

CAMPAIGN FINANCE OVERVIEW STATE CANDIDATES

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**Wisconsin Government
Accountability Board**

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I. REGISTRATION REQUIREMENTS

Who is Required to Register

Under Wisconsin campaign finance law, a candidate for election to public office must register with the appropriate filing officer. A candidate for state office:

Governor,
Lieutenant Governor,
Attorney General,
Secretary of State,
State Treasurer,
State Superintendent of Public Instruction,
Justice of the Supreme Court,
Court of Appeals Judge,
Circuit Court Judge,
State Senator,
Representative to the Assembly,
District Attorney;

must register with the Wisconsin Government Accountability Board in Madison as soon as the individual decides to become a candidate. Candidates for any local elective office in a county, city, town, village, or school district, must register with the clerk of the county, city, town, village, or school district as soon as the individual decides to become a candidate.

A candidate must file a campaign registration statement (GAB-1) at the point he/she forms the intent to become a candidate and before circulating nomination papers, receiving contributions or spending money on the campaign. Registration statements are filed using the Wisconsin Government Accountability Board website (<http://cfis.wi.gov/>). The minimum amount of money needed to open an account can be deposited at a financial institution and a post office box can be rented before registration. These receipts and expenses must be reported on the first campaign finance report.

After filing the registration statement, a candidate may begin receiving and disbursing campaign funds. The campaign's financial activities must be reported to the Government Accountability Board on campaign finance reports (GAB-2S), *unless the committee has claimed an exemption from filing finance reports*. These reports will disclose the candidate's campaign receipts, expenditures, incurred obligations and loans.

Completing a Registration Statement

Registration statements are now completed electronically via the Internet using the Campaign Finance Information System (CFIS). The website address is <http://cfis.wi.gov>. Seven items of information are required on a campaign registration statement (GAB-1). When any of this information changes, an amendment to the registration statement must be filed with the Government Accountability Board within **ten days** of the change. This amendment is also filed online and a paper copy does not need to be sent to the Government Accountability Board.

Item 1. Candidate and Candidate Committee Information

This section must be completed by all candidates and candidate committees. It contains the information identifying the candidate and committee, party affiliation (*if any*), office sought (including branch and district number), and date of the election.

There are two types of candidate campaign committees: personal campaign committee and support committee. A personal campaign committee is organized by the candidate to promote the candidate's declared candidacy for a specific office. A support committee is one organized on behalf of the possible candidacy of a person, with that person's consent. A candidate with a personal campaign committee cannot authorize a support committee. A person who authorizes a support committee must adopt the support committee as his or her personal campaign committee when the person becomes a candidate. ***Note: You must register as a personal campaign committee to appear on the ballot.***

Item 2. Political Committee Information (Non Candidates Only)

This section must be completed by political committees other than candidate committees. Candidate committees do not complete this section.

Item 3. Campaign Treasurer

The treasurer for the candidate or political committee must be listed in Item 3. The candidate can serve as the campaign treasurer. It is important that the treasurer's name, complete address, e-mail address, and telephone numbers be provided on the registration statement and be kept current. **All notices and forms for campaign finance reports will be sent to this person at the address given in this section.** Failure to keep this information current may result in the committee being penalized for failure to file necessary reports.

Item 4. Principal Officers of the Committee and Other Custodians of Books and Accounts

If the committee has officers besides the treasurer, they should be listed in Item 4.

Item 5. Depository Information

All registrants must have a single campaign depository account in which all contributions are deposited and from which all disbursements are made. Candidates claiming exemption from filing finance reports may use a personal checking account, i.e., they may commingle campaign money with personal funds. A separate account must be opened if the candidate (committee) exceeds the exemption limits. All account information must be provided on the GAB-1 whether the account is a personal or separate campaign account. If the registrant maintains additional accounts for investment purposes, including savings account, certificates of deposit, money market, or a safe deposit box, they should be listed on a separate sheet of paper and attached to the registration statement. Candidates running for more than one elected office are only allowed one primary campaign depository account. All contributions and all disbursements for all offices must be run through the one account.

To open the campaign account, it may be necessary to complete a request for Employer Identification Number (EIN) using form SS4. This form should be available from your financial institution or from an IRS office or website <http://www.irs.gov/charities/political/index.html>.

Item 6. Certification

The candidate and committee treasurer must sign and send to the Government Accountability Board the original registration statement of a personal campaign committee or a support committee certifying that the information is true, correct, and complete, and that the committee is the only committee authorized to act on the candidate's behalf.

