots. In citywide election years, the CFB also coordinates a debate program for candidates running for citywide offices.

### New York City Voter Guide

The **Voter Guide** is a nonpartisan print, online, and televised resource that educates voters about candidates and ballot issues. It offers every candidate running for CFB covered offices an opportunity to introduce themselves to potential voters and provide information about their platforms and positions on key issues.

Each candidate is encouraged to submit a profile and photo for the print edition and to tape a statement for the video edition. Both your profile and video statement will appear in the online Guide. The Voter Guide also contains nonpartisan information about how and where to vote, how to register to vote, the dates of the primary and general elections, and information about any local or state proposals that are expected to appear on the ballot.

Printed Voter Guides are mailed to all eligible voters in English and Spanish. Bengali, Chinese, and Korean editions are also mailed in targeted areas, consistent with the federal Voting Rights Act. The CFB delivers guides to schools, libraries, civic groups, and other organizations for wider distribution to the public, and is happy to provide copies of any edition of the guide upon request.

The online Guide provides general voting information, candidate profiles, and video transcripts in multiple languages and audio formats. You can link directly to your profile page from your website or social media posts, and download and distribute your video from the [CFB's YouTube channel](#), to help promote your candidacy.

During the election year, the Candidate Services Unit will send your campaign instructions for submitting your Voter Guide profile and video script, and how to set up your taping appointment. Even if you are still deciding whether you will run for office, or are not sure you are on the ballot, you should submit a profile and script and set up your taping by the deadline to ensure you are included in the guide if you do run. The CFB will only publish profiles and videos of candidates who are anticipated to be on the ballot for each election at press time.

The printed, video, and online Voter Guides offer you an invaluable chance to reach potential voters before Election Day, at no cost to your campaign. Make sure you participate!



### CONTACT US

Contact your CSU liaison for more information about the Voter Guide.

## The Debate Program

The Act requires candidates for citywide office—mayor, public advocate, and comptroller—who join the Campaign Finance Program to participate in debates before each election. The debates enable voters to learn more about the candidates’ positions on issues that matter to them.

There are two primary and two general election debates, and one runoff debate if required. Each debate is at least one hour long. Debates are usually televised live and streamed on the Internet. Some debates are simulcast or rebroadcast in languages other than English.

The Debate Program is administered by the CFB in partnership with civic and media sponsors. These sponsors cannot be affiliated with any political party or with any officeholder or candidate, and must not have endorsed any candidate in the pending primary, general, or runoff election. Sponsors are responsible for choosing the date, time, and location of the debates; the rules for each debate are largely determined by its sponsor(s) in consultation with the CFB.

Participating candidates who are eligible to take part in a debate are required to do so and may be deemed ineligible for any public funds if they do not.

To be eligible to take part in the first debate, candidates must have raised and spent at least 2.5% of the spending limit for the office sought, and meet additional nonpartisan, objective, and non-discriminatory criteria as determined by the debate sponsor(s) and the CFB. For debate eligibility purposes, money raised and spent does not include outstanding liabilities or loans.

Participation in the second debate is limited to candidates who are deemed “leading contenders,” again based on additional nonpartisan, objective, and non-discriminatory criteria as determined by the sponsor(s) and the CFB.



### CONTACT US

For more information on the Debate Program, please contact the Public Relations Unit at (212) 409-1800 or [press@nyccfb.info](mailto:press@nyccfb.info).



# Post-Election

This chapter explains how to prepare for the post-election audit and the timeline for completion.

## What is the Post-Election Audit?

The post-election audit is a comprehensive review of your campaign's disclosure statements and documentation to verify your campaign's compliance with the CFB's rules and requirements. Whether you were a participant in the Campaign Finance Program or a non-participant, and whether or not you received public funds, your campaign will undergo an audit.

This chapter, as well as the [Post-Election](#) section of the [CFB website](#), will help you understand the requirements and timelines for the post-election period.

Much of the recordkeeping and documentation requirements discussed throughout this handbook will help you prepare for the post-election audit, but here are some things to remember:

- ❖ Keep all candidate, treasurer, and committee contact information (including email addresses) updated with the CFB. If there are changes to contact or banking information, submit a [Change of Contact Information](#) or [Change of Bank Account](#) form.
- ❖ Make sure all of your campaign's transactions are in C-SMART before submitting disclosure statement 16 — the last CFB disclosure statement of the election cycle. This includes transactions such as bank fees, outstanding liabilities, etc. (Remember to enter bills in C-SMART when you receive them — don't wait until after you pay them!)
- ❖ Always write the transaction ID on your documentation, and keep it organized in folders using the labels you received in your Welcome Kit.
- ❖ If you received public funds or expect to receive public funds, you must limit your post-election expenditures to expenses associated with winding down your campaign and responding to the post-election audit (see [page 69](#)).

The post-election audit happens in three stages:



Shortly after the primary or general election, the CFB will send your campaign an **Initial Documentation Request (IDR)** via [C-Access](#). This notification will include a checklist of all documentation being requested. The campaign must respond within 30 days.

The **Draft Audit Report (DAR)** is based on CFB staff’s review of documents submitted by your campaign throughout the election cycle and in response to the IDR. The CFB will cite any preliminary findings of non-compliance with the Campaign Finance Act and CFB Rules. The report may also contain potential public funds repayment obligations.

**Note:** the DAR is not a public document and does not represent any final determinations by the Board.

Your campaign’s response to the DAR is a critical opportunity to address issues that may lead to penalties if left unresolved. If your campaign does not respond to the DAR within 30 days, you will be assessed a substantial financial penalty. In addition, unresolved findings will be referred to the CFB Legal Unit.

You may receive a **Notice of Alleged Violations** and/or a **Notice of Public Funds Repayment Obligation**, based on your campaign’s response to the DAR. These notices include all findings that remain unresolved.

The Final Audit Report is sent within 14-18 months after the last disclosure statement. It will be posted to your C-Access account and published on the CFB website. It will detail any findings, violations, and penalties determined by the Board. It will also detail any public funds repayments owed to the Public Fund. If your campaign is eligible to receive a post-election public funds payment, the payment will be issued with the final audit.



All notices from Audit and Legal will be sent to your campaign electronically via C-Access. It is imperative that you check C-Access regularly and ensure that the CFB has the correct email address for you on file.

## What Resources are Available Post-Election?

The CFB offers several resources to campaigns during the post-election process, including:

- ❖ The [Post-Election Checklist and Best Practices](#) page on the CFB website — Use this resource to keep in compliance as you go through the post-election period and wind down your campaign.
- ❖ [Draft Audit Report \(DAR\) Trainings](#) — These trainings help campaigns understand the post-election audit process and the Draft Audit Report. During the training session, we review common types of CFB audit findings, make some basic recommendations, and offer tips to help you organize your campaign’s response. Attending a DAR training can expedite the issuance of your campaign’s Final Audit Report.
- ❖ Your CSU liaison (in addition to staff from the Audit and Legal Units) is available to help with any questions you may have as your campaign goes through the post-election audit.

