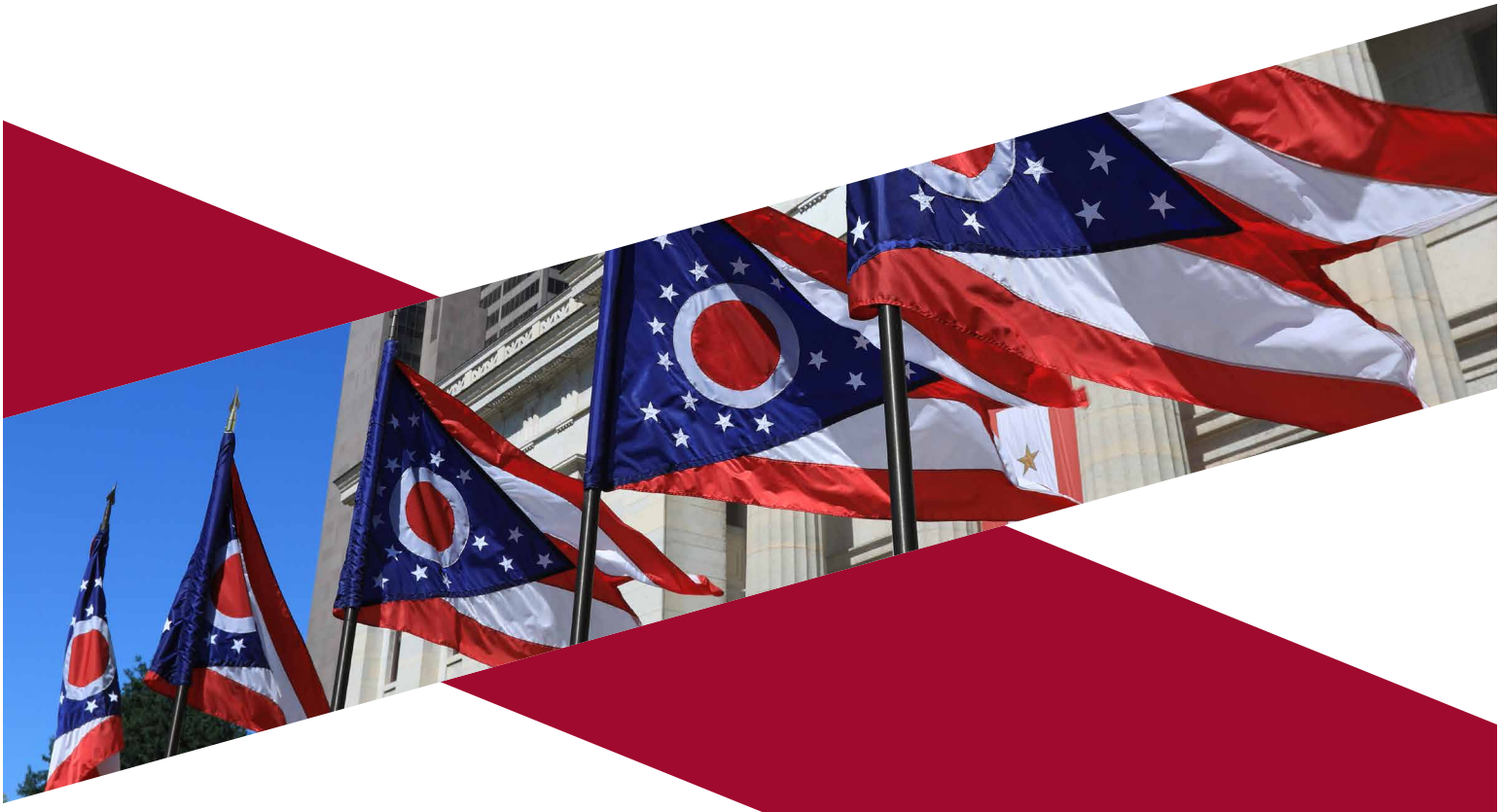
OHIO

CAMPAIGN FINANCE HANDBOOK

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Campaign Finance Handbook

Dear Ohioans:

Our democratic system is strong and serves as the foundation for not only our government but the everyday choices we make as citizens and public servants. The smallest doubt in how our democracy is run can fracture the public trust in fair elections. It is our job to provide full disclosure and transparency in all we do to earn and keep this trust, especially when it comes to campaign contribution filings. The success of our democracy depends on all involved being aware of and playing by the rules.

This guide was developed as a resource for candidates and treasurers to meet Ohio campaign finance reporting obligations. The information is specific to your type of reporting entity, broken down for convenience, and contains links to the Ohio Revised Code and other resources you may find helpful.

If you need further assistance, please contact your local county board of elections or the Secretary of State's Campaign Finance Division at (614) 466-3111 or CFinance@OhioSoS.gov.

Yours in service,



Ohio Secretary of State

TABLE OF CONTENTS

1. Definitions

2. Candidates

3. Additional Requirements for Statewide and General Assembly Candidates

4. Transition Funds

5. Political Party Accounts

6. Legislative Campaign Funds

7. Political Action Committees

8. Political Contributing Entities

9. Ballot Issue Committees

10. Businesses and Labor Organizations

11. Electioneering Communication

12. Disclaimers

13. Electronic Filing of Campaign Finance Reports

14. Duties of the Secretary of State and County Boards of Elections

15. Ohio Elections Commission

16. Other Resources

17. Frequently Asked Questions

CHAPTER 1: DEFINITIONS

It is important to begin this publication with a review of the definitions for some of the most significant terms to be used throughout each chapter. Though not exhaustive of all campaign finance-related terms, this chapter will highlight those which are most often used within this publication and in most practical and operational applications.

Abbreviations used throughout handbook:

FEC	Federal Election Commission	FSL	Federal, State, and Local
LCF	Legislative Campaign Fund	OAC	Ohio Administrative Code
OAG	Ohio Attorney General	OEC	Ohio Elections Commission
PAC	Political Action Committee	PCE	Political Contributing Entity
R.C.	Ohio Revised Code		

Auditing Authority

The Secretary of State or the county board of elections, as appropriate.

The local county board of elections normally examines campaign committees of candidates for local office, local political action committees, local political contributing entities, and those accounts of a local political party that are not filed electronically. Campaign committees of candidates for statewide, Court of Appeals, and General Assembly offices, statewide political action committees, statewide political contributing entities, statewide political parties, and legislative campaign funds are examined by the Secretary of State's Office. In all events, the Secretary of State has the authority to investigate any campaign finance-related issue, whether it is at the local or state level.

Complaints of alleged violations of campaign finance law are filed with the OEC which has original jurisdiction to hear complaints, find violations, and impose penalties – see Chapter 15 - Ohio Elections Commission.

Ballot Issue Political Action Committee

The circulator or committee in charge of an initiative or referendum petition for submitting a constitutional amendment, proposed law, section, or item of any law established to receive contributions or make expenditures.

R.C. 3517.12(A) & (C); OAC 111:2-3-10

Campaign Committee

A candidate or a combination of two or more persons authorized by a candidate to receive contributions and make expenditures.

A campaign committee is the entity through which funds are raised, spent, and disclosed when candidates run for office.

R.C. 3517.01(C)(1)

Candidate

A person certified to appear on a ballot or a person who has received contributions or made expenditures or has appointed a campaign treasurer.

The combination of two people running for Governor and Lieutenant Governor is considered a single candidacy.

For purposes of campaign finance law, a write-in candidate is also considered a candidate.

People running for county or state party central committee, presidential electors, national convention delegates, and charter commission members are not candidates and are not subject to campaign finance reporting.

R.C. 3501.01(H), 3517.01(C)(3); 64 OAG 1512

Cash

Cash means coined or paper money designated as legal tender and circulated from hand to hand as a medium of exchange.

OAC 111:2-4-05

Contribution

Except as applied to electioneering communications, a contribution is any of the following, if made for the purpose of influencing the results of an election: a loan, gift, deposit, forgiveness of debt, donation, advance, payment, or transfer of funds or anything of value including a transfer of funds from an inter vivos or testamentary trust or decedent's estate, and the payment by any person other than the person to whom the services are rendered for the personal services of another person, for the purpose of influencing the results of an election.

A contribution does not include unreimbursed personal expenses of volunteers, ordinary home hospitality, or personal expenses paid for by a candidate from the candidate's personal funds. A contribution is received when any candidate or any agent of a committee or other entity gains possession of it. In-kind contributions are also considered contributions. See "In-Kind Contribution" later in this chapter for more details.

R.C. 3517.01(C)(5), 3517.08

Individuals under seven years old are prohibited from making a contribution.

R.C. 3517.102(B)(1)(c)

Cryptocurrency

Cryptocurrencies, such as Bitcoin, are digital currencies that may be used to pay for goods and services as opposed to U.S. dollars or other government issued currencies.

A committee that receives cryptocurrency must be able to identify the donor and report the asset's value at the time of receipt as an in-kind contribution. The committee must report the total sale price of the cryptocurrency asset when the committee converts the cryptocurrency to cash, and any cost involved in the exchange must be reported as an expenditure.

The Ohio Elections Commission advised, unlike other in-kind contributions that are not included within the terms of R.C. 3517.102 for contribution limit purposes, cryptocurrencies are more fungible than other in-kind contributions and thus must be limited in the same manner as any other contribution.

R.C. 3517.01(C)(16), 1.03; 2021ELC-03; AO 2014-02

Debt

Goods or services that have been received by or on behalf of the committee for which full payment or reimbursement has not yet been made.

Disclaimer

The portion of a political message that identifies the name of the entity that paid for the item on which the disclaimer appears in a conspicuous place.

A disclaimer must appear on almost everything that is created to influence an election, including electronic messages. That said, individuals acting alone to publish material and certain political

action committees limited in size and amount of expenditure activity are not required to include a disclaimer. Candidates are not considered individuals for purposes of the disclaimer requirement and must include a disclaimer unless the item is specifically exempted. Personal correspondence that is not reproduced for distribution does not need a disclaimer.

See *Chapter 12 – Disclaimers* for more details and the list of exempt items.

R.C. 3517.105, 3517.20; OAC 111:2-4-18; OEC Advs. 96ELC-10, 2012ELC-04

Electioneering Communication

Any broadcast, cable, or satellite communication made between the date a person becomes a candidate and the thirtieth day prior to a primary or general election at which the candidate will be elected to that office, that refers to a clearly identified candidate and is not otherwise considered an "expenditure."

Any person intending to make a disbursement for the direct costs of producing or airing electioneering communications must file a notification of that intent with the Secretary of State before making the disbursement.

Electioneering communication does not include web-based communication, print media, printed materials, or telephone communications.

R.C. 3517.1011; OAC 111:2-3-09

Expenditure

The disbursement or use of a contribution to influence the results of an election or for making a charitable donation.

R.C. 3517.01(C)(6), 3517.08(G)

Foreign Nationals

Foreign governments, foreign corporations, foreign partnerships, or an individual who is not a citizen of the United States and who is not lawfully admitted for permanent residence.

Foreign nationals are prohibited from making political contributions to influence any candidate election. Candidates, campaign committees, and all other political entities are prohibited from soliciting or accepting anything – including a monetary contribution, in-kind contribution, or

independent expenditure – from a foreign national. Immigrants with a green card may make political contributions.

R.C. 3517.13(W); 2 U.S.C. 441e

Gift

A "gift" is the terminology given to the source of funding for the Restricted Fund and Building Fund of a state or county political party, and the Levin Fund of a state political party. Since these accounts cannot be used to support or oppose any particular candidate, the term "contribution" is not an appropriate description for the income on these accounts.

In-Kind Contribution

Anything of value, other than money, that is used to influence the results of an election or is transferred to or used in support of or opposition to a candidate or political committee.

To qualify as an in-kind contribution, the item or service must have been made with the consent of, in coordination, cooperation, or consultation with, or at the request or suggestion of, the benefited candidate, committee, fund, party, entity, or their authorized agents. In-kind contributions received are considered a form of a contribution, and therefore, subject to all laws or rules on contributions.

Examples include postage, signs, receiving office space without paying rent, the assistance of personnel compensated by a third party, or the purchase of media advertising by a third party on behalf of a committee.

R.C. 3517.01(C)(16)

Independent Expenditure

An expenditure made to advocate the election or defeat of a candidate or a ballot issue without the consent of, and not in coordination, cooperation, or consultation with, or at the request or suggestion of, the candidate, campaign committee, ballot issue, or their authorized agents.

R.C. 3517.01(C)(17); 3517.105(C); OAC 111:2-2-01

Any expenditure by a political party to finance communications advocating the election or defeat of a candidate for judicial office shall be deemed to be an independent expenditure. Thus, the benefiting judicial candidate campaign committee has no requirement to disclose the cost of the communications.

R.C. 3517.105(D)

Legislative Campaign Fund

A fund established as an auxiliary of a state political party and that is associated with one of the caucuses of the General Assembly.

R.C. 3517.01(C)(15)

Loan

Money received and deposited into a committee's bank account for which repayment is expected.

A loan is a contribution made by a guarantor as long as it remains unpaid. For campaign finance reporting purposes, a loan is considered a contribution and is therefore subject to contribution limits. A loan made by a bank or other lending institution is not considered a contribution.

OAC 111:2-1-03, OEC Adv. 98ELC-03

Multi-beneficiary Campaign Committee

A single campaign committee formed to represent multiple candidates seeking the same office at the same election.

When a board, commission, or other similar body of elected officials has multiple open positions at the same election, two or more candidates may join and form a multi-beneficiary campaign committee to act as their sole campaign committee.

The number of candidates may not exceed the number of open positions on the board, commission, or other similar body of elected officials.

R.C. 3517.081(B)

Ohio Elections Commission

A body empowered to hear alleged violations of campaign finance law in R.C. 3517.08 - 3517.13, 3517.17, 3517.18, 3517.20 - 3517.22, 3599.03, and 3599.031 and to give advisory opinions on campaign finance law. Comprised of seven members, the commission has 3 Democrats, 3 Republicans, and 1 member unaffiliated with a political party.

R.C. 3517.152, 3517.153, elc.ohio.gov

Although a board of elections, the Secretary of State's Office, or an individual may file a campaign finance related complaint, only the OEC may find a violation of campaign finance law and impose a penalty. Please see Chapter 15, Ohio Elections Commission for more information.

The Ohio Elections Commission can be reached at 614.466.7090 or ethics@ethics.ohio.gov.

Other Income

Other income means a loan, investment income, or interest income. Money returned to the committee account, including a credit or refund, the sale of an asset, or an outstanding check that has not cleared within a reasonable time are also reported as other income.

Contributions that are other income must be itemized separately from all other contributions.

R.C. 3517.10; OAC 111:2-4-16

Political Action Committee (PAC)

A combination of two or more persons, the primary or major purpose of which is to support or oppose any candidate, political party, or issue, or to influence the result of any election through express advocacy.

A PAC does not include candidate committees, legislative campaign funds, political parties, political contributing entities, or political clubs.

To determine whether a purpose is a primary or major purpose, the following should be considered:

- Whether the combination of two or more persons receives money or any other thing of value in a common account for the specific purpose of supporting or opposing any candidate, political party, legislative campaign fund, political action committee, political contributing entity, or ballot issue;
- Whether the combination of two or more persons has or will make a continuing pattern of expenditures from a common account to support or oppose any candidate, political party, legislative campaign fund, political action committee, political contributing entity, or ballot issue;
- Whether the combination of two or more persons constitutes an entity that did not exist prior to supporting or opposing any candidate, political party, legislative campaign fund, political action committee, political contributing entity, or ballot issue; and
- Whether the total dollar value of the combination of two or more persons' activity described in the above paragraphs during a calendar year exceeds $100.

R.C. 3517.01(C)(8); OAC 111:2-1-02(K)(1)

A "combination of two or more persons" does not include persons making separate individual contributions to the same campaign committee, political party, or other entity.

OAC 111:2-1-02(K)(2)

Political Club

An organization excluded from the definition of a "political action committee" and having these attributes:

- Is formed primarily for social purposes;
- Consists of 100 members or less;
- Has officers and periodic meetings;
- Maintains less than $2,500 in its treasury at all times; and
- Makes no more than $1,000 in total contributions per calendar year.

Despite its name, a "political club" is not necessarily required to have any affiliation with any political party.

R.C. 3517.01(C)(8)(b); OAC 111:2-1-02(L)

Political Contributing Entity

Any entity, including a corporation or labor organization that may lawfully make contributions and expenditures to influence the outcome of an election.

Only labor organizations may make contributions and expenditures in accordance with the decision in *UAW et al. v. Philomena, et al. (1998) 121 Ohio App. 3d 760 (10th District)*. Corporations may not be PCEs.

R.C. 3517.01(C)(25)

Political Party

A political party is any group of voters that garners and maintains at least 3% of the total vote in a gubernatorial or presidential election, or properly files party formation petitions.

Along with having a statewide party apparatus, political parties may have separate, local organizations in each of Ohio's 88 counties.

R.C. 3517.01(A)

Treasurer

An individual appointed by a candidate, political action committee, political contributing entity, political party, or legislative campaign fund to receive, deposit and disclose contributions, make and disclose expenditures, and file periodic reports of campaign finance activity.

A treasurer must keep a strict account of all contributions received and expenditures made. Any reasonable accounting procedure may be employed by the treasurer to ensure a full, complete, and accurate account of all financial and disclosure information. The treasurer must preserve all records and accounts for six years after each periodic report has been filed.

R.C. 3517.01(C)(2), 3517.081, 3517.10(D); OAC 111:2-4-13

CHAPTER 2: CANDIDATES

This chapter provides general information to all local, county, General Assembly, and statewide candidates. Additional requirements for statewide and General Assembly candidates are provided in Chapter 3, Additional Requirements for Statewide and General Assembly Candidates. Statewide and General Assembly candidates should use this chapter along with Chapter 3.

What to Do First

Before receiving any contribution or making any expenditure, a potential candidate must file Form 30-D, Designation of Treasurer ("DOT"). This form registers the campaign committee and includes basic information such as the candidate's name and address, the campaign committee's name, the office sought, the name of the treasurer, and any deputy treasurers.

There are no statutory restrictions on who can be a treasurer. The candidate must either designate themself or another person as the campaign committee treasurer. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. The candidate must sign to approve the DOT. The treasurer, and deputy treasurer if appointed, must sign the DOT to acknowledge their appointment.

Candidates are responsible to keep all committee information updated (e.g., change in treasurer, committee name, office sought, address, and contact information) by filing an updated Designation of Treasurer. This form must be completed in entirety each time it is filed, including all applicable signatures.

R.C. 3517.081, 3517.10(D)

Except as provided below, candidates who spend only their own personal funds still must file a Designation of Treasurer form before making out-of-pocket expenditures related to their campaign.

However, a candidate who uses personal funds only to pay the filing fee to run for office does not necessarily need to file a Designation of Treasurer form. Please see the "Filing Fee Only Candidate" section in this chapter for more information.

OAC 111:2-4-01

Naming a Campaign Committee

A campaign committee must include at least the last name of the candidate. If a campaign committee is established as a multi-beneficiary campaign committee, the last name of each benefiting candidate must be in the name of the campaign committee.

R.C. 3517.10(D); OAC 111:2-1-04

When considering a name for the campaign committee, it may be prudent to make the name general rather than office-specific. Example: Friends of Bob Buckeye rather than Bob Buckeye for Council. If Bob Buckeye changes their office sought, the committee bank account and any assets with a disclaimer must be corrected.

Where to File the Designation of Treasurer

The office for which the candidate is running determines where the DOT is filed. Candidates running for Governor/Lieutenant Governor, Attorney General, Secretary of State, Treasurer of State, Auditor of State, Supreme Court Justice, or State Board of Education member will file the DOT with the Secretary of State's Office.

Campaign committees of candidates for all other offices must file the DOT with the board of elections where their candidates are required to file the petitions or other papers for nomination or election.

R.C. 3517.11(A)

Bank Account

A campaign committee must establish a bank account that is separate from a personal or business account of the candidate, or of a member of the candidate's campaign committee. All monetary campaign contributions received must be deposited into this account. All contributions received and all expenses paid from this account must be disclosed.

R.C. 3517.10

Campaign contributions may not be placed in a candidate's personal or business account. The campaign bank account may not be used for personal or business purposes.

Although Ohio law does not require a campaign committee to obtain a federal employer identification number (EIN), the committee's chosen financial institution may require an EIN for

banking purposes. EINs are issued by the Internal Revenue Service ("IRS") upon request. Any questions on obtaining an EIN should be directed to the IRS.

Where to File Reports

The office for which the candidate is running determines where they file campaign finance reports. Candidates running for Governor/Lieutenant Governor, Attorney General, Secretary of State, Treasurer of State, Auditor of State, Supreme Court Justice, or State Board of Education member must file their campaign committee reports with the Secretary of State's Office.

R.C. 3517.11, 3513.259

Similarly, campaign committees for candidates for member of the General Assembly or candidates for the Courts of Appeals are subject to electronic filings with the Secretary of State. Electronically filed reports are not also required to be produced or filed in paper form. See Chapter 13, Electronic Filing, for more information.

All other candidates file their reports with the county board of elections in the county in which they are running for office. State law allows, but does not require, a local candidate's campaign committee to submit campaign finance reports electronically with the local county board of elections.

R.C. 3517.11(A)

When a committee must change its place of filing, it does so by filing an updated Form 30-D, Designation of Treasurer. The candidate files the original copy of the updated Designation of Treasurer form with the new place of filing. The candidate then sends a copy to the prior place of filing to indicate the intent to transfer filing obligations to a new location.

Federal political committees, including federal candidate committees, file reports with the Federal Election Commission. But when a federal political committee wishes to make a disbursement to an Ohio non-federal candidate's campaign committee, the federal candidate committee must first register with the Secretary of State's Office.

R.C. 3517.107

When to File Reports

Campaign committee reports are due based on when the candidate's name appears on the ballot.

For example, if the candidate does not appear on a ballot, no pre-election or post-election report is required.

R.C. 3517.10(A)

All reports must be physically received at the Secretary of State or county board of elections office to meet the filing deadline requirement.

Reporting Deadlines:

A campaign committee must file a **pre-election report** by 4 p.m. on the 12th day before an election (primary, general, or special) if it spent or received $1,000 or more between the time the last report was filed and the 20th day before the election, if the candidate appears on the ballot at that election. The $1,000 threshold includes monetary and in-kind contributions, along with the value of any new loans received during the reporting period.

R.C. 3517.10(A)(1)

Examples:

- The campaign committee of a candidate who will appear on the ballot has raised $800 in contributions and has made $300 in expenditures during the pre-election filing period. This committee is not required to file a pre-election report.

- The campaign committee of a candidate who will appear on the ballot has raised $1,200 in contributions and has made $300 in expenditures during the pre-election filing period. This committee must file a pre-election report.

A campaign committee must file a **post-election report** by 4 p.m. on the 38th day after the election if the candidate appeared on the ballot. A post-general report covers all activity not previously reported through the 31st day after the election. Any campaign committee whose candidate appeared on the ballot must file a post-election report.

R.C. 3517.10(A)(2)

A campaign committee must file a **semiannual report** by 4 p.m. on the last business day of July showing all activity since the last report through June 30 and should reflect only the activity that has occurred since the previous report was filed. The campaign committee of any statewide or

county candidate must file the semiannual report in a year when the candidate does not appear on an election ballot.

Exceptions and Exclusions:

- A semiannual report is not required if the campaign committee was required to file a post-primary election report in that year (because the candidate's name appeared on the ballot).
- Campaign committees of candidates for judicial office are not required to file a semiannual report in any year.
- The campaign committee of a candidate for any non-statewide, non-county, or nonjudicial office (e.g., mayor, city council, township trustee) is not required to file a semiannual report unless that campaign committee both:
    - Receives, during the semiannual reporting period, contributions exceeding $10,000; and
    - Did not file a post-primary election report.

R.C. 3517.10(A)(4); OAC 111:2-4-04

A campaign committee must file an **annual report** by 4 p.m. on the last business day of January showing all activity since the last report through December 31 and should reflect only the activity that has occurred since the previous report was filed. An annual report must be filed by a campaign committee that was not required to file a post-general election report.

R.C. 3517.10(A)(3); OAC 111:2-4-04

A campaign finance report can be filed even if one is not required to be submitted. This option allows a filing entity the flexibility of disclosing more often and, possibly, avoiding a late filing or completely failing to file a required report.

Local Candidate Waiver of Reporting Requirements

A candidate's campaign committee may be exempt from the requirement to file campaign finance reports during an election year (except for the Designation of Treasurer form) if the candidate is running for:

- An elected municipal office that pays an annual amount of compensation of $5,000 or less;
- A board of education office, except for state board of education office;
- An educational service center office, except for state board of education office; or
- A township trustee or township fiscal officer office.

To qualify for the Local Candidate Waiver, the campaign committee of a candidate seeking election to the office listed above must file a certificate within 10 days after filing a candidacy petition (nominating petitions, declaration of candidacy, or a declaration of intent to be a write-in candidate). This certificate is prescribed as Form 31-BB, Local Candidate Waiver, and requires the treasurer to agree that the campaign committee will not accept more than $2,000 of aggregate contributions during an election period, no more than $100 from any one individual, and that the committee will not make expenditures that total more than $2,000.

If the campaign committee exceeds any of the above waiver limitations, the certificate is void and the campaign committee must file all required reports, including all activity since the candidacy petition was filed. The $100 per individual contribution restriction does not apply to contributions made from the personal funds of the candidate.

OAC 111:2-1-08

The Local Candidate Waiver covers activity through the post-general reporting period of the year in which the waiver is filed. After that election year, the campaign committee must either terminate or begin filing campaign finance reports as prescribed by R.C. 3517.10.

R.C. 3517.10(K); OAC 111:2-1-08

A campaign committee that qualifies for and operates under the conditions of the waiver is exempted from filing reports but is not exempted from keeping a strict and accurate accounting of all campaign finance activity and preserving that information for six years, should there arise any need to examine disclosed information.

R.C. 3517.10(D)(2); OAC 111:2-4-13

If a candidate has not filed a Designation of Treasurer form to establish a campaign committee, then there is no need to file a Local Candidate Waiver form. By not filing a Designation of Treasurer form a candidate signifies they will not receive or expend any funds – even their own – to influence the outcome of their election.

Short Form Report

If a candidate has no activity before January 1 of the year in which they appear on the ballot, spends $500 or less, and receives $500 or less in the year they appear on the ballot, then only the cover page of a campaign finance report must be filed. If all of these criteria are met, the candidate

may file a Short Form Report composed of only Form 30-A, Ohio Campaign Finance Report Cover Page, at the respective post-primary and post-general filing deadlines.

If the candidate lost the primary, then the committee must also terminate to qualify to file only a Short Form Report comprised of only Form 30-A, Ohio Campaign Finance Report Cover Page, for their post-primary report. If a Short Form Report is filed for the post-general, then the committee must simultaneously terminate.

Whenever a Short Form Report is filed, the portion of the form that contains lines to reflect total amounts should be completed.

If the candidate does not qualify for the Short Form Report, then a full campaign finance report must be filed.

R.C. 3517.10(H)

State and County Central Committee

For the purpose of compliance with Ohio's campaign finance disclosure law, "candidate" does not apply to candidates for election to the offices of member of a county or state central committee, presidential elector, and delegate to a national convention or conference of a political party.

R.C. 3517.01(C)(3)

Federal Candidates

Federal law governs campaign finance in federal elections. Even so, if Ohio campaign practices are not preempted by federal law, Ohio law may apply to federal candidates. Questions on federal law must be directed to the Federal Election Commission.

R.C. 3517.107

Treasurer Duties and Liability

Generally, the candidate, treasurer, and any appointed deputy treasurer are legally responsible for campaign finance reporting requirements. The treasurer is appointed by the candidate and must keep detailed records of everything received, given, or expended. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. Each report must contain a statement that the report is complete and accurate, subject to the penalty for election falsification. Whoever commits election falsification is guilty of a felony of the fifth degree.

The cover page of every report filed must be signed by the treasurer or a deputy treasurer. The candidate's signature is not sufficient unless they are the treasurer or deputy treasurer. A treasurer, or the candidate if no treasurer is appointed, must retain accurate records of all activity for six years.

R.C. 3517.081, 3517.10(A) & (D), 3517.13, 3517.992(A), 3599.36; OAC 111:2-4-11, 111:2-4-13

Keeping Reports in Balance

Errors and mistakes in the report can easily affect the balance on hand (Line 6) on a report's cover page, causing it to be incorrect. A treasurer should take two easy steps to avoid or detect potential problems in the report.

- When a report is completed, the balance on hand (Line 6) on the cover page should equal the balance listed on the committee's bank account statement. If the treasurer has reported all the necessary contributions and expenditures (including service charges, interest, and voided checks), then these balance figures should be the same.
- The treasurer should ensure the statements received from the bank are balanced against the committee's reports in a regular and timely fashion.

These two steps will go a long way to help a treasurer ensure that no contribution or expenditure information is incorrect or has been omitted.

Record Retention

Committees must maintain their records for six years. This requirement includes all bank records (including deposit records), reports, amendments, correspondence, receipts, invoices, and mileage logs.

County boards of elections and the Secretary of State must maintain all reports filed for six years.

R.C. 3517.10(D), 3517.106(D); OAC 111:2-4-13

Filing Fee Only Candidate

A candidate paying the filing fee from the candidate's own funds is not considered either a contribution or an expenditure that would require the filing of a Designation of Treasurer form. Thus, a candidate who receives no contributions and makes no expenditures, except for the filing fee paid from their own personal funds, is not required to file the Designation of Treasurer form and create a campaign committee. A candidate who is not required to file a Designation of

Treasurer form – because no contributions will be received or expenditures made – is not subject to the reporting requirements.

However, if the candidate has filed a Designation of Treasurer form, payment of a filing fee is an ordinary and legitimate campaign expenditure, may be paid by campaign committee funds, and reported as a normal expenditure.

R.C. 3517.10; OAC 111:2-4-01

Judicial Candidates/Canon 4 of the Code of Judicial Conduct

Judicial candidates are subject to Ohio campaign finance law. Additionally, the Ohio Supreme Court has issued special rules for judicial candidates under Canon 4 of the Code of Judicial Conduct, including special contribution limits. For more information on judicial candidate requirements, please visit the Ohio Supreme Court's website.