Item 7. Exemption From Filing Campaign Finance Reports

Registrants who are eligible for an exemption from filing campaign finance reports should complete this section. The exemption requirements are explained in Section II of this manual.

Amending a Registration Statement

When any of the information reported on the registration statement changes, the statement must be amended by filing a new GAB-1. The GAB-1 must be amended and submitted to the GAB within 10 days of the change. Candidates updating their registration using the Campaign Finance Information System do not need to send a paper copy of the amended GAB-1 to the Government Accountability Board. Candidates that do not amend their registration in CFIS are required to send the amended paper copy to the Government Accountability Board and check the "yes" box at the top of the form to indicate that it is an amendment.

Penalty For Not Filing a Registration Statement

Failure to file the original registration statement by the deadline for filing nomination papers prevents a candidate's name from appearing on the ballot. If a required statement or amendment is not filed on time, the registrant may be subject to a fine.

II. EXEMPTION FROM FILING CAMPAIGN FINANCE REPORTS

Eligibility

Candidates may be eligible for an exemption from filing campaign finance reports if campaign finance activity is low enough to meet **all** of the following criteria:

1. The candidate anticipates that his or her campaign will not accept contributions, make disbursements, or incur loans and other obligations in an aggregate amount exceeding \$1,000 in a calendar year; **AND**
2. The candidate anticipates that her or his campaign will not accept any contribution or cumulative contributions from a single source (other than the candidate) exceeding \$100 in a calendar year; **AND**
3. The candidate or treasurer must sign and date the request for exemption on the campaign registration statement.

Candidates on exemption may receive up to \$1,000 in a calendar year, and may spend up to \$1,000 in the same calendar year. The candidate's contributions do count toward the total receipts of \$1,000 or less in a calendar year. The \$100 limit on contributions from a single source does not apply to contributions from a candidate's personal funds for his or her own campaign.

Financial Records During Exemption

When a candidate is exempt, s/he is not required to file any campaign finance reports (GAB-2). However, the candidate or treasurer is required to keep financial records adequate to meet the requirements of campaign finance law. Records must be kept of all contributions to the candidate's committee and of all expenditures.

A candidate who is exempt from filing campaign finance reports may use a personal account as the campaign depository. Account information must be provided on the GAB-1. A separate campaign depository account is not required for candidates claiming exemption.

Revoking Exemption

If a decision is made at a later date to exceed the \$1,000 limit on contributions or disbursements, or to raise more than \$100 from a single source during a calendar year, the candidate must amend her or his campaign registration statement immediately, by checking the box: *"This registrant is no longer eligible to claim exemption."*

The candidate is then required to file campaign finance reports beginning with the next regular report. The first report must cover all financial activity from January 1 of the current year, through the cutoff date of the required report. The candidate may also need to list all committee contributions received in the current campaign period to monitor aggregate committee limits.

III. MAJOR PROVISIONS OF CAMPAIGN FINANCE LAW

Contribution Limits

The contribution limits established by state statute determine the maximum amount of contributions (cash, loans, and in-kind contributions combined) that an individual or committee can give or receive over a campaign period. These limits depend on the office sought by the candidate and the identity of the contributor. A candidate or committee may not accept contributions that exceed the applicable limit.

Definition of Campaign for Calculating Contribution Limits

For purposes of calculating contribution limits, a candidate's campaign **begins** on the date a new candidate is required to file a registration statement, i.e., the date she or he decides to become a candidate. The campaign begins for a continuing candidate on either July 1 (candidates participating in the April election) or January 1 (candidates participating in the November election). The campaign period includes both the primary and general election. The usual campaign period for an Assembly candidate is two years (January 1 odd-numbered year through December 31 of the even-numbered year).

In the case of a candidate at the September primary or November general election, the campaign **ends** on either December 31 following the election. In the case of a candidate at the spring primary or election, the campaign ends on June 30 following the election. The campaign of a candidate at a special primary or election ends on the last day of the month following the month in which the primary or election is held. *Example: Special Election on April 20 – campaign ends on May 31.*

A candidate with debt from a previous election may have more than one open campaign period. A candidate for a future election, that has debt from a past election, may start raising money for the future election prior to receiving sufficient funds to retire the debt. If a candidate has multiple campaign periods open and has carried contributions from one campaign back to offset debt from a prior campaign period, they must clearly identify which contributions are being used to retire past debt and also retire that amount of debt. Contributions used for retiring debt, are subject to the contribution limits of the campaign in which the debt was incurred.