## How Long Does the Audit Process Take?

The Act sets the following deadlines for the CFB to complete a campaign’s Draft Audit Report and Final Audit Report. The deadline is calculated from the due date of the final disclosure statement—**January 16, 2018** (for the 2017 election cycle).

## POST-ELECTION AUDIT TIMELINE

OFFICE SOUGHT	DEADLINE FOR DRAFT AUDIT REPORT	CAMPAIGN ATTENDED POST-ELECTION AUDIT TRAINING?	DEADLINE TO COMPLETE AUDIT PROCESS*
Mayor Public Advocate Comptroller	10 months	Yes No	16 months 18 months
Borough President City Council	8 months	Yes No	14 months 16 months
* The audit process is completed when the CFB issues your Final Audit Report or when the CFB notifies your campaign of potential penalties and/or potential public funds repayment obligations.			

For example, if you run for City Council in the 2017 election, your final disclosure statement is due on January 16, 2018, and you can expect your Draft Audit Report to be sent by September 16, 2018. If you attend a post-election audit training, the audit process will be completed by the following March 16<sup>th</sup>.

However, the deadlines will be extended if your campaign:

- ❖ submits a late response to a request for information;
- ❖ submits an inadequate response to a request for information;
- ❖ requests an extension to its response deadline; or
- ❖ consents in writing to an extended deadline.

If the deadline is extended for one of these reasons, you will receive a notice posted to your [C-Access](#) account, which will indicate the new deadline and/or any action your campaign needs to take for the process to resume.

### Example

After the election, Sophia for Council receives the CFB's request for documents required to conduct the Draft Audit. Her response is due in 30 days, on January 2, 2018. The treasurer will be out of town for the holidays, so the campaign asks for a 30-day extension and the CFB grants it. The campaign submits the required documentation by the new deadline of February 2, 2018, and the deadline for completion of each subsequent stage of the audit process is tolled 30 days to account for the 30-day extension the campaign was granted.

Please note that if your audit raises issues of serious violations—such as campaign-related fraud, other potential criminal activity, activity that may result in a breach of certification, or potential significant violations of the spending limit—the deadlines described above do not apply.



# Transition and Inauguration Entities

This chapter covers Transition and Inauguration Entities (TIEs) for elected candidates, including requirements for registration, disclosure, and raising and spending funds.

## The Basics

- Before raising or spending funds related to the transition and/or inauguration into office, you must open a Transition and Inauguration Entity (TIE) bank account and register the TIE with the CFB.
- You may not transfer funds from another political committee (including a candidate committee) to your TIE, nor accept contributions from any political committee authorized by the candidate.
- Your TIE may only make expenditures that are in furtherance of the candidate-elect's transition and/or inauguration into office. You may not spend funds for any other purpose, including the repayment of post-election candidate committee debt.
- Candidates re-elected to the same office are presumed to have no transition expenses; incumbents are only permitted to incur expenses for their inaugurations.
- Candidates may make unlimited contributions to their own TIE.
- You may not incur any TIE expenditures after **January 31, 2018** (for the 2017 election cycle).
- TIE funds remaining once all liabilities are paid must be returned to one or more of the TIE's contributors; excess funds may not be transferred to any other committee or entity.
- Your TIE must terminate once it pays all liabilities or by April 30, 2018 (for the 2017 election cycle) or 60 days from inauguration in the case of a special election, whichever is earlier.

## Transition and Inauguration Activities

Elected candidates who wish to raise or spend funds for their transition and/or inauguration into office must create and register a Transition and Inauguration Entity (TIE) with the Campaign Finance Board (CFB).

### Registration

Before you may begin raising or spending funds for transition or inauguration into office, you must open a TIE bank account and register your TIE with the CFB. This requirement applies to all candidates elected to the

offices of mayor, public advocate, comptroller, borough president, and City Council, regardless of participation in the Campaign Finance Program. You may not use existing candidate committees to raise money for the candidate’s transition or inauguration. Further, you may not transfer funds from any political committee or other entity to the TIE.

The TIE Registration form must be signed by the candidate and TIE treasurer/designated officer, notarized, and submitted to the CFB by mail or hand-delivery (original signatures required). TIEs are required to file disclosure statements with the CFB, but need not register with or report to the New York State Board of Elections. Financial disclosure will be performed electronically using C-SMART; access will be issued upon acceptance of your TIE registration.

### Contribution Limits

Your TIE may accept contributions only to support transition and inauguration activities. You may not accept contributions from any one contributor in excess of the following amounts:

#### TRANSITION AND INAUGURATION ENTITY CONTRIBUTION LIMITS

OFFICE	CONTRIBUTION LIMIT
Mayor Public Advocate Comptroller	\$4,950
Borough President	\$3,850
City Council	\$2,750
Note: Monetary <i>and</i> in-kind contributions count toward an individual’s contribution limit.	

The contribution limit does not apply to the candidate-elect.

Loans are deemed to be monetary contributions, subject to the applicable limits and restrictions, if not repaid by the date of the elected candidate’s inauguration. Advances are considered in-kind contributions, subject to the contribution limit, until repayment.

#### ***Restricted Contributions***

TIEs may not accept contributions:

- ❖ From any political committee authorized by the elected candidate (including transfers)
- ❖ From unregistered political committees<sup>1</sup>

<sup>1</sup> You may only accept contributions from political committees that have registered with the CFB for the 2017 election cycle. To verify that a political committee is registered, check the CFB’s [Registered Political Committees list](#).

- ❖ From corporations, PCs, LLCs, LLPs, or partnerships
- ❖ From any person whose name appears in the [Doing Business Database](#), unless such person is the candidate-elect or his/her close relative<sup>2</sup>
- ❖ Made in cash in excess of \$100
- ❖ Once all outstanding debts relating to your TIE are paid

If you have accepted a contribution from a prohibited source, immediately refund the contribution in full with a certified or bank check. Should you accept and keep a contribution from a prohibited source you may be assessed a monetary penalty. Please contact your Candidate Services Liaison if you have questions regarding prohibited contributions.

## Spending

Your TIE may only spend funds for the candidate-elect's transition or inauguration into office. You may not spend funds for any other purpose. Examples of transition expenditures include temporary office furniture, temporary office rent, seminars, consulting, payroll, and phone bills, provided they are made to assist the transition into office. Examples of inauguration expenses include catering, entertainment, payroll, invitations, rental fees, decorations, advertising, transportation, and photography, so long as they are made for an inauguration event.

**Note:** Individual payments made in cash may not exceed \$100.

**Candidates who are re-elected to the same office (incumbents) are presumed to have no transition expenses and are only permitted to incur expenses for their inauguration.**

You may not incur any TIE expenditures after **January 31, 2018** (for the 2017 election cycle). Any expenses incurred after this date are presumed to apply to the candidate's next election and shall be subject to the requirements governing that election cycle.

Once your TIE has paid all of its liabilities, it must be closed and all remaining funds must be returned to one or more of the TIE's contributors — or, if that is impracticable, paid to the New York City Election Campaign Finance Fund. All TIEs must be closed no later than April 30, 2018 (for the 2017 election cycle) or 60 days after inauguration in the case of a special election.