Multi-beneficiary Campaign Committee

The Revised Code permits the creation and operation of a single campaign committee to represent multiple candidates. Candidates must satisfy all of the following when creating a multi-beneficiary committee:

- Each candidate seeks the same office at the same election and the office is a member of a board or commission or other similar body of elected officials with multiple members (example: two candidates running for four open school board seats);
- The number of candidates in the multi-beneficiary committee does not exceed the number of open positions; and
- The candidates jointly designate one of the candidates or one member of the campaign committee as the treasurer of that campaign committee and file a combined Designation of Treasurer form.

The following, additional conditions are placed on a multi-beneficiary campaign committee:

- The candidates jointly file all reports; and
- The multi-beneficiary committee must terminate if:
    - The candidates disagree on the appointment or removal of the treasurer;
    - Any of the candidates withdraw or otherwise end their candidacy; or
    - Any of the candidates leave to create their own campaign committee.

Before the termination, the multi-beneficiary campaign committee must dispose of its balance on hand by doing any of the following:

- Giving the amount to the Ohio Elections Commission fund;
- Giving the amount to individuals who contributed as a refund of all or part of their contribution; or
- Giving the amount to a tax-exempt organization.

No monies in a multi-beneficiary campaign committee may be contributed or transferred into any candidate's individual campaign committee.

R.C. 3517.081

One Campaign Committee per Candidate

A candidate may have only one campaign committee, no matter how many state and local offices held or sought by that candidate. Candidates benefiting from a multi-beneficiary campaign committee may not have a separate campaign committee. This single committee restriction does not prevent a local or statewide candidate from also having a federal political committee in concurrent operation to seek election to a federal office.

R.C. 3517.081, 3517.10(J)

Report Forms

All reporting forms, along with instructions for their use, are available at the Secretary of State's website: OhioSoS.gov.

Committees not required to file electronically may download the forms and use them for creating reports in paper form. Alternatively, filers may choose to create their own forms for use in paper filing, with the express written approval of the Secretary of State's Office, as long as they are substantially similar to the forms prescribed by the Secretary of State's Office.

OAC 111:2-4-10

Filers seeking the approval of alternative paper forms may direct their request, along with a sample of each of the alternative forms to CFinance@OhioSoS.gov, or via mail to:

Office of the Ohio Secretary of State
Campaign Finance Division
22 North Fourth Street, 15th Floor
Columbus, Ohio 43215

Personal Financial Disclosure Statement

The Secretary of State or county board of elections, as appropriate, will provide a candidate with a copy of the Personal Financial Disclosure Form when they file their petitions. The form must be filed with the appropriate ethics commission — the Ohio Ethics Commission, the Joint Legislative Ethics Commission, or the Board of Professional Conduct of the Ohio Supreme Court.

R.C. 102.01-102.04, 102.09, 102.99

For more information on ethics filing requirements, please visit the Ohio Ethics Commission's website.

Political Communications and Disclaimers

Please see Chapter 12, Disclaimers, for complete details related to political communications issued by candidate campaign committees.

CONTRIBUTIONS

Generally, a candidate's campaign committee must disclose the value of all contributions it receives. All contributions must be separately itemized, except for those received at a fund-raising event. The primary elements for complete disclosure of a contribution are:

- The name of the contributor;
- The address of the contributor;
- The date of the contribution; and
- The amount of the contribution.

Contribution Limits

Under state law, limits on contributions apply only to the campaign committees of candidates for statewide office or the office of member of the General Assembly. See Chapter 3, Statewide and General Assembly Candidates, for more information. Refer also to limits that apply to entities interested in government contracts.

The Secretary of State examines reports for compliance with contribution limits prescribed by state law. Complaints of alleged violations of campaign finance law – including contribution limit violations – are filed with the Ohio Elections Commission which has original jurisdiction to hear complaints, find violations, and impose penalties. See Chapter 15, Ohio Elections Commission, for more information.

Judicial candidates must abide by contribution limits maintained by the Ohio Supreme Court. Details of these limits are available by contacting the Court or visiting the Ohio Supreme Court's website.

Ohio's contribution limits do not apply to county or local candidates, other than contributions received in cash or limited by municipal or county charter. Enforcement of charter-prescribed contribution limits is the responsibility of the law director or other charter office. County and local candidates may be limited as to how much their committees may contribute to certain other entities.

R.C. 3517.102

Cash Contribution Limits

A contributor, including the candidate, may not give more than $100 per election in cash (coined or paper money designated as legal tender and circulated from hand to hand). A recipient must issue a refund of the amount over the $100 limit. The campaign committee must disclose the full amount of the contribution received and deposited on the appropriate campaign finance report forms as well as the offsetting refund expenditure issued.

R.C. 3517.13(F); OAC 111:2-4-05

Contributions from Minor Children

Individuals under the age of seven are prohibited from making any political contribution.

R.C. 3517.102(B)(1)(c)

Affiliated PAC/PCE Contributions Limits

The amount, as updated, a candidate committee may receive from a PAC or PCE is shown on the contribution limit chart. Contributions made from two or more affiliated PACs and contributions made from two or more affiliated PCEs, are considered to have been made from a single PAC or from a single PCE. See Chapter 7, Political Action Committees, and Chapter 8, Political Contributing Entities, for more information.

Contributions Received Through Online Payment Processors

Online payment processing applications must provide for complete reporting of all contribution disclosure requirements, including:

- Full name of contributor;
- Complete street address of contributor;
- Date of contribution;
- Full amount of contribution as authorized by contributor; and
- Contributor's employer (or, if self-employed, occupation and business name), if applicable.

The recipient of an online contribution must disclose the full amount of the payment as a contribution. Any fee associated with the processing of the contribution must be disclosed as an offsetting expenditure. The fees assessed on multiple contributions made through an online payment processor during any reporting period may be aggregated for disclosing as a single expenditure transaction. A committee that aggregates payment processing fees must attach a copy of the statement verifying the individual expenditures to the respective campaign finance statements.

Anonymous Contributions

Contributors may not remain anonymous by request. If a donor does not want to be identified, the contribution is not truly anonymous, and the campaign committee should not accept the contribution. In all events, if an anonymous contribution is received, the campaign committee must make best efforts to identify the donor. If that effort does not succeed, the contribution should have an explanation of the circumstances that caused it to be anonymous and a description of the efforts made to determine the donor's identity. This information should appear in the address portion of Form 31-A, Statement of Contributions Received, Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event, or attached to the report as supplemental documentation.

R.C. 3517.10(C)(2), 3517.10(E)(3); OAC 111:2-1-05

Contributions by Candidates to Their Committees

Candidates may donate items or money to their own campaign committees. If items are donated, such as when a candidate purchases a sign or stamps to benefit the campaign committee and does not expect reimbursement, then the contributions should be reported as in-kind contributions received by the campaign committee from the candidate. Although there is no

contribution limit on the amount of in-kind contributions a candidate may make to their campaign committee, in-kind amounts do count toward the $1,000 threshold for determination of whether a pre-election report must be filed. In-kind contributions are disclosed on Form 31-J-1, In-Kind Contributions Received.

R.C. 3517.01

If the candidate provides items to the campaign committee and expects reimbursement in a later reporting period for these items, then the amount must be listed as an outstanding debt so that the candidate may later be reimbursed. This information is disclosed on Form 31-N, Statement of Outstanding Debts. As long debts remain outstanding, each report filed by the campaign committee must disclose the obligations until they are paid or forgiven.

Contributions of money to the campaign committee by the candidate must be reported. If a candidate deposits money to the campaign committee bank account and expects to be repaid in a later reporting period, then the money must be reported as a loan when first received. This information is disclosed on Form 31-C, Statement of Loans Received. As long as a loan remains outstanding, each report filed by the campaign committee must disclose the obligation until it is paid or forgiven.

R.C. 3517.13(O); OAC 111:2-1-03

Contributions from Joint Checking Accounts

Contributions received from a joint checking account shall be considered a contribution from the person signing the check, absent evidence to the contrary. If the contribution is to be apportioned to each account holder, the contributions must be reported separately as two individual contributions.

OAC 111:2-4-14

Unbid Government Contracts - Contractor Contribution Limits

Individual / Partnership / Unincorporated Business / Association

A public office may not award unbid contracts of more than $500 to an individual, partnership, or other unincorporated business association, including a professional association, if the individual or the individual's spouse, or any partner, shareholder, administrator, executor, or trustee, or the spouse of any of them has made, as an individual, within the two previous calendar years, one or

more contributions totaling more than $1,000 to the holder of a public office having ultimate responsibility of the award of the contract or to the public officer's campaign committee.

R.C. 3517.13(I)

Corporation / Business Trust

A public office may not award unbid contracts of more than $500 to a corporation or business trust if an owner of more than 20%, or their spouse has made, as an individual, within the two previous calendar years one or more contributions totaling more than $1,000 to the holder of a public office having ultimate responsibility of the award of the contract or to the public officer's campaign committee.

R.C. 3517.13(J)

A contract is not considered to be unbid if it is awarded after action of the Ohio Controlling Board.

R.C. 3517.13(M)(2)

The phrase "two calendar years" means the two periods of January 1 through December 31 preceding the year in which the contract is awarded.

OEC Adv. 87-5

Corporate/Professional Association Contributions

Corporations are prohibited from contributing to any candidate, political action committee, and certain political party funds. This prohibition applies to the provision of corporate funds or property to a candidate or campaign committee.

R.C. 3599.03;

Corporations may communicate information about candidates so long as the communication is sent to only the shareholders, employees, directors, or officers of the corporation or to the immediate families of those individuals. Such communication may be made by mail, email, reports, memoranda, or other method of direct communication. The posting or authorized posting of campaign literature is permitted by a corporation so long as the literature is placed in an area generally accessible only to the employees, shareholders, directors, or officers of the corporation. See Chapter 10, Businesses and Labor Organizations, for more information.

R.C. 3599.03(G)(3); OAC 111:2-3-08

Professional associations (e.g., physicians, architects & dentists) under R.C. 1785, limited liability companies under R.C. 1705, or partnerships as defined by R.C. 1776 through 1783, are not "corporations" under R.C. 3599.03. These entities are considered either partnerships or unincorporated business associations.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

To determine the status of a business or a corporation registered in Ohio, you may contact the Secretary of State's Business Services Division at 877.767.3453. Also, the complete database of business entity filings is available and can be searched at the Secretary of State's website. Follow the links for Businesses and Business Search.

Partnerships/Unincorporated Association Contributions

Contributions received from partnerships or unincorporated associations must reflect both the name of the entity and the individual contributing. Unincorporated professional associations and limited liability companies are considered unincorporated associations or, if applicable, partnerships. Contributions may be transmitted by these entities, but must include, at the time of the distribution, detailed information on the allocation of the contribution amount among the owners or partners of the unincorporated association or partnership. A recipient may not accept, deposit, or use a contribution from a partnership or other unincorporated business unless the recipient has the allocation information necessary to itemize the contribution by the partner, owner, or member.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

Labor Organization Contributions

A candidate's campaign committee may accept contributions from a PAC sponsored by a labor organization or from a labor organization's political contributing entity (PCE).

R.C. 3517.01(C)(21), 3517.082

Public Employee Solicitations / Contributions

Statewide and state legislative elected officials and candidates may not solicit or accept a contribution from employees whose appointing authority is or would be that public official or who are or would be employed by the same public agency, department, division, or office as the official.

R.C. 3517.092

Elected officials and candidates at the county, township, city, village, or school district level may not solicit contributions from employees whose appointing authority is or would be that public official or who are or would be employed by the same public agency, department, division, or office as the official. The campaign committee for candidates at the county, township, city, village, or school district level may, however, accept voluntary, unsolicited contributions from employees.

R.C. 3501.01(T), 3517.092

County or local elected officials who receive voluntary contributions from employees of a unit or department under their direct supervision or control must report them separately on Form 31-G, Contributors in Officeholder's Employ.

R.C. 3517.10(C)(3)

Committees are prohibited from soliciting public employees for political contributions while performing their official duties or while they are in those areas of a public building where official business is transacted or conducted. Public employees are prohibited from soliciting contributions while performing official duties or in areas of a public building where official business is conducted. For the purpose of these prohibitions, the term "public employee" does not include a person holding an elective office.

R.C. 3517.092

Joint Fund-Raisers

Each candidate committee that engages in a joint fund-raising activity must deposit into its account only the checks that are made out to that particular committee. If a check is received that is made out to more than one committee, it must be refunded to the contributor and not deposited into any committee bank account. The expenses for the activity must be divided equally among the participants, unless they have agreed to divide them in another manner. If the expenses are not divided equally and one committee pays for most or all of the event costs, an in-kind contribution occurs and must be disclosed – both by the maker and the recipient of the contribution.

R.C. 3517.01(C)(16); OAC 111:2-4-17

Fund-Raiser Exemption

Individual contributions totaling $25 or less per person received at a specific fund-raising activity need not be itemized (listed by person) within a report. These contributions should be reported

as a single line item with an aggregate amount on Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event. Also, in-kind contributions totaling $325 or less from one contributor at a single fund-raising activity need not be itemized. These contributions should be reported as a single line item with an aggregate amount on Form 31-J-1, Statement of In-Kind Contributions Received. In all events, the treasurer must keep itemized records of all contributions, in case such records are requested by the auditing authority.

R.C. 3517.10(B)(4)(e)

In-Kind Contributions Received

An in-kind contribution is a non-monetary contribution of goods or services that is made with the consent of, in coordination or cooperation with, or at the request or suggestion of, the benefited candidate, agent of the candidate, or committee. Examples include receiving postage or signs, receiving rent-free office space, having personnel compensated by a third party, or having a third party buy media advertising on behalf of a committee.

An in-kind contribution is considered a campaign contribution and should be reported on Form 31-J-1, In-Kind Contributions Received.

R.C. 3517.01(C)(16)

The exception to the general definition of an in-kind contribution is when a political party makes one or more expenditures to finance communications advocating the election or defeat of a candidate for judicial office. This type of expense made by a political party, whether or not it is made in coordination with a candidate or campaign committee, will be considered an independent expenditure and reported as such by the political party on Form 31-U, Independent Expenditures Made by a Campaign Committee, PAC, Political Party, or Legislative Campaign Fund. As an independent expenditure, the affected judicial candidate campaign committee does not have a duty to disclose the expenditures made by the political party.

R.C. 3517.105(D)

Raffles

The use of raffles or other games of chance to raise money for a campaign committee, political action committee, political party, or any other political entity, while not specifically prohibited in the campaign finance statutes, is discouraged for many reasons. First, the collecting and reporting of all the required contributor information for every raffle ticket or chance sold can be very

difficult. A campaign treasurer must keep a strict account of all contributions received – regardless the amount of the contribution. Second, the raffle or other games or schemes of chance in which persons pay to play may be a lottery prohibited by Article XV, Section 6 of the Ohio Constitution or may constitute gambling in violation of R.C. 2915. In addition, political fund-raising events involving a raffle or other scheme or game of chance held on the premise of a liquor permit holder may involve a violation of OAC 4301:1-1-53 of the Ohio Department of Commerce, Division of Liquor Control.

Many fund-raising events award door prizes to some persons who attend. Giving door prizes of minimal value, such as flower arrangements, is unlikely to constitute a violation because the persons participating would have contributed regardless of the possibility of receiving a prize. But if the value of the door prize is significant enough to encourage contributors to purchase an entrance ticket in order to win the prize, then a violation may have occurred.

Questions or information on raffles and other schemes or games of chance should be referred to the county prosecutor in the county where the activity occurs.

SOS Advisory No. 94-04

Deposit of Contributions and Other Income

The campaign committee must deposit all contributions and other monetary income in the campaign committee's account within 30 days of receipt or return the contribution to the donor. A contribution that is clearly illegal must be returned and not deposited. A contribution that appears to be legal (i.e., not from a foreign national, corporation, or in excess of contribution limits) may be deposited and used by the committee.

Contributions that appear questionable may be deposited but not spent. The treasurer must make a good-faith effort to determine the legality of the contribution. If, within 30 days of receipt, the legality of the contribution cannot be determined, the contribution must be returned.

If a contribution that is kept is later found to be illegal, then the committee must refund it within 10 days of discovery.

R.C. 3517.992; OAC 111:2-4-11

Loans

A campaign committee may receive contributions in the form of a loan where the contributor expects to be repaid. While there is no requirement to obtain or disclose any formal loan

agreement between the campaign committee and the contributor, it is advisable to consider having an agreement with all terms expressly detailed. Once a loan is received, the balance – along with any payments made – must be disclosed on Form 31-C, Statement of Loans Received, in each report filed until the loan is repaid or forgiven by the contributor.

Debts

When a campaign committee has received a good or service that is 60 days or more payable at the time of a reporting deadline, it must disclose the transaction on Form 31-N, Statement of Outstanding Debts, within that report. The debt, and any activity relating to it, must be in each report until the debt is repaid or forgiven by the contributor. If the debt is forgiven, the amount forgiven is considered an in-kind contribution.

Income Tax Credit

Individuals may be entitled to an income tax credit for contributions of money made to the campaign committee of a candidate for any of the following public offices:

- Governor and Lieutenant Governor
- Secretary of State
- Auditor of State
- Treasurer of State
- Attorney General
- Member of the State Board of Education
- Chief Justice of the Supreme Court
- Justice of the Supreme Court
- Member of the Ohio General Assembly (House or Senate)

The amount of the credit equals the lesser of the combined total of contributions made during the year by each taxpayer filing a return of $50, for an individual return, or $100 for a joint return.

R.C. 5747.29

Questions related to Ohio's tax law should be directed to the Ohio Department of Taxation at 800.282.1780 or tax.ohio.gov.

EXPENDITURES

The value of all expenditures made by a campaign committee must be disclosed. The primary elements for complete disclosure of expenditures are:

- The name of the payee;
- The address of the payee;
- The date of the expenditure;
- The amount of the expenditure; and
- A detailed purpose of the expenditure.

In some cases, more information or more detailed itemization may be required.

R.C. 3517.10(B)(5)

Permissible Campaign Expenses

The use of campaign funds for personal or business expense purposes is prohibited. All expenditures made by a campaign committee must be for influencing the result of an election, the candidate's duties of public office, or making a charitable contribution.

Campaign expenses must be legitimate, verifiable, ordinary, necessary. These terms have been defined by the Ohio Elections Commission as follows:

- "Legitimate" means conforming to recognized principles or accepted rules and standards.
- "Verifiable" means able to be proven true, confirmed, or authenticated.
- "Ordinary" means taking place according to customary occurrences or procedures.
- "Necessary" means appropriate and helpful to accomplishing a particular end.

In addition, the Ohio Elections Commission has made clear that these expenses must be reasonable in cost and form.

OEC Adv. 87ELC-4

A committee must report the purpose for each expenditure, including enough detail of the item or service, or how it will be utilized by the committee, to ensure it meets the permissible expenditure requirements. Vague purpose statements such as "expense," "travel," or "lodging" do not give the required detail for reporting requirements.

Gifts

Greeting cards to a candidate's staff and campaign contributors, holiday parties for a candidate's staff, a candidate's inauguration party, gifts to employees for birthdays, weddings, and retirements, and flowers for employees or an employee's family members because of the employee's illness or death have been considered permissible campaign expenses.

Legal Fees

The Ohio Elections Commission has advised that campaign expenditures for legal fees are permissible when the fees relate to furthering the candidate's campaign committee or in carrying out the proper duties of a public office holder.

OEC Adv's. 87ELC-9, 87ELC-15, 88ELC-1, 90ELC-4, 96ELC-06, 96ELC-08, 2000ELC-05, 2006ELC-01

Attendance

A campaign committee may directly pay or reimburse political party convention or other political meeting attendance expenses for a candidate, officeholder, or employee of the campaign committee. It cannot pay the expenses for contributors, constituents, or family members – unless their attendance is necessary to further the candidate's campaign or while pursuing policy initiatives of the candidate in connection with the performance of the duties of the holder of the public office.

Exclusive Use

A campaign committee may directly pay for any item or service only if the expense relates exclusively to one of the permitted uses (e.g., campaign expense or in connection with the duties of public office).

If the expense was incurred by a mix of campaign and personal use, the beneficiary must pay the expense and then seek reimbursement from the campaign committee for that part of the payment that was campaign related.

R.C. 3517.13(O) – (R); OEC Adv. ELC87-3

Candidates and treasurers must ensure that items bought with campaign funds are permitted and are used appropriately. For example, the purchase of postage with campaign funds is a common occurrence – both for candidate campaign committees and other reporting entities. The postage must be used by the entity to influence the result of an election, for making a charitable donation or, if bought by a campaign committee, the performance of the candidate's duties of public office.

It is prohibited for an item which was bought with campaign funds to be used for the personal benefit of the candidate or other person.

Charitable Contributions

Charitable contributions are those made to a charity designated as exempt from federal income taxation under subsection 501(a) and described in subsections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code, or to any charity approved by advisory opinion of the Ohio Elections Commission.

R.C. 3517.08(G)

Refunds

Campaign committees may not make any refund of any contribution, unless the purpose is to refund a contribution in excess of the applicable contribution limit or to refund a contribution that has been found to be illegal.

OEC Adv. 99ELC-03

Use of Public Property or Tax Monies

Questions about a campaign committee's use of public property or tax monies to support or oppose a candidate should be referred to the prosecutor or auditor of that jurisdiction.

Reimbursement of Campaign Expenses

A campaign committee may reimburse the candidate, employees, or volunteers of a campaign committee for permissible campaign expenses they incur, so long as the expense is permissible and not otherwise prohibited by law. The campaign may not advance funds in any form (e.g., cash or check) to a candidate, employee, or volunteer; the expense must be incurred before reimbursement. The treasurer must obtain receipts for all reimbursements issued to verify the legitimacy of each campaign expense. Reimbursements for items or services bought on behalf of the committee that are not reimbursed during the reporting period must be reported as outstanding debt. The Secretary of State or the county board of elections may request a mileage log or receipts for reimbursements so that the expenditure and its appropriateness may be verified.

R.C. 3517.13(O)

No beneficiary of a campaign fund, i.e., the candidate, shall convert campaign funds for personal use, except as reimbursement for:

- Legitimate and verifiable prior campaign expenses originally paid by using personal funds;
- Legitimate, verifiable, ordinary, and necessary expenses incurred in connection with the duties as the holder of a public office; or
- Legitimate, verifiable, ordinary, and necessary expenses incurred by the beneficiary while:
    - Engaged in activities to support or oppose another candidate, political party, or issue;
    - Raising funds for, or participating in activities of, a political party or other political committee; or
    - Attending a political party convention or meeting.

OEC Adv. 87ELC-4

Credit Cards

A campaign committee may obtain a credit card to purchase goods and services on behalf of the committee. If the committee pays the credit card company directly, each credit card purchase should be listed separately as an expenditure on Form 31-B, Statement of Expenditures, or on Form 31-F, Statement of Expenditures for a Social or Fund-Raising Event, with the vendor name, address, date, and amount of purchase. The credit card statement should be attached to the report along with a copy of the canceled check to the credit card company.

OAC 111:2-4-13

If the candidate or another individual uses a personal or non-committee credit card and then seeks reimbursement from the committee for the purchases, then the reimbursement expenditure must be reported on the expenditure form. The treasurer must obtain receipts for all reimbursements issued to verify the legitimacy of each campaign expense. The documentation for an expenditure must be provided with the respective campaign finance report.

R.C. 3517.13(O), 3517.10(D)

Expenditure Verification

Every expenditure in excess of $25 must have a corresponding canceled check or receipt photocopy attached to the report. A proper receipt is one that has been marked "PAID" by the vendor. In addition, the Secretary of State or the county board of elections may request a mileage

log for mileage reimbursements, so that the expenditure and its appropriateness may be verified. If canceled checks are not returned or provided by the banking institution of the committee, a copy or printout of the campaign committee's bank statements will suffice for the receipt requirement so long as the name of the vendor, date of transaction, and amount of the expenditure are all provided. Additionally, printouts of cancelled check images as provided by the campaign committee's banking institution satisfy the expenditure verification requirement.

R.C. 3517.10(D); OAC 111:2-4-13; OEC Advs. ELC87-3, ELC87-12

Independent Expenditures

An independent expenditure is one that is made in support of or in opposition to either a candidate or a ballot issue without the consent of, and not in coordination, cooperation, or consultation with, or at the request of or suggestion of, the candidate, agent of the candidate, or ballot issue committee. Such expenditures are reported by the entity that makes them, but not by the benefited committee.

R.C. 3517.01(C)(17), 3517.105; OAC 111:2-2-01

In-Kind Contributions Made

An in-kind contribution made occurs when a committee gives items or services to another committee or pays the bill for items or services for another committee's benefit. An in-kind contribution made is considered a campaign disbursement and should be reported as such on Form 31-J-2, In-Kind Contributions Made. If the in-kind contribution made involved the outlay of money, then a corresponding expenditure entry should appear on Form 31-B, Statement of Expenditures, or if related to an event Form 31-F, Statement of Expenditures for Social or Fund-raising Event.

R.C. 3517.01(C)(16)

GENERAL RULES

Closing the Committee

A committee must have a zero-dollar balance and no outstanding loans or debts before it can terminate. When these criteria have been met, a committee must file a final report listing all activity, if any, that has occurred since the previous report. A committee's method for requesting to terminate varies by their filing location and whether they file electronically or via paper.

- Electronic filers with a board of elections will select the "Termination Report" option when creating their final report for submission;
- Paper filers with the Secretary of State or a board of elections will select the "Termination" option on the Form 30-A, Ohio Campaign Finance Report Cover Page; or
- Electronic filers with the Secretary of State's Office, after filing their final report, must email CFinance@OhioSoS.gov their committee has a zero-dollar balance, no outstanding loans or debts, and wishes to terminate.

R.C. 3517.10(A)

Corrections and Amendments

The committee must file an amended report when a correction is necessary, additional information is obtained by the committee, or when ordered by the PAC's auditing authority. Amendments filed on paper consist of only corrections to previously submitted information or additional information. The amendment should include either a report cover page or a cover letter specifying the name of the committee that is filing and what report is being amended. Amendments filed electronically consist of all report data – what was originally filed and new or modified records.

When an error is found, or when checks are received that could not earlier be attached to a report, the committee should file an amendment immediately. When an auditing authority requests more information or a correction to a report, the committee has 21 days to provide the information or correction.

R.C. 3517.11(B); OAC 111:2-4-19

Expenses Not Required to Be Reported

A campaign committee does not need to report:

- A candidate's personal expenses, for which reimbursement is not requested or made;
- Services provided without compensation by individuals;
- The unreimbursed personal expenses of volunteers; or
- Ordinary home hospitality.

These transactions are not considered either a contribution to or expenditure by or on behalf of the candidate campaign committee.

R.C. 3517.01(C)(5), 3517.08(A)

Issuance of Certificate

A successful candidate will receive their certificate of nomination or election, as appropriate, only after complying with all campaign finance filing requirements.

R.C. 3517.11(D)

Late Reports

When a required report is filed late, the county board of elections or the Secretary of State may refer the matter to the Ohio Elections Commission.

R.C. 3517.11(C)

CHAPTER 3: ADDITIONAL REQUIREMENTS FOR STATEWIDE AND GENERAL ASSEMBLY CANDIDATES

Statewide and General Assembly candidates should use the information in this chapter alongside Chapter 2.

SPECIAL RULES

Election Periods

Several rules and reports for statewide or General Assembly candidates require an understanding of election periods, including determining a candidate's primary and general election period.

Primary Election Period

The primary election period begins on the latest (e.g., most recent) of the three following dates:

- January 1 of the year following a general election at which that specific office was up for election;
- January 1 of the year following a general election at which the person last ran as a candidate for any office; or
- The first day of the month following a primary election at which the person last ran as a candidate for any office and did not succeed.

R.C. 3517.102(A)(5), 3517.109(A)(9)

Examples:

- ❖ An Ohio Senate candidate lost in the 2016 March primary election and intends to run for Treasurer of State in 2018. The primary election period for this candidate's run for Treasurer of State would begin on the first day of the month following the primary election in 2016, which was April 1, 2016.
- ❖ A municipal clerk candidate lost in the 2019 general election. This person then decides to run for an Ohio House of Representatives seat in 2022. The primary election period for this candidate would begin January 1, 2020.
- ❖ A city council candidate won in the 2021 general election. The candidate intends to run for governor in 2022. The primary election period would begin January 1, 2022.
- ❖ An Ohio House of Representatives candidate won in the 2020 general election. The candidate intends to run for re-election in 2022. The primary election period would begin January 1, 2021.

The primary election period ends on the day of the primary election. The length of a primary election period could vary widely, from more than three years to just a few months, depending on the facts specific to the candidate and the office being sought.

General Election Period

The general election period begins the day after the primary election at which the candidate seeks office and ends December 31, following the general election.

R.C. 3517.102(A)(5)

Contribution Limits

Ohio law limits the campaign contribution amount that individuals, PACs, PCEs, parties, LCFs, and campaign committees can contribute to statewide and General Assembly campaign committees. A contribution limit chart can be found on the Secretary of State's website. While the chart details the limits placed on most contribution transactions, it does not include every possible transaction circumstance that may occur.

The limitations do not apply to contributions made by a candidate to their own campaign committee. But the limitations do apply to contributions received from the candidate's family, including the candidate's spouse, parents, and children.

R.C. 3517.102

Contribution Limit Adjustment

By law, the Secretary of State must update statutory contribution limits for statewide and General Assembly candidates in January of each odd-numbered year. The adjustment is based on the yearly average increase or decrease of the previous two years in the Consumer Price Index for All Urban Consumers or its successive equivalent, as determined by the U.S. Department of Labor, Bureau of Labor Statistics. The Secretary of State's calculations are certified by the Auditor of State and become effective on or before February 25th of that year. The certified calculations and an updated contribution limit chart are maintained on the Secretary of State's website.

R.C. 3517.104

Designated State Campaign Committees

A "designated state campaign committee" is a defined relationship between specific political entities that are making or receiving contributions to and from other specific political entities. A designated state campaign committee means:

- In the case of contributions to or from a state political party: a campaign committee of a statewide candidate, statewide officeholder, senate candidate, house candidate, or member of the General Assembly;
- In the case of contributions to or from a county political party: a campaign committee of a statewide candidate, statewide officeholder, senate candidate or house candidate whose candidacy is to be submitted to some or all of the electors in that county, or member of the General Assembly whose district contains all or part of that county; or
- In the case of contributions to or from a legislative campaign fund: a campaign committee of any senate or house candidate who, if elected, will be a member of the same party that established the legislative campaign fund and the same chamber (i.e., House or Senate) with which the legislative campaign fund is associated, or a state senator or state representative who is a member of the same party that established the legislative campaign fund and the same chamber with which the legislative campaign fund is associated.