Individual Contribution Limits

The individual contribution limits for candidates for statewide office vary. Candidates for state senate may not receive more than \$1,000 from a single individual over the campaign period. Candidates for representative to the assembly may not receive more than \$500 from a single individual over the campaign period. In addition to the limits for a specific office, **an individual may not contribute more than \$10,000 in a calendar year to any combination of Wisconsin candidates or political committees.**

Committee Contribution Limits

The committee contribution limits for candidates for statewide office vary. Candidates for state senator may not receive more than \$1,000 from a single political committee unless the committee is a political party or a legislative campaign committee. Candidates for representative to the assembly may not receive more than \$500 from a single committee unless the committee is a political party or a legislative campaign committee.

Cumulative Committee Contribution Limits

There are two different cumulative committee contribution limits. One applies to all political committees excluding political party committees. The second applies to all political committees including political party committees. These are commonly referred to as the 45% and 65% limits because they are found by calculating 45% or 65% of the statutory spending limits for a particular office. Section 11.31 Wis. Stats., lists the spending limits for elective office. These spending limits are only for calculating aggregate committee contribution limits, unless the candidate files an application for a grant from the Wisconsin Election Campaign Fund (WECF).

The limit on the cumulative amount of contributions that can be received from all political committees excluding political party committees or legislative campaign committees is calculated by taking 45% of the total spending limit for the candidate's office. Contributions from other candidate's personal campaign committees, political action committees, and grants from the Wisconsin Election Campaign Fund (WECF) count against this contribution limit.

The limit on the cumulative amount of contributions that a candidate may receive from all committees including political party committees is calculated by taking 65% of the total

spending limit. Contributions from all political committees, including political party committees and legislative campaign committees, and grants from the Wisconsin Election Campaign Fund (WECF) count against this contribution limit.

Exclusions from Contribution Limits

Contributions used to pay legal fees and other expenses incurred in connection with a recount or petitions to recall an officer are not subject to contribution limits. In order to qualify for this exclusion, recall expenses must occur before the recall primary or election is ordered, or in contesting or defending the order. Contributions used to pay recount or recall expenses must be reported on the regular campaign finance reports. Both the contributor and the candidate should indicate which contributions are being used for this purpose.

In-Kind Contributions

An in-kind contribution is any good, service or property offered to the candidate's campaign free of charge or at less than the usual cost, or payment of a registrant's obligations for such goods, services or property. For example, if a campaign worker purchases stamps that are used for a mailing and is not reimbursed for the cost of the stamps, the value of the stamps is an in-kind contribution to the candidate's campaign from that campaign worker. When an individual is paid to work on behalf of a candidate by a political committee or some other individual, the payment for those services is an in-kind contribution to the candidate's campaign. If a political committee or individual offers to provide food and beverages for a fundraiser at less than the ordinary market price, the difference between the ordinary market price and the cost to the campaign is an in-kind contribution from the political committee or individual.

The candidate or campaign treasurer must agree to accept an in-kind contribution before it is given. Before making an in-kind contribution to a candidate, the contributor is required to notify an authorized person from the candidate's campaign and obtain either oral or written consent to the contribution. If the contributor does not know the actual value of the contribution, a good faith and reasonable estimate of the fair market value should be provided. (For more information see G.A.B.1.20 Wis. Administrative Code).

An in-kind contribution received by the campaign committee is reported by the committee as both a receipt and expenditure. This procedure allows the campaign to disclose the receipt of the contribution on its campaign finance report along with cash contributions received and track year to date and campaign period totals. Then, in order to keep the committee's cash balance accurate, the amount of the in-kind is reported as an expenditure. The two entries offset each other and do not affect the cash balance.

If an estimate of the value of an in-kind contribution is the only value available at the time the candidate is required to file a report, the committee must report the estimated value of the contribution. When the actual value of the estimated in-kind contribution is known, the actual amount is reported as a contribution and an expenditure on the campaign finance report.

In-kind contributions are subject to the same itemization thresholds and the same contribution limits as cash contributions. Cash contributions and in-kind contributions from a single contributor are added together for the purposes of determining compliance with contribution limits and the year-to-date amount for a specific contributor. When a political communication is

provided as an in-kind contribution, the disclaimer must identify the committee receiving the contribution.

Prohibited Contributions

Certain contributions are prohibited by Wisconsin law. A candidate's campaign may not accept the following types of contributions:

1. Anonymous contributions of more than \$10;
2. Contributions in cash of more than \$50;
3. Contributions given in the name of someone other than the contributor (these are laundered contributions);
4. Contributions from cooperatives or corporations;
5. Contributions in excess of the limits set by law.