## Recordkeeping

Each TIE will undergo an audit review by the CFB. You must keep clear and accurate records so that the CFB can confirm the accuracy of disclosure reports and compliance with all TIE requirements. Please maintain the following records:

- ❖ Copies of all checks or other documentation for each contribution
- ❖ Records of efforts made to collect each contributor's and intermediary's name, residential address, occupation, employer, and business address
- ❖ Receipts showing the value of in-kind contributions

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2 A close relative is considered to be a candidate-elect's parent, spouse, domestic partner, sibling, child, grandchild, aunt, uncle, cousin, niece, or nephew.

- ❖ Documentation of loans received, repaid, and forgiven
- ❖ Bills for goods or services rendered
- ❖ Monthly billing statements or receipts for credit/debit card purchases
- ❖ Bank statements
- ❖ Copies of deposit slips
- ❖ Returned and cancelled checks

**Note:** Your TIE must retain all records for six years after the date of its registration.

## Disclosure

### How to Disclose

Your TIE must disclose all financial activity using C-SMART, the CFB’s web-based reporting application. C-SMART reporting for TIE functions in the same manner as candidate committee reporting during the election cycle.

### Filing Deadlines

Your TIE must submit periodic disclosure statements to the CFB using C-SMART. The table below displays the filing deadlines for this cycle, as well as the dates of each disclosure period.

**Note:** The New York State Board of Elections (BOE) does not require TIE disclosure statements.

#### 2017 TRANSITION AND INAUGURATION ENTITY FILING DEADLINES

REPORT NUMBER	DUE DATE	DISCLOSURE PERIOD
1	January 8, 2018	TIE Registration Date—December 31, 2017
2	March 7, 2018	January 1, 2018—February 28, 2018
3	May 7, 2018	March 1, 2018—April 30, 2018

Be sure to settle outstanding liabilities and return all remaining TIE funds to one or more contributors as soon as possible. The final report is due on the fifth business day after you close the TIE, and ends your filing obligations with the CFB. However, do not close your TIE bank account until notified to do so by the CFB.

### Disclosing Contributions

Your TIE must disclose all contributions received. Contributions made by check, cash, money order, or credit card are considered monetary contributions. Contributions of goods and services are in-kind contributions and must also be disclosed. Both monetary and in-kind contributions count toward an individual’s



contribution limit.

Your TIE must itemize all contributions (both monetary and in-kind) that exceed \$99 by disclosing the following information:

- ❖ Contributor's name and home address
- ❖ Contributor's occupation, employer, and business address
- ❖ Date the contribution was received
- ❖ Contribution type (i.e., check, cash, money order, credit card)
- ❖ Contribution amount

Your TIE must also disclose the contributor's occupation, employer, and business address for contributions exceeding \$99.

### ***Contribution Refunds and Returned Checks***

Your TIE must disclose all contribution refunds using C-SMART. If a contributor check is returned by the bank, first attempt to redeposit the check. Report the transaction in C-SMART (as a contribution and refund) if the check is returned again.



*All solicitations and fundraising literature should contain a request for the aforementioned information.*

### **Disclosing Intermediaries**

An intermediary is a person or entity that solicits or delivers contributions to your TIE. You must disclose intermediaries using C-SMART and identify the intermediary for each applicable contribution. Disclosure must include the intermediary's name, residential address, occupation, employer, and business address.



### **REMINDER**

If you know that one individual or entity solicited the contributions and another delivered them, the solicitor should be reported and documented as the intermediary.

### **Disclosing Expenditures**

Your TIE must disclose all expenditures made using TIE funds. Expenditures of \$50 or more must be itemized and include the following information:

- ❖ Invoice date
- ❖ Vendor/payee name and address
- ❖ Purpose of the expenditure
- ❖ Payment amount
- ❖ Payment method
- ❖ Check date and number, if payment was made by check
- ❖ The TIE bank account from which the payment was disbursed

### ***Credit and Debit Card Payments***

When reporting expenditures made with a credit or debit card, you must disclose expenditures individually; disclosing only aggregate bill payments to the credit or debit card company is insufficient.

### ***Subcontractors***

If a vendor pays an individual subcontractor more than \$5,000 for an expenditure, you must report the name and address of the subcontractor, a description of the goods or services provided by the subcontractor, and the total cost of the subcontracted services. The best way to obtain this information is for the TIE vendor to complete a [Subcontractor Disclosure Form](#).

### **Disclosing Loans**

Loans made to your TIE must be documented and disclosed. You must report the lender's name, address, and the amount and terms of the loan. A loan must be repaid by the date of the elected candidate's inauguration or else it will be treated as a monetary contribution subject to contribution limits and restrictions.

### **Disclosing Advances**

Your TIE must also disclose advances. An advance occurs when an individual pays for a TIE expense using his or her personal funds with the expectation of reimbursement. An advance is considered an in-kind contribution, subject to the contribution limit, until it is reimbursed. Reimbursements should be made by committee check and must be disclosed using C-SMART.

### **In the Campaign Finance Rules and Act**

- ❖ *Campaign Finance Board Rules, 11-01 — 11-05*
- ❖ *Campaign Finance Act, §3-801*

# Internal Controls: Best Practices for Political Campaigns in New York City

This chapter describes standard financial controls and procedures that can help you protect and manage your campaign's assets effectively.

Under the New York City Campaign Finance Act and the Rules of the Campaign Finance Board (CFB), all campaigns must file accurate and complete disclosure statements supported by detailed documentation. A *system of internal controls* can increase the accuracy of your campaign's reporting and improve your campaign's compliance with the Act and Rules.

This chapter is designed to give you specific tips and helpful hints for creating a system of internal controls to increase compliance. *Please Note: This chapter supplements — but does not replace — the rest of the [Campaign Finance Handbook \(Handbook\)](#), any provision of the Campaign Finance Act, or any CFB Rule.*

The CFB *highly recommends* that you implement as many of these practices as you possibly can, within the practical realities of your campaign's operation.

## Who is Responsible for Establishing Internal Controls?

Both the candidate and the treasurer of a campaign are legally responsible for creating the necessary control procedures to ensure a campaign's compliance with the Act and Rules. **This chapter is written primarily for treasurers.** However, candidates and other people responsible for the campaign's finances should also be familiar with these best practices to ensure that the campaign's system is effective.

## What is Internal Control?

Internal control is a *process* to help an organization:

- ❖ Operate effectively and efficiently
- ❖ Produce reliable financial reports
- ❖ Comply with laws and regulations
- ❖ Protect the campaign's assets

Job descriptions, written procedures, filing systems, and budgets are examples of common internal control tools. They can contribute to the effective and appropriate use of campaign funds. However, even the best system can provide only *reasonable*, not absolute, assurance that funds will be used appropriately. Any system may be defeated either accidentally or intentionally. Well-designed procedures reduce the risk that errors or intentional acts will occur or go undetected.