A campaign committee is no longer a designated state campaign committee after the campaign committee's candidate updates the Designation of Treasurer form to indicate that the person intends to be a candidate, or becomes a candidate, for any office that would not qualify that candidate's campaign committee as a designated state campaign committee.

R.C. 3517.102(A)(9)

Employer/Occupation Information

If an individual contributes more than $100, statewide and General Assembly campaign committees must report the name of the individual contributor's current employer or, if the individual is self-employed, their occupation and the name of the individual's business. If a campaign committee does not receive the information when the contribution is received, it must make its best efforts to obtain this information.

R.C. 3517.10(B)(4)(b)(ii), 3517.10(E)(2)

The campaign committee of a statewide or legislative candidate that receives contributions that aggregate more than $100 and are made through employee wage deduction plans involving two or more employees must report the employer's name and the name of the employee's labor organization, if any. The employer must furnish that information to the recipient of the contribution. The reporting entity is considered to have met this requirement if it exercises its best efforts to obtain the information.

R.C. 3517.10(B)(4)(b)(iii), 3517.10(E)(3) & 3599.031(D)

"Best efforts" is defined as including a written request for the employer information in all written solicitations and at least one written request sent to the contributor or an oral request to the contributor documented in writing.

R.C. 3517.10(E)(3); OAC 111:2-1-05

Electronic Filing

The campaign committee for all statewide and General Assembly candidates must file electronic campaign finance reports. Please see Chapter 13, Electronic Filing of Campaign Finance Reports, for more information.

R.C. 3517.106

Federal Transfers

A person who is a candidate for state elective office and who previously sought nomination or election to a federal office is prohibited from transferring any funds or assets from their federal campaign committee for nomination or election to the federal office to their campaign committee as a candidate for state elective office.

R.C. 3517.13(S)

Persons Doing Business

State elected officials or members of the General Assembly must report the names and addresses of each person they do business with as an elected officer in their official capacity who contributes to the officer's campaign committee. A person doing business is one who enters into one or more contracts for goods or services with a state elected officer or member of the General Assembly in his or her official capacity or anyone authorized to enter into contracts on behalf of the officer to receive goods or services if the payments total, in the aggregate, more than $5,000 during a

calendar year. Such contributions should be reported on Form 31-T, Contributors Doing Business with State Elected Officers.

R.C. 3517.10(B)(4)(f)

State Income Tax Credit

Ohio law allows a state income tax credit for monetary contributions made to the campaign committee of a candidate for statewide office or member of the General Assembly up to an annual limit of $50 for single filers and $100 for joint filers.

R.C. 5747.29

A person who contributes money to the campaign committee of a candidate for any of the following public offices may be eligible for a credit on their Ohio income tax:

- Governor and Lieutenant Governor
- Secretary of State
- Auditor of State
- Treasurer of State
- Attorney General
- Member of the State Board of Education
- Chief Justice of the Supreme Court
- Justice of the Supreme Court
- Member of the General Assembly (house or state senate)

The amount of the credit equals the lesser of the combined total of contributions made during the year by each taxpayer filing a return of $50, for an individual return, or $100 for a joint return.

R.C. 5747.29

Questions related to Ohio's tax law should be directed to the Ohio Department of Taxation at 800.282.1780 or tax.ohio.gov.

Tax deductibility of federal contributions is under the jurisdiction of the Internal Revenue Service.

Unpaid Debts/Debt Retirement

If a campaign committee has outstanding loans owed or other unpaid debt at the end of a primary or general election period, then the committee may accept additional contributions in the election

period immediately following, as long as the total received from each contributor, when added to the contributions received from that contributor in the period when the debt was incurred, does not exceed the contribution limitation applicable to the contributor during the period when the debt was incurred. A contributor who did not contribute to the campaign committee during the period when the debt was incurred may contribute for debt retirement up to the applicable limit for the prior contribution limit period.

The new contributions accepted by a campaign committee to retire unpaid debt do not count toward the applicable limitations during the election period when they are accepted, as long as the campaign committee

- Reported unpaid debt in its pre-election or post-election report;
- The additional money is deposited into an account separate from the campaign committee's regular account;
- The additional money is used only to reduce or pay off previously incurred and reported debt;
- Debt reduction fund-raising ceases once the debt is eliminated;
- The additional money is raised in the period immediately following the election period in which unpaid debt was accrued;
- Any excess money is given back to the contributors or to a 501(c) charity; and
- The committee separately reports the additional contributions for debt retirement purposes, how the contributions are applied to the outstanding debt, and the balance of the unpaid debt.

R.C. 3517.108, OAC 111:2-4-02

SPECIAL REPORTS

Monthly Reports

The campaign committee of a statewide candidate must file a monthly statement of contributions received during each of the months of July, August, and September in the year of the general election in which the candidate seeks office. These monthly reports are required to list only contributions received during the covered period. Although only contributions are required to be disclosed, a campaign committee may choose to also disclose any expenditure and loan/debt transactions from the reporting period. Otherwise, expenditures made and any loan/debt

transactions during the reporting period must be in the next pre-general or post-general report, whichever must be filed first.

The monthly statement must be filed no later than three business days after the last day of the month covered by the statement. Monthly reports are stand-alone reports. Thus, the contributions reflected within these reports should not appear again in any subsequent report.

R.C. 3517.10(A), 3517.13(A); OAC 111:2-4-07

Two-Business-Day Reports

During the period beginning the 19th day before the general election through the day of the general election, each time a campaign committee of the joint candidates for Governor and Lieutenant Governor, Chief Justice, or Justice of the Supreme Court, or of a candidate for Secretary of State, Treasurer of State, Auditor of State, or Attorney General receives a contribution that causes the aggregate amount of contributions from a contributor to equal or exceed $10,000 during that period, the committee must file with the Secretary of State a two-business-day statement reflecting that contribution. The report must be filed with the Secretary of State within two business days after receipt of the contribution. These contributions must also be reflected in the post-general report. This information is disclosed on Form 30-C, Two Business-Day Statement.

R.C. 3517.10(A), 3517.13(A)(2); OAC 111:2-4-08

DECLARATION OF FILING-DAY FINANCES / PERMISSIVE FUNDS REPORTS

A person's campaign committee must review its accounts and contribution history and dispose of any excess funds or excess aggregate contributions if the person files to run for an office subject to contribution limits. For example, if a current city mayor – an office not subject to state contribution limits – decides to run for state representative – an office to which state contribution limits apply – the mechanics of R.C. 3517.109 may require the mayor's campaign committee to dispose of a portion of its balance on hand before submitting nominating petitions or a declaration of candidacy.

R.C. 3517.109

What Must Be Filed

During a year in which its candidate is on the ballot, the campaign committee of a candidate for statewide office or member of the General Assembly must file one or two special reports required by R.C. 3517.109 about permissive or excess funds. Candidates for Chief Justice or Justice of the Ohio Supreme Court are not required to file these reports.

Who Must File

Campaign committees of candidates who file nominating petitions or a declaration of candidacy for statewide office or member of the General Assembly are subject to the filing requirements of the Declaration of Filing-Day Finances and Permissive Funds Report in R.C. 3517.109. The definition of "state office" includes State Board of Education, but does not include Ohio Supreme Court.

When to File

The Declaration of Filing-Day Finances and Permissive Funds Report are due no later than seven days following the declaration of candidacy or nominating petition filing deadline. The reports are filed at the same location that the declaration of candidacy or nominating petitions are filed.

Pre-Filing Period

Determining the pre-filing period of the campaign committee is important for both the Declaration of Filing-Day Finances and the Permissive Funds Report. The pre-filing period of a campaign committee begins on the same day as its primary election period. See the section on election periods at the beginning of this chapter. The pre-filing period ends on the declaration of candidacy or nominating petition filing deadline.

R.C. 3517.109(A)(9)

Declaration of Filing-Day Finances

Every campaign committee of candidates for statewide office or member of the General Assembly must file either Form 31-W, Declaration of Filing-Day Finances, or Form 31-AA, Waiver of Declaration of Filing-Day Finances, no later than seven days following the declaration of candidacy or nominating petition filing deadline.

Waiver

A committee may qualify to file the Waiver of Declaration of Filing-Day Finances if the next two conditions are met:

- The campaign committee did not accept any contributions during the pre-filing period in excess of the contribution's limits in R.C. 3517.102; and
- The campaign committee had a cash-on-hand balance less than the carry-in amount at the beginning of the pre-filing period for the office being sought.

Office	Carry-In Amount
House or State Board of Education	$35,000
Senate	$100,000
Statewide	$200,000

If the committee meets both these criteria, it may file a Waiver instead of a Declaration of Filing-Day Finances. If the committee accepted excess contributions or had a cash-on-hand balance larger than the carry-in amount, then it must file the Declaration of Filing-Day Finances.

R.C. 3517.109(G)

Permissive Funds Report

The campaign committee of a candidate for statewide office or member of the General Assembly that has "excess funds" must file Form 31-W, Permissive Funds Report, no later than seven days following the declaration of candidacy or nominating petition filing deadline.

R.C. 3517.109(E)

Excess Funds

There are two ways a campaign committee could end up with excess funds. The first is to accept a contribution that exceeds the applicable contribution limit (as set forth in R.C. 3517.102 and periodically adjusted by R.C. 3517.104). These contributions are also called excess aggregate contributions.

Example:

- ❖ Accepting $14,000, in aggregate, from an individual during a primary election period ($295.59 in excess funds based on 2021-2023 contribution limits).

The second way is for a campaign committee to have a cash-on-hand balance and total campaign assets at the declaration of candidacy or petition filing deadline greater than the amount of a committee's permitted funds.

R.C. 3517.109(A)

Campaign Assets Included in Calculation of Excess Funds

Campaign assets are prepaid, bought, or donated items or services available for use by the campaign committee and will be consumed or depleted during the candidate's election campaign. For the purpose of these reports, campaign assets must have a value greater than $500. Examples include prepaid media time, prepaid rent, postage, prepaid advertising, and other prepaid consulting and personal services.

R.C. 3517.109(A)(12), 3517.109(F)(2)(b)

Permitted Funds

A committee's permitted funds equals the sum of the contributions received within the contribution limits set forth in R.C. 3517.102 plus the applicable carry-in limit for the office sought.

Example:

- A campaign committee of a house candidate received contributions totaling $8,000 during the pre-filing period, all of which were within the contribution limits in R.C. 3517.102. The carry-in limit for a house candidate is $35,000. Thus, this committee's permitted funds equal $43,000.

  If the cash-on-hand balance, plus the value of campaign assets, at the declaration of candidacy or nominating petition filing deadline exceeds $43,000, then the amount that it is over is considered excess funds. If the cash-on-hand balance and the value of campaign assets is less than or equal to $43,000, then this committee has no excess funds.

If a committee has accepted excess aggregate contributions during the pre-filing period, then the committee has excess funds even if the committee's cash-on-hand balance is less than the permitted funds total at the declaration of candidacy or petition filing deadline.

R.C. 3517.109(A)(13)

Disposing of Excess Funds

The campaign committee of a candidate for statewide office or member of the General Assembly that has excess funds must dispose of the excess amount by the declaration of candidacy or nominating petition filing deadline. Any candidate whose campaign committee fails to dispose of the excess amount is prohibited from appearing on the ballot.

The campaign committee may dispose of excess funds in any of these ways:

- Refund the excess amount of the contribution to the contributor;
- Give the excess to an IRS 501(c) tax-exempt corporation; or
- Give the excess to the Ohio Elections Commission Fund.

Disposal of excess funds should be reported on Form 31-Z, Statement of Disposal of Excess Funds and Excess Aggregate Contributions. The refund of any excess aggregate contribution at any time during the pre-filing period must be reported on this form.

R.C. 3517.109(B)-(D)

Forms

Declaration of Filing-Day Finances and Permissive Funds forms are available from the Secretary of State's Office and the Secretary of State's website.

CHAPTER 4: TRANSITION FUNDS

Officeholders elected or appointed to any elective, nonjudicial, office may establish a Transition Fund to receive donations and to pay costs incurred for transition activities and inaugural celebrations. The creation of a Transition Fund is completely optional as a candidate's campaign committee may also pay for these same expenses. A Transition Fund is separate and distinct from a candidate's campaign committee or any other fund or account. The maximum duration of existence for a Transition Fund is limited to 120 days. This chapter deals solely with regulations related to Transition Funds.

R.C. 3517.1014

What to Do First

Before receiving a donation or making a disbursement for the purpose of transition activities and inaugural celebrations, an officeholder – i.e., a person elected or appointed to any elective, nonjudicial, office – must file an Establishment of Transition Fund and Designation of Transition Fund Treasurer (Form 30-T). Though a Transition Fund must be separate from the officeholder's campaign committee, it is permissible for the same person to serve as treasurer for both entities. Both the designated treasurer and the officeholder must sign the Establishment of Transition Fund and Designation of Transition Fund Treasurer form.

A Transition Fund may be established by an officeholder under the following circumstances.

If elected at a General Election:

- No sooner than the day after the day of the election if, based on the number of ballots outstanding and the unofficial results of the election, it is mathematically possible for the person (officeholder) to have been elected; and
- No later than the last day of December of the year in which the election was held.

If appointed:

- No sooner than after the person (officeholder) has been appointed to fill a vacancy in an unexpired term of a nonjudicial elective office; and
- No later than 45 days after the person is appointed to office.

If elected at a Special Election:

- No sooner than the day after the day of the election; and
- No later than 45 days after the Special Election was held.

Bank Account

The treasurer must establish a bank or other financial institution account that is separate from any personal or business account and is used solely for the Transition Fund. All Transition Funds must be deposited into this separate account. All donations received and all disbursements made from this account must be fully disclosed. Donations may only be accepted, and disbursements may only be made during the Transition Fund's existence.

A federal identification number may be required by the Transition Fund's chosen financial institution. This number is issued by the Internal Revenue Service upon request.

Where to File Reports

Although Transition Funds may be established by officeholders at all levels – e.g., municipal, county, and statewide officeholders – the disclosure reports of all Transition Funds must be filed electronically with the Secretary of State.

R.C. 3517.1014(D)(2)

When to File Reports

For the initial disclosure filing, the treasurer of a Transition Fund must file an itemized report of all donations received and disbursements made from the creation of the Transition Fund to the close of business on the fifth day before the statement must be filed, not later than four p.m. on these dates:

- January 15th of the calendar year following the general election at which the officeholder was elected; or,
- If the officeholder was elected at a special election or appointed to office, the 65th day after the Transition Fund is created.

Further reports are required to be filed on the 15th day of each subsequent month of the Transition Fund's existence to reflect donations received and disbursements made from the close of business

on the last day reflected in the last filed report to the close of business on the 5th day before the next statement is required to be filed.

What to File

Each disclosure filing must be submitted online. The treasurer must provide all of the following:

- The full name and address of the treasurer filing the report;
- The full name and address of the officeholder benefitting from the Transition Fund;
- The balance brought forward from the most recent filing, if any;
- A statement of donations received, which must include all of the following:
    - The month, day, and year on which each donation was received;
    - The full name and street address of each donor;
    - The nature of each donation, if other than money;
    - The value of each donation in dollars and cents; and
    - The name of the donor's current employer, or if the donor is self-employed, the donor's occupation and the name of the donor's business.
- A statement of disbursements, which must include all of the following:
    - The name and address of the recipient of each disbursement;
    - The date of each disbursement;
    - The amount of each disbursement;
    - The purpose for which each disbursement was made; and
    - The date the Transition Fund incurred the cost for which the disbursement was made.
- The balance remaining in the fund at the close of the reporting period.

A transaction reported in a report should not be reported again in any other report.

Corrections and Amendments

The Transition Fund must file an amended report when a correction is necessary, additional information is obtained by the Transition Fund, or when ordered by the Transition Fund's auditing authority. Amendments filed electronically consist of all report data – what was originally filed and new or modified records.

When an error is found, or when checks are received that could not earlier be attached to a report, the Transition Fund should file an amendment immediately. When an auditing authority requests more information or a correction to a report, the Transition Fund has 21 days to provide the information or correction.

R.C. 3517.11(B); OAC 111:2-4-19

Donations

Individuals, campaign committees, PACs, and entities, including for-profit corporations, may make donations to a Transition Fund of both money and in-kind goods and services. All donations must be deposited into the separate account established for the Transition Fund. No donation may be accepted or deposited unless the officeholder has established a Transition Fund.

Donation Limits

Donations to the Transition Fund established for the joint offices of Governor and Lieutenant Governor are limited to $10,000 per donor. This limit applies to the aggregate value of all donations made by the donor of both money and in-kind goods and services.

R.C. 3517.1014(C)(1)(b) & (3)(a)

Donations to the Transition Fund established for an officeholder other than Governor/Lieutenant Governor are limited to $2,500 per donor. This limit applies to the aggregate value of all donations made by the donor of both money and in-kind goods and services to the Transition Fund.

R.C. 3517.1014(C)(1)(c) & (3)(b)

Disbursements

A Transition Fund may use any donation to pay for legitimate and verifiable costs incurred for ordinary and necessary transition activities and inaugural celebrations.

R.C. 3517.1014(A)

These costs may include any of the following:

- Office expenses (e.g., leases, supplies);
- Salaries for transition personnel;
- Consulting fees; and
- Food, beverages, and entertainment at an inaugural celebration.

For the purpose of disbursing transition funds, the following definitions apply:

"Legitimate" means conforming to recognized principles or accepted rules and standards;

"Verifiable" means able to be proven true, confirmed, or authenticated;

"Ordinary" means taking place according to customary occurrences or procedures; and

"Necessary" means appropriate and helpful to accomplishing a particular end.

OEC Adv. 87ELC-4

Expenditure Verification

Every expenditure in excess of $25 must have a corresponding canceled check or receipt photocopy attached to the report. A proper receipt is one that has been marked "PAID" by the vendor. In addition, the Secretary of State may request a mileage log for mileage reimbursements, so that the expenditure and its appropriateness may be verified. If canceled checks are not returned or provided by the banking institution of the committee, a copy or printout of the Transition Fund's bank statements will suffice for the receipt requirement so long as the name of the vendor, date of transaction, and amount of the expenditure are all provided. Additionally, printouts of cancelled check images as provided by the Transition Fund's banking institution satisfy the expenditure verification requirement.

R.C. 3517.10(D); OAC 111:2-4-13; OEC Advs. ELC87-3, ELC87-12

Prohibitions

Donations to a Transition Fund may not be used to influence the election of any candidate for any office or for influencing the results of any election. While a Transition Fund may accept donations from candidate campaign committees, it may not contribute to campaign committees, political action committees, legislative campaign funds, political contributing entities, or political parties.

A Transition Fund may not make any disbursements to pay for or reimburse any personal expenses of the beneficiary of the Transition Fund, except for costs incurred for transition activities and inaugural celebrations.

R.C. 3517.1014(G)

Closing the Transition Fund

After the payment of all costs incurred for transition activities and inaugural celebrations, the treasurer of the Transition Fund must dispose of any money or assets remaining in the Transition Fund before terminating the fund by doing either of the following:

- Giving the amount, pro rata, to all persons (except campaign committees) who made donations to that Transition Fund as a refund of all or part of their donations; or
- Giving the amount to a nonprofit corporation exempt from federal income taxation under subsection 501(a) and described in subsection 501(c) of the Internal Revenue Code.

The transition fund must sell any non-donated assets at their fair market value and dispose of the sale proceeds in one of the allowable manners described above.

R.C. 3517.1014(H)

In disposing of money or assets, the treasurer of a transition fund must not refund to any campaign committee any donation received from that campaign committee.

R.C. 3517.1014(H)(3)

Not later than 120 days after a Transition Fund has been established, the treasurer of the Transition Fund must file a final report of donations and disbursements and mark the report as a termination report. The final report must include a copy of all available statements from the bank or other financial institution that held Transition Fund moneys. The bank or financial institution statements must demonstrate a zero balance remaining in the Transition Fund account to confirm that all Transition Fund moneys were disposed of before the termination of the Transition Fund.

If final bank or financial institution statements are unavailable at the time of the filing of the final report, the Transition Fund must file with the Secretary of State copies of the final bank or financial institution statements within 5 days after receiving those statements from the bank or financial institution.

Upon the filing of the final report the Transition Fund will cease to exist.

R.C. 3517.1014(I)

If, upon the completion of the official canvass of election returns for the election at which the beneficiary of a Transition Fund seeks election to office, it is determined that the beneficiary has not been elected to that office, within thirty days after the completion of the canvass the treasurer of the beneficiary's Transition Fund shall dispose of all assets remaining in the Transition Fund and file a final report.

R.C. 3517.1014(H)(2)

CHAPTER 5: POLITICAL PARTY ACCOUNTS

What is a Political Party

A political party is any group of voters that garners and maintains at least 3% of the total vote in a gubernatorial or presidential election, or properly files party formation petitions.

Along with having a statewide party apparatus, political parties may have separate, local organizations in each of Ohio's 88 counties.

R.C. 3517.01(A)

ACCOUNT TYPES

A political party may simultaneously maintain several types of accounts including a:

- Building Fund account;
- General Political account;
- Restricted Fund account;
- State Candidate Fund account;
- Judicial account; or
- Levin account (state party only).

Except for a Judicial account, each of these accounts requires a separate bank account and designation of treasurer.

Building Fund

Monies given to a Building Fund account are considered "gifts" and not contributions. The gift must be specifically designated. Building Fund gifts may be used for:

- Construction, renovation, purchase, or lease of an office facility and any real property taxes associated with the facility;
- Furniture and fixtures to be installed in an office facility;
- Equipment and supplies to be used in an office facility, including telecommunications equipment, and computer hardware and software; and
- Operating costs, maintenance, and repair of an office facility, other than personnel costs.

Gifts to a Building Fund account may not be used solely for the purpose of directly influencing the election of any individual candidate in any particular election for any office.

Any individual, partnership, unincorporated business organization or association, political action committee (PAC), political contributing entity (PCE), labor organization, or corporation (other than a public utility) may make one or more gifts to a Building Fund account. A gift shall not exceed the gift limit specified in R.C. 3517.101, as statutory adjusted for inflation in January of each odd-numbered year. Monies received into a building fund must be kept in a separate bank account because gifts may be accepted directly from corporations doing business in Ohio.

R.C. 3517.101, 3517.01(C)(5), 3517.104; OEC Adv. 2000ELC-04

General Political Account

The general political account is the fund used by a state or county political party to support candidates not subject to the state contribution limits, such as candidates for mayor, city council, or county commissioner. This account is also known as the local political account or the non-state candidate fund. A county political party in a county with a population less than 150,000 may support certain non-local candidates from the general political account, but at a reduced dollar limit. See the Secretary of State's contribution limit chart for the updated contribution limit specified in R.C. 3517.102, as statutorily adjusted for inflation in January of each odd-numbered year. See the State Candidate Fund section below for more detail.

Restricted Fund

Monies given to a Restricted Fund account are considered "gifts" and not contributions. Political parties may deposit other funds into this account, including gifts from corporations or labor organizations, as long as those gifts do not exceed $10,000 per calendar year.

R.C. 3517.1012, 3517.13(X)

Restricted Fund money may be used for the following:

- Operating and maintenance costs associated with political party headquarters, including rental or leasing costs, staff salaries, office equipment and supplies, postage, and the purchase, lease, or maintenance of computer hardware and software;
- The organization of voter registration programs and get-out-the-vote campaigns,
- Direct mail campaigns and other communications with the registered voters of a party that are unrelated to any particular candidate or election; and
- The preparation of reports required by law.

Money in the Restricted Fund may not be used for any of the following:

- To further the election or defeat of any particular candidate or to influence directly the outcome of any candidate or issue election;
- To pay party debts incurred as a result of any election; or
- To make a payment well above the market value of the item or service that is received for the payment.

R.C. 3517.1012

A county or state party must report its restricted fund activity at the Semiannual and Annual reporting deadlines. A county or state political party restricted fund report must be filed by electronic means with the Secretary of State if the fund has accepted any gifts from a corporation or labor organization. The Secretary of State or the county board of elections examines the Restricted Fund deposit and disbursement statements for compliance.

R.C. 3517.1012

State Candidate Fund

A State Candidate Fund is used to support statewide and General Assembly candidates. A state political party must use this fund to support its statewide or General Assembly candidates. A county political party in a county that has a population of 150,000 or more *must* establish a separate State Candidate Fund to support statewide or General Assembly candidates. A county political party affiliated with a county having a population of less than 150,000 *may* establish a State Candidate Fund, but is not required to do so.

The following counties have population counts larger than 150,000 as of October 2021:

- Butler
- Clermont
- Cuyahoga
- Delaware
- Fairfield
- Franklin
- Greene
- Hamilton
- Lake
- Licking
- Lorain
- Lucas
- Mahoning
- Medina
- Montgomery
- Portage
- Stark
- Summit
- Trumbull
- Warren

If a county political party affiliated with a county having a population of less than 150,000 does not establish a State Candidate Fund, it may still support statewide or General Assembly

candidates, but may do so at a reduced monetary amount, per election period. See the Secretary of State's contribution limit chart for the current contribution limitation.

A county political party's State Candidate Fund may not accept contributions from any of these sources:

- A political action committee (PAC);
- A political contributing entity (PCE);
- Any individual whose designated Ohio residence is outside the county;
- A campaign committee of a candidate whose name will not appear on the ballot in that county or does not represent all or part of the county as an elected public office holder;
- Another county political party State Candidate Fund; or
- Any county or state political party non-State Candidate Fund, such as a General Political account or Restricted Fund.

R.C. 3517.102(C)(4)(a)(i)

All contributions made by all county political party State Candidate Funds are aggregated together for determining a statewide or General Assembly candidate's contributions limits.

R.C. 3517.102(A), (B); OAC 111:2-1-09

Judicial Account

Although it is not addressed in Title 35 of the Revised Code, a political party may create a judicial account to make one or more contributions to the campaign committee of a candidate for judicial office. The Ohio Supreme Court has adopted a Code of Judicial Conduct that governs candidates for judicial office. Under Rule 4.4 of the Code, the campaign committee of a judicial candidate is prohibited from receiving a contribution from a political party, unless the contribution is made from a separate fund established by the political party solely to receive donations for judicial candidates.

For more information on judicial candidate regulations, including access to read or download the Code of Judicial Conduct, please visit the Ohio Supreme Court's website.

Levin Account

A Levin Account is a fund that only a state political party may establish. Monies given to a Levin Account are considered "gifts" and not contributions. A Levin Account fund may be used for voter

registration, voter identification, get-out-the-vote or generic campaign activities that would not otherwise be considered a contribution or expenditure. A Levin Account fund may not be used to influence the election of any individual candidate. Any person, including corporations, may make a gift to a Levin Account. Corporation or labor organization gifts to a Levin Account may not exceed $10,000 per calendar year and can only be made in years in which a candidate for federal office will appear on the ballot.

Levin Account activity is reported at the Semiannual and Annual reporting deadlines. These reports must be filed by electronic means with the Secretary of State.

R.C. 3517.1013

REPORTING

Disclosure of campaign finance activity is a crucial element in monitoring compliance with and effectiveness of Ohio's campaign finance laws and regulations. When a report is filed, it must be a full, true, and itemized accounting of contributions and expenditures for the reporting period.

Where to File Reports

Statewide political parties file their reports with the Secretary of State. County political parties file campaign finance reports for their General Political account, Restricted Fund accounts that do not receive corporate or labor organization gifts, Building Fund accounts, and Judicial Account, if applicable, with their county board of elections.

County political parties must electronically file campaign finance reports for their Restricted Fund accounts that have received deposits from a corporation or labor organization and State Candidate Fund with the Secretary of State.

R.C. 3517.11(A), 3517.106(E)(3), 3517.1012(B)

When to File Reports

Reports are due based on the nature and timing of the activity in which the party engages. A political party must file pre- or post-election reports only when the party has activity supporting or opposing candidates or ballot issues appearing on the ballot. Filing deadlines refer to the date that the report is received by the county boards of elections or the Secretary of State, not the postmark date.

Reporting Deadlines:

A committee must file a **pre-election report** by 4 p.m. on the 12th day before an election (primary, general, or special) if the party spent or received $1,000 or more between the time the last report was filed and the 20th day before the election, if the party supported any candidate or issue that appeared on the ballot at that election. The $1,000 threshold includes monetary and in-kind contributions, along with the value of any new loans received during the reporting period.

R.C. 3517.10(A)(1)

A political party must file a **post-election report** by 4 p.m. on the 38th day after the election (primary, general, or special) if the party had activity to influence that election between the time the last report was filed and the 31st day after the election.

R.C. 3517.10(A)(2)

A political party must file a **semiannual report** by 4 p.m. on the last business day of July showing all activity since the last report through June 30 and should reflect only the activity that has occurred since the previous report was filed. A semiannual report is not due in any year the political party is required to file a post-primary report.

R.C. 3517.10(A)(4)

A political party must file an **annual report** by 4 p.m. on the last business day of January showing all activity since the last report through December 31 and should reflect only the activity that has occurred since the previous report was filed. An annual report is not due in any year the political party is required to file a post-general report.

R.C. 3517.10(A)(3)

The Restricted Fund, Levin Accounts, and Building Fund reports are filed only as Semiannual and Annual reports.

R.C. 3517.10(A), 3517.101, 3517.102, 3517.103

Corrections and Amendments

The political party must file an amended report when a correction is necessary, additional information is obtained by the political party, or when ordered by the political party's auditing authority. Amendments filed on paper consist of only corrections to previously submitted information or additional information. The amendment should include either a report cover page

or a cover letter specifying the name of the committee that is filing and what report is being amended. Amendments filed electronically consist of all report data – what was originally filed and new or modified records.

When an error is found, or when checks are received that could not earlier be attached to a report, the political party should file an amendment immediately. When an auditing authority requests more information or a correction to a report, the political party has 21 days to provide the information or correction.

R.C. 3517.11(B); OAC 111:2-4-19

Report Forms

All reporting forms, along with instructions for their use, are available at the Secretary of State's website: OhioSoS.gov.

Political parties not required to file electronically may choose to download the forms and use them for creating reports in paper form. Filers may choose to create their own forms for use in paper filing, with the express written approval of the Secretary of State's Office, as long as they are substantially similar to the forms prescribed by the Secretary of State's Office.