A candidate should not accept contributions over \$25 from organizations that have not registered. If the candidate's campaign is notified that a contribution was received from an unregistered organization, the candidate must return the contribution, and not accept any additional contributions from that organization unless the organization registers with the appropriate filing officer. To determine if a committee is registered, you can search by the committee's name by clicking on the "View Registrants" link on the home page of the Campaign Finance Information System (CFIS) and entering the committee's name in the Candidate/Committee Name field.

Registered lobbyists are prohibited from making campaign contributions to state candidates for partisan state office except between June 1 and the day of the general election in the year of the candidate's election. Contributions cannot be given during this period if the legislature is in session. For further information on lobbyist contributions, visit the lobbying portion of the Government Accountability Board's website (<http://gab.wi.gov>) or contact a G.A.B. Ethics and Accountability Division staff member.

Returned Contributions

Any contribution you return to the donor after depositing it in the campaign account must be reported as a disbursement from the campaign as a returned contribution to the contributor. Any contribution returned to the donor uncashed within 15 days of receipt has not been accepted and does not get reported.

Contributions Transferred through Conduits

A conduit is any individual, committee or group that receives contributions from individuals, deposits those contributions in a financial institution, and then transfers the contributions to a candidate or political committee selected by the original contributor. The conduit may not exercise any discretion over the amount or ultimate recipient of the contributions. A conduit is required to register with the Wisconsin Government Accountability Board.

When a conduit transfers contributions, it writes a single check for the total amount of all individual contributions designated for that committee. It is required to provide a transmittal letter with the check. This letter must identify the organization as a conduit, and list the

individual contributors, the amount of each individual's contribution, and the date the individual authorized their contribution (see G.A.B. 1.855 Wis Admin Code).

Contributions transferred through conduits are reported as contributions received from the individuals listed in the transmittal letter. These contributions are reported under the individual's name in. They are subject to itemization on the same basis as other individual contributions.

Loan Guarantees

When a campaign committee borrows money from a financial institution and the loan is guaranteed by individuals, the amount of the guarantee must be considered a contribution from the guarantor until the loan is repaid. If more than one person guarantees a loan, the amount of a loan is assigned to the guarantors in equal shares in the proportion that the guarantors bear to the total amount guaranteed, unless a different share is specified in the loan instrument. When a payment is made to the lending institution which reduces the unpaid balance of the loan, the amount of the guarantee assigned to each guarantor is reduced in equal shares in the proportion that the number of guarantors bears to the amount repaid, unless a different share is specified in the loan instrument. The outstanding amount of a guarantee and the total contributions to the campaign by a guarantor may not exceed the individual contribution limit for the guarantor.

A bank loan to a candidate, the proceeds of which the candidate loans to the committee, is a personal contribution (loan) from the candidate. This type of loan is reported as a contribution from the candidate to the committee.

Joint Fundraisers

Any candidate, political party committee, or legislative campaign committee may solicit contributions for and conduct a joint fundraising effort or program in coordination with one or more named candidates. The candidate(s) or committee(s) conducting the joint fundraiser must prepare a written escrow agreement signed by the candidate(s) or committee(s). The agreement shall specify the percentage of the proceeds to be distributed to each candidate and/or committee by the joint fundraising effort or program.

All solicitations or communications related to joint fundraising efforts or programs shall include information identifying the candidates and/or committees participating and the percentage of the proceeds to be distributed to each. No disclaimer is required on these communications if the communication contains the information described above.

All contributions received and disbursements made by the joint fundraiser shall be received and disbursed through a separate depository account. The separate depository account shall be identified in the escrow agreement.

The committee(s) conducting the joint fundraising effort or program are required to register by filing a Supplemental Schedule of Joint Fund Raising Effort or Program (GAB-2JF). The joint fundraiser must prepare a campaign finance report (GAB-2) covering contributions received and disbursements made in connection with the joint fundraiser. A copy of this report must be provided to each committee that receives any of the proceeds no later than 15 days after the proceeds are transferred to the candidate or campaign treasurer.

Candidates are required to include a copy of this report and the escrow agreement with their campaign finance report for the period in which the contributions are received and the disbursements are made. In addition, candidates are required to itemize in the appropriate schedules of the campaign finance report the percentage of the proceeds and disbursements applicable to the candidate. These amounts are added to the totals reported in each schedule.

IV. ATTRIBUTION STATEMENTS ON POLITICAL LITERATURE (DISCLAIMERS)

Disclaimers

Every communication which is paid for by political funds must contain a disclaimer or attribution statement identifying the source of the funds paying for the communication. This includes every printed advertisement, billboard, handbill, sample ballot, television or radio advertisement or other communication paid for by political funds. Also, it includes items such as T-shirts, bumper stickers and yard signs. The disclaimer must use the words "Paid for by" (abbreviations shall not be used for this language) followed by the name of the committee or group making the payment or assuming responsibility for the communication and the name of the treasurer or other authorized agent of the committee. When the communication is being paid for through an in-kind contribution, it must bear the disclaimer of the recipient campaign committee. Abbreviations may not be used for the name of a candidate or campaign committee.