A *lack* of internal control and oversight can create an environment that contributes to misspent funds, incomplete campaign records and inaccurate reporting to the CFB. This can increase the likelihood of financial penalties for the candidate, treasurer, and committee.

To help you get the benefit of internal controls, the CFB has identified best practices for campaigns to consider.

### Are These Suggestions or Requirements?

These are **highly recommended** best practices to help you protect your campaign's assets and comply with the Campaign Finance Act and CFB Rules.

These best practices are designed to prevent common weaknesses and errors that the CFB has identified based on its experience. They do not represent an exhaustive list of all possible controls. For example, standard office organization, personnel supervision, and accounting procedures are not discussed here, although they are essential for any well-run and compliant campaign. Each campaign must identify and implement all procedures and tools necessary to protect the campaign's financial assets and to ensure compliance with the law.

*Please Note:* During the election year, the CFB Audit Unit may conduct compliance visits to campaign offices. These visits will include spot-checks of some basic internal control systems and processes. Campaign representatives may be asked about the types of controls described in this chapter. The Candidate Services Unit (CSU) and the Audit Unit will give campaigns additional information about what else may be required during these visits.

### What About Small Campaigns?

If your campaign is a small operation staffed mostly by volunteers, or with a low level of financial activity, you might think you do not have time to create a system of controls. However, without controls, you risk violating the Act and Rules. Simple, inexpensive internal controls can provide reasonable assurance that funds will not be misused. Many of the best practices are straightforward and easy to implement.

It is in your best interest to create internal control procedures. Remember, the main goals are to:

- ❖ Manage your campaign funds effectively
- ❖ Prevent or quickly detect any errors
- ❖ Submit complete and accurate disclosure statements and supporting documentation

*Some campaigns are officially designated as "Small Campaigns," which allows them to follow simplified reporting requirements. Please see [Chapter 4](#) or contact your CSU liaison for more information about this formal designation.*

### Internal Control Environment

Both the **candidate** and the **treasurer** are legally responsible for the overall conduct of the campaign and for every detail of the campaign's financial system. The candidate and the treasurer must create an internal control environment to ensure the appropriate use of the campaign's money, accurate recordkeeping and complete documentation of all transactions.

There are three key types of internal controls. While the time-sensitive and unpredictable nature of campaign work will occasionally require campaign workers to pitch in and help with a given task, setting up and maintaining these controls will help the campaign comply with CFB requirements.

- ❖ **Assign financial duties so that no single individual has complete control over transactions.** This is **the key component** in any internal control system. Without adequate separation (also called “segregation of duties”), it is very difficult to be sure that the campaign is meeting its internal control goals. As part of this process, campaigns should build in steps for independent quality review or spot-checking of financial transactions. Think of these as the *checks and balances* in your system. For example, if at all possible, the person who enters contribution transactions into C-SMART should not also be responsible for depositing those contributions into the campaign’s bank account. Another simple control is to have someone double-check all bill payments before the checks are mailed out to vendors.
- ❖ **Provide proper training and guidance to relevant staff.** It is vital that each assigned person be trained in the tasks required to manage and control campaign assets and to comply with the law. Here are four steps to take:
  - a) Create simple and clearly written job descriptions so that each person knows just what he or she is supposed to do. Focus on the main functions and expectations for each position.
  - b) Send the appropriate staff members to a CFB training session, and ensure that they keep CFB educational materials handy, especially the Handbook.
  - c) Whenever possible and practical, use written procedures, checklists, helpful hints and tips, reminders and regular meetings to ensure that volunteers and staff members are following the steps developed by the campaign treasurer, manager and other responsible individuals.
  - d) If practical, assemble these job descriptions and procedures into binders, and post them on office bulletin boards or walls, to remind employees and volunteers how to comply with the Act and Rules.
- ❖ **Limit the number of people who have access to any accounting function, assets or records system.** Ideally, a campaign should use the smallest number of people needed to accomplish the work and still keep a separation of duties. These can be paid staff members or responsible volunteers. They should understand the importance of control procedures and their role in ensuring accurate reporting and documentation of all financial activities. For example, authorize only a few responsible people to sign checks; allow only designated workers to handle cash; assign selected staff members to work with C-SMART, etc.

If your campaign staff is small, it’s still very important to keep some level of separation of duties and independent review. For example, one person might process the daily transactions and another person might review draft disclosure statements

*In a small campaign, as few as two or three people may process, record and report transactions. It may be reasonable for campaigns with limited staff to have one person carry out these duties. With careful planning and assigning of duties, you can create a basic, workable internal control system with very few people.*

These three elements of a successful control environment are the foundation for the best practices described in this chapter.

## Bank Accounts

- ❖ Use one primary checking account for the campaign where all contributions are deposited and all expenditures are made. Having daily transactions flow in and out of only one account will help you keep track of campaign assets and properly document all transactions.
- ❖ Authorize only the treasurer or his/her designee to open and close bank accounts. These people should be specifically identified in bank documents. Keep copies of these documents.
- ❖ Limit the number of people who can sign checks or make withdrawals. For smaller campaigns, consider authorizing no more than one or two signers; for larger campaigns, consider authorizing two or three people. Do not use signature stamps.
- ❖ For checks above a certain dollar amount, require signatures on the check from *two* responsible individuals. For smaller campaigns, the recommended amount for this additional level of approval is \$1,000; for larger campaigns, \$5,000 is the recommended level.
- ❖ Protect debit and credit cards carefully, including PIN numbers. They represent easy access to campaign assets. The campaign's bank or credit card issuer may be helpful in this regard. It may be possible to place dollar restrictions on cards, both on a per-transaction basis and a cumulative limit. Limits can also be placed on cash withdrawals using the cards. (Note: Your campaign is limited to a petty cash fund of no more than \$500. See [page 52](#).)
- ❖ Prepare itemized deposit slips. Deposit cash *separately* from checks. Each deposit slip should list each check individually. Keep copies of deposit slips.
- ❖ Get access to online banking. It will help you view your account's financial activity at any time, print scanned copies of cancelled checks and review bank statements as needed. Protect your username and password.
- ❖ The person who reconciles the bank statement should **not** also sign checks or control the checking account. The individual responsible for reconciling the account should receive the bank statement unopened.

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**IMPORTANT NOTE: This one step is vital.** Assign one person to process transactions in C-SMART and another person to reconcile the bank accounts. This can prevent or quickly reveal misappropriations and inaccurate reporting. It is also an **excellent way** to discover errors and omissions that occur accidentally.

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- ❖ Reconcile your bank statements, accounting records, backup documentation, and the draft disclosure statement before filing each disclosure statement using C-SMART.
- ❖ C-SMART's **draft submission** feature allows you to complete this reconciliation easily. Two or three days before each Filing Day, review a draft of your disclosure statement to ensure that all your contributions and expenditures have been entered properly. Compare the transactions to your records.