OAC 111:2-4-10

Filers seeking the approval of alternative paper forms may direct their request, along with a sample of each of the alternative forms to CFinance@OhioSoS.gov, or via mail to:

Office of the Ohio Secretary of State
Campaign Finance
22 North Fourth Street, 15th Floor
Columbus, Ohio 43215

GENERAL RULES

Treasurer's Duties and Liability

The treasurer and any appointed deputy treasurer are legally responsible for campaign finance reporting requirements. There are no statutory restrictions on who can be a treasurer. The treasurer is appointed by an authorized representative of the political party and is responsible for keeping detailed records of everything received, given, or expended. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. The

treasurer, and deputy treasurer if appointed, both sign the DOT to acknowledge their appointment.

Each report must contain a statement that the report is complete and accurate, subject to the penalty for election falsification. Whoever commits election falsification is guilty of a felony of the fifth degree. The cover page of every report filed must be signed by the treasurer or a deputy treasurer. The treasurer must retain accurate records of all activity for six years.

R.C. 3517.081, 3517.10, 3517.13, 3517.992(A), 3599.36; OAC 111:2-4-11, 111:2-4-13

Keeping Reports in Balance

Errors and mistakes in the report can easily affect the balance on hand (Line 6) on a report's cover page, causing it to be incorrect. A treasurer should take two easy steps to avoid or detect potential problems in the report.

- When a report is completed, the balance on hand (Line 6) on the cover page should equal the balance listed on the political party's bank account statement. If the treasurer has reported all the necessary contributions and expenditures (including service charges, interest, and voided checks), then these balance figures should be the same.
- The treasurer should ensure the statements received from the bank are balanced against the political party's reports in a regular and timely fashion.

These two steps will go a long way to help a treasurer ensure that no contribution or expenditure information is incorrect or has been omitted.

Anonymous Contributions

Contributors may not remain anonymous by request. If a donor does not want to be identified, the contribution is not truly anonymous, and the political party should not accept the contribution. That said, if an anonymous contribution is received, the political party must make best efforts to identify the donor. If that effort fails, the contribution should have an explanation of the circumstances that caused it to be anonymous and a description of the efforts made to determine the donor's identity. This information should appear in the address portion of Form 31-A, Statement of Contributions Received, or attached to the report as supplemental documentation.

R.C. 3517.10(C)(2)

Contribution Limits

The amounts that some of the political party funds may contribute or accept are shown on the contribution limit chart. The limits to statewide or legislative candidates are based on contributions made to designated state campaign committees. These are, in the case of the contributions to or from a state political party State Candidate Fund, a campaign committee of a statewide or General Assembly candidate.

For contributions to or from a county political party State Candidate Fund, a designated state campaign committee is the campaign committee of a statewide candidate, or General Assembly candidate whose candidacy is to be submitted to some or all of the electors in that county.

R.C. 3517.102(A)(9)

A county political party, or its State Candidate Fund when required, is only permitted to make a contribution to a campaign committee of a candidate for the General Assembly when the candidate's legislative district lies, in whole or in part, within the party's county. A county with a population of less than 150,000 that has no State Candidate Fund may contribute to any statewide candidate or any candidate for the General Assembly whose district lies, in whole or in part, within the party's county in the amount limited by R.C. 3517.102(A)(9), per election period. See the Secretary of State's contribution limit chart for the updated limitation.

R.C. 3517.102(A)(9), (B)(6)

Cash Contribution Limits

A contributor may not give more than $100 per election in cash. Cash means coined or paper money designated as legal tender and circulated from hand to hand. If a contribution exceeds this amount, the recipient must issue a refund of the amount over the $100 limit. The full amount of the contribution received and deposited must be disclosed on the appropriate campaign finance report forms as well as the offsetting refund expenditure issued.

R.C. 3517.13(F); OAC 111:2-4-05

Affiliated PAC/PCE Contributions Limits

The amount, as updated, a political party may receive from a PAC or PCE is shown on the contribution limit chart. Contributions made from two or more affiliated PACs and contributions made from two or more affiliated PCEs, are considered to have been made from a single PAC or

from a single PCE. See Chapter 7, Political Action Committees, and Chapter 8, Political Contributing Entities, for more information.

Deposit of Contributions and Other Income

The political party must deposit all contributions and other monetary income in the party's account within 30 days of receipt or return the contribution to the donor. A contribution that is clearly illegal must be returned and not deposited. A contribution that appears on its face to be legal (e.g., not from a foreign national, corporation, or in excess of the contribution limits) may be deposited and used by the political party.

Contributions that appear questionable may be deposited, but not spent. The treasurer must make a good-faith effort to determine the legality of the contribution. If, within 30 days of receipt, it cannot be determined that the contribution is legal, it must be returned.

If a contribution is kept that is later found to be illegal, then the political party fund must refund it within 10 days of the discovery.

OAC 111:2-4-11

Contributions from Minor Children

Political parties are prohibited from accepting a contribution from an individual under the age of seven.

R.C. 3517.102(C)(4)

Partnerships/Unincorporated Associations

Contributions received from partnerships or unincorporated associations must reflect both the name of the entity and the individual contributing. Unincorporated professional associations and limited liability companies are considered unincorporated associations or, if applicable, partnerships. These entities may contribute, but must include, at the time of the distribution, detailed information on the allocation of the contribution amount among the owners or partners of the unincorporated association or partnership. A party may not accept, deposit, or use a contribution from a partnership or other unincorporated business unless the party has the allocation information necessary to itemize the contribution by the partner, owner, or member.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

Contributions from Joint Checking Accounts

Contributions received from a joint checking account shall be considered a contribution from the person signing the check, absent evidence to the contrary. If the contribution is to be apportioned to each account holder, the contributions must be reported separately as two individual contributions.

OAC 111:2-4-14

Contributions Received Through Online Payment Processors

Online payment processing applications must provide for complete reporting of all contribution disclosure requirements, including:

- Full name of contributor;
- Complete street address of contributor;
- Date of contribution;
- Full amount of contribution as authorized by contributor; and
- Contributor employer (or, if self-employed, occupation, and business name), if applicable.

The political party must disclose the full amount of the payment as a contribution. Any fee associated with the processing of the contribution must be disclosed as an offsetting expenditure. The fees assessed on multiple contributions made through an online payment processor during any reporting period may be aggregated for disclosing as a single expenditure transaction. A political party that aggregates payment processing fees must attach a copy of the statement verifying the individual expenditures to the respective campaign finance statements.

Fund-Raiser Exemption

Individual contributions totaling $25 or less per person received at a specific fund-raising activity need not be itemized (listed by person) within a report. These contributions should be reported as a single line item with an aggregate amount on Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event. Also, in-kind contributions totaling $325 or less from one contributor at a single fund-raising activity need not be itemized. These contributions should be reported as a single line item with an aggregate amount on Form 31-J-1, Statement of In-Kind Contributions Received. In all events, the treasurer must keep itemized records of all contributions, in case such records are requested by the auditing authority.

R.C. 3517.10(B)(4)(e)

Contributor Address Exemption

Political parties need not include the addresses of contributors within their reports.

R.C. 3517.10(B)(4)(b)

Employer/Occupation Disclosure

When a state or county political party is required to file its campaign finance report by electronic means, the party is required to provide the employer information for all contributions greater than $100 received from individuals. If the individual is self-employed, then the occupation and name of the individual's business must be disclosed.

R.C. 3517.10(B)(4)(b)(ii), *3517.10(E)(2)*

Public Employee Solicitations / Contributions

Public employees are prohibited from being solicited for political contributions while performing their official duties or while they are in those areas of a public building where official business is conducted. Public employees are prohibited from soliciting contributions while performing official duties or in areas of a public building where official business is conducted. For these prohibitions, the term "public employee" does not include any person holding an elective office.

R.C. 3517.092

In-Kind Contributions Received

An in-kind contribution is a non-monetary contribution of goods or services that is made with the consent of, in coordination or cooperation with, or at the request or suggestion of, the benefited candidate, agent of the candidate, committee, or party. Examples include receiving postage or signs, receiving rent-free office space, having personnel compensated by a third party, or having a third party buy media advertising on behalf of a committee. An in-kind contribution is considered a contribution and should be reported on Form 31-J-1, In-Kind Contributions Received.

R.C. 3517.01(C)(16)

The exception to the general definition of an in-kind contribution is when a political party makes one or more expenditures to finance communications advocating the election or defeat of a candidate for judicial office. This type of expense made by a political party, whether or not it is made in coordination with a candidate or campaign committee, will be considered an

independent expenditure and reported as such by the political party on Form 31-U, Independent Expenditures Made by a Campaign Committee, PAC, Political Party, or Legislative Campaign Fund. As an independent expenditure, the affected judicial candidate campaign committee does not have a duty to disclose the expenditures made by the political party.

R.C. 3517.105(D)

Loans

A political party may receive contributions in the form of a loan where the contributor expects to be repaid. While there is no requirement to obtain or disclose any formal loan agreement between the political party and the contributor, it is advisable to consider having an agreement with all terms expressly detailed. Once a loan is received, the balance – along with any payments made – must be disclosed on Form 31-C, Statement of Loans Received, in each report filed until the loan is repaid or forgiven by the contributor.

Debts

When a political party has received a good or service that is 60 days or more payable at the time of a reporting deadline, it must disclose the transaction on Form 31-N, Statement of Outstanding Debts, within that report. The debt, and any activity relating to it, must be in each report until the debt is repaid or forgiven by the contributor. If the debt is forgiven, the amount forgiven is considered an in-kind contribution.

Raffles

The use of raffles or other games of chance to raise money for a political party, while not specifically prohibited in the campaign finance statutes, is discouraged for many reasons. First, the collecting and reporting of all the required contributor information for every raffle ticket or chance sold can be very difficult. A committee treasurer must keep a strict account of all contributions received – regardless the amount of the contribution. Second, the raffle or other games or schemes of chance in which persons pay to play may be a lottery prohibited by Article XV, Section 6 of the Ohio Constitution or may constitute gambling in violation of R.C. 2915. In addition, political fundraising events involving a raffle or other scheme or game of chance held on the premise of a liquor permit holder may involve a violation of OAC 4301:1-1-53 of the Ohio Department of Commerce, Division of Liquor Control.

Many fundraising events award door prizes to some persons who attend. Giving door prizes of minimal value, such as flower arrangements, is unlikely to constitute a violation because the

persons participating would have contributed regardless of the possibility of receiving a prize. But if the value of the door prize is significant enough to encourage contributors to purchase an entrance ticket in order to win the prize, then a violation may have occurred. Questions or information on raffles and other schemes or games of chance should be referred to the county prosecutor in the county where the activity will occur.

SOS Advisory No. 94-04

Independent Expenditures

Any expenditure by a political party seeking to influence the results of an election for a candidate for judicial office should be reported by the political party as an independent expenditure on Form 31-U, Independent Expenditures Made by a Campaign Committee, PAC, Political Party, or Legislative Campaign Fund, and not as an in-kind contribution made.

R.C. 3517.105(D)

In-Kind Contributions Made

An in-kind contribution made occurs when a political party gives items or services to another committee or pays the bill for items or services for another committee's benefit. An in-kind contribution made is considered a campaign disbursement and should be reported as such on Form 31-J-2, In-Kind Contributions Made. If the in-kind contribution made involved the outlay of money, then a corresponding expenditure entry should appear on Form 31-B, Statement of Expenditures, or if related to an event Form 31-F, Statement of Expenditures for Social or Fund-raising Event.

R.C. 3517.01(C)(16)

Expenditure Verification

Every expenditure in excess of $25 must have a corresponding canceled check or receipt photocopy attached to the report. A proper receipt is one that has been marked "PAID" by the vendor. In addition, the Secretary of State or the county board of elections may request a mileage log for mileage reimbursements, so that the expenditure and its appropriateness may be verified.

If canceled checks are not returned or provided by the banking institution of the political party, a copy or printout of the political party's bank statements will suffice for the receipt requirement so long as the name of the vendor, date of transaction, and amount of the expenditure are all

provided. Additionally, printouts of canceled check images as provided by the political party's banking institution satisfy the expenditure verification requirement.

R.C. 3517.10(D); OAC 111:2-4-13; OEC Advs. 87ELC-03, 87ELC-12

Credit Cards

A political party may obtain a credit card to purchase goods and services on behalf of the committee. If the political party pays the credit card company directly, each credit card purchase should be listed separately as an expenditure on Form 31-B, Statement of Expenditures, or on Form 31-F, Statement of Expenditures for a Social or Fund-Raising Event, with the vendor name, address, date, and amount of purchase. The credit card statement should be attached to the report along with a copy of the canceled check to the credit card company.

OAC 111:2-4-13

If an individual uses a personal or non-political party credit card and then seeks reimbursement from the political party for the purchases, then the reimbursement expenditure must be reported on the expenditure form.

The treasurer must obtain receipts for all reimbursements issued to verify the legitimacy of each expense. The documentation for an expenditure must be provided with the respective campaign finance report.

R.C. 3517.13(O), 3517.10(D)

Charitable Contributions

Charitable contributions are those made to a charity designated as exempt from federal income taxation under subsection 501(a) and described in subsections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code, or to any charity approved by advisory opinion of the Ohio Elections Commission.

R.C. 3517.08(G)

Closing an Account

A political party must have a zero-dollar balance and no outstanding loans or debts before it can terminate. When these criteria have been met, a political party must file a final report. This report must list all activity, if any, that has occurred since the previous report.

A political party's method for requesting to terminate varies by their filing location and whether they file electronically or via paper.

- Electronic filers with a board of elections will select the "Termination Report" option when creating their final report for submission;
- Paper filers with the Secretary of State or a board of elections will select the "Termination" option on the Form 30-A, Ohio Campaign Finance Report Cover Page; or
- Electronic filers with the Secretary of State's Office, after filing their final report, must email CFinance@OhioSoS.gov the relevant fund has a zero-dollar balance, no outstanding loans or debts, and wishes to terminate.

R.C. 3517.10(A)

Record Retention

Political parties must maintain their records for six years. This requirement includes all bank records (including deposit records), reports, amendments, correspondence, receipts, invoices, and mileage logs. The county boards of elections and the Secretary of State must maintain all reports filed for six years.

R.C. 3517.10(C), (D); OAC 111:2-4-13

CHAPTER 6: LEGISLATIVE CAMPAIGN FUNDS

What is a Legislative Campaign Fund?

A legislative campaign fund (LCF) is an entity that is associated with one of the caucuses of the General Assembly and is established as an auxiliary of a state political party.

R.C. 3517.01(C)(15)

The four LCFs are:

- Ohio House Democratic Caucus;
- Ohio House Republican Alliance;
- Ohio Senate Democrats; and
- Republican Senate Campaign Committee.

ACCOUNT TYPES

LCFs may have two accounts, with each serving a specific purpose. They include:

- General Political account; and
- Building Fund account.

General Account

The General Political account is the fund used by an LCF to directly support the members of, or candidates for, the legislative caucus to which the LCF is connected. Such support can be in the form of direct monetary contributions or as in-kind contributions in the form of goods and services – e.g., television airtime, media production, and postage. The General Political account of an LCF may not accept any contribution or transfer from that LCF's building fund.

R.C. 3517.01(C)(15); 3517.10(D); 3517.101

Building Fund

Monies given to a Building Fund account are considered "gifts" and not contributions. The gift must be specifically designated. Building Fund gifts may be used for:

- Construction, renovation, purchase, or lease of an office facility and any real property taxes associated with the facility;
- Furniture and fixtures to be installed in an office facility;
- Equipment and supplies to be used in an office facility, including telecommunications and computer hardware and software; and
- Operating costs, maintenance, and repair of an office facility, other than personnel costs.

Gifts to a Building Fund account may not be used solely for the purpose of directly influencing the election of any individual candidate in any particular election for any office.

Any individual, partnership, unincorporated business organization or association, political action committee (PAC), political contributing entity (PCE), labor organization, or corporation (other than a public utility) may make one or more gifts to a Building Fund account. A gift must not exceed the gift limit specified in R.C. 3517.101, as statutory adjusted for inflation in January of each odd-numbered year. Monies received into a Building Fund must be kept in a separate bank account because gifts may be accepted directly from corporations doing business in Ohio.

R.C. 3517.101, R.C. 3517.104; OEC Adv. 2000ELC-04

REPORTING

Disclosure of campaign finance activity is a crucial element in monitoring compliance with and effectiveness of Ohio's campaign finance laws and regulations. When a report is filed, it must be a full, true, and itemized accounting of contributions and expenditures for the reporting period.

What to Do First

Before receiving any contribution or gift, or making any expenditure or disbursement, a legislative campaign fund must file Form 30-D, Designation of Treasurer. This form registers the committee and includes basic information such as the name of the LCF, the treasurer and their contact information, and any deputy treasurer. LCFs are responsible to keep all committee information updated (e.g., change in treasurer, change of committee name, change of address, or change of contact information) by filing an amended Designation of Treasurer.

There are no statutory restrictions on who can be a treasurer. An authorized representative of the LCF designates the treasurer for the entity. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. The authorized representative must sign to approve the DOT. The treasurer, and deputy treasurer if appointed, must sign the DOT to acknowledge their appointment.

LCF's are responsible to keep all committee information updated (e.g., change in treasurer, committee name, address, and contact information) by filing an updated Designation of Treasurer. This form must be completed in entirety each time it is filed, including all applicable signatures.

R.C. 3517.10(D)

Where to File Reports

LCFs file their reports with the Secretary of State.

R.C. 3517.11(A)(1)

When to File Reports

LCF reports are due based on the nature and timing of the activity in which the fund engages. All reports must be physically received by the Secretary of State to meet the filing deadline requirement. A report postmarked, but not received, by the deadline is a late filing.

There are four types of reporting deadlines:

An LCF must file a **pre-election** report by 4 p.m. on the 12th day before an election (primary, general, or special) if the LCF spent or received $1,000 or more to influence that election between the time the last report was filed and the 20th day before the election.

R.C. 3517.10(A)(1)

An LCF must file a **post-election report** by 4 p.m. on the 38th day after the election if the LCF received contributions or made expenditures to influence that election between the time the last report was filed and the 31st day after the election.

R.C. 3517.10(A)(2)

An LCF must file a **semiannual report** by 4 p.m. on the last business day of July if the LCF was not required to file a report after the immediately preceding primary election. It should cover the time since the last report through the last day of June. A semiannual report should only reflect the activity that has occurred since the last report was filed.

R.C. 3517.10(A)(4)

An LCF must file an **annual report** by 4 p.m. on the last business day of January if the fund was not required to file a post-election report after the immediately preceding November election. The annual report must cover the time since the last report through the last day of December. The report should reflect only activity that occurred since the last report was filed.

R.C. 3517.10(A)(3)

Identifying the individual recipients of the fund's contributions is the key to when a report will be required. The need for pre-election and post-election reports will be determined by whether the recipient of an LCF contribution will appear or did appear on a particular election ballot.

R.C. 3517.01(B)(5) & (6)

Report Forms

All reporting forms, along with instructions for their use, are available at the Secretary of State's website: OhioSoS.gov.

Committees not required to file electronically may choose to download the forms and use them for creating reports in paper form. Filers may choose to create their own forms for use in paper filing, with the express written approval of the Secretary of State's Office, as long as they are substantially similar to the forms prescribed by the Secretary of State's Office.

OAC 111:2-4-10

Filers seeking the approval of alternative paper forms may direct their request, along with a sample of each of the alternative forms to CFinance@OhioSoS.gov, or via mail to:

Office of the Ohio Secretary of State
Campaign Finance Division
22 North Fourth Street, 15th Floor
Columbus, Ohio 43215

GENERAL RULES

Treasurer Duties and Liability

The treasurer of an LCF, and any appointed deputy treasurer are legally responsible for campaign finance reporting requirements. There are no statutory restrictions on who can be a treasurer. The treasurer is appointed by an authorized representative of the LCF and must keep detailed records of everything received, given, or expended. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. The treasurer, and deputy treasurer if appointed, must sign the DOT to acknowledge their appointment.

Each report must contain a statement that the report is complete and accurate, subject to the penalty for election falsification. Whoever commits election falsification is guilty of a felony of the

fifth degree. The cover page of every report filed must be signed by the treasurer or a deputy treasurer. A treasurer must retain accurate records of all activity for six years.

R.C. 3517.10(C) & (D), 3517.992, 3599.36; OAC 111:2-4-11, 111:2-4-13

Keeping Reports in Balance

Errors and mistakes in the report can easily affect the balance on hand (Line 6) on a report's cover page, causing it to be incorrect. A treasurer should take two easy steps to avoid or detect potential problems in the report.

- When a report is completed, the balance on hand (Line 6) on the cover page should equal the balance listed on the committee's bank account statement. If the treasurer has reported all the necessary contributions and expenditures (including service charges, interest, and voided checks), then these balance figures should be the same.
- The treasurer should ensure the statements received from the bank are balanced against the committee's reports in a regular and timely fashion.

These two steps will go a long way to help a treasurer ensure that no contribution or expenditure information is incorrect or has been omitted.

Bank Account

An LCF must establish a bank account that is separate from any personal or business account. All monetary contributions received must be deposited into this account. All contributions received and all expenses paid from this account must be disclosed.

R.C. 3517.10

Loans

An LCF may receive contributions in the form of a loan where the contributor expects to be repaid. While there is no requirement to obtain or disclose any formal loan agreement between the LCF and the contributor, it is advisable to consider having an agreement with all terms expressly detailed. Once a loan is received, the balance – along with any payments made – must be disclosed on Form 31-C, Statement of Loans Received, in each report filed until the loan is repaid or forgiven by the contributor.

Debts

When an LCF has received a good or service that is 60 days or more payable at the time of a reporting deadline, it must disclose the transaction on Form 31-N, Statement of Outstanding Debts, within that report. The debt, and any activity relating to it, must be in each report until the debt is repaid or forgiven by the contributor. If the debt is forgiven, the amount forgiven is considered an in-kind contribution.

CONTRIBUTIONS

Generally, the value of all contributions received by an LCF must be disclosed. Except for those received at a fundraising event, all contributions must be separately itemized. The primary elements for complete disclosure of a contribution are:

- The name of the contributor;
- The address of the contributor;
- The date of the contribution; and
- The amount of the contribution.

Anonymous Contributions

A person may not make an anonymous contribution by request. If a donor does not want to be identified, the contribution should not be made. But if an LCF inadvertently receives an anonymous contribution, it must try to identify the donor. If the efforts fail, the LCF should explain the circumstances that caused the contribution to be anonymous and include a description of the efforts it made to determine the donor's identity. This information should appear in the address portion of Form 31-A, Statement of Contributions Received.

R.C. 3517.10(C)(2)

Cash Contribution Limits

A contributor may not give more than $100 per election in cash. Cash includes only currency or coin.

R.C. 3517.13(F); OAC 111:2-4-05

Contribution Limits

In most cases, contributions to an LCF are limited by statute. Contributions given to an LCF from a "designated state campaign committee" are not limited. For information about "designated state

campaign committees," see Chapter 3, Statewide and General Assembly Candidates. A contribution limit chart is available from the Secretary of State's website.

R.C. 3517.102

Contributions from Minor Children

Legislative campaign funds are prohibited from knowingly accepting a contribution from an individual who is under the age of seven.

R.C. 3517.102(C)(5)(a)

Corporate Contributions

Corporations are prohibited from contributing to any candidate, political action committee, and certain political party funds. This prohibition applies to the provision of corporate funds or property to a candidate or campaign committee.

R.C. 3599.03; OEC Adv. 97ELC-05

To determine the status of a business or a corporation registered in Ohio, you may contact the Secretary of State's Business Services Division at 877.767.3453. Also, the complete database of business entity filings is available and can be searched at the Secretary of State's website. Follow the links for Businesses and Business Search.

Contributions Received Through Online Payment Processors

Online payment processing applications must provide for complete reporting of all contribution disclosure requirements, including:

- Full name of contributor;
- Complete street address of contributor;
- Date of contribution;
- Full amount of contribution as authorized by contributor; and
- Contributor's employer (or, if self-employed, occupation and business name), if applicable.

The recipient of an online contribution must disclose the full amount of the payment as a contribution. Any fee associated with the processing of the contribution must be disclosed as an

offsetting expenditure. The fees assessed on multiple contributions made through an online payment processor during any reporting period may be aggregated for disclosing as a single expenditure transaction. An LCF that aggregates payment processing fees must attach a copy of the statement verifying the individual expenditures to the respective campaign finance statements.

Fund-Raiser Exemption

Individual contributions totaling $25 or less per person received at a specific fund-raising activity need not be itemized (listed by person) within a report. These contributions should be reported as a single line item with an aggregate amount on Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event. Also, in-kind contributions totaling $325 or less from one contributor at a single fund-raising activity need not be itemized. These contributions should be reported as a single line item with an aggregate amount on Form 31-J-1, Statement of In-Kind Contributions Received. In all events, the treasurer must keep itemized records of all contributions, in case such records are requested by the auditing authority.

R.C. 3517.10(C)(4)(e)

Contributions from Joint Checking Accounts

Contributions received from a joint checking account shall be considered a contribution from the person signing the check, absent evidence to the contrary. If the contribution is to be apportioned to each account holder, the contributions must be reported separately as two individual contributions.

OAC 111:2-4-14

In-Kind Contributions Received

An in-kind contribution is a non-monetary contribution of goods or services that is made with the consent of, in coordination or cooperation with, or at the request or suggestion of, the benefited LCF. Examples include receiving postage or signs, receiving rent-free office space, having personnel compensated by a third party, or having a third party buy media advertising on behalf of the fund. These contributions are reported on Form 31-J-1, In-Kind Contributions Received.

R.C. 3517.01(C)(16)

Joint Fund-Raisers

Each LCF that engages in a joint fund-raising activity may deposit into its account only the checks that are made out to that particular LCF. If a check is received that is made out to more than one reporting entity, then it must be refunded to the contributor and not deposited into the LCF bank account. The expenses for the event are divided equally among the participants unless they have agreed to divide them in another manner. If the expenses are not divided equally and one committee pays for more or all of the event costs, an in-kind contribution occurs and must be disclosed.

OAC 111:2-4-17

Labor Organization Contributions

An LCF may accept contributions from a PAC sponsored by a labor organization or from a labor organization's political contributing entity (PCE).

R.C. 3517.01(C)(21), 3517.082

Partnerships/Unincorporated Associations

Professional associations (e.g., physicians, architects & dentists) under R.C. 1785, limited liability companies under R.C. 1705, or partnerships as defined by R.C. 1776 through 1783, are not "corporations" under R.C. 3599.03. These entities are considered either partnerships or unincorporated businesses. A partnership or unincorporated business may use its checking account to transmit a contribution to a candidate. The contribution must come with detailed information about each partner, owner, or member and their allocated portion of the contribution. The recipient of such a contribution must itemize each allocated portion according to the information provided. No contribution from a partnership or other unincorporated business may be accepted, deposited, or used unless the recipient has the allocation information necessary to itemize the contribution by the partner, owner, or member.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

Public Employee Solicitations / Contributions

Public employees are prohibited from being solicited for political contributions while performing their official duties or while they are in those areas of a public building where official business is conducted. Public employees are prohibited from soliciting contributions while performing official

duties or in areas of a public building where official business is conducted. For these prohibitions, the term "public employee" does not include any person holding an elective office.

R.C. 3517.092

Deposit of Contributions or Other Income

The LCF must deposit all contributions and other monetary income in the LCF's account within 30 days of receipt or return the contribution to the donor. A contribution that is clearly illegal must be returned and not deposited. A contribution that appears on its face to be legal (e.g., not from a foreign national, corporation, or in excess of contribution limits) may be deposited and used by the LCF.

Contributions that appear questionable may be deposited, but not spent. The treasurer must make a good-faith effort to determine the legality of the contribution. If, within 30 days of receipt, the legality of the contribution cannot be determined, the contribution must be returned.

If a contribution is kept that is later found to be illegal, then the LCF must refund it within 10 days of the discovery.

OAC 111:2-4-11

Raffles

The use of raffles or other games of chance to raise money for an LCF, while not specifically prohibited in the campaign finance statutes, is discouraged for many reasons. First, the collecting and reporting of all the required contributor information for every raffle ticket or chance sold can be very difficult. An LCF treasurer must keep a strict account of all contributions received – regardless the amount of the contribution. Second, the raffle or other games or schemes of chance in which persons pay to play may be a lottery prohibited by Article XV, Section 6 of the Ohio Constitution or may constitute gambling in violation of R.C. 2915. In addition, political fund-raising events involving a raffle or other scheme or game of chance held on the premise of a liquor permit holder may involve a violation of OAC 4301:1-1-53 of the Ohio Department of Commerce, Division of Liquor Control.

Many fund-raising events award door prizes to some persons who attend. Giving door prizes of minimal value, such as flower arrangements, is unlikely to constitute a violation because the persons participating would have contributed regardless of the possibility of receiving a prize. But

if the value of the door prize is significant enough to encourage contributors to purchase an entrance ticket in order to win the prize, then a violation may have occurred.

Questions or information on raffles and other schemes or games of chance should be referred to the county prosecutor in the county where the activity occurs.

SOS Advisory No. 94-04

EXPENDITURES

The value of all expenditures made by an LCF must be disclosed. The primary elements for complete disclosure of expenditures are:

- The name of the payee;
- The address of the payee;
- The date of the expenditure;
- The amount of the expenditure; and
- A detailed purpose of the expenditure.

In some cases, more information or more detailed itemization may be required.

Permissible Campaign Expenses

The use of campaign funds for personal or business purposes is prohibited. All expenditures made by an LCF must be for influencing the result of an election or for making a charitable contribution.

Campaign expenses must be legitimate, verifiable, ordinary, necessary. These terms have been defined by the Ohio Elections Commission as follows:

Legitimate	Conforming to recognized principles or accepted rules and standards.
Verifiable	Able to be proven true, confirmed, or authenticated.
Ordinary	Taking place according to customary occurrences or procedures.
Necessary	Appropriate and helpful to accomplishing a particular end.

In addition, the Ohio Elections Commission has made clear that these expenses must be reasonable in cost and form.

OEC Adv. 87ELC-4

Gifts

Gifts to employees for birthdays, weddings, and retirements, and flowers to employees or their family members because of illness or death have been considered permissible.

Legal Fees

The Ohio Elections Commission has advised that expenditures for legal fees are permissible when the fees are part of representing the LCF on matters before the Commission.