No disclaimer is required on 1) personal correspondence not reproduced by machine for distribution, 2) a single personal item which is not reproduced or manufactured by machine or other equipment, 3) nomination papers even if the papers contain biographical information, 4) pins, buttons, pens, balloons, nail files and similar small items on which a disclaimer cannot be conveniently printed, or 5) envelopes which have campaign committee identification printed on them. Disclaimers must be included on each separate page of a political communication, including letterhead and enclosures.

Formats for Disclaimers

When a communication is paid for by a candidate without a committee, or paid for by an individual, the disclaimer should read:

"Paid for by Mary Smith."

When the communication is paid for by the campaign committee of a candidate or by a political committee, the disclaimer should read:

"Paid for by Friends of Mary Smith for Mayor, James Jones, Treasurer."

"Paid for by the Committee for Votes, John Jones, Treasurer."

When the communication is provided as an **in-kind** contribution to the campaign committee of a candidate, the disclaimer should read:

"Paid for by Friends of Mary Smith for Mayor, James Jones, Treasurer."

or

"Paid for by John Doe as an in-kind contribution to Friends of Mary Smith for Mayor, James Jones, Treasurer."

V. CAMPAIGN FINANCE REPORTS (GAB-2S)

Campaign finance reports must be filed by all registrants that are not exempt from filing reports. Committees must continue to file periodic reports until termination of their registration. These reports must be filed with the Government Accountability Board when due. Reports must be filed to the state in the Campaign Finance Information System on or before the due date to be considered timely filed. A paper copy of the report should be mailed to the **Government Accountability Board, P.O. Box 7984, Madison, WI 53707-7984**. Reports must be postmarked on or before the filing due date in order to be considered filed timely.

Types of Reports

Candidates must file a pre-primary and a pre-election report due 8 days before the primary or general election. Candidates for local office whose names do not appear on the primary ballot are not required to file a pre-primary report. However, candidates for state nonpartisan office whose names do not appear on a primary ballot are required to file a pre-primary report. Candidates that lose in the primary or general election must continue to file reports until they are eligible for, and request, termination of their committee. Candidates must also file continuing reports in January and July of each year until they terminate their registration.

The Government Accountability Board will send a notice of the filing requirements and filing instructions to both the candidate and treasurer before each filing deadline. The notice of filing requirement identifies the type of report to be filed and the period of time covered by the report. Failure to receive a notice does not excuse the committee from filing the report on time. E-mail notices and reminders to file are also sent to all candidates that provide an e-mail address when they register their campaign with the Government Accountability Board. *Every candidate is strongly encouraged to provide an e-mail address when registering.*

Information Required

The information listed on the campaign finance report discloses the financial activity of the candidate's campaign. The law requires disclosure of income, disbursements, and incurred obligations. In addition, disclosure is required for loan guarantees and for estimated in-kind contributions. Committee treasurers must exercise diligence in acquiring and furnishing the contributor information required on the receipts schedules. Under current state law, treasurers and candidates are required to make a "good faith effort" to obtain all information required on the reports. For all contributors giving over \$20, you must disclose the individual's name and address. If the individual's year-to-date total exceeds \$100, you must also provide the occupation, name and address of the principal place of employment.

24 Hour Reporting - (Special Report of Late Contribution)

Candidates for state offices must report contributions of \$500 or more **received** in the 14-day period before the primary or election within 24 hours of receipt. A special report of late contribution (GAB-3) must be filed (1) for any contribution of \$500 or more, or (2) for contributions from a single source totaling \$500 or more **received** after the closing date of the

pre-primary or pre-election report and before the primary or election is held. Contributions of \$500 or more from the candidate to his or her own campaign are included in this reporting requirement. The report must be filed within 24 hours of **receiving** the contributions. Also, the contribution must be reported on the next full campaign finance report.

Electronic Filing

All committees with receipts of \$20,000 or more during a campaign period are required to file an electronic and paper copy of their report. A biennium is a 2-year period running from January 1 of an odd-numbered year through December 31 of the next even-numbered year. If a committee has filed a report electronically in the past, it must continue to file all subsequent reports electronically. *Every committee is urged to file electronically.*

Committees not filing electronically may print a copy of the Campaign