## Contributions

- ❖ Create procedures for handling contributions correctly; some recommended steps appear in this section and in [Chapter 2](#). Make sure these procedures are clearly posted and/or available in a binder for all staff members who are handling contributions.
- ❖ The employee responsible for opening the mail should:
  - a) Open the mail everyday. If your committee uses a P.O. Box, be sure to collect the mail frequently.
  - b) Stamp restrictive endorsements, such as *For Deposit Only to the Account of Name of Committee, Account #12345*, on all checks received.
  - c) Put all funds received into an envelope or folder and give it to the person responsible for C-SMART data entry.
- ❖ Ensure that all checks and contribution cards are completely filled out and signed by the contributor.
- ❖ Copy all checks, money orders, and contribution documents, in accordance with the Handbook ([Chapter 2](#)) (and see [page 34](#)).
- ❖ Cash contributions must be deposited in the committee’s bank account or rejected and returned to a contributor within 10 business days of receipt. All other contribution types must be deposited within 20 business days of receipt. Use this time to determine whether each contribution is allowed, prohibited, or over the contribution limit.
- ❖ Enter information about funds received into C-SMART *before* depositing the funds in the bank. During data entry, double-check the spelling of contributors’ names.
- ❖ C-SMART will generate a transaction ID for each contribution entered. Note this number on the contribution documentation — checks, money orders, and contribution cards.
- ❖ If a contribution is prohibited or over the allowable limit and has already been deposited, refund the amount promptly by bank check or a certified check. **Make a copy** of the refund check for your records; it will be requested by the Audit Unit. Remember to report the refund at the bottom of the contribution screen in C-SMART.
- ❖ Keep funds that are awaiting deposit in a locked cabinet at all times.
- ❖ Create a secure location for physically handling cash. Consider the need for privacy and discretion whenever cash is counted.
- ❖ Deposit cash separately from checks and money orders. Each deposit should have a detailed deposit slip listing each check and money order or the total amount of cash included in that



### C-SMART

When you enter a contribution into C-SMART and C-SMART alerts you that the contribution is over-the-limit or puts the contributor’s total over-the-limit, you can return the check without ever depositing it. Make sure you do not save the contribution in C-SMART, since you will not be depositing it into the bank

deposit. Keep a copy of the itemized deposit slip in your files.

- ❖ Deposit cash into your committee’s bank account **daily**, if at all possible. *Note: As stated above, CFB Rules allow campaigns up to 10 business days to deposit cash, but the best practice is to deposit it more frequently. Cash is the **most vulnerable** asset. Internal control processes governing the handling of cash must be particularly rigorous.*
- ❖ Deposit all cash. Cash contributions should never be put into the petty cash fund.
- ❖ At least monthly — more often as the election approaches — a responsible campaign staff member should compare: (1) the total amounts recorded in C-SMART for that month and (2) the total in receipts on your bank statement.
- ❖ For contributions received at campaign fundraisers or other events, prepare a written log of all checks, cash, money orders, and credit cards *as the contributions are made*. The log should include:
  - \* Date and location of the event
  - \* Name of the person preparing the log
  - \* Contributor name (*Note: Double-check the spelling. This can prevent problems later.*)
  - \* Type of contribution: check, cash, money order, credit card
  - \* Check/money order number
  - \* Amount
  - \* A reminder to check for proper documentation (e.g., a contribution card, properly completed by the contributor, including employment information)



## COMPLIANCE ALERT

CFB staff will request copies of detailed deposit slips during your audit, during the compliance visit, or if concerns about cash arise at any point during the election cycle.



## REMINDER

If your committee is accepting credit card contributions, please refer to [page 17](#) for disclosure and recordkeeping practices.

See [page 133](#) for a sample *Campaign Event Contributions Log*.

After the event, promptly submit all funds and logs to the person(s) responsible for C-SMART data entry.

CFB Rule 4-01(i) describes the records that the campaign must keep for every fundraising event, including information on contributions and expenditures.

It can be difficult to follow proper procedures while a campaign event is in progress, but it’s **extremely important** to do so. Consider these steps to ensure accuracy and to prevent potential compliance problems later:

### ***Before the event***

- ❖ Assign specific tasks to responsible campaign staff.
- ❖ Prepare a written checklist of documentation requirements for contributions.



## During the event

- ❖ At the event, use your checklist to do a quick **quality control** review of every contribution. Does the contribution comply with all requirements? Immediately ask the contributor about any missing or unclear information. If there's a problem, you can easily return the improper contribution on the spot and/or have the contributor fix the error.
- ❖ Use the **Contributions Log** form (or a similar method) and total the receipts after each event. The subtotals of each contribution type should match the actual amount of contributions received.
- ❖ Have **two people** *separately* count all cash received.

## After the event

- ❖ Have two people independently count the cash, checks and money orders and add the total receipts. If there are discrepancies between the two counts or the record on your log, immediately identify the causes and begin any necessary work to correct them.

---

**IMPORTANT NOTE:** Properly documenting contributions with complete, accurate contribution cards — filled out at the time the contribution is made—is a fundamental internal control. (See [Chapter 2](#).)

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## Expenditures

- ❖ Create procedures for making payments correctly; some recommended steps appear in this section and in [Chapter 3](#). Make sure these steps are clearly posted and/or available in a binder for staff members who are making payments. Even if only one person (for example, the treasurer) is authorized to make payments, it can be helpful to have a clear summary of procedures to follow when the campaign is very busy.
- ❖ Use committee checks or debit cards for all payments. This will reduce the need to use cash; cash is your campaign's most vulnerable asset. In addition, cash payments cannot be qualified. Committee checks and debit cards are the best way to keep a documented record of how your campaign's money is spent. This documentation will be reviewed during the post-election audit.
- ❖ To reduce the need for starter checks, use a committee debit card. Stop using starter checks when your numbered checks arrive, and destroy any unused starter checks.
- ❖ Use only one checkbook. Use only pre-numbered checks, in numerical order.
- ❖ Keep your unused checks in a safe place and investigate immediately if any are missing.
- ❖ Do not use pre-signed or "blank" checks (where the payee line is left blank, to be filled in later).



### COMPLIANCE ALERT

Do not change the dates or amounts on contribution cards. Altering a contribution card, even for what you think is an innocent reason, may cause the CFB to raise questions of possible fraud, which can delay payment of public funds, and may lead to monetary penalties.



### CONTACT US

If you have any question about how to properly document a contribution, call your CSU liaison at 212-409-1800.

- ❖ If a vendor needs a replacement check, void the original check in C-SMART **and** in your check register. Review your bank statements carefully to ensure that the original check was not presented to the bank for payment.
- ❖ Require every vendor and service provider to give the campaign a legible, detailed invoice (bill) when an order is placed, *even if you will receive the product or service later*. The invoice must be addressed to your **committee** (not to the candidate) and should include:
  - \* Date of the invoice
  - \* Vendor’s name and business address
  - \* A detailed description of what the vendor did (or will do) for the campaign
  - \* Price per unit
  - \* Total amount due
  - \* Other information as necessary

This information will help CFB auditors understand what the expenditure was for. Detailed invoices will confirm the accuracy of the campaign’s disclosure statements.