OEC Adv's. 87ELC-9, 87ELC-15, 88ELC-1, 90ELC-4, 96ELC-06, 96ELC-08, 2000ELC-05, 2006ELC-01

Charitable Contributions

Charitable contributions are those made to a charity designated as exempt from federal income taxation under subsection 501(a) and described in subsections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10) or 501(c)(19) of the Internal Revenue Code, or to any charity approved by advisory opinion of the Ohio Elections Commission.

R.C. 3517.08(G)

Refunds

An LCF may not make any refund of any contribution, unless the purpose is to refund a contribution in excess of the applicable contribution limit or to refund a contribution that has been found to be illegal.

OEC Adv. 99ELC-03

Credit Cards

An LCF may use a credit card to purchase goods and services on behalf of the fund. If the LCF pays the credit card company directly, then each credit card purchase should be listed separately as an expenditure on Form 31-B, Statement of Expenditures, or on Form 31-F, Statement of Expenditures for a Social or Fund-Raising Event, with the vendor name, address, date, and amount of purchase. The credit card statement should be attached to the report along with a copy of the canceled check to the credit card company.

OAC 111:2-4-13

If an individual uses a credit card and seeks reimbursement from the LCF for the purchases, then the reimbursement expenditure is reported on the expenditure form. The treasurer must obtain

receipts for all reimbursements issued to verify the legitimacy of each campaign expense. This documentation for an expenditure must be provided with the respective campaign finance report.

Independent Expenditures

An independent expenditure is one that is made in support of or in opposition to either a candidate or a ballot issue without the consent of, and not in coordination, cooperation, or consultation with, or at the request of or suggestion of, the candidate, agent of the candidate, or ballot issue committee. Such expenditures are reported by the entity that makes them, but not by the benefited committee.

R.C. 3517.01(C)(17), 3517.105; OAC 111:2-2-01, OAC 111:2-2-02

In-Kind Contributions

An in-kind contribution is a non-monetary contribution of goods or services that was made with the consent of, in coordination or cooperation with, or at the request or suggestion of, the benefited candidate, agent of the candidate, fund, or party. An LCF may contribute to a candidate's campaign committee any item or service it has bought rather than, or along with, making a monetary contribution. For example, an LCF may have bought a large block of radio airtime at a particular radio station. When the LCF gives a portion of this asset to a campaign committee, an in-kind contribution has been made by the LCF and received by the campaign committee. As a result, both entities have a responsibility to disclose this transaction.

Expenditure Verification

Every expenditure in excess of $25 must have a corresponding canceled check or receipt photocopy attached to the report. A proper receipt is one that has been marked "PAID" by the vendor. In addition, the Secretary of State or the county board of elections may request a mileage log for mileage reimbursements, so that the expenditure and its appropriateness may be verified. If canceled checks are not returned or provided by the banking institution of the LCF, a copy or printout of the campaign committee's bank account will suffice for the receipt requirement so long as the name of the vendor, date of transaction, and amount of the expenditure are all provided. Additionally, printouts of canceled check images as provided by the fund's banking institution satisfy the expenditure verification requirement.

R.C. 3517.10(D); OAC 111:2-4-13; OEC Advs. 87ELC-03, 87ELC-12

Reimbursement of Campaign Expenses

Campaign related expenses incurred by employees or volunteers may be reimbursed by the LCF if they are legitimate and verifiable prior expenses and not otherwise prohibited by law. The LCF may not advance funds to a candidate, employee, or volunteer; the expense must be incurred before reimbursement. The treasurer must obtain receipts for all reimbursements issued to verify the legitimacy of each campaign expense. Reimbursements for items or services bought on behalf of the committee that are not reimbursed during the reporting period must be reported as outstanding debt. The Secretary of State or the county board of elections may request a mileage log or receipts for reimbursements so that the expenditure and its appropriateness may be verified.

R.C. 3517.13(O)

No beneficiary of an LCF or other person may convert for personal use anything of value from the LCF, except as reimbursement for:

- Legitimate and verifiable prior campaign expenses.
- Legitimate, verifiable, ordinary, and necessary expenses incurred by the beneficiary while:
    - Engaged in activities to support or oppose another candidate, political party, or issue;
    - Raising funds for, or participating in activities of, a political party or other political committee; or
    - Attending a political party convention or meeting.

OEC Adv. 87ELC-4

Corrections and Amendments

When a correction is necessary or additional information is obtained by the LCF or required by the Secretary of State relating to a report that has already been filed, the LCF must file an amended report. Amendments filed on paper consist of only corrections to previously submitted information or additional information. The amendment should include either a report cover page or a cover letter specifying the name of the LCF and what report is being amended. Amendments filed electronically consist of all report data – what was originally filed and new or modified records.

When an error is found, or when checks are received that could not earlier be attached to a report, the amendment should be filed immediately. When an auditing authority requests more

information or a correction to a report, the LCF has 21 days to provide the information or correction.

R.C. 3517.11(B); OAC 111:2-4-19

Closing the Committee

An LCF must have a zero-dollar balance and no outstanding loans or debts before it can terminate. When these criteria have been met, an LCF must file a final report listing all activity, if any, that has occurred since the previous report. After filing their final report, an LCF must email CFinance@OhioSoS.gov their committee has a zero-dollar balance, no outstanding loans or debts, and wishes to terminate.

R.C. 3517.10(A)

Record Retention

LCFs must maintain their records for six years. This requirement includes all bank records (including deposit records), reports, amendments, correspondence, receipts, invoices, and mileage logs.

R.C. 3517.10(D), 3517.106(D); OAC 111:2-4-13

Excess Funds

An LCF is limited in the amount of contributions it may retain after a general election by R.C. 3517.102(E), as statutorily adjusted for inflation in January of each odd-numbered year. Excess amounts are determined as of the close of business on the seventh day before the post-general election statement is filed. Any excess money retained by an LCF must be disposed of within 90 days after the filing of the post-general election campaign finance report. The excess money can be given to either the Ohio Elections Commission fund, individual contributors up to the amount of their contribution, or certain 501(c) nonprofit corporations. The LCF must file a report on the 90th day disclosing its balance on hand at the close of business on the seventh day before the post-general election statement is filed, attesting that the excess funds were disposed of according to law, and any other information required by the Secretary of State.

R.C. 3517.102(E), R.C. 3517.104

CHAPTER 7: POLITICAL ACTION COMMITTEES

What is a Political Action Committee ("PAC")?

A combination of two or more persons, the primary or major purpose of which is to support or oppose any candidate, political party, or issue, or to influence the result of any election through express advocacy.

A PAC does not include candidate committees, legislative campaign funds, political parties, political contributing entities ("PCE") or political clubs.

To determine whether a purpose is a primary or major purpose, the following will be considered:

- Whether the combination of two or more persons receives money or any other thing of value in a common account for the specific purpose of supporting or opposing any candidate, political party, legislative campaign fund, political action committee, political contributing entity, or ballot issue.
- Whether the combination of two or more persons has or will make a continuing pattern of expenditures from a common account to support or oppose any candidate, political party, legislative campaign fund, political action committee, political contributing entity, or ballot issue.
- Whether the combination of two or more persons constitutes an entity that did not exist before supporting or opposing any candidate, political party, legislative campaign fund, political action committee, political contributing entity, or ballot issue.
- Whether the total dollar value of the combination of two or more persons' activity described in the above paragraphs during a calendar year exceeds $100.

R.C. 3517.01(C)(8); OAC 111:2-1-02(K)(1)

A "combination of two or more persons" does not include persons making separate, individual contributions to the same campaign committee, political party, or other entity.

OAC 111:2-1-02(K)(2)

TYPES OF PACS

Corporate PACs

A corporation may sponsor a PAC and pay its administrative, establishment, and solicitation costs. Corporations may not give and a corporate PAC may not accept money or property from the corporation for use by the corporate sponsored PAC in supporting or opposing candidates or

another partisan political purpose. The Ohio Administrative Code gives detailed information on corporate PAC activity, including:

- Reporting and disclosure requirements;
- Allowable corporate payments of the administrative, establishment, and solicitation expenses of its PAC;
- Social event and fundraising requirements;
- Permitted communications between the corporation and its PAC; and
- Prohibited uses of corporate money or property.

R.C. 3517.082, 3599.03; OAC 111:2-3-01 through 111:2-3-08

Federal PACs (FSL PACs)

A PAC registered with the Federal Election Commission ("FEC") may use its federal PAC account to make non-federal disbursements in Ohio. Such a PAC is called a federal, state, and local PAC ("FSL"). Before such a disbursement is made, the FSL PAC must register with the Secretary of State's Office by filing a copy of the most recent Statement of Organization that it filed with the FEC. If information listed on the Statement of Organization changes, the FSL Pac must file a copy of the updated Statement of Organization with the Secretary of State at the same time it is filed with the FEC. Whenever an FSL PAC files a report with the FEC that includes Ohio non-federal activity, the FSL PAC must file a copy of that same report with the Secretary of State. Ohio law requires a FSL to file only the *summary page*, the *detailed summary page*, and *any disbursement pages that reflect Ohio non-federal activity*. FSL reports are due on the federal filing deadlines.

The campaign committees of a candidate for federal office wishing to make expenditures to Ohio non-federal candidate committees, Ohio PACs PCEs, legislative campaign funds, state political party funds, or county political party funds must first register as an FSL PAC before making such expenditures. The PAC is then subject to the reporting requirements and contributions limits of any other FSL PAC.

R.C. 3517.107; OAC 111:2-1-07

If an FSL contributes during a calendar year from its federal account in connection with a state or local election in Ohio to an affiliated state or local PAC, then the FSL must file Form 31-R, Federal, State, and Local Ohio Residents Receipt Report with the Secretary of State by the last business day in January of the next calendar year. The statement must list the names and addresses of each contributor residing in Ohio that contributed to the FSL during the calendar year covered by the

statement. The statement must also list the aggregate amount of each contributor's contribution received during that calendar year.

This information is not intended to address federal filing and disclosure requirements as enforced by the Federal Election Commission (FEC). Contact the FEC for more federal filing information. The phone numbers for the FEC are (800) 424-9530 and (202) 694-1000. The FEC website is: FEC.gov.

Labor Organization PACs

A labor organization may sponsor a PAC and pay its administrative, establishment, and solicitation costs. Labor organizations may not give and a labor organization PAC may not accept money or property from the labor organization for use by the labor organization sponsored PAC in supporting or opposing candidates or another partisan political purpose. The Ohio Administrative Code gives detailed information on labor organization PAC activity, including:

- Reporting and disclosure requirements;
- Allowable payments of the administrative, establishment, and solicitation expenses of its PAC;
- Social event and fundraising requirements; and
- Prohibited uses of money or property.

R.C. 3517.082, 3599.03; OAC 111:2-3-01 through 111:2-3-08

Labor organizations may also operate as a political contributing entity (PCE). For more information, see Chapter 8, Political Contributing Entities.

Non-Ohio PACs

Any non-Ohio, non-FSL PAC wishing to influence state or local elections in Ohio must comply with Ohio laws and rules regulating PACs. Thus, before receiving contributions or making expenditures, the entity must file Form 30-D, Designation of Treasurer. Contributions raised before the Designation of Treasurer is filed may not be transferred into the Ohio-registered PAC.

Expenditures made to influence Ohio state or local elections must be itemized on Form 31-B, Statement of Expenditures. PACs are not required to itemize expenditures made to influence elections outside of Ohio. PACs may list these expenditures on the Statement of Expenditures under the label, "Non-Ohio Activity" with a lump sum aggregate amount. Copies of canceled checks or paid receipts for Ohio-related expenditures over $25 must be provided.

Any campaign committee, political action committee, political contributing entity, legislative campaign fund, or political party that receives a contribution from a non-Ohio PAC before the entity's filing of a Designation of Treasurer must return the contribution to the non-Ohio PAC.

R.C. 3517.10(D); OAC 111:2-4-03; OEC Adv. 2006ELC-03

Political Clubs

A political club is not a PAC and is not required to file a Designation of Treasurer or campaign finance reports. An entity considered a political club must meet all of these requirements:

- Formed primarily for social purposes;
- Consists of one hundred members or less
- Has officers and periodic meetings;
- Has less than $2,500 in its treasury at all times; and
- Gives $1,000 or less in contributions to political entities per calendar year.

A political club that chooses to file a Designation of Treasurer becomes a registered PAC and must file campaign finance reports.

R.C. 3517.01(C)(8)(b); OAC 111:2-1-02(L)

What to Do First

Before receiving contributions or making expenditures, a Political Action Committee (PAC) must file Form 30-D, Designation of Treasurer. This form registers the PAC and includes basic information such as the name and address of the PAC, the name and address of the treasurer and deputy treasurer, if applicable, and any affiliated PACs or sponsoring organizations.

PACs organized only to support or oppose a ballot issue are considered Ballot Issue Committees. Please refer to Chapter 9, Ballot Issue Committees.

There are no statutory restrictions on who can be a treasurer. The authorized party must either designate themself or another person as the committee treasurer. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. The authorized representative must sign to approve the DOT. The treasurer, and deputy treasurer if appointed, must sign the DOT to acknowledge their appointment.

PACs are responsible to keep all committee information updated (e.g., change in treasurer, change of committee name, change of address, or change of contact information) by filing an updated

Designation of Treasurer. This form must be completed in entirety each time it is filed, including all applicable signatures.

R.C. 3517.081, 3517.10(D)

Naming a Corporate or Labor Sponsored PAC

A labor or corporate sponsored PAC's name must include the name of its sponsoring organization. PAC checks must contain the full name of the PAC, the PAC's address, and if the PAC files with the Secretary of State, then checks must also include the PAC's registration number.

R.C. 3517.10 (D) & (E); OAC 111:2-1-04

Bank Account

A PAC must establish a bank account that is separate from all other accounts. All monetary contributions received must be deposited into this account. Contributions may not be placed in any other personal or business account. PACs must disclose all contributions received and expenses paid from this account.

R.C. 3517.10

Although Ohio law does not require a campaign committee to obtain a federal employer identification number (EIN), the committee's chosen financial institution may require an EIN for banking purposes. EINs are issued by the Internal Revenue Service upon request and any questions on obtaining an EIN should be directed to the IRS.

Where to File Reports

Where reports are filed is based on the PAC's activity. Generally, PACs that contribute to county political parties, local candidate campaign committees, or local ballot issue committees will file the PAC's campaign finance reports with the local county board of elections.

PACs that contribute to candidates seeking election to a district office, other than a candidate for member of the General Assembly, or a ballot issue to be submitted to a multi-county district, will file campaign finance reports with the board of elections in the most populous county of that district.

PACs that contribute to candidates for member of the General Assembly, statewide candidates, statewide ballot issues, state political parties, or to other PACs that contribute to those candidates or issues will file its campaign finance reports with the Secretary of State.

All entities filing campaign finance reports with the Secretary of State's Office are subject to mandatory electronic filing. State law allows, but does not require, a local PAC to submit campaign finance reports electronically with the local county board of elections. See Chapter 13, Electronic Filing of Campaign Finance Reports, for more information on electronic filing.

R.C. 3517.11(A); 3517.106

Apart from non-Ohio and FSL PACs, PACs file their reports in only one location. PACs that want to spend money in regard to federal elections should contact the FEC for their requirements. A PAC that wishes to engage in both federal and non-federal activity should review the federal PAC section.

When a PAC must change its place of filing, it does so by filing an updated Form 30-D, Designation of Treasurer. The PAC files the original copy of the updated Designation of Treasurer form with the new place of filing. The PAC then sends a copy to the prior place of filing to indicate the intent to transfer filing obligations to a new location.

When to File Reports

PAC reports are due based on the nature and timing of the activity in which the PAC engages. A PAC must file pre- or post-election reports only when the PAC has activity intending to influence candidates or ballot issues appearing on the ballot. All mailed reports must be physically received by the Secretary of State or a board of elections to meet the filing deadline requirement. A report postmarked, but not received, by the deadline is a late filing.

Reporting Deadlines:

A PAC must file a **pre-election report** by 4 p.m. on the 12th day before an election (primary, general, or special) if the PAC spent or received $1,000 or more to influence that election between the time the last report was filed and the 20th day before the election. The $1,000 threshold includes monetary and in-kind contributions, along with the value of any new loans received during the reporting period.

R.C. 3517.10(A)(1); OAC 111:2-4-04

Examples:

- A PAC raises $1,200 and spends $875 in a pre-election period. The PAC made a $500 contribution to a campaign committee whose candidate will appear on that election's ballot. Because the PAC contributed to influence the election and had

more than $1,000 in contributions in the pre-election period, the PAC must file a pre-election report.

- A PAC raises $25,000 and spends $400 in a pre-election period. None of the expenditure activity went to support or oppose any candidate or issue on that election's ballot. Because the PAC had no activity to influence the result of the election, a pre-election report is not due.

A PAC must file a **post-election report** by 4:00 p.m. on the 38th day after the election if the PAC received contributions or made expenditures to influence that election between the time the last report was filed and the 31st day after the election.

R.C. 3517.10(A)(2); OAC 111:2-4-04

Examples:

- A PAC raises $500 and spends $25 in a post-election period. The PAC made a $25 contribution to a campaign committee whose candidate appeared on that election's ballot. Because the PAC made an expenditure to influence the election, the PAC must file a post-election report.
- A PAC raises $40,000 and spends $1,400 in the combined pre- and post-election reporting periods. None of the PAC's expenditure activity in both the pre-election and post-election reporting periods have been to campaign committees whose candidate appeared on the ballot or to issues appearing on the ballot. Thus, because the PAC had no ballot-related activity, neither a pre-election nor a post-election report is due.

A PAC must file a **semiannual report** by 4 p.m. on the last business day of July if the PAC was not required to file a report after the immediately preceding primary election. A semiannual report should reflect all activity since the last report through June 30 and should reflect only the activity that has occurred since the previous report was filed.

R.C. 3517.10(A)(4)

A PAC must file an **annual report** by 4 p.m. on the last business day of January if the PAC was not required to file a report after the immediately preceding General Election. An annual report should reflect all activity since the last report through December 31 and should reflect only the activity that has occurred since the previous report was filed.

R.C. 3517.10(A)(3); OAC 111:2-4-04

The rules described in the pre- and post-election sections apply no matter when an election is held. For example, a PAC may have activity to influence a special election in February, a statewide primary in May, or a municipal primary in September. Based on the PAC's activity, any of these elections can trigger the "12-day before" or "38-day after" filing requirements.

The purpose of a contribution to the PAC or the use of that contribution are the keys to determining whether a report will be required. The need for pre- and post-election reports will be determined by whether the PAC will be using the contribution to influence that election.

R.C. 3517.01(C)(5) & (6)

Report Forms

All reporting forms, along with instructions for their use, are available at the Secretary of State's website.

PACs not required to file electronically may download, complete, and print the forms for their paper filings. Filers may choose to create their own forms for use in paper filing, with the express written approval of the Secretary of State's Office, as long as they are substantially similar to the forms prescribed by the Secretary of State's Office.

OAC 111:2-4-10

Filers seeking the approval of alternative paper forms may direct their request, along with a sample of each of the alternative forms to CFinance@OhioSoS.gov or to:

Office of the Ohio Secretary of State
Campaign Finance Division
22 North Fourth Street, 15th Floor
Columbus, Ohio 43215

GENERAL RULES

Treasurer Duties and Liability

The treasurer and any appointed deputy treasurer of a PAC are legally responsible for campaign finance reporting requirements. The treasurer is appointed by an authorized representative of the PAC and must keep detailed records of everything received, given, or expended. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities.

Each report must contain a statement that the report is complete and accurate, subject to the penalty for election falsification (a felony of the fifth degree). Reports must be signed by the treasurer or a deputy treasurer. The treasurer must retain accurate records of all activity for six years.

R.C. 3517.081, 3517.10, 3517.13, 3517.992(A), 3599.36; OAC 111:2-4-11, 111:2-4-13

Keeping Reports in Balance

Errors and mistakes in the report can easily affect the balance on hand (Line 6) on a report's cover page, causing it to be incorrect. A treasurer should take two easy steps to avoid or detect potential problems in the report.

- When a report is completed, the balance on hand (Line 6) on the cover page should equal the balance listed on the committee's bank account statement. If the treasurer has reported all the necessary contributions and expenditures (including service charges, interest, and voided checks), then these balance figures should be the same.
- The treasurer should ensure the statements received from the bank are balanced against the committee's reports in a regular and timely fashion.

These two steps will go a long way to help a treasurer ensure that no contribution or expenditure information is incorrect or has been omitted.

Sponsors

A PAC sponsor is an organization that establishes or gives administrative support to a PAC. PACs sponsored by labor organizations and corporations should see their respective section in Chapter 10, Corporations and Labor Organizations, for more information about what a corporation or labor organization may do on behalf of its sponsored PAC.

R.C. 3517.082; OAC 111:2-3-01 through 111:2-3-07

Membership

Membership in a PAC is determined by the rules and bylaws of the PAC. See Chapter 12, Disclaimers, for information on determining whether a PAC meets the qualifications of a "Limited PAC" for the purpose of special disclaimer rules. For the purpose of the disclaimer requirements, a person is a member of a political action committee if the person makes one or more contributions to the PAC.

R.C. 3517.105, 3517.20; OAC 111:2-1-02

Affiliation Between Separate PACs and PCEs

A PAC is affiliated with another PAC or PCE if they are both established, financed, maintained, or controlled by the same corporation, organization, labor organization, continuing association, or other person, including any parent, subsidiary, division, or department of that corporation, organization, labor organization, continuing association, or other person. A PAC must list any affiliated PACs and PCEs on its DOT.

R.C. 3517.102(D); OAC 111:2-1-02(H)

Affiliated PAC/PCE Contributions Limits

The amount, as updated, a PAC may receive from another PAC or PCE is shown on the contribution limit chart. Contributions made from two or more affiliated PACs and contributions made from two or more affiliated PCEs, are considered to have been made from a single PAC or from a single PCE. See Chapter 7, Political Action Committees, and Chapter 8, Political Contributing Entities, for more information.

Registration Number

All statewide PACs are issued a registration number by the Secretary of State. Every report submitted and every check issued by a statewide PAC should bear the registration number of the PAC issuing the check or filing the report. Committees that receive contributions from a statewide PAC are required to report the PAC's registration number.

R.C. 3517.10(D)(1)

Committee Checks

Any check that a PAC uses to make a contribution or to make an expenditure must contain the full name and address of the PAC. If the PAC files with the Secretary of State, then the PAC must also include its assigned registration number on the face of any committee check.

R.C. 3517.10(E)(4)

Loans

A PAC may receive contributions in the form of a loan where the contributor expects to be repaid. While there is no requirement to obtain or disclose any formal loan agreement between the PAC and the contributor, it is advisable to consider having an agreement with all terms expressly detailed. Once a loan is received, the balance – along with any payments made – must be disclosed

on Form 31-C, Statement of Loans Received, in each report filed until the loan is repaid or forgiven by the contributor.

Debts

When a PAC has received a good or service that is 60 days or more payable at the time of a reporting deadline, it must disclose the transaction on Form 31-N, Statement of Outstanding Debts, within that report. The debt, and any activity relating to it, must be in each report until the debt is repaid or forgiven by the contributor. If the debt is forgiven, the amount forgiven is considered an in-kind contribution.

CONTRIBUTIONS

Generally, a PAC must disclose the value of all contributions it receives. All contributions must be separately itemized, except for those received at a fund-raising event or payroll deductions aggregating less than $25 per individual per calendar year. The primary elements for complete disclosure of a contribution are:

- The name of the contributor;
- The address of the contributor;
- The date of the contribution; and
- The amount of the contribution.

Employer/Occupation Disclosure

A PAC that files electronically and receives a contribution from an individual who exceeds $100, must include the name of the contributor's current employer or, if self-employed, the name of the individual's business.

R.C. 3517.10(B)(4)(b)(ii)

Anonymous Contributions

Contributors may not remain anonymous by request. If a donor does not want to be identified, the contribution is not truly anonymous, and the PAC should not accept the contribution. In all events, if an anonymous contribution is received, the PAC must make best efforts to identify the donor. If that effort does not succeed, the contribution should have an explanation of the circumstances that caused it to be anonymous and a description of the efforts made to determine the donor's identity. This information should appear in the address portion of Form 31-A,

Statement of Contributions Received, Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event, or attached to the report as supplemental documentation.

R.C. 3517.10(C)(2), 3517.10(E)(3); OAC 111:2-1-05

Cash Contribution Limits

A contributor may not give more than $100 per election in cash (coined or paper money designated as legal tender and circulated from hand to hand). A recipient must refund any amount over the $100 limit. The PAC must disclose the full amount of the contribution received and deposited on the appropriate campaign finance report forms as well as the offsetting refund expenditure issued.

R.C. 3517.13(F); OAC 111:2-4-05

Contribution Limits

The amounts that PACs may contribute or accept is shown on the contribution limit chart. Contributions from one PAC to an affiliated PAC are not subject to contribution limits. In all events, contributions made from affiliated PACs are considered to have been made from a single PAC.

R.C. 3517.102

Raffles

The use of raffles or other games of chance to raise money for a political action committee, or any other political entity, while not specifically prohibited in the campaign finance statutes, is discouraged for many reasons. First, the collecting and reporting of all the required contributor information for every raffle ticket or chance sold can be very difficult. A campaign treasurer must keep a strict account of all contributions received – regardless the amount of the contribution. Second, the raffle or other games or schemes of chance in which persons pay to play may be a lottery prohibited by Article XV, Section 6 of the Ohio Constitution or may constitute gambling in violation of R.C. 2915. In addition, political fund-raising events involving a raffle or other scheme or game of chance held on the premise of a liquor permit holder may involve a violation of OAC 4301:1-1-53 of the Ohio Department of Commerce, Division of Liquor Control.

Many fund-raising events award door prizes to some persons who attend. Giving door prizes of minimal value, such as flower arrangements, is unlikely to constitute a violation because the persons participating would have contributed regardless of the possibility of receiving a prize. But

if the value of the door prize is significant enough to encourage contributors to purchase an entrance ticket in order to win the prize, then a violation may have occurred.

Questions or information on raffles and other schemes or games of chance should be referred to the county prosecutor in the county where the activity occurs.

SOS Advisory No. 94-04

In-Kind Contributions Received

An in-kind contribution is a non-monetary contribution of goods or services that is made with the consent of, in coordination or cooperation with, or at the request or suggestion of, the benefited PAC. Examples include receiving postage or signs, receiving rent-free office space, having personnel compensated by a third party, or having a third party buy media advertising on behalf of the PAC. An in-kind contribution is considered a contribution and must be reported on 31-J-1, In-Kind Contributions Received.

R.C. 3517.01(C)(16)

Contributions from Minor Children

PACs are prohibited from accepting contributions from any individual under the age of seven.

R.C. 3517.102(C)(7)

Contributions from Joint Checking Accounts

Contributions received from a joint checking account shall be considered a contribution from the person signing the check, absent evidence to the contrary. If the contribution is to be apportioned to each account holder, the contributions must be reported separately as two individual contributions.

OAC 111:2-4-14

Corporate/Professional Association Contributions

Corporations are prohibited from contributing to political action committees. This prohibition applies to the provision of corporate funds or property to a candidate or campaign committee.

R.C. 3599.03;

Corporations may communicate information about candidates so long as the communication is sent to only the shareholders, employees, directors, or officers of the corporation or to the

immediate families of those individuals. Such communication may be made by mail, email, reports, memoranda, or other method of direct communication. The posting or authorized posting of campaign literature is permitted by a corporation so long as the literature is placed in an area generally accessible only to the employees, shareholders, directors, or officers of the corporation. See Chapter 10, Businesses and Labor Organizations, for more information.

R.C. 3599.03(G)(3); OAC 111:2-3-08

Professional associations (e.g., physicians, architects & dentists) under R.C. 1785, limited liability companies under R.C. 1705, or partnerships as defined by R.C. 1776 through 1783, are not "corporations" under R.C. 3599.03. These entities are considered either partnerships or unincorporated business associations.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

To determine the status of a business or a corporation registered in Ohio, you may contact the Secretary of State's Business Services Division at 877.767.3453. Also, the complete database of business entity filings is available and can be searched at the Secretary of State's website. Follow the links for Businesses and Business Search.

Partnerships/Unincorporated Associations

Contributions received from partnerships or unincorporated associations must reflect both the name of the entity and the individual contributing. Incorporated professional associations and limited liability companies are considered unincorporated associations or, if applicable, partnerships. Contributions may be transmitted by these entities but must include, at the time of the distribution, detailed information on the allocation of the contribution amount among the owners or partners of the unincorporated association or partnership. A recipient may not accept, deposit, or use a contribution from a partnership or other unincorporated business unless the recipient has the allocation information necessary to itemize the contribution by the partner, owner, or member.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

Contributions Received Through Online Payment Processors

Online payment processing applications must provide for complete reporting of all contribution disclosure requirements, including:

- Full name of contributor;
- Complete street address of contributor;
- Date of contribution;
- Full amount of contribution as authorized by contributor; and
- Contributor employer (or, if self-employed, occupation, and business name), if applicable.

The recipient of an online contribution must disclose the full amount of the payment as a contribution. Any fee associated with the processing of the contribution must be disclosed as an offsetting expenditure. The fees assessed on multiple contributions made through an online payment processor during any reporting period may be aggregated to disclose as a single expenditure transaction. A committee that aggregates payment processing fees must attach a copy of the statement verifying the individual expenditures to the respective campaign finance statements.

Fund-Raiser Exemption

A PAC must report the name, address, date, and amount for each contribution received on each report it files. However, a PAC does not need to itemize contributions totaling $25 or less received at a specific fund-raising activity within a report. These contributions may be reported as a single line item with an aggregate amount on Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event.

Additionally, in-kind contributions totaling $325 or less from one contributor at a single fund-raising activity are not required to be itemized. These contributions should be reported as a single line item with an aggregate amount on Form 31-J-1, Statement of In-Kind Contributions Received. In all events, the treasurer must keep itemized records of all contributions, in case such records are requested by the auditing authority.

R.C. 3517.10(B)(4)(e)

Public Employee Solicitations

Public employees may not solicit contributions or be solicited for contributions while performing their official duties or while they are in those areas of a public building where official business is transacted or conducted. The term "public employee" does not include any person holding an elective office.

R.C. 3517.092(F)

Deposit of Contributions and Other Income

The PAC must deposit all contributions in an account within 30 days of receipt or return the contribution to the donor. A contribution that is clearly illegal must be returned and not deposited. A contribution that appears on its face to be legal (e.g., not from a foreign national, corporation, or in excess of the contribution limits) may be deposited and used by the PAC.

Contributions that appear questionable may be deposited, but not spent. The treasurer must make a good-faith effort to determine the legality of the contribution. If, within 30 days of receipt, it cannot be determined that the contribution is legal, then it must be returned.

If a contribution is kept that is later found to be illegal, then the PAC must refund it within 10 days of the discovery.

OAC 111:2-4-11

EXPENDITURES

Independent Expenditures

An independent expenditure is an expenditure that is made in support of or in opposition to either a candidate or a ballot issue without the consent of, and not in coordination, cooperation, or consultation with, or at the request or suggestion of the candidate, agent of the candidate, or ballot issue committee. Such expenditures are reported by the PAC or entity that makes them, but not by the benefited committee.

R.C. 3517.01(C)(17), 3517.105; OAC 111:2-2-01, 111:2-2-02

Permissible Use of Funds

PACs may use their contributions to influence the results of an election, to make a charitable donation, or to refund excess or illegal contributions. PACs may use contributions to influence the results of an election by both spending money and making in-kind contributions. Charitable contributions are those made to a charity designated as exempt from federal income taxation under subsection 501(a) and described in subsections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code, or to any charity approved by advisory opinion of the Ohio Elections Commission.

R.C. 3517.08(G), 3517.01(C)(6)

No person may convert for personal or business use anything of value from a PAC's funds.

R.C. 3517.13(O)

PACs may not refund a contribution unless the purpose is to refund a contribution in excess of the applicable contribution limit or to refund a contribution that has been found to be illegal.

OEC Adv. 99ELC-03

Expenditure Verification

Every expenditure in excess of $25 must have a corresponding canceled check or receipt photocopy attached to the report. A proper receipt is one that has been marked "PAID" by the vendor. In addition, the Secretary of State or the county board of elections may request a mileage log for mileage reimbursements, so that the expenditure and its appropriateness may be verified. If canceled checks are not returned or provided by the banking institution of the PAC, a copy or printout of the PAC's bank statements will suffice for the receipt requirement so long as the name of the vendor, date of transaction, and amount of the expenditure are all provided. Additionally, printouts of cancelled check images as provided by the PAC's banking institution satisfy the expenditure verification requirement.

R.C. 3517.10(D); OAC 111:2-4-13; OEC Advs. 87ELC-03, 87ELC-12

In-Kind Contributions Made

An in-kind contribution made occurs when a PAC gives items or services to another committee or pays the bill for items or services for another committee's benefit. An in-kind contribution made is considered a disbursement and should be reported as such on Form 31-J-2, In-Kind Contributions Made. If the in-kind contribution made involved the outlay of money, then a corresponding expenditure entry should appear on Form 31-B, the Statement of Expenditures, or if related to an event Form 31-F, Statement of Expenditures for Social or Fund-raising Event.

REPORTING

Corrections and Amendments

A PAC must file an amended report when a correction is necessary, it obtains additional information, or when ordered by the PAC's auditing authority. Amendments consist of only corrections to previously submitted information or additional information. The amendment should include either a report cover page or a cover letter specifying the name of the PAC that is

filing and what report is being amended. When the error is found, or when checks are received that could not earlier be attached to a report, the amendment should be filed immediately.

When an auditing authority requests more information or a correction to a report, the PAC has 21 days to provide the information or correction.

R.C. 3517.11(B)

Payroll Deduction Exemption

Generally, a PAC must report the name, address, date, and amount for each contribution received. This detail must be provided with each report filed. However, a PAC that receives voluntary contributions via payroll deduction totaling $25 or less per contributor per calendar year may aggregate the contributions in a filing with the description "Voluntary contributions received via payroll deduction aggregating $25 or less per calendar year" along with the date and amount. If the contributions received from a contributor exceed an average of $2 per month, those contributions should be itemized in the report from the beginning of the calendar year. If the PAC does not know at the beginning of the year the amount of aggregate contributions it will receive from some of its members in a year, it may be easier for the PAC to provide an itemized list of all contributions received for each report filed. This information must be provided when the report is filed. If the report must be filed electronically under R.C. 3517.106, then the contribution information must be in the electronically filed report.

R.C. 3599.031, 3517.10(B)(4)(e)

A PAC must include all contributions received during that reporting period when filing a report. When a PAC receives contributions via payroll deduction, the PAC is only responsible for reporting contributions that it has actually received during that reporting period. As an example, contributions deducted from the contributor's pay during the Pre-Primary period, but which are not received by the PAC until the Post-Primary period, will not be reported in the Pre-Primary report. The date the PAC received the check containing the contributions is used to determine in which report the data should be included.

Record Retention

PACs must keep their records for six years, even when changing treasurers. This requirement includes all bank records (including deposit records), reports, amendments, correspondence, receipts, invoices, and mileage logs.

R.C. 3517.10(C), (D); OAC 111:2-4-13

Closing the Committee

Except for FSL PACs, before a PAC may terminate, it must have a zero-dollar balance and no outstanding loans or debts. When these criteria have been met, the PAC may file a final report to close the committee. This report must list all activity, if any, that has occurred since the previous report. A PAC's method for requesting to terminate varies by their filing location and whether they file electronically or via paper.

- Electronic filers with a board of elections will select the "Termination Report" option when creating their final report for submission;
- Paper filers with the Secretary of State or a board of elections will select the "Termination" option on the Form 30-A, Ohio Campaign Finance Report Cover Page;
- Electronic filers with the Secretary of State's Office, after filing their final report, must email CFinance@OhioSoS.gov the relevant fund has a zero-dollar balance, no outstanding loans or debts, and wishes to terminate; or
- FSL PACs must email CFinance@OhioSoS.gov or send a letter to the Secretary of State's Office stating their intention to terminate.

R.C. 3517.10

CHAPTER 8: POLITICAL CONTRIBUTING ENTITIES

What is a Political Contributing Entity?

A political contributing entity ("PCE") is a labor organization or other entity that may lawfully make contributions and expenditures and that is not an individual, political action committee ("PAC"), continuing association, campaign committee, political party, legislative campaign fund ("LCF"), designated state campaign fund, or state candidate fund. For the definition of a PCE, "lawfully" means not prohibited by any section of the Revised Code or authorized by a final judgment of a court of competent jurisdiction. Corporations may not be PCEs.

R.C. 3517.01(C)(21); *UAW v. Philomena* (1998) 121 Ohio App. 3d 760 (10th District)

What to Do First

Before receiving contributions or making expenditures a PCE must file Form 30-D, Designation of Treasurer ("DOT"). This form registers the PCE and includes basic information such as the name and address of the PCE, the name of the treasurer and their address, and any affiliated PCE.

There are no statutory restrictions on who can be a treasurer. An authorized party must either designate themself or another person as the committee treasurer. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. The authorized representative must sign to approve the DOT. The treasurer, and deputy treasurer if appointed, must sign the DOT to acknowledge their appointment.

PCEs are responsible to keep all committee information updated (e.g., change in treasurer, change of committee name, change of address, or change of contact information) by filing an updated Designation of Treasurer. This form must be completed in entirety each time it is filed, including all applicable signatures.

R.C. 3517.081, 3517.10(D)

Where to File Reports

Where reports are filed is based on the PCE's activity. Generally, PCEs that contribute to county political parties, local candidate campaign committees, or local ballot issue committees will file the PCE's campaign finance reports with the local county board of elections.

PCEs that contribute to candidates seeking election to a district office, other than a candidate for member of the General Assembly, or a ballot issue to be submitted to a multi-county district will

file campaign finance reports with the board of elections in the most populous county of that district.

PCEs that contribute to candidates for member of the General Assembly, statewide candidate, statewide ballot issues, state political parties, or to other PCEs which contribute to those candidates or issues will file its campaign finance reports with the Secretary of State.

All entities filing campaign finance reports with the Secretary of State's Office are subject to mandatory electronic filing. State law allows, but does not require, a local PCE to submit campaign finance reports electronically with the local county board of elections. See Chapter 13, Electronic Filing of Campaign Finance Reports, for more information on electronic filing.

A PCE that must change its place of filing does so by filing an amended Form 30-D, Designation of Treasurer. The original copy of the amended Designation of Treasurer form should be filed with the new place of filing. A copy should be sent to the prior place of filing to indicate the form is intended to transfer filing obligations to a new location.

When to File Reports

PCE reports are due based on the nature and timing of the activity in which the PCE engages. A PCE must file pre- or post-election reports only when the PCE has activity intending to influence candidates or ballot issues appearing on the ballot. Filing deadlines refer to the date that the report is received by the county boards of elections or the Secretary of State, not the postmark date.

Reporting Deadlines:

A PCE must file a **pre-election** report by 4 p.m. on the 12th day before an election (primary, general, or special) if the PCE spent or received $1,000 or more to influence that election between the time the last report was filed and the 20th day before the election. The $1,000 threshold includes monetary and in-kind contributions, along with the value of any new loans received during the reporting period.

R.C. 3517.10(A)(1); OAC 111:2-4-04

Examples:

- A PCE raises $1,200 and spends $875 in a pre-election period. The PCE made a $500 contribution to a campaign committee whose candidate will appear on that election's ballot. Because the PCE contributed to influence the election and had

more than $1,000 in contributions in the pre-election period, the PCE must file a pre-election report.

- A PCE raises $25,000 and spends $400 in a pre-election period. None of the expenditure activity went to support or oppose any candidate or issue on that election's ballot. Because the PCE had no activity to influence the result of the election, a pre-election report is not due.

A PCE must file a **post-election** report by 4 p.m. on the 38th day after the election if the PCE received contributions or made expenditures to influence that election between the time the last report was filed and the 31st day after the election.

R.C. 3517.10(A)(2); OAC 111:2-4-04

Examples:

- A PCE raises $500 and spends $25 in a post-election period. The PCE made a $25 contribution to a campaign committee whose candidate appeared on that election's ballot. Because the PCE made an expenditure to influence the election, the PCE must file a post-election report.
- A PCE raises $40,000 and spends $1,400 in the combined pre- and post-election reporting periods. None of the PCE's expenditure activity in both the pre-election and post-election reporting periods have been to campaign committees whose candidate appeared on the ballot or to issues appearing on the ballot. As a result, the PCE had no ballot-related activity and neither a pre-election nor a post-election report is due.

A PCE must file a **semiannual report** by 4 p.m. on the last business day of July if the PCE was not required to file a report after the immediately preceding primary election. A semiannual report should reflect all activity since the last report through June 30 and should reflect only the activity that has occurred since the previous report was filed.

R.C. 3517.10(A)(4)

A PCE must file an **annual** report by 4 p.m. on the last business day of January if the PCE was not required to file a report after the immediately preceding General Election. An annual report should reflect all activity since the last report through December 31 and should reflect only the activity that has occurred since the previous report was filed.

R.C. 3517.10(A)(3); OAC 111:2-4-04

The rules described in the pre- and post-election sections apply no matter when an election is held. For example, a PCE may have activity to influence a special election in February, a statewide primary in May, or a municipal primary in September. Based on the PCE's activity, any of these elections can trigger the "12-day before" or "38-day after" filing requirements.

The purpose of a contribution to the PCE or the use of that contribution are the keys to determining whether a report will be required. The need for pre- and post-election reports will be determined by whether the PCE will be using the contribution to influence that election.

R.C. 3517.01(C)(5) & (6)

Report Forms

All reporting forms, along with instructions for their use, are available at the Secretary of State's website: OhioSoS.gov.

PCEs not required to file electronically may choose to download the forms and use them for creating reports in paper form. Filers may choose to create their own forms for use in paper filing, with the express written approval of the Secretary of State's Office, as long as they are substantially similar to the forms prescribed by the Secretary of State's Office.

OAC 111:2-4-10

GENERAL RULES

Treasurer Duties and Liability

The treasurer and any appointed deputy treasurer of a PCE are legally responsible for campaign finance reporting requirements. The treasurer is appointed by an authorized representative of the PCE and must keep detailed records of everything received, given, or expended. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. Each report must contain a statement that the report is complete and accurate, subject to the penalty for election falsification (a felony of the fifth degree). Reports must be signed by the treasurer or a deputy treasurer. The treasurer must retain accurate records of all activity for six years.

R.C. 3517.081, 3517.10, 3517.13, 3517.992(A), 3599.36; OAC 111:2-4-11, 111:2-4-13

Keeping Reports in Balance

Errors and mistakes in the report can easily affect the balance on hand (Line 6) on a report's cover page, causing it to be incorrect. A treasurer should take two easy steps to avoid or detect potential problems in the report. First, when a report is completed, the balance on hand (Line 6) on the cover page should equal the balance listed on the committee's bank account statement. If the treasurer has reported all the necessary contributions and expenditures (including service charges, interest, and voided checks), then these balance figures should be the same. Second, the treasurer should ensure the statements received from the bank are balanced against the committee's reports in a regular and timely fashion. These two steps will go a long way to help a treasurer ensure that no contribution or expenditure information is incorrect or has been omitted.

Affiliation Between Separate PACs and PCEs

A PCE is affiliated with another PCE or PAC if they are both established, financed, maintained, or controlled by the same corporation, organization, labor organization, continuing association, or other person, including any parent, subsidiary, division, or department of that corporation, organization, labor organization, continuing association, or other person.

R.C. 3517.102(D); OAC 111:2-1-02(H)

Raffles

The use of raffles or other games of chance to raise money for a campaign committee, political action committee, political party, or any other political entity, while not specifically prohibited in the campaign finance statutes, is discouraged for many reasons. First, the collecting and reporting of all the required contributor information for every raffle ticket or chance sold can be very difficult. A campaign treasurer must keep a strict account of all contributions received – regardless the amount of the contribution. Second, the raffle or other games or schemes of chance in which persons pay to play may be a lottery prohibited by Article XV, Section 6 of the Ohio Constitution or may constitute gambling in violation of R.C. 2915. In addition, political fund-raising events involving a raffle or other scheme or game of chance held on the premise of a liquor permit holder may involve a violation of OAC 4301:1-1-53 of the Ohio Department of Commerce, Division of Liquor Control.

Many fund-raising events award door prizes to some persons who attend. Giving door prizes of minimal value, such as flower arrangements, is unlikely to constitute a violation because the persons participating would have contributed regardless of the possibility of receiving a prize. But

if the value of the door prize is significant enough to encourage contributors to purchase an entrance ticket in order to win the prize, then a violation may have occurred.

Questions or information on raffles and other schemes or games of chance should be referred to the county prosecutor in the county where the activity occurs.

SOS Advisory No. 94-04

Loans

A PCE may receive contributions in the form of a loan where the contributor expects to be repaid. While there is no requirement to obtain or disclose any formal loan agreement between the PCE and the contributor, it is advisable to consider having an agreement with all terms expressly detailed. Once a loan is received, the balance – along with any payments made – must be disclosed on Form 31-C, Statement of Loans Received, in each report filed until the loan is repaid or forgiven by the contributor.

Debts

When a PCE has received a good or service that is 60 days or more payable at the time of a reporting deadline, it must disclose the transaction on Form 31-N, Statement of Outstanding Debts, within that report. The debt, and any activity relating to it, must be in each report until the debt is repaid or forgiven by the contributor. If the debt is forgiven, the amount forgiven is considered an in-kind contribution.

CONTRIBUTIONS

Generally, a PCE must disclose the value of all contributions received. All contributions must be separately itemized, except for those received at a fund-raising event or payroll deductions aggregating less than $25 per individual per calendar year. The primary elements for complete disclosure of a contribution are:

- The name of the contributor;
- The address of the contributor;
- The date of the contribution; and
- The amount of the contribution.

Contributions from Dues, Membership Fees, or Other Assessments

A PCE that receives contributions from the dues, membership fees, or other assessments of its members, officers, shareholders, and employees may report the aggregate amount of

contributions received from those types of contributors and the number of individuals making those contributions. The PCE must fully report all voluntary contributions received.

R.C. 3517.10(L)

Anonymous Contributions

Contributors may not remain anonymous by request. If a donor does not want to be identified, the contribution is not truly anonymous and the PCE should not accept the contribution. In all events, if an anonymous contribution is received, the PCE must make best efforts to identify the donor. If that effort does not succeed, the contribution should have an explanation of the circumstances that caused it to be anonymous and a description of the efforts made to determine the donor's identity. This information should appear in the address portion of Form 31-A, Statement of Contributions Received, Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event, or attached to the report as supplemental documentation.

R.C. 3517.10(C)(2), 3517.10(E)(3); OAC 111:2-1-05

Cash Contribution Limits

A contributor may not give more than $100 per election in cash. Cash means coined or paper money designated as legal tender and circulated from hand to hand. If a contribution exceeds this amount, the recipient must issue a refund of the amount over the $100 limit. The full amount of the contribution received and deposited must be disclosed on the appropriate campaign finance report forms as well as the offsetting refund expenditure issued.

R.C. 3517.13(F); OAC 111:2-4-05

Contribution Limits

The amounts that PCEs may contribute or accept is shown on the contribution limit chart. Contributions from one PCE to an affiliated PCE are not subject to contribution limits. In all events, contributions made from affiliated PCEs are considered to have been made from a single PCE.

R.C. 3517.102

Contributions Received Through Online Payment Processors

Online payment processing applications must provide for complete reporting of all contribution disclosure requirements, including:

- Full name of contributor;
- Complete street address of contributor;
- Date of contribution;
- Full amount of contribution as authorized by contributor; and
- Contributor employer (or, if self-employed, occupation, and business name), if applicable.

The recipient of an online contribution must disclose the full amount of the payment as a contribution. Any fee associated with the processing of the contribution must be disclosed as an offsetting expenditure. The fees assessed on multiple contributions made through an online payment processor during any reporting period may be aggregated for disclosing as a single expenditure transaction. A committee that aggregates payment processing fees must attach a copy of the statement verifying the individual expenditures to the respective campaign finance statements.

R.C. 3517.10(B)(4)(e)

Fund-Raiser Exemption

A PCE must report the name, address, date, and amount for each contribution received on each report it files. However, a PCE does not need to itemize contributions totaling $25 or less received at a specific fund-raising activity within a report. These contributions may be reported as a single line item with an aggregate amount on Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event.

Additionally, in-kind contributions totaling $325 or less from one contributor at a single fund-raising activity are not required to be itemized. These contributions should be reported as a single line item with an aggregate amount on Form 31-J-1, Statement of In-kind Contributions Received. In all events, the treasurer must keep itemized records of all contributions, in case such records are requested by the auditing authority.

R.C. 3517.10(B)(4)(e)

Contributions from Minor Children

PCEs are prohibited from accepting contributions from any individual under the age of seven.

R.C. 3517.102(C)(7)(a)

Contributions from Joint Checking Accounts

Contributions received from a joint checking account shall be considered a contribution from the person signing the check, absent evidence to the contrary. If the contribution is to be apportioned to each account holder, the contributions must be reported separately as two individual contributions.

OAC 111:2-4-14

Partnerships/Unincorporated Associations

Contributions received from partnerships or unincorporated associations must reflect both the name of the entity and the individual contributing. Incorporated professional associations and limited liability companies are considered unincorporated associations or, if applicable, partnerships.

Contributions may be transmitted by these entities but must include, at the time of the distribution, detailed information on the allocation of the contribution amount among the owners or partners of the unincorporated association or partnership. A recipient may not accept, deposit, or use a contribution from a partnership or other unincorporated business unless the recipient has the allocation information necessary to itemize the contribution by the partner, owner, or member.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

Deposit of Contributions and Other Income

A PCE mainly accepts contributions from dues, membership fees, or other assessments of its members. These funds may be held in the labor organization's general treasury accounts. Still, the PCE may elect to establish and deposit dues, membership fees, or other assessments of its members into an account separate from the general treasury. The PCE must establish a separate account only if it accepts voluntary contributions. The deposit of voluntary contributions is subject to the time limits prescribed in OAC 111:2-4-11.

In-Kind Contributions Received

An in-kind contribution is a non-monetary contribution of goods or services that is made with the consent of, in coordination or cooperation with, or at the request or suggestion of, the benefited PCE. Examples include receiving postage or signs, receiving rent-free office space, having personnel compensated by a third party, or having a third party buy media advertising on behalf

of the PCE. An in-kind contribution is considered a campaign contribution and should be reported on Form 31-J-1, In-Kind Contributions Received.

R.C. 3517.01(C)(16)

EXPENDITURES

Independent Expenditures

An independent expenditure is an expenditure that is made in support of or in opposition to either a candidate or a ballot issue without the consent of, and not in coordination, cooperation, or consultation with, or at the request or suggestion of the candidate, agent of the candidate, or ballot issue committee. Such expenditures are reported by the PCE that makes them, but not by the benefited committee.

R.C. 3517.01(C)(17), 3517.105; OAC 111:2-2-01, 111:2-2-02

Permissible Use of Funds

PCEs may use their contributions to influence the results of an election, to make a charitable donation, or to refund excess or illegal contributions. PCEs may use contributions to influence the results of an election by both spending money and making in-kind contributions. Charitable contributions are those made to a charity designated as exempt from federal income taxation under subsection 501(a) and described in subsections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code, or to any charity approved by advisory opinion of the Ohio Elections Commission.

R.C. 3517.08(G)

No person may convert for personal or business use anything of value from a PCE's funds.

R.C. 3517.13(O)

PCEs may not refund a contribution unless the purpose is to refund a contribution in excess of the applicable contribution limit or to refund a contribution that has been found to be illegal.

OEC Adv. 99-ELC-03

Expenditure Verification

Every expenditure in excess of $25 must have a corresponding canceled check or receipt photocopy attached to the report. A proper receipt is one that has been marked "PAID" by the

vendor. In addition, the Secretary of State or the county board of elections may request a mileage log for mileage reimbursements, so that the expenditure and its appropriateness may be verified. If canceled checks are not returned or provided by the banking institution of the PCE, a copy or printout of the PCE's bank statements will suffice for the receipt requirement so long as the name of the vendor, date of transaction, and amount of the expenditure are all provided. Additionally, printouts of canceled check images as provided by the PCE's banking institution satisfy the expenditure verification requirement.

R.C. 3517.10(D); OAC 111:2-4-13; OEC Advs. 87ELC-03, 87ELC-12

In-Kind Contributions Made

An in-kind contribution made occurs when a committee gives items or services to another committee or pays the bill for items or services for another committee's benefit. An in-kind contribution made is a committee disbursement and should be reported as such on Form 31-J-2, In-Kind Contributions Made. If the in-kind contribution made involved the outlay of money, then a corresponding expenditure entry should appear on Form 31-B, Statement of Expenditures, or if related to an event Form 31-F, Statement of Expenditures for Social or Fund-raising Event.

R.C. 3517.01(C)(16)

REPORTING

A PCE must report expenditures from the proceeds of dues monies, in one of two ways. A labor organization may use either method based on its preferences and needs. A PCE may set up a separate bank account or it can make expenditures directly from the labor organization's general fund. If a separate bank account is established, the PCE must report then all contributions into and all expenditures out of that account. The Balance on Hand (line 6) of the last report will be transferred to the Amount Brought Forward (line 1) of the next report. But if the PCE makes expenditures out of the labor organization's general fund, then it may in each report to show only contributions in a sufficient amount to cover the expenditures made during the reporting period. In this report, both the Amount Brought Forward and the Balance on Hand would be zero. A PCE should report contributions received from the dues or other assessments under the description "Proceeds from Dues Funds" or "Proceeds of Membership Assessments," along with the date and amount of each contribution.

Corrections and Amendments

A PCE must file an amended report when a correction is necessary, it obtains additional information, or when ordered by the PCE's auditing authority. Amendments consist of only corrections to previously submitted information or additional information. The amendment should include either a report cover page or a cover letter specifying the name of the PCE that is filing and what report is being amended. When the error is found, or when checks are received that could not earlier be attached to a report, the amendment should be filed immediately.

When an auditing authority requests more information or a correction to a report, the PCE has 21 days to provide the information or correction.

R.C. 3517.11(B)

Record Retention

PCEs must keep their records for six years. This requirement includes all bank records (including deposit records), reports, amendments, correspondence, receipts, invoices, and mileage logs.

R.C. 3517.10(C), (D); OAC 111:2-4-13

Closing the PCE

Before a PCE may terminate, it must have a zero-dollar balance and no outstanding loans or debts. When these criteria have been met, the PCE may file a final report to close the committee. This report must list all activity, if any, that has occurred since the previous report. A PCE's method for requesting to terminate varies by their filing location and whether they file electronically or via paper.

- Electronic filers with a board of elections will select the "Termination Report" option when creating their final report for submission;
- Paper filers with the Secretary of State or a board of elections will select the "Termination" option on the Form 30-A, Ohio Campaign Finance Report Cover Page; or
- Electronic filers with the Secretary of State's Office, after filing their final report, must email CFinance@OhioSoS.gov the relevant fund has a zero-dollar balance, no outstanding loans or debts, and wishes to terminate.

R.C. 3517.10

CHAPTER 9: BALLOT ISSUE COMMITTEES

What is a Ballot Issue Committee?

A ballot issue committee, sometimes called a ballot issue PAC, is a political action committee that is organized to support or oppose a proposed or certified ballot issue or question. Ballot issues include constitutional amendments, proposed laws, liquor options, initiatives, referenda, and charter amendments.

Statewide Ballot Issue Committee

For statewide ballot issues, the circulator or committee in charge of circulating petitions may constitute a ballot issue PAC before filing petitions or the issue becoming certified. A circulator or committee in charge of a statewide ballot issue PAC must file a Designation of Treasurer, Form 30-D, with the Secretary of State before receiving a contribution or making an expenditure. The ballot issue committee consists of the treasurer, the circulator or committee member signing the Designation of Treasurer form, and any committee member engaged in circulating the petition for submission of the issue.

R.C. 3517.12; OAC 111:2-3-10

Local Ballot Issue Committee

For a local ballot issue, a ballot issue committee may be created to support or oppose the issue at any time before or after certification of the issue to the ballot. The ballot issue committee must file a Designation of Treasurer before receiving any contributions or making any expenditures.

What to Do First

Before receiving contributions or making expenditures, a ballot issue committee must file Form 30-D, Designation of Treasurer. This form registers the committee and includes basic information such as the name and address of the ballot issue committee, the name of the treasurer and their address, and any deputy treasurers.

There are no statutory restrictions on who can be a treasurer. The authorized party must either designate themself or another person as the ballot issue committee's treasurer. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities. The authorized party must sign to approve the DOT. The treasurer, and deputy treasurer if appointed, must sign the DOT to acknowledge their appointment.

The committee is responsible to keep all committee information updated (e.g., change in treasurer, committee name, address, and contact information) by filing an updated Designation

of Treasurer. This form must be completed in entirety each time it is filed, including all applicable signatures.

R.C. 3517.081, 3517.10(D)

Where to File Reports

A ballot issue committee formed to support or oppose a statewide ballot issue must register and file with the Secretary of State's Office. A committee formed to support or oppose an issue or question that is submitted only to the electors within one county must register and file with the board of elections in that county. If the same issue or question is submitted to the electors in a subdivision or district in more than one county, then the committee must register and file at the board of elections in the most populous county in that subdivision or district.

When to File Reports

Ballot issue committee report filing deadlines are based on the nature and timing of the activity in which the committee engages in relation to any election. All mailed reports must be physically received by the Secretary of State or a board of elections to meet the filing deadline requirement. A report postmarked, but not received, by the deadline is a late filing and must be referred to the Ohio Elections Commission.

The purpose of a contribution to a ballot issue committee and the committee's use of its contributions determines when a report will be required. A ballot issue committee must file pre- and post-election reports based on whether the ballot issue committee received contributions or used its contributions to influence a particular election. The need to file a pre- or post-election report exists only when the ballot issue committee receives contributions or makes expenditures to support or oppose an issue appearing on a ballot.

R.C. 3517.10, 3517.01(C)(5)

Reporting Deadlines:

A ballot issue committee must file a **pre-election report** by 4 p.m. on the 12th day before an election (primary, general, or special) if the ballot issue committee spent or received $1,000 or more to influence a ballot issue in that election between the time the last report was filed and the 20th day before the election. The $1,000 threshold includes monetary and in-kind contributions, along with the value of any new loans received during the reporting period.

R.C. 3517.10(A)(1)

A ballot issue committee must file a **post-election report** by 4 p.m. on the 38th day after the election if the ballot issue committee received contributions or made expenditures to influence a ballot issue in that election between the time the last report was filed and the 31st day after the election.

R.C. 3517.10(A)(2)

A ballot issue committee must file a **semiannual report** by 4 p.m. on the last business day of July if the ballot issue committee was not required to file a report after the immediately preceding primary election. A semiannual report should reflect all activity since the last report through June 30 and should reflect only the activity that has occurred since the last report was filed.

R.C. 3517.10(A)(4)

A ballot issue committee must file an **annual report** by 4 p.m. on the last business day of January if the ballot issue committee was not required to file a report after the immediately preceding general election. An annual report should reflect all activity since the last report through December 31 and should reflect only the activity that occurred since the previous report was filed.

R.C. 3517.10(A)(3)

The rules described in the pre- and post-election sections apply no matter when an election is held. For example, a ballot issue committee may have activity to influence a special election in February, a statewide primary in May, or a municipal primary in September. Based on the committee's activity, any of these elections can trigger the "12-day before" or "38-day after" filing requirements.

R.C. 3517.01(C)(5) & (6)

Report Forms

All reporting forms, along with instructions for their use, are available at the Secretary of State's website.OhioSoS.gov

Ballot issue committees not required to file electronically may download, complete, and print the forms for their paper filings. Filers may choose to create their own forms for use in paper filing, with the express written approval of the Secretary of State's Office, as long as they are substantially similar to the forms prescribed by the Secretary of State's Office.

OAC 111:2-4-10

Filers seeking the approval of alternative paper forms may direct their request, along with a sample of each of the alternative forms to CFinance@OhioSoS.gov, or to:

Office of the Ohio Secretary of State
Campaign Finance Division
22 North Fourth Street, 15th Floor
Columbus, Ohio 43215

GENERAL RULES

Committee Checks

Any check that a ballot issue committee uses to make expenditures must contain the full name and address of the committee. Additionally, if the ballot issue committee is assigned a registration number by the Secretary of State, then the committee must also include its assigned registration number on the face of any committee check.