*See [Chapter 6](#) for sample invoices.*

- ❖ If a vendor requires the campaign to pay a deposit (or pay in full) before the vendor provides the product or service, be sure to obtain a document with the same detailed information noted above. It should also include the amount already paid by the campaign and the balance to be paid, if any, when the good or service is provided.
- ❖ Keep *unpaid* bills separate from invoices that have already been paid. Make sure you can easily find the unpaid bills. This will help make your check-writing process more efficient and will help you avoid late payments.
- ❖ Ensure that invoices (bills) have been properly documented and approved by the candidate, treasurer or campaign manager before payment is made. Documentation should include:
  - \* A detailed original invoice
  - \* Evidence that the goods or services were received
  - \* Proof that the purchase was properly authorized



**COMPLIANCE ALERT**

A check authorization form for the campaign’s internal use can help ensure that appropriate information and signatures are recorded for each check. See [page 134](#) for a sample form

Properly documenting expenditures with original invoices and appropriate signatures is a **fundamental** internal control.

- ❖ **Do not** backdate documents to attempt to show proper approvals.
- ❖ **Do not** create invoices for vendors or suppliers.
- ❖ **Do not** create invoices after the fact.
- ❖ **Do not** create receipts.

These actions may be considered fraud. The Board may assess harsh financial penalties for such actions and may require the repayment of public funds. If you have any question about how to properly document an expenditure or need to address an issue of missing documents or information, call your CSU liaison at 212-409-1800.

- ❖ Mail all checks promptly and directly to the payee. The person mailing the check should be independent of those requesting, writing and signing it. In small campaigns, it may not be possible to segregate these duties entirely, but you should take care to ensure adequate oversight and approvals to prevent errors or misuse of funds.
- ❖ If a campaign staff member plans to hand-deliver a check, he or she should sign for the check upon taking possession of it. This signature can be included on a check authorization form.
- ❖ When making a purchase, obtain a detailed receipt (proof of payment), even for small purchases.
- ❖ Keep invoices (bills) and receipts for all purchases, including credit and debit card transactions. If at any time you become aware that an invoice is missing or incomplete, request a replacement invoice from the vendor.
- ❖ Every invoice (bill) should be stamped or marked “Paid” when it has been paid. This will help you avoid double payments or inaccurate payments.
- ❖ Some requests for payment, like office rent, are not normally accompanied by an invoice. In these cases, request a receipt from the payee when possible. At a minimum, these payments should be authorized by a responsible official.
- ❖ Record each expenditure in C-SMART as soon as you receive the bill, even if you have not yet paid the bill. An expenditure is considered an outstanding liability until it is paid. Always remember to mark the transaction ID on the bill or invoice.
- ❖ Advance purchases must be well documented and reported accurately. An advance occurs when a third party (e.g., a staff member or volunteer) purchases a good or service on behalf of the campaign and he or she expects repayment for the purchase. When an advance occurs, be sure to obtain a copy of the bill or receipt from the original vendor and a completed [Advance Repayment Voucher](#) (see [Chapter 3](#)).

## Petty Cash

- ❖ Create procedures for handling petty cash correctly; some recommended steps appear in this section. Make sure these steps are clearly posted and/or available in a binder for campaign staff members who are handling petty cash.
- ❖ Train a limited number of responsible staff members to manage the petty cash fund.  
*Remember: Cash is a campaign’s most vulnerable asset. Internal controls over cash must be designed well and communicated clearly.*
- ❖ Keep the minimum amount of petty cash needed to make small expenditures. The campaign treasurer should determine both the maximum and minimum amounts to be kept in the fund.  
*Note: No more than \$500 can be in the petty cash fund at one time.*
- ❖ Only withdraw cash for the purpose of a petty cash fund. Use a debit card or committee check made out to “cash” and **not** a credit card when replenishing the petty cash fund.

- ❖ *Never* put cash contributions directly into the petty cash fund. All contributions must be deposited into the campaign’s bank account (after C-SMART data entry).
- ❖ No single cash expenditure or purchase can be in excess of \$100.
- ❖ Use the C-SMART **Petty Cash Fund** feature to track the flow of cash in and out of the fund. Then, you will be able to run a report called the Petty Cash Journal.
- ❖ Keep all receipts from cash purchases and file them in a secure location. Develop a filing system that works for your campaign; for example, receipts may be filed chronologically.
- ❖ Any change left over from petty cash purchases should be returned to the fund as soon as possible.
- ❖ Be prepared to produce the campaign’s Petty Cash Journal during the compliance visit, post-election audit, or upon request by the CFB.

## Staff Wages & Consultant Fees

- ❖ Create a detailed, written contract for each staff member and consultant *when they are hired*. The contract should include these items at a minimum (see [Chapter 3](#)):
  - \* Full name of employee/consultant.
  - \* Functions to be carried out (e.g., communications consulting).
  - \* Specific tasks to be performed (e.g., write campaign press releases and brochures).
  - \* For staff paid at an hourly rate, expected number of hours to be worked per specified period (day, week, month, etc.).
  - \* Salary or wage to be paid, per period and in total.
  - \* For consultants working on a fixed-price basis, a statement of the maximum amount to be paid for the completion of the specified tasks.
  - \* Dates covered by the contract.
  - \* Signatures of the employee/consultant and the campaign treasurer.
  - \* Date signed.
- ❖ The treasurer should be the only authorized signer of checks for salaries, wages and consultant fees, unless they are over a certain amount (see also [page 124](#)).
- ❖ Confirm the number of hours worked by campaign staff. This will help ensure that your time sheets are accurate. Observe the detailed requirements for people paid on a daily or hourly rate, including petitioning and get-out-the-vote workers.

*See [Chapter 3](#) for sample time sheets.*

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**IMPORTANT NOTE:** Volunteers do not need a contract or time sheet, since they are not being paid. However, if a campaign volunteer becomes a paid staff member, **you may not** pay for work he or she has already completed as a volunteer. Create a contract only for the **future work** to be performed on a paid basis. Do not backdate contracts. Also note that once an individual has been paid, he or she may not work as a volunteer for professional services of a similar nature.

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- ❖ For consultants, develop clear schedules and a detailed description of goods or services to be rendered. Each invoice (bill) submitted by a consultant should describe the specific good or service delivered during the period covered by the invoice. Save samples of employees' and consultants' work products when possible.
- ❖ Consult the IRS, the NYS Department of Taxation and other authorities for information on establishing procedures to withhold and pay all payroll taxes (federal, state, local, social security) on time and in accordance with applicable laws.
- ❖ Consult a tax advisor as necessary to create a system for filing tax returns and state unemployment benefits returns each quarter. Establish procedures for distributing W-2 forms and 1099 forms in accordance with applicable laws. Reconcile W-2 forms with payroll records and 1099 forms with consultant expenditures before distributing them.

*Thinking of hiring a consultant? Comparison shopping is always a good idea. Talk to several individuals to be sure you've found someone who understands the needs of your campaign and can deliver the services you're looking for. Clear communication up front will help you in the long run. Also review Political Consultants Who Work for Both Candidates and Independent Spenders.*

## Recordkeeping

- ❖ Keep **all records** that show how your campaign has received and spent funds. Develop an organized filing system that works for your campaign.

You must keep these records:

- \* Bank statements

### **Contributions:**

- \* Copies of checks and money orders
- \* Contribution cards
- \* Documentation of credit card contributions (if applicable)
- \* Itemized deposit slips

### **Expenditures:**

- \* Bills (invoices)
- \* Receipts (proof of payment)
- \* Front and back of cancelled checks
- \* Documentation for advance purchases and repayments
- \* Credit card statements
- \* Contracts
- \* Time sheets
- \* Leases



## REMINDER

See the CFB website, Rule 4-01 and Chapters [2](#) and [3](#) for detailed descriptions of the records that your campaign must keep.

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**IMPORTANT NOTE:** The quality of your campaign’s recordkeeping will **directly affect** your ability to receive public matching funds. You cannot use public funds for any expenditure that does not have appropriate documentation created at the time of the expenditure.

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- ❖ Make copies of all financial documents. Keep the copies available for use by authorized campaign staff and volunteers. If possible, keep the originals in a secure location, preferably off-site.
- ❖ Be prepared to produce the copies or the originals of all documents upon request by the CFB.
- ❖ Create organized filing systems for storing paper **and** electronic documents. Post procedures so all staff and volunteers can easily follow them. Campaign staff, volunteers, and CFB auditors should be able to find what they need quickly and easily.
- ❖ Train staff and volunteers to follow your filing procedures even during the campaign’s busiest periods.

## C-SMART

This section includes some tips on using C-SMART to support your campaign’s internal control procedures.

- ❖ Contact your CSU liaison to sign up for a C-SMART training, which is required for all participating campaigns. Ensure that staff members receiving training have the necessary skills to perform data entry properly. Encourage them to contact CSU with questions.
- ❖ Enter all required data into C-SMART as soon as possible after receiving a contribution or incurring an expenditure. Double-check the spelling of all names and the accuracy of dollar amounts; this can prevent problems later.
- ❖ After data entry, reconcile the C-SMART entries to make sure they match the backup documentation (checks, contribution cards, etc.). C-SMART reports, such as the *Itemized Contributions* and *Itemized Expenditures* reports will be helpful in this process. Taking this step will ensure accuracy and completeness. The person who performs the reconciliation should **not** be the person responsible for entering data into C-SMART. This separation of duties serves as a “check and balance” of your financial procedures.



### CONTACT US

Contact your CSU liaison for guidance at 212-409-1800 or at [CSUmail@nyccfb.info](mailto:CSUmail@nyccfb.info).

For Campaign Internal Use Only

**SAMPLE CAMPAIGN EVENT CONTRIBUTIONS LOG**

Event Date: \_\_\_\_\_ Event Location: \_\_\_\_\_ Log Prepared By: \_\_\_\_\_

Item #	Contributor Name (double-check spelling)	Contribution Type (circle one)	Check or Money Order #	Amount	Has all required documentation been received?	Is follow-up needed?
1		check • cash • money order • credit card			yes • no	yes • no
2		check • cash • money order • credit card			yes • no	yes • no
3		check • cash • money order • credit card			yes • no	yes • no
4		check • cash • money order • credit card			yes • no	yes • no
5		check • cash • money order • credit card			yes • no	yes • no
6		check • cash • money order • credit card			yes • no	yes • no
7		check • cash • money order • credit card			yes • no	yes • no
8		check • cash • money order • credit card			yes • no	yes • no
9		check • cash • money order • credit card			yes • no	yes • no
10		check • cash • money order • credit card			yes • no	yes • no
<b>Total Contributions, this page</b>				<b>\$</b>		
<b>Subtotals, this page</b>			Checks	<b>\$</b>		
			Cash	<b>\$</b>		
			Money Order	<b>\$</b>		
			Credit Card	<b>\$</b>		
<b>Number of Items:</b>				<b>\$</b>		

**For Campaign Internal Use Only**

**SAMPLE CHECK AUTHORIZATION FORM**

Date: \_\_\_\_\_ Form Prepared By: \_\_\_\_\_

**1) Check to be paid to:**

Company or Individual Name \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

**2) Check amount: \$** \_\_\_\_\_

**3) Check number:** \_\_\_\_\_

**4) Is an original invoice or receipt attached? Yes No** (circle one)

If not, explain what documentation exists to prove that a good or service was provided and received.  
*Attach a copy of that documentation to this form.*

**5) Item(s) or service(s) purchased:**

**6) Purpose of expenditure:**

**7) Authorizations:**

I authorize this expenditure on behalf of the John Q. Public Campaign.

\_\_\_\_\_  
Signed (1st level authorization)

\_\_\_\_\_  
Signed (2nd level authorization)

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title (Treasurer, Candidate, Manager)

\_\_\_\_\_  
Title (Treasurer, Candidate, Manager)

**8) Hand Delivery:**

Is the check to be **hand-delivered**? If so, signature of the campaign representative who will deliver it, and the date that person was given the check:

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Date



# Glossary

**Advance Purchase** – a campaign-related expense paid for by an individual using his/her personal funds with the expectation of repayment.

**Advance Repayment** – reimbursement your campaign makes to the advancer of a campaign-related expense.

**Advisory Opinion** – a document issued by the Board to clarify the Act and Rules, usually issued at the request of a campaign or other interested party.

**Affiliated Contributor/Contribution** – combination of a contribution from a contributor and an entity that he/she owns or has significant decision-making control over.

**Amendment** – a modified disclosure statement submitted by a campaign to correct errors and/or omissions in the original disclosure statement.

**Backup Documentation** – documentation which demonstrates the validity of monetary contributions claimed for matching funds. Backup documentation includes copies of checks, contribution cards, money orders, and credit card processing information, and is submitted with each disclosure statement.

**Bill** – a liability (debt) incurred by the campaign for goods or services.

**C-Access** – the personalized CFB website and online portal that gives you secure access to your campaign's financial and committee information, where you will receive notices regarding compliance and public funds eligibility.

**C-SMART** – the financial reporting application you use to record your campaign's financial activity and submit disclosure statements to the CFB and State BOE.

**Campaign Finance Act (the Act)** – the law that regulates how the Campaign Finance Board operates and how the Campaign Finance Program is run. The Act contains the regulations, limits, and prohibitions that apply to all candidates for mayor, public advocate, comptroller, borough president, and City Council member, as well as the requirements governing candidates who join the Campaign Finance Program.

**Campaign Finance Program (the Program)** – the system established by the Act and administered by the CFB that allows eligible candidates running for New York City office to have contributions to their campaigns from individual New York City residents matched with public funds.

**Campaign-Related Expenditure** – an expenditure a campaign is permitted to make under the Act that helps further the candidate's nomination or election to office.

**Campaign-Sponsored Event** – a fundraising event paid for in whole or in part by your campaign.

**Certification** – the document used by a candidate to voluntarily join the Program.

**Citywide Office** – an office in which candidates are selected by voters in all five boroughs.

**Compliance Visit** – an on-site visit by the CFB to review a campaign’s compliance with the CFB’s requirements.

**Consultant** – a vendor who provides professional or expert advice to your campaign in a particular area.

**Contribution** – any gift, subscription, advance, or deposit of money or anything of value made in support of your candidate.