Circulator Statements

A person or group of persons that circulate petitions to try to place an issue on the statewide ballot must file a Statement of Circulator form with the Secretary of State. The form must be filed within 30 days after the petition papers are filed.

R.C. 3517.12

A person or group of persons that circulate an initiative or referendum petition to be filed with the city auditor or village clerk must file a Statement of Circulator form with the appropriate county board of elections. The form must be filed within 5 days after the petition papers are filed.

R.C. 731.35

Disclaimers

A ballot issue committee should follow the same disclaimer guidelines as political action committees. See Chapter 12, Disclaimers, for more information about disclaimers.

R.C. 3517.20

Registration Number

A ballot issue committee formed to support or oppose a statewide issue or question will be assigned a registration number by the Secretary of State's Office. Every report submitted and every check issued from a statewide ballot issue committee must bear this registration number.

Treasurer Duties and Liability

The treasurer and any appointed deputy treasurer of a ballot issue committee are legally responsible for campaign finance reporting requirements. The treasurer is appointed by an authorized representative of the committee and must keep detailed records of everything received, given, or expended. A treasurer may appoint a deputy treasurer to assist in the accounting, record-keeping, and disclosure responsibilities.

Each report must contain a statement that the report is complete and accurate, subject to the penalty for election falsification (a felony of the fifth degree). Reports must be signed by the treasurer or a deputy treasurer. The treasurer must retain accurate records of all activity for six years.

R.C. 3517.081, 3517.10, 3517.13, 3517.992(A), 3599.36; OAC 111:2-4-11, 111:2-4-13

Keeping Reports in Balance

Errors and mistakes in the report can easily affect the balance on hand (Line 6) on a report's cover page, causing it to be incorrect. A treasurer should take two easy steps to avoid or detect potential problems in the report. First, when a report is completed, the balance on hand (Line 6) on the cover page should equal the balance listed on the committee's bank account statement. If the treasurer has reported all the necessary contributions and expenditures (including service charges, interest, and voided checks), then these balance figures should be the same. Second, the treasurer should ensure the statements received from the bank are balanced against the committee's reports in a regular and timely fashion. These two steps will go a long way to help a treasurer ensure that no contribution or expenditure information is incorrect or has been omitted.

CONTRIBUTIONS

Generally, the ballot issue committee must disclose the value of all contributions it receives. All contributions must be separately itemized, except for those received at a fundraising event or payroll deductions aggregating less than $25 per individual per calendar year. The primary elements for complete disclosure of a contribution are:

- The name of the contributor;
- The address of the contributor;
- The date of the contribution; and
- The amount of the contribution.

Corporate / Labor Organization Contributions

Ballot issue committees may accept direct corporate and labor organization contributions. Aside from the committee's reporting requirements, corporate and labor organization contributors are required to disclose their activity by filing a Form 30-B-1, Contributions from a Corporation or Labor Organization Supporting or Opposing Ballot Issues. The corporation or labor organization must file by the same deadlines and at the same filing location as the ballot issue committee. See Chapter 10, Business and Labor Organizations, for more information about filing requirements.

R.C. 3599.03

Contribution Limits

Ballot issue committees make no contributions to or expenditures on behalf of a political party, campaign committee, legislative campaign fund, political action committee, or political contributing entity and are not subject to contribution limits.

R.C. 3517.102(D)(2)

Anonymous Contributions

Contributors may not remain anonymous by request. If a donor does not want to be identified, the contribution is not truly anonymous, and the ballot issue committee should not accept the contribution. In all events, if an anonymous contribution is received, the committee must make best efforts to identify the donor. If that effort does not succeed, the contribution should have an explanation of the circumstances that caused it to be anonymous and a description of the efforts made to determine the donor's identity. This information should appear in the address portion of Form 31-A, Statement of Contributions Received, Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event, or attached to the report as supplemental documentation.

R.C. 3517.10 (C)(2)

Cash Contribution Limits

A contributor may not give more than $100 per election in cash. Cash means coined or paper money designated as legal tender and circulated from hand to hand. If a contribution exceeds

this amount, the recipient must issue a refund of the amount over the $100 limit. The full amount of the contribution received and deposited must be disclosed on the appropriate campaign finance report forms as well as the offsetting refund expenditure issued.

R.C. 3517.13(F); OAC 111:2-4-05

Fund-Raiser Exemption

A ballot issue committee must report the name, address, date, and amount for each contribution received. This detail must be provided with each report filed. One exception to that rule is that contributions totaling $25 or less received at a specific fund-raising activity are not required to be itemized within a report. These contributions may be reported as a single line item with an aggregate amount on Form 31-E, Statement of Contributions Received at a Social or Fund-Raising Event. Also, in-kind contributions totaling $325 or less from one contributor at a single fund-raising activity are not required to be itemized. These contributions should be reported as a single line item with an aggregate amount on Form 31-J-1, Statement of In-Kind Contributions Received. In all events, the treasurer must keep itemized records of all contributions in case such records are requested by the auditing authority.

R.C. 3517.10(B)(4)(e)

Contributions from Minor Children

Ballot issue committees are prohibited from accepting contributions from any individual under the age of seven.

R.C. 3517.102(C)(7)

Independent Expenditures

An independent expenditure is an expenditure that is made in support of or in opposition to either a candidate or a ballot issue without the consent of, and not in coordination, cooperation, or consultation with, or at the request or suggestion of the candidate, agent of the candidate, or ballot issue committee. Such expenditures are reported by the entity that makes them, but not by the benefited committee.

R.C. 3517.01(C)(17), 3517.105; OAC 111:2-2-01, 111:2-2-02

Corporations or labor organizations making independent expenditures in support of or opposition to a ballot issue or question must file Form 30-B-2, Independent Expenditures from a Corporation or Labor Organization Supporting or Opposing Ballot Issues. This form must be filed

at the county board of elections for local issues or at the Secretary of State's Office for statewide issues. See Chapter 10, Business and Labor Organizations, for more information about these filing requirements.

Campaign Committees, PACs, PCEs, or political parties making independent expenditures in support of or opposition to a ballot issue or question must complete Form 31-U, Independent Expenditures Made by a Campaign Committee, PAC, Political Party, or Legislative Campaign Fund, as part of the committee's next required campaign finance report.

Individuals, partnerships, or other entities making more than $100 in independent expenditures in support of or opposition to a ballot issue or question must file Form 30-E, Independent Expenditures Made by Individuals, Partnerships, or Other Entities. This form must be filed at the county board of elections for local issues or at the Secretary of State's Office for statewide issues. No report is required if $100 or less was expended.

In-Kind Contributions

An in-kind contribution is a non-monetary contribution of goods or services that is made with the consent of, in coordination or cooperation with, or at the request or suggestion of, the benefited ballot issue committee. Examples include receiving postage or signs, receiving rent-free office space, having personnel compensated by a third party, or having a third party buy media advertising on behalf of the ballot issue committee.

R.C. 3517.01(C)(16)

Partnerships/Unincorporated Associations

Contributions received from partnerships or unincorporated associations must reflect both the name of the entity and the individual contributing. Incorporated professional associations and limited liability companies are considered unincorporated associations or, if applicable, partnerships. Contributions may be transmitted by these entities but must include, at the time of the distribution, detailed information on the allocation of the contribution amount among the owners or partners of the unincorporated association or partnership. A recipient may not accept, deposit, or use a contribution from a partnership or other unincorporated business unless the recipient has the allocation information necessary to itemize the contribution by the partner, owner, or member.

R.C. 3517.10(I); OAC 111:2-4-20; OEC Adv. 96ELC-03

Public Employee Solicitations

Public employees may not solicit contributions or be solicited for contributions while performing their official duties or while they are in those areas of a public building where official business is transacted or conducted. The term "public employee" does not include any person holding an elective office.

R.C. 3517.092(F)

Deposit of Contributions or Other Income

The ballot issue committee must deposit all contributions in an account within 30 days of receipt or return the contribution to the donor. A contribution that is clearly illegal must be returned and not deposited. A contribution that appears on its face to be legal (e.g., not from a foreign national, corporation, or in excess of the contribution limits) may be deposited and used by the committee.

Contributions that appear questionable may be deposited, but not spent. The treasurer must make a good-faith effort to determine the legality of the contribution. If, within 30 days of receipt, it cannot be determined that the contribution is legal, then it must be returned.

If a contribution is kept that is later found to be illegal, then the committee must refund it within 10 days of the discovery.

OAC 111:2-4-11

Raffles

The use of raffles or other games of chance to raise money for a ballot issue committee, while not specifically prohibited in the campaign finance statutes, is discouraged for many reasons. First, the collecting and reporting of all the required contributor information for every raffle ticket or chance sold can be very difficult. A committee treasurer must keep a strict account of all contributions received – regardless the amount of the contribution. Second, the raffle or other games or schemes of chance in which persons pay to play may be a lottery prohibited by Article XV, Section 6 of the Ohio Constitution or may constitute gambling in violation of R.C. 2915. In addition, political fundraising events involving a raffle or other scheme or game of chance held on the premise of a liquor permit holder may involve a violation of OAC 4301:1-1-53 of the Ohio Department of Commerce, Division of Liquor Control.

Many fundraising events award door prizes to some persons who attend. Giving door prizes of minimal value, such as flower arrangements, is unlikely to constitute a violation because the

persons participating would have contributed regardless of the possibility of receiving a prize. But if the value of the door prize is significant enough to encourage contributors to purchase an entrance ticket in order to win the prize, then a violation may have occurred. Questions or information on raffles and other schemes or games of chance should be referred to the county prosecutor in the county where the activity will occur.

SOS Advisory No. 94-04

EXPENDITURES

Permitted Use of Funds

A ballot issue committee may use its contributions only in ways that match the definition of expenditure, as defined in R.C. 3517.01(C)(6), or to refund excess or illegal contributions. A ballot issue committee may spend money in a manner intended to influence an election or to make a charitable contribution. Charitable contributions are those made to a charity designated as exempt from federal income taxation under subsection 501(a) and described in subsections 501(c)(3), 501(c)(4), 501(c)(8), 501(c)(10), or 501(c)(19) of the Internal Revenue Code, or to any charity approved by advisory opinion of the Ohio Elections Commission.

R.C. 3517.08(G)

No person may convert for personal or business use anything of value from a ballot issue committee's funds.

R.C. 3517.13(O)

Because a ballot issue committee may accept corporate contributions, a ballot issue committee may not contribute to a candidate's campaign committee, a political party, legislative campaign fund, PAC, or PCE.

Questions about a ballot issue committee's use of public property or tax monies to support or oppose an issue or question should be referred to the prosecutor or auditor of that jurisdiction.

Expenditure Verification

Every expenditure in excess of $25 must have a corresponding canceled check or receipt photocopy attached to the report. A proper receipt is one that has been marked "PAID" by the vendor. In addition, the Secretary of State or the county board of elections may request a mileage log for mileage reimbursements, so that the expenditure and its appropriateness may be verified.

If canceled checks are not returned or provided by the banking institution of the ballot issue committee, a copy or printout of the ballot issue committee's bank statements will suffice for the receipt requirement so long as the name of the vendor, date of transaction, and amount of the expenditure are all provided. Additionally, printouts of cancelled check images as provided by the ballot issue committee's banking institution satisfy the expenditure verification requirement.

R.C. 3517.10(D); OAC 111:2-4-13; OEC Advs. 87ELC-03, 87ELC-12

REPORTING

Electronic Filing

Any ballot issue committee registered to support or oppose a statewide issue or question must file its campaign finance report electronically if the committee received contributions over $10,000 or made expenditures over $10,000 during the reporting period. See Chapter 13, Electronic Filing of Campaign Finance Reports, for more information.

Corrections and Amendments

When a correction is necessary or additional information is obtained by the committee or required by the auditing authority relating to a report that has already been filed, an amended report must be filed. Amendments consist only of corrections to previously submitted information or additional information. The amendment should include either a report cover page or a cover letter specifying the name of the committee that is filing and which report is being amended. When the error is found, or when checks are received that could not earlier be attached to a report, the amendment should be filed immediately.

When an auditing authority requests more information or a correction to a report, the ballot issue committee has 21 days to provide the information or correction.

R.C. 3517.11(B)

Record Retention

Committees must keep their records for six years, even when changing treasurers. This requirement includes all bank records (including deposit records), reports, amendments, correspondence, receipts, invoices, and mileage logs.

R.C. 3517.10(C), (D); OAC 111:2-4-13

Closing the Committee

A ballot issue committee must have a zero-dollar balance and no outstanding loans or debts before it may terminate. When these criteria have been met, the committee must file a final report. This report must list all activity, if any, that has occurred since the previous report. A ballot issue committee's method for requesting to terminate varies by their filing location and whether they file electronically or via paper.

- Electronic filers with a board of elections will select the "Termination Report" option when creating their final report for submission;
- Paper filers with the Secretary of State or a board of elections will select the "Termination" option on the Form 30-A, Ohio Campaign Finance Report Cover Page; or
- Electronic filers with the Secretary of State's Office, after filing their final report, must email CFinance@OhioSoS.gov the relevant fund has a zero-dollar balance, no outstanding loans or debts, and wishes to terminate.

R.C. 3517.10

CHAPTER 10:
BUSINESSES AND LABOR ORGANIZATIONS OVERVIEW

Corporate Business Campaign Finance Activity

A business that has filed articles of incorporation under R.C. 1701 is a "corporation" for campaign finance purposes. Under Ohio law, the use of a corporation's money or property for political purposes is restricted. Corporations, whether for-profit or nonprofit, are prohibited from giving money, items, personnel, space, or anything of value to:

- Candidate committees;
- Non-ballot issue PACs;
- Legislative campaign funds;
- Political party state candidate funds; or
- Political party general funds.

A corporation's use of a corporate logo in an endorsement or solicitation letter meant to support a candidate or political party is a prohibited use of corporate resources. But the placement of a campaign sign on the property of a corporation, nonprofit corporation, or labor organization is not a violation.

R.C. 3599.03; OEC Adv. 97ELC-05

Generally, legal professional associations and other professional associations organized under R.C. 1785, as well as limited liability companies (LLCs) established via R.C. 1705, are not considered "corporations" for campaign finance purposes under R.C. 3599.03. Thus, they are not prohibited from issuing one or more checks to make one or more individual contributions to partisan elections by individuals – partners, owners, or members – associated with the organization. For reporting purposes, these entities are considered unincorporated businesses or, if applicable, partnerships.

OEC Adv. 96ELC-03

Unincorporated Business Campaign Finance Activity

Business partnerships and businesses that have not filed articles of incorporation are not considered to be a "corporation" for campaign finance purposes. When a partnership or other unincorporated business uses its checking account to transmit a contribution, the contribution check or letter accompanying the contribution must include detailed information of each partner, owner, or member and their allocated portion of the contribution. The recipient of such a

contribution must itemize each allocated portion according to the information provided. No contribution from a partnership or other unincorporated business may be accepted, deposited, or used unless the recipient has the allocation information necessary to itemize the contribution by the partners, owners, or members. If no specified attribution is made, the treasurer will attribute the contribution equally among all partners of the partnership or owners of the unincorporated business.

R.C. 3599.03; OAC 111:2-4-14; OEC Adv. 96ELC-03

Labor Organization (General Treasury Activity)

A labor organization may use its money or property, including dues monies, to support or oppose candidates, non-ballot issue PACs, legislative campaign funds, and political parties. Before making expenditures from dues monies, a labor organization must file Form 30-D, Designation of Treasurer, establishing a political contributing entity (PCE). See Chapter 8, Political Contributing Entities, for more information.

R.C. 3517.10

Ballot Issue Support

A corporation or labor organization may use its money or property to support or oppose a proposed or certified ballot issue or question. If the contribution is made as a monetary or in-kind contribution to a ballot issue committee, then the corporation or labor organization must file Form 30-B-1, Contributions from a Corporation or Labor Organization Supporting or Opposing Ballot Issues, at the same filing location and by the same filing deadlines that the ballot issue committee must file campaign finance reports. See Chapter 9, Ballot Issue Committees, for more information.

R.C. 3599.03(C)

If the corporation or labor organization uses its money or property to make an independent expenditure to support or oppose any ballot issue, then the organization must file Form 30-B-2, Independent Expenditures from a Corporation or Labor Organization Supporting or Opposing Ballot Issues. This form must be filed at the county board of elections for local issues or at the Secretary of State's Office for statewide issues.

R.C. 3517.105(C)(2)

Non-Partisan Activity

Corporate and labor organization general treasury funds may be used for programs, such as voter registration drives or debates that do not promote a particular candidate, PAC, or political party.

Nonprofit Corporations

Under campaign finance laws, nonprofit corporations organized under R.C. 1702 have the same campaign finance restrictions as for-profit corporations.

In addition, nonprofit corporations that communicate information in support of, or in opposition to, a political party or candidate for election are subject to the same reporting requirements as for-profit corporations and labor organizations.

R.C. 3599.03(G)

Use of a nonprofit corporation's money or property for political purposes may or may not impact the tax-exempt status of the nonprofit corporation. Questions related to a nonprofit corporation's permitted or prohibited political activities based on the tax-exempt status of the corporation should be directed to the Internal Revenue Service.

Internal Revenue Service
800.829.1040
IRS.gov

Payroll Deduction Plans

Employers, including corporations (for-profit and nonprofit), partnerships, limited liability companies, and labor organizations, may make deductions for political use from the wages or salaries of employees who sign authorizations for such deductions. This authorization must be signed separately from an application for membership in, or authorization of payment of dues to, any organization. Employees must specify in writing how their money is to be spent (e.g. to a PAC or PCE). The actual cost of deducting and forwarding contributions may be paid by the employer or may be deducted from the employee's contribution. All decisions on who receives contributions must be made by the employee.

Employers may open separate accounts in the name of the employee where the money may be kept until the employee designates a recipient. All checks forwarded to recipients should provide the employee contributor's name, address, and amount contributed. Earned interest cannot be distributed in a manner other than by the employee's choice or a ratio based on the employee's choice. Recipients of donations aggregating $25 or less in a calendar year from individuals contributing via this method need not itemize the contributor information.

R.C. 3517.10, 3599.031; OAC 111:2-4-12

Sponsoring a PAC

A corporation (for-profit or nonprofit) or labor organization may sponsor a PAC. Sponsorship is stated on the PAC's Designation of Treasurer. Sponsorship permits the corporation or labor organization to pay certain establishment, administrative, and solicitation expenses on behalf of the sponsored PAC. Examples of these expenses include attorney fees and computer, copying, and bookkeeping costs.

The corporation or labor organization may also pay certain costs related to the solicitation of contributions for the sponsored PAC. These expenses must be paid directly by the corporation or labor organization or be paid into a separate administrative account set up by the PAC. The sponsor may not reimburse the PAC for these expenses. The sponsored PAC must report these expenses on Form 31-I, Establishment, Administrative and Solicitation Expenses. Corporate expenditures made to benefit Ohio state or local candidates or political parties are not considered establishment, administrative, or solicitation expenses. See Chapter 7, Political Action Committees, for more information.

R.C. 3517.082; OAC 111:2-3-01 to 111:2-3-07

When a PAC is sponsored by a corporation or labor organization, the name of the sponsor must be in the name of the PAC.

OAC 111:2-1-04

POLITICAL PARTY SUPPORT

Building Fund

Political parties may set up a separate account called a building fund and may accept direct corporate gifts for this purpose. A corporation or labor organization may use general treasury

funds to make gifts to the building fund of state and county political parties, as long as the building fund is specifically designated and used to defray any cost incurred for the construction, renovation, or purchase of an office facility. Public utilities, however, are prohibited from making such gifts.

R.C. 3517.101, 3599.03(D)

Restricted Fund

A corporation or labor organization may also use general treasury funds to make gifts to the restricted fund of state and county political parties. These gifts are limited to $10,000 per restricted fund per calendar year. The restricted fund of a political party is established to pay or defray the operational costs of the party and may not be used to support or oppose any particular candidate. For example, the restricted fund may pay for political party staff, office supplies, and shared equipment, including computer hardware and software.

R.C. 3517.1012, 3517.13(X)

Levin Account

Each state political party may establish a Levin account that may be used to pay or defray the costs of voter registration, voter identification, and get-out-the-vote activity. Any corporation or labor organization may make a gift to a Levin account in a calendar year in which a candidate for federal office will appear on an election ballot in this state. These gifts are limited to $10,000 per applicable calendar year. Corporate or labor organization gifts to a Levin account are prohibited during a calendar year in which no candidate for federal office will appear on an election ballot in this state.

R.C. 3517.1013

A corporation or labor organization is not required to report making gifts to the building, restricted, or Levin accounts of a political party. The recipient political party has the requirement to report these gifts in the party's disclosure statements.

CHAPTER 11: ELECTIONEERING COMMUNICATION

What is Electioneering Communication

Any broadcast, cable, or satellite communication made within 30 days of an election that refers to a clearly identified candidate and is not otherwise considered an "expenditure." This largely covers all radio and television communications. The candidate reference within the communication could be by use of the candidate's name, image, likeness, or by some other clear and unambiguous reference.

Electioneering communication does not include print media, printed materials, or communications over the internet or telephone. See Other General Provisions and Statutory Definitions below for more detail.

R.C. 3517.1011; OAC 111:2-3-09

What to Do First

Any person intending to make a disbursement for the direct costs of producing or airing electioneering communications must file Form 31-EC, Notice of Intent to Make Electioneering Communication Disbursements, with the Secretary of State's Office before making such a disbursement. Upon the filing of a Form 31-EC, the Secretary of State will issue credentials that permit the filing of required detailed reports via the Secretary of State's online filing system. Except for the initial filing of a Notice of Intent to Make Electioneering Communication Disbursements, the prescribed format for filing all electioneering communication reports is through the Secretary of State's online filing system.

R.C. 3517.1011(C)

When to File Reports

Any person who makes a disbursement or disbursements for the direct costs of producing and airing electioneering communications aggregating more than $10,000 during any calendar year must file, within 24 hours of each disclosure date, a disclosure of electioneering communications statement. The filer must continue filing weekly through that calendar year, after the first disclosure of electioneering communications statement is filed, so long as more electioneering communication disbursements are made. These later reports must be filed on the same day of the week as the day of the week that the initial disclosure statement was filed.

R.C. 3517.1011(A)(6) and (D)

What a Filing Must Contain

Each electioneering communication disclosure statement must contain all of the following:

- The full name and address of the person making the disbursement, any person sharing or exercising direction or control over the activities of the person making the disbursement, and the custodian of the books and accounts of the person making the disbursement;
- The principal place of business of the person making the disbursement, if not an individual;
- The amount of each disbursement of more than $1 during the period covered by the statement and the identity of the person to whom the disbursement was made;
- The nominations or elections to which the electioneering communications pertain and the names, if known, of the candidates identified or to be identified; and
- For each contributor who contributed an aggregate of $200 or more to the person making the disbursement and whose contributions were used for making the disbursement, all of the following information:
    i. The full name and address of the contributor and, if the contributor is a political action committee, its registration number;
    ii. The month, day, and year of the contribution;
    iii. If the contributor is an individual, the name of the individual's current employer, or if the individual is self-employed, the individual's occupation and the name of the individual's business;
    iv. A description of the contribution, if other than money;
    v. The value of the contribution; and
    vi. For any contribution transmitted through a payroll deduction, if the amounts deducted from the wages and salaries of two or more employees exceed, in the aggregate, $100, the full name of the employees' employer and the full name of the labor organization of which the employees are members, if any.

R.C. 3517.1011(D)

Coordinated Electioneering Communication

An electioneering communication that is made under any arrangement, coordination, or direction by a candidate or a candidate's campaign committee, or by the officers, agents, employees, or consultants of a candidate or a candidate's campaign committee, or by a former officer, former agent, former employee, or former consultant of a candidate or a candidate's campaign committee, is considered to be coordinated and, as such, becomes an in-kind contribution to the candidate. An in-kind contribution is subject to contribution limits, the corporate prohibition, and other requirements of the general campaign finance laws.

R.C. 3517.1011(A)(5), (G) and (H); 3517.102

Disclaimer Requirement

Within each electioneering communication, a statement must appear or be presented in a conspicuous manner that clearly indicates that the electioneering communication is not authorized by the candidate or the candidate's campaign committee and that clearly identifies the person making the disbursement for the electioneering communication in accordance with R.C. 3517.20.

R.C. 3517.1011(F)

Other General Provisions

During the 30 days before a primary or general election, any disbursement to pay the direct costs of producing or airing a broadcast, cable, or satellite communication that refers to a clearly identified candidate is considered to be made for the purpose of influencing the results of that election and must be reported as an expenditure or as an independent expenditure.

R.C. 3517.01(C)(6), 3517.10

The term "contribution" for the purpose of electioneering communication is not the same as the term "contribution" used in other areas of the campaign finance law.

R.C. 3517.01(C)(5)(e)

A person is considered to have made a disbursement if the person has signed a contract to make the disbursement.

R.C. 3517.1011(B)

Statutory Definitions Relating to Electioneering Communication

"Electioneering communication" means any broadcast, cable, or satellite communication that refers to a clearly identified candidate and that is made during either of the following periods of time:

a. If the person becomes a candidate before the day of the primary election at which candidates will be nominated for election to that office, between the date that the person becomes a candidate and the 30th day before that primary election and between the date of the primary election and the 30th day before the general election at which a candidate will be elected to that office.

b. If the person becomes a candidate after the day of the primary election at which candidates were nominated for election to that office or between the date of the primary election and the 30th day before the general election at which a candidate will be elected to that office.[1]

R.C. 3517.1011(A)(7)(a)

"Refers to a clearly identified candidate" means that the candidate's name, nickname, photograph, or drawing appears, or the identity of the candidate is otherwise apparent through an unambiguous reference to the person, such as "the Chief Justice," "the Governor," "member of the Ohio Senate," or "member of the Ohio House of Representatives," and other such examples cited in the act, or through an unambiguous reference to the person's status as a candidate.

R.C. 3517.1011(A)(13)

Electioneering communication does not include any of the following:

a. A communication that is publicly distributed through a means of communication other than a broadcast, cable, or satellite television or radio station, such as communications appearing in print media, mailings, brochures, bumper stickers, yard signs, communications over the internet, including email, or telephone communications;

[1] For purposes of R.C. 3517.1011, "candidate" has the same meaning as in R.C. 3501.01(H).

b. A communication that appears in a news story, commentary, public service announcement, news programming, or editorial distributed through the facilities of any broadcast, cable, or satellite television or radio station, unless those facilities are owned or controlled by any political party, political committee, or candidate;

c. A communication that constitutes an expenditure or an independent expenditure; or

d. A communication that constitutes a candidate debate or forum or that solely promotes a candidate debate or forum and is made by or on behalf of the person sponsoring the debate or forum.

R.C. 3517.1011(A)(7)(b)

CHAPTER 12: DISCLAIMERS

What is a Disclaimer

A disclaimer is the portion of a political message that identifies the name of the entity that paid for the item on which the disclaimer appears. A readable disclaimer must appear on almost everything that is created to influence an election, including electronic messages.

Individuals acting alone to distribute material and certain political action committees and political contributing entities limited in size and the amount of their expenditures are not required to include a disclaimer. Candidates are not considered individuals for this exemption and must include a proper disclaimer.

R.C. 3517.105, 3517.20; OEC Advs. 96ELC-10 and 2012ELC-04

Electioneering communications are different from messages intended to influence the outcome of an election. Electioneering communications require identification similar – but not identical – to a disclaimer. Please see Chapter 11, Electioneering Communication, for more information.

Disclaimer Required

A sign, newspaper advertisement, literature, or other political communication not listed in the "disclaimer exemptions" paragraph below, must include the applicable disclaimer in a conspicuous place on the political publication. The entity producing or distributing the political message has discretion for the size and placement of the disclaimer, considering the size of the item and ensuring the disclaimer is large enough to be read and easily found.

R.C. 3517.20; OEC Adv. 2012ELC-04

Updating a Disclaimer

A committee must ensure the disclaimer on campaign signs or other materials is accurate when the signs are displayed or the materials are distributed. The committee need not include the treasurer's name and address in a disclaimer, but if the committee chooses to include it this information must remain updated. A committee may update the disclaimer on signs and other materials by placing a label with the updated content over the original disclaimer printed on the item.

Disclaimer Exemptions

Items that are not required to include a disclaimer are found in *OAC 111:2-4-18* and include:

- Airplane banners
- Badges & buttons
- Balloons
- Chip clips
- Clothing & hats
- Combs
- Cups and mugs
- Emery boards
- Facial coverings (masks)
- Flyswatters
- Golf balls and golf tees
- Individually wrapped candy
- Insulated beverage sleeves
- Key tags, key rings, or key fobs
- Lapel pins & other jewelry
- Letter openers
- Paint stirrers
- Pencils & pens
- Plastic bags
- Plastic discs designed to be sailed with a flip of the wrist
- Rulers – 12"
- Sponges

Personal correspondence not reproduced by machine for general distribution and status updates or messages posted on a social media website where a home page for the committee exists that properly identifies the committee are exempt from the disclaimer requirement. Magnets and stickers measuring two and one-half inches by three inches or less, or seven and one-half square inches or less, or three inches in diameter or less, are also specifically exempt from the disclaimer requirement.

OAC 111:2-4-18

A committee may obtain a disclaimer exemption for items not listed in OAC 111:2-4-18 by making a written request to the Secretary of State, before distribution of the item. When requesting an exemption, state your name and contact information, describe in detail the size and material of the item you wish to have exempted, and include a brief statement explaining why the exemption should be granted. The Secretary of State will respond in writing to all written exemption requests.

Exemption requests should be sent via email to CFinance@OhioSoS.gov or to:

Office of the Ohio Secretary of State
Campaign Finance
22 North Fourth Street, 15th Floor
Columbus, Ohio 43215

Intent to Influence an Election

An advertisement or item that might, even in part, be bought with the intent of influencing a current or future election or to build or maintain name recognition are reportable and must bear a disclaimer. This would include items bought with the personal funds of the candidate or officeholder. Examples include items distributed at public events, such as high school basketball program ads or free items.

OEC Adv. 89-04

Individuals

Any individual acting completely alone is not required to place a disclaimer on a political communication. Candidates are not considered individuals for purposes of the disclaimer requirement and must include a disclaimer on all political communication unless the item is specifically exempted by rule or given an exemption by the Secretary of State.

Candidate Campaign Committee Disclaimer Wording

A complete disclaimer for a candidate's campaign committee includes the phrase, "Paid for by," followed by the name of the candidate's campaign committee, in a conspicuous place.

R.C. 3517.20; OEC Adv. 2012ELC-04

Any independent expenditure made by a candidate's campaign committee in support of or opposition to a candidate or ballot issue must also include the disclaimer of the campaign committee that made the independent expenditure. The name of the committee used in a disclaimer must always match the name of the committee on the most recently filed Designation of Treasurer form.

Political Action Committees and Political Contributing Entities

Every political publication or independent expenditure made in support of or opposition to any candidate or ballot issue that is issued by a PAC with ten or more members, or a PCE with ten or more members, must include a disclaimer. A proper disclaimer for a PAC or PCE consists of the name the PAC or PCE.

Any independent expenditure made by a PAC or PCE in support of or opposition to a candidate or ballot issue must also include the disclaimer of the PAC or PCE that made the independent

expenditure. The name of the PAC or PCE used in a disclaimer must always match the name of the PAC or PCE on the most recently filed Designation of Treasurer form.

R.C. 3517.105(A)

Limited PAC or PCE

A PAC or PCE with fewer than ten members that makes an independent expenditure of $500 or less on a political publication or advertisement involving a statewide candidate or ballot issue, $250 or less for a General Assembly candidate, or $100 or less for a local candidate or issue, is a "limited PAC" or "limited PCE" and is not subject to the disclaimer requirement.

In determining whether a PAC or PCE is a "limited PAC" or "limited PCE" having 10 or fewer members, "member" is defined as a person who makes one or more contributions to that PAC or PCE.

R.C. 3517.105(A)

Radio and Television Advertisements

Radio and television advertisement disclaimers must contain a proper disclaimer. This information may be either spoken, appear on the screen, or both.

R.C. 3517.20

Telephone Banks/Pre-Recorded Phone Messages

A candidate, campaign committee, legislative campaign fund, political party, political action committee, political contributing entity, or other person or entity conducts that holds a telephone bank to support or oppose a candidate or issue or to influence the voters in an election, must identify in the telephone call the identity of the committee or other entity paying for the telephone bank.

A telephone bank occurs when all of the next conditions are met:

- The entity places 500 or more calls;
- The content of the telephone call is identical or substantially similar; and,
- The telephone calls are made within any thirty-day period.

The telephone bank definition and disclosure requirements apply whether the telephone calls are made by individuals or by recording.

R.C. 3517.20(A)(12)

Social Media/Email Messages

Social media posts and emails are generally subject to the disclaimer requirement. However, individual status updates or messages posted on social media websites need not contain a disclaimer so long as the committee home page properly identifies the committee.

OEC Adv. 96ELC-10; OAC 111:2-4-18

Multi-piece Mailings

If more than one piece of printed material is mailed as a single packet, then only one of the pieces of the packet – whether on the envelope or on a piece within the envelope – must contain the disclaimer of the entity responsible for the communication.

R.C. 3517.20(C)

Use of Political Party Bulk Mailing Permit

A campaign committee's disclaimer should appear when a political party allows a candidate's committee to use the party's bulk mailing permit and the postage is paid for by the candidate's committee.

Questions about bulk mailing permits – use, acquisition, and cost – should be directed to the United States Postal Service (USPS) at 800.275.8777 or USPS.com.

Permits and Placement

Some municipalities or community associations have local ordinances or charter provisions that restrict the posting of political publications. Questions about local ordinances or charter provisions should be directed to your county prosecutor or city attorney.

CHAPTER 13: ELECTRONIC FILING OF CAMPAIGN FINANCE REPORTS

Overview

The Secretary of State's Office is required to develop a method of accepting campaign finance reports by electronic means of transmission for political committees required to file with the Secretary of State's Office. The latest, electronic filing application launched in 2020 and allows county boards of elections to provide their political committees transparency and ease of filing at the county level, as well. In developing the electronic filing system, the Office sought to provide multiple methods of electronic filing to maximize the ability of all entities to take part. The system was developed to allow greater flexibility by providing both (1) large campaign operations the ability to use off-the-shelf or custom-made campaign software to manage tens of thousands of records, and (2) small committees with only dozens of records the ability to easily file their respective reports electronically. Since January 1, 2001, all entities under the auditing authority of the Secretary of State have had the ability to electronically file their campaign finance reports. Today, all entities under the auditing authority of the county boards of elections have the ability to electronically file their campaign finance reports.

Who Must File Electronically

Statewide candidate committees, the campaign committees of candidates for member of the General Assembly, statewide PACs and PCEs, state political parties, and legislative campaign funds must file electronically at the Secretary of State's Office. A county political party must file its State Candidate Fund electronically with the Secretary of State. Additionally, a county political party must file its Restricted Fund electronically *if* the party has accepted *any* gifts from a corporation or labor organization into the Restricted Fund.

Local candidates, local PACs, and local PCEs are permitted to file their campaign finance reports electronically with their county board of elections.

Committees that are required to file their reports electronically are required to follow the same statutory report filing deadlines to which all committees are subject.

R.C. 3517.10, 3517.106

Filing Electronically with the Secretary of State's Office

There are two methods for a committee to file its campaign finance reports electronically in compliance with R.C. 3517.106:

- Direct entry online filing; and
- Data file upload.

Most entities will use the direct entry online filing method. The data file upload method of filing requires greater than average technical knowledge because the user must understand file formatting to successfully submit a report. This chapter will largely address the direct entry online filing system. Information is available on the Secretary of State's website on use of the data file upload process.

Direct Entry Online Filing

Committees using the direct entry online filing system will key contributions, expenditures, and other transactions directly into screens accessible from the Secretary of State's website. Data may be keyed into the committee's report at any time and from any location having internet access. Keyed data is not "submitted" until the committee enters and completes the submit process through the cover page screen of the online filing system.

The direct entry online filing system includes several features designed to assist campaigns in the management of data and compliance with state law and agency rules. A few examples of these features include:

- Address book. This feature saves each contribution and each expenditure in separate address books, allowing the entity to be quickly added at later transactions.
- PAC number lookup. This feature allows a user to lookup the proper name and registration number of any active PAC registered with the Secretary of State.
- Cover page calculation. When a user intends to submit a report, the only cover page information needed will be the balance brought forward (line 1). After entering this figure, the user clicks a button and the remaining cover page line item totals are automatically calculated based on the transaction information entered.

- Pre-audit checks. At any time before submission of a report, a user can have the system "audit" entries on that report. Items such as missing employer information or the receipt of a cash contribution exceeding $100 are part of this "audit" function.
- Easy to read printed version. A user can create and print the contents of any report – whether submitted or pending –to review the entries.

Filing Electronically with the Board of Elections

Political committees that file with their local board of elections may file electronically using BOe-file. This online filing method allows the committee to key contributions, expenditures, and other transactions directly into screens accessible from BOe-file. Data may be keyed into the committee's report at any time and from any location having Internet access. Keyed data is not "submitted" until the committee enters and completes the submit report process through the cover page screen in BOe-file.

BOe-file allows the committee to manage data and compliance with state law and agency rules. The BOe-file Learning Center provides step by step user guides for:

- How to create an account;
- How to file a Designation of Treasurer;
- Updating the Designation of Treasurer; and
- Creating, submitting, and amending campaign finance reports.

Additionally, BOe-file provides the county boards of elections campaign finance resources and the ability to review and print committee filings for examination.

Checks and Receipts

Committees filing electronically must continue to submit copies of canceled checks or paid receipts for all expenditures greater than $25. Expenditure verification may be uploaded as a PDF attachment to electronically filed reports, hand delivered, or mailed to the filing location, or state level filers may email their supporting PDF attachments to CFforms@OhioSoS.gov.

Unlike the filing of reports, which must be received at the filing location by 4 p.m., mailed copies of canceled checks and paid receipts are considered timely filed so long as they are postmarked by the filing deadline.

R.C. 3517.10; OAC 111:2-5-03

Amendments

Users can easily file amendments to reports via the online filing systems by opening the report as originally filed and making the modifications necessary to make the report complete. After making the edits or other changes, the user proceeds through the submit process via the cover page and the amendment is filed.

Candidate Campaign Committee Notice of Hardship

A campaign committee may request to file reports by paper if electronic filing would constitute a hardship for the candidate or committee. The campaign committee makes the request by filing Form 31-DD, Electronic Filing Notice of Hardship. The committee must file a new form for each report that must be filed electronically. A committee may not file a paper report before filing the form with the Secretary of State's Office.

Once this form is filed, the campaign committee may file the report on paper and pay a fee covering the cost of having the data entered. A paper report filed under the Notice of Hardship must be received at the Secretary of State's Office no later than the applicable deadline set forth in R.C. 3517.10. The paper report should not be filed at the county board of elections.

When the report is filed, it must also include a check or money order made payable to the Ohio Secretary of State for the fee to offset the data entry costs. Please see in OAC 111:2-5-04 for the formula to determine the amount of the fee prescribed in R.C. 3517.106(L) is found.

Candidates for statewide office whose campaign committees have $25,000 or more in expenditures during the reporting period may not file this form.

Electioneering Communications

All electioneering communication reports are filed electronically with the Secretary of State's Office. The Office has prescribed an electronic-only method of filing electioneering communication reports. Upon filing Form 31-EC, Notice of Intent to Make Electioneering Communication Disbursements, the person or entity filing the Notice will be assigned access credentials for use of the online filing system. Because the timing and content of electioneering communication reporting differs greatly from the disclosure requirements for political entities, the online filing system is customized for reporting this activity.

R.C. 3517.1011

CHAPTER 14: DUTIES OF THE SECRETARY OF STATE AND COUNTY BOARDS OF ELECTIONS

Duty to Examine and Investigate

The Secretary of State and county boards of elections have the duty to examine all original campaign finance reports filed with their offices. They also have the power to investigate irregularities, non-performance of campaign finance-related duties by election officials, or violations of election and campaign finance laws.

R.C. 3501.05(N), 3501.11(J), 3517.11

The Secretary of State examines the reports of all statewide candidates, General Assembly candidates, statewide political action committees, statewide political contributing entities, statewide parties, statewide ballot-issue committees, and legislative campaign funds. County boards of election examine the reports of all village, township, city, and county candidates, county political parties, county political action committees, county political contributing entities, and county ballot-issue committees.

How an Examination is Conducted

The Secretary of State examines reports for compliance with all of Ohio's campaign finance statutes and administrative rules. From the most basic items, such as complete names and addresses for contributions received, to more complex issues, such as contribution limits and personal funds use.

The examining authority contacts an entity by letter when an entity fails to provide all the necessary information, accepted contributions, made expenditures that appear illegal or suspect, detailing what information or action is needed for compliance or clarification. The statute gives the entity 21 days after receipt to respond and provide the requested information.

Many examination letters are mailed out each week from the Secretary of State's campaign-finance examination staff. It is critical that an entity reply to any correspondence issued by their examining authority that requires more information for compliance with Ohio's campaign finance laws. Failure to respond is certain to result in a referral to the Ohio Elections Commission.

Top 10 Reasons for an Examination Letter:

1. Missing data - addresses, dates, or other empty fields;
2. Missing expenditure verification - canceled checks or paid receipts for expenditures greater than $25;
3. Contributions reported as received from corporations;
4. Cover page balances not calculated correctly, not reflecting all contributions or expenditures reported, or the amount brought forward does not match prior report's balance on hand;
5. Failure to provide employer information, when required;
6. Reporting contributions and expenditures in wrong reporting period;
7. Receiving cash contributions greater than $100;
8. Improper reporting of contributions received or expenditures made at a fundraiser;
9. Lack of contribution attribution, listing joint contributions or LLC contributions; and
10. Unverified reimbursements.

COMPLETING REPORTS - GENERAL RULES

When a Report is Due

Except for FSL PAC reports (see Chapter 7, Political Action Committees, for more information), all reports must be physically received by the Secretary of State or board of elections to meet the filing deadline requirement. A report postmarked, but not received by the deadline, is a late filing.

R.C. 3517.10

Emailing a Report

Committees required to file electronically with the Secretary of State's Office must file using the Secretary of State's provided electronic filing system. Those committees required to file with the Secretary of State, but not required to file electronically (including federal political committees), may email their scanned paper reports to CFforms@OhioSoS.gov.

Committees required to file with the board of elections should contact their local board about paper and electronic filing options.

Report Forms

All reporting forms, along with instructions for their use, are available at the Secretary of State's website.

Filers may choose to download the forms and use them for creating reports eligible for filing in paper form. Filers may seek written approval from the Secretary of State's Office to use their own modified forms, so long as they are substantially similar to the promulgated forms.

OAC 111:2-4-10

Filers seeking the approval of alternative paper forms may direct their request, along with a sample of each of the alternative forms to CFinance@OhioSoS.gov or to:

Office of the Ohio Secretary of State
Campaign Finance
22 North Fourth Street, 15th Floor
Columbus, Ohio 43215

The committee must include the committee's name on every form submitted. This is for the committee's protection in case pages become detached from the report. A committee does not need to include a form in a report, if the form contains no information.

Record Retention

Committees must retain their reports for six years. The Secretary of State and county boards of elections also must keep all filed reports for at least six years after the year in which they are filed.

R.C. 3517.10(D), OAC 111:2-4-13

Keeping Reports in Balance

Errors and mistakes in the report can easily affect the balance on hand (Line 6) on a report's cover page, causing it to be incorrect. A treasurer should take two easy steps to avoid or detect potential problems in the report. First, when a report is completed, the balance on hand (Line 6) on the cover page should equal the balance listed on the committee's bank account statement. If the treasurer has reported all the necessary contributions and expenditures (including service charges,

interest, and voided checks), then these balance figures should be the same. Second, the treasurer should ensure the statements received from the bank are balanced against the committee's reports in a regular and timely fashion. These two steps will go a long way to help a treasurer ensure that no contribution or expenditure information is incorrect or has been omitted.

Ohio Campaign Finance Law Penalties

Penalties for campaign finance and practices violations are specified in the Revised Code. Some of the most commonly requested penalties appear below.

Violation	Possible Penalty	Code Citation
Failure to place a disclaimer on a political communication in violation of R.C. 3517.20	Fine of not more than $500.	*R.C. 3517.992(U)*
Failure to file a complete and accurate report required by a candidate's campaign committee in violation of R.C. 3517.13(A).	Fine of not more than $100 per day.	*R.C. 3517.992(A)(1)*
Failure to file a complete and accurate report required report by a political party or PAC in violation of R.C. 3517.13(A).	Fine of not more than $100 per day.	*R.C. 3517.992(A)(2)*
A campaign committee, PAC, party, legislative campaign fund, or individual making or receiving contributions in excess of the limits in violation of R.C. 3517.102. (Violation by an individual must be made knowingly.)	Fine of three times the excess amount contributed, unless it is completely refunded within five business days after it is accepted or within ten business days after notification by the Secretary of State or a board of elections.	*R.C. 3517.992(I), (J)*
Improper solicitation of contributions by statewide or county officials or candidates in violation of R.C. 3517.092.	First-degree misdemeanor.	*R.C. 3517.992(M)(1)*
Knowing acceptance of contribution by statewide or county official, in violation of R.C. 3517.092.	Fine of three times contribution amount and return of contribution.	*R.C. 3517.992(M)(2)*

Violation	Possible Penalty	Code Citation
Unknowing acceptance of contribution by statewide or county official, in violation of R.C. 3517.092.	Return of contribution.	*R.C. 3517.992(M)(2)*
Failure to file a required monthly or two-business day report by a statewide candidate in violation of R.C. 3517.13(A).	Fine of not more than $100 per day.	*R.C. 3517.992(A)(1)*
Knowing failure to report a gift or misrepresent a gift received by a political party's Building Fund in violation of R.C. 3517.101(G)(2), or R.C. 3517.13(G).	Fine of not more than $10,000.	*R.C. 3517.992(C)*
Misrepresentation or concealment of a contribution or expenditure in violation of R.C.3517.13(G).	Fine of not more than $10,000; if by a candidate, also possible forfeiture of office.	*R.C. 3517.992(C)*
Cash contributions in excess of $100 in violation of R.C. 3517.13.	Fine of not more than three times the amount contributed.	*R.C. 3517.992(D)*
Conversion of campaign funds for personal use in violation of R.C. 3517.13(O), (P), or (Q).	First-degree misdemeanor.	*R.C. 3517.992(F)*
Election falsification matters, such as signing a false campaign finance report.	Fifth-degree felony.	*R.C. 3599.36*

CHAPTER 15: OHIO ELECTIONS COMMISSION

The Ohio Elections Commission consists of seven persons, six of whom are appointed by the Governor on the recommendation of the combined House and Senate caucuses of each of the major political parties. Three members must be appointed from each of two major political parties with the seventh member being an unaffiliated elector appointed by the other six members. If the six members fail to appoint the seventh member within 30 days, then the Chief Justice of the Ohio Supreme Court makes the appointment. All members serve five-year terms.

R.C. 3517.152-3517.157

The commission is empowered to hear alleged violations of campaign finance law in Revised Code sections 3517.08-3517.13, 3517.17, 3517.18, 3517.20-3517.22, 3599.03, and 3599.031. It may also interpret and write advisory opinions about campaign finance law in response to persons over whose acts it has or may have jurisdiction (e.g., campaign treasurers, committees, and candidates). The commission will not give advisory opinions on activity that has already occurred, but only on possible future activity. The opinions that the commission has issued may be used for direction when making decisions, but may also be invalidated by future legislative updates. Advisory opinions are found by year or by topic on the commission's advisory opinion website.

R.C. 3517.153

Required Elements for Filing a Complaint with the Ohio Elections Commission

Any person can file a complaint with the Ohio Elections Commission. Complaints to the Ohio Elections Commission must be submitted in affidavit form containing the following elements:

1. Name(s) of the person or party filing the complaint;
2. Name(s) of the person or party against whom the allegations are being made;
3. Address or addresses for all parties. This includes the person filing the complaint as well as the parties against whom the complaint is filed. Also please include phone numbers if they are available;
4. A written narrative or statement of the alleged violation or violations, specifically identifying the statement or statements which you allege to be false and an explanation of the personal knowledge of the complainant;
5. A reference to the section or sections of the Ohio Revised Code alleged to have been violated; and

6. The complaint must be originally signed and properly notarized. A proper notarization includes the phrase "signed and sworn before a Notary Public."

Any additional materials or exhibits may be included to support the allegations in the complaint. A person files a complaint by mailing the above to the following address:

Ohio Elections Commission
Suite 1850 Riffe Center
77 South High St.
Columbus, Ohio 43215

At a Meeting of the Ohio Elections Commission

The commission reviews complaints at a regular meeting of the full commission. If the commission believes that it has sufficient evidence in the complaint and response to make a final determination in the matter, then the commission will proceed to a final resolution of the matter immediately. If the evidence at the preliminary review is insufficient, then the commission may schedule a full hearing of the matter for a greater presentation of the evidence at a later date.

Once the commission makes a final determination in the matter pending before it, the commission will notify all parties in writing of the nature of the decision.

What to Do if You are Alleged to Have Violated a Campaign Finance Law

Being referred to the Ohio Elections Commission for violating a campaign finance law is a potentially serious, but often routine, matter. In most cases, a few actions on your committee's part will go a long way to resolve the problem.

The first is to make sure that you have filed all reports with either the Secretary of State's Office or the board of elections, as appropriate. Most referrals or complaints filed with the commission involve incomplete or missing campaign finance reports. Often, this means the filing of a report that was not filed or responding to a letter requesting corrections or additional information.

When either a board of elections or the Secretary of State's Office has referred your committee, the second thing to do is to contact the referring agency to determine what your committee must do to get into compliance. Often, this means the filing of a report that was not filed or responding to a letter requesting corrections or additional information.

Next, respond to the letter you receive from the commission with a notarized affidavit by the due date mentioned in the letter. This affidavit should properly explain your version of the events relating to the alleged violation. The affidavit providing your viewpoint on the case is critical for the commission's understanding of all sides in the pending case.

Never hesitate to call the commission at (614) 466-3205 with any questions.

More Information

For more information about anything in this chapter, including how to request an advisory opinion or reporting a possible violation, please contact the Ohio Elections Commission at 614-466-3205

Ohio Elections Commission
Suite 1850 Riffe Center
77 South High St.
Columbus, Ohio 43215

CHAPTER 16: OTHER RESOURCES

Campaign finance is under the jurisdiction of the Secretary of State's Office, the 88 county boards of elections, and the Ohio Elections Commission. Questions often arise that appear related to campaign finance but are under the jurisdiction of other agencies.

The following is a list of other agencies and organizations that may be helpful resources:

Ohio Board of Professional Conduct

The Board of Professional Conduct is the arm of the Ohio Supreme Court that interprets and administers Rule 4 of the Code of Judicial Conduct related to rules for judicial candidates.

Ohio Board of Professional Conduct
65 South Front Street
Columbus, Ohio 43215-3431
614.387.9370
bpc.ohio.gov/judicial-candidates

Federal Election Commission (FEC)

Federal campaign finance law is under the jurisdiction of the FEC. The campaign finance information on Ohio's Congressional delegation is available at the FEC's website in a searchable database.

Federal Elections Commission
1050 First Street, NE
Washington, D.C. 20463
800.424.9530
FEC.gov

Internal Revenue Service (IRS)

Questions about investment or interest income, Form 1120 POL, section 527 filing requirements, federal tax identification numbers for bank accounts, whether particular contributions are tax deductible, or whether political activity will affect a group's nonprofit status should be directed to the IRS.

Internal Revenue Service
800.829.1040
IRS.gov

Joint Legislative Ethics Committee (JLEC)

All legislative agents, executive agency lobbyists, and their respective employers must file with JLEC, which is charged with the administration and enforcement of Ohio's lobbying laws. Information about lobbyists, including a complete list of registered legislative agents and executive agency lobbyists, is available from JLEC.

Joint Legislative Ethics Committee
100 East Broad Street, Suite 1910
Columbus, Ohio 43215
614.728.5100
jlec-olig.state.oh.us

Legislative Service Commission (LSC)

LSC was created to provide technical, research, and fiscal services to members of the Ohio General Assembly. Bill documents, budget documents, and status reports on pending legislation are several of the resources available at LSC's website.

Legislative Services Commission
77 South High Street, 9th Floor
Columbus, Ohio 43215
614.466.3615
lsc.ohio.gov

Ohio Ethics Commission (OEC)

The Ethics Commission reviews ethical issues involving elected officials, candidates for elected office, and other public persons. The commission works with public officials, candidates, and employees at the state and local levels of government, while JLEC works with members, employees, and candidates for the General Assembly. The Board of Professional Conduct (see above) handles ethical questions for judges and judicial candidates. The personal financial disclosure statements of public officials and candidates are on file at their respective agency.

Ohio Ethics Commission
30 West Spring Street L3
Columbus, Ohio 43215-2256
614.466.7090
Ethics.Ohio.gov

CHAPTER 17: FREQUENTLY ASKED QUESTIONS

Filing Deadlines

QUESTION:
I forgot that today is the deadline to file my campaign finance report. May I get an extension?

ANSWER:
No. R.C. 3517.10 sets the deadline that campaign finance reports are due. Neither the Secretary of State's Office nor the boards of elections have the authority to extend a filing deadline.

QUESTION:
Do I still need to file campaign finance reports after I lost the election?

ANSWER:
Yes, a campaign committee must continue to file required reports until the committee properly terminates. See Chapter 2, Candidates, for how to terminate a campaign committee.

Registering a Committee - Designation of Treasurer

QUESTION:
I am a candidate who will not be accepting any contributions or spending any money. Am I still required to file a Designation of Treasurer?

ANSWER:
As long as there are no contributions received (including in-kind contributions) and no expenditures made (including the candidate's own funds), the filing of Form 30-D, Designation of Treasurer, is not required. The payment of the filing fee by the candidate from their personal funds does not trigger the requirement to file a Designation of Treasurer.
OAC 111:2-4-01

QUESTION:
Can I file my Designation of Treasurer online?

ANSWER:
Committees intending to file with their local board of elections may file their Designation of Treasurer electronically using BOe-file. Committees intending to file with the Secretary of State's Office may email a scanned copy, signed by both the Candidate (or PAC/party authorized representative) and the treasurer to CFforms@OhioSoS.gov.

QUESTION:
The bank says I need to register with the Secretary of State and get an EIN, what do I need to do?

ANSWER:
The Designation of Treasurer is the committee's official registration form. Local committees can request their board of election date stamp their DOT as received to evidence its filing. Information on how to get an EIN from the IRS is found on their website.

Contributions

QUESTION:
Do I have to itemize contributions of $25 or less?

ANSWER:
Contributions of $25 or less received at a social or fund-raising event may be reported together on Form 31-E as "Contributions received $25 or less," along with the date and total amount. This exemption is not based on the cost of a ticket to attend the fund-raising event, but on the total amount each contributor gave during the event. In-kind contributions of $325 or less that were received at a social or fund-raising event may likewise be listed under the description, "In-kind contributions received $325 or less," along with the date and total amount. The committee is still responsible for collecting and maintaining the contributor information, even when it does not have to itemize it in the report. Contributions of any amount reported on Form 31-A, Statement of Contributions Received, must be fully itemized.
R.C. 3517.10(B)

QUESTION:
My campaign committee received a check from a partnership or LLC. May I accept it? How should I report the contribution?

ANSWER:
A partnership or LLC may use its checking account to contribute. But when a partnership or LLC issues a contribution check it must also provide the recipient with details on how the check is to be attributed among one or more of the partners or owners. The partnership or LLC may not contribute in the name of the business alone. The recipient campaign committee must itemize the contribution according to the details provided – as separate individual contributions, listing the name of the partnership or LLC in the employer/occupation field.
R.C. 3517.10 (I); OAC 111:2-4-20

QUESTION:
How do I report online contributions?

ANSWER:
Online contributions have two transactions to report, 1) the full contribution amount received from each contributor, and 2) the fee paid to the online payment processor. The fees an online payment processor charges can be aggregated if the amount exceeds $25.00 during the reporting period and the committee can provide a copy of the processor's statement verifying each underlying transaction.
OAC 111:2-4-13

QUESTION:
I received a contribution from a joint checking account. How do I report the contribution?

ANSWER:
Unless otherwise instructed by the contributor, report the contribution as coming from the individual signing the check. If there is evidence suggesting that the contribution is from both individuals, then report the contribution as two separate contributions, attributing the specified amount to each contributor.
OAC 111:2-4-14

Expenditures

QUESTION:
How may a political action committee (PAC) or a political contributing entity (PCE) spend its funds?

ANSWER:
PACs and PCEs may only spend money for two purposes: either to influence an election or to make a charitable contribution. See Chapter 7, Political Action Committees, and Chapter 8, Political Contributing Entities, for more information.
R.C. 3517.01(B)(6)

QUESTION:
I am a candidate and I would like to purchase some flowers for my staff members out of my campaign account. Is this a permissible expense?

ANSWER:
Yes. Campaign funds may be used to pay for campaign expenses, including gifts for staff or

campaign workers, as long as the gifts are reasonable in cost and form. See Chapter 2, Candidates, for more information.

QUESTION:
I am a candidate who just won in the primary. May I use campaign funds to throw a party for my campaign workers?

ANSWER:
Yes. Parties and events associated with an election or a candidate's public office are permitted. OEC 2004ELC-03; 87-13

QUESTION:
How do I report a check that has not cleared or was never cashed?

ANSWER:
Report the check not clearing or failing to be cashed on Form 31-A-2, Statement of Other Income, listing the original payee as the contributor, date the check was originally written, the amount of the check, and enter the other income type of "RE" or "Refund."

QUESTION:
How much can be reimbursed for mileage?

ANSWER:
A committee may reimburse an individual up to the current IRS business mileage reimbursement rate, found here: Standard Mileage Rates | Internal Revenue Service (irs.gov).

Loans & Debts

QUESTION:
Please explain the difference between "loan" and "debt."

ANSWER:
A loan is a *monetary contribution* (money going into the separate campaign account) that is expected to be repaid in the future (Form 31-C). A debt is *items or services* provided to the campaign for which payment is expected in the future (Form 31-N).

QUESTION:
After my previous unsuccessful campaign several years ago, I forgave $2,000 in personal loans to my committee. This year I ran for office again and was elected. I have a balance in my campaign

account after the election. May I take the new campaign funds and reimburse myself for the previous loan?

ANSWER:
No. The Ohio Elections Commission has ruled that once a loan or debt is forgiven, it cannot be reinstated.
OEC 2001ELC-01

Disclaimers

QUESTION:
The signs I'm using in my re-election this year list the name and address of my former treasurer in the disclaimer. Is there any way I can use these signs?

ANSWER:
A proper disclaimer is no longer required to include the treasurer's name and address. That said, a disclaimer must have current information when the communication, publication, or other item is posted or distributed. If the disclaimer includes outdated information the committee must cover the incorrect information or update the information by placing a label with the current disclaimer information.

Ballot Issue Committees

QUESTION:
Some friends and I want to campaign for a school levy. Do we have to report that information?

ANSWER:
Maybe. If the group will accept and pool resources (contributions) to expressly advocate support for the levy, it will have to register as a ballot issue committee. See Chapter 8, Ballot Issue Committees, for more information and reporting requirements.

QUESTION:
My local school board has a levy on the ballot in the coming election and the board is using the school building for fund-raising events and sending notes home with my children. Is this legal and where can I go to complain about such activities?

ANSWER:
This question deals with the appropriate use of public property and tax monies related to an election. This issue is not addressed in Ohio's campaign finance or election laws. You may contact

the law director, prosecutor, or auditor in the jurisdiction involved to see if this is permitted activity.

Examination Letters & Campaign Finance Violations

QUESTION:

I received a letter from the Secretary of State's Office asking for more information relative to a report I filed last year. What should I do?

ANSWER:

Don't ignore it! The letter you received is part of the Secretary of State's Office or your board of elections duty to examine campaign finance reports for compliance with the law. The information being sought is necessary to complete the report or otherwise complete the examination of the report. State law requires your response within 21 days of receipt of the letter. Call the examiner whose name, telephone number, and email address appear for any help you may need in understanding the content of the letter, the examination process, or disclosure compliance.

QUESTION:

What if I believe that someone has violated a campaign finance law?

ANSWER:

Any individual who has personal knowledge of a violation may file a complaint directly with the Ohio Elections Commission. See Chapter 14, Ohio Elections Commission, and the commission's website for more information on how to file a complaint.