**Contribution Card** – a document completed and signed by an individual contributor making a monetary contribution to your campaign to verify information about the contribution.

**Contribution Limit** – the total amount you may accept from a single contributor per election cycle.

**Covered Office** – an elected office that is subject to the Act and under the jurisdiction of the CFB. The five covered offices are mayor, public advocate, comptroller, borough president, and member of the City Council.

**Debate Program** – the public education program for citywide candidates run by the CFB with civic and media partners.

**Disclosure Statement** – a report prepared and submitted by your campaign using C-SMART to disclose all financial activity that takes place within a reporting period.

**Doing Business Database (DBDB)** – a computerized database maintained by the City containing the names of individuals and entities that do business with the City of New York.

**Election Cycle** – the four-year period during which campaigns report their finances to the CFB.

**Employer Identification Number (EIN)** – a unique, nine-digit number assigned by the IRS for tax filing and reporting purposes. You must obtain an EIN for your committee to open a bank account.

**Exempt Expenditure** – a narrow set of campaign spending that does not count toward your campaign’s expenditure limit.

**Expenditures** – payments and liabilities you make to further your campaign.

**Expenditure Limit (spending limit)** – the maximum amount your campaign can spend during a particular part of the election cycle.

**Fair Market Value** – the value of a good or service as available to the general public.

**Filer Registration (FR)** – the form you use to register with the CFB to allow you to submit disclosure statements.

**Forgiven Loan** – a loan that the lender agrees to let the campaign keep without repayment either in whole or in part.

**Fundraising Agent** – a paid or volunteer full-time campaign staff member or commercial fundraising firm retained to solicit and accept contributions on behalf of your campaign.

**In-kind Contribution** – a good or service donated to your campaign free of charge or at a discount that is not available to the general public.

**Independent Expenditure** – spending by an individual or entity on behalf of your campaign without your campaign’s cooperation, approval, or involvement.

**Intermediary** – a person or entity who solicits and/or delivers contributions to your campaign where such solicitation is known to the candidate or the campaign.

**Invalid Matching Claim(s) (IMC)** – a claim for public matching funds that the CFB has found to be not matchable for a particular reason.

**Invalid Matching Claims Report (IMC Report)** – a list of all matching claims found to be not matchable by the CFB and the reasons for those findings.

**Joint Expenditure** – a purchase of goods or service by two or more campaigns.

**Limited Participant** – a candidate who files a certification to join the Program but will entirely self-finance his/her campaign. Limited participants are not eligible to receive public funds, but are still subject to the Program’s spending limits. Limited participants cannot accept contributions from any source other than the candidate.

**Matchable Contribution** – a contribution from an individual New York City resident that is eligible to be matched with public funds.

**Matching Claim** – a monetary contribution you seek to have matched with public funds.

**Matching Rate** – formula at which contributions from individual New York City residents will be matched with public funds. Currently, the rate is \$6 in public funds for every \$1 raised.

**Monetary Contribution** – a campaign contribution made by check, cash, money order or credit card.

**Non-Campaign Related Expenditure** – an expenditure that cannot be made using campaign funds.

**Non-Participant** – a candidate who does not participate in the Program.

**Non-Qualified Expenditure** – an expenditure that, while campaign-related, cannot be paid for using public funds.

**Outstanding Liability** – a bill that has not been paid by the time the reporting period ends and the disclosure statement is submitted.

**Participant** – a candidate who files a Certification to voluntarily join the Program.

**Petty Cash** – cash fund of no more than \$500 which may be used to make small cash purchases not exceeding \$100 per transaction.

**Public Funds Maximum** – the most money that a campaign can receive in public funds per election.

**Public Matching Funds (Public Funds)** – taxpayer money used to match eligible contributions that is calculated by multiplying a campaigns valid matching claims by the matching rate.

**Qualified Expenditure** – an expenditure made in the election year that can be paid for with public funds.

**Reporting Period** – the date range covered by a particular disclosure statement.

**Runoff Election** – an election held to determine a party’s nominee if no candidate running for citywide office receives more than 40% of the vote in the primary election.

**Sole Proprietorship** – a business that is wholly owned by a single person and where there is no legal distinction between the owner and the business.

**Subcontractor** – an individual or entity hired by a vendor to perform work contracted between the vendor and your campaign.

**Threshold** – the two-part criteria demonstrating a minimal level of support that a participant must meet to be eligible to receive public funds.

**Transaction ID** – the unique identification number generated and automatically assigned by C-SMART to each entry.

**Transfer** – movement of money from another committee you authorized to your current committee or contributions to or from a local or national political party.

**Voter Guide** – a publication distributed in print, video, and online by the CFB before the primary and general elections to provide voters with information about municipal candidates, local ballot proposals, and assistance with voting.

# Appendix

## CONTRIBUTION CARDS

[English](#)

[English for credit cards](#)

[English/Spanish](#)

[English/Spanish for credit cards](#)

[English/Bengali](#)

[English/Bengali for credit cards](#)

[English/Chinese](#)

[English/Chinese for credit cards](#)

[English/Korean](#)

[English/Korean for credit cards](#)

[Special Election Contribution Card](#)

[Special Election Contribution Card for credit cards](#)

[Contribution Card for Segregated Bank Account](#)

## FORMS

[Certification](#)

[Change of Bank Account Information](#)

[Change of Contact Information](#)

[Filer Registration](#)

[Political Committee Registration](#)

[Rescission of Certification](#)

[Small Campaign Registration](#)

[Transition and Inauguration Entity \(TIE\) Registration](#)

[Verification of Terminated Candidacy](#)

## **TEMPLATES**

[Advance Repayment Voucher](#)

[Campaign Documentation Labels](#)

[In-Kind Contribution Form](#)

[Intermediary Statement](#)

[Loan Agreement](#)

[Statement of Automobile Travel](#)

[Subcontractor Disclosure Form](#)

[Time Sheet—Daily](#)

[Time Sheet—Weekly](#)

[Transfer Authorization Card](#)

## **INVALID MATCHING CLAIMS LETTERS**

[Address Verification \(SRC-9; SRC-11\)](#)

[Contribution Affirmation \(DOC-5; DOC-6; DOC-7; DOC-8; DOC-9; DOC-10; DOC-11; DOC-12; DOC-16\)](#)

[Contribution Drawn on Business Account \(SRC-2\)](#)

[Contributor Under Eighteen Years of Age \(SRC-6\)](#)

[Missing/Incomplete Employment Information \(RPT-2\)](#)

[Missing/Incomplete Residential Information \(RPT-4; SRC-10\)](#)

[Reported Contributor Does Not Match Backup \(RPT-6\)](#)

## **GUIDANCE DOCUMENTS**

[C-SMART Help](#)

[C-SMART Purpose Codes Guide](#)

[Electronic Submission of Campaign Documentation](#)

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[Transfers—Type 2b](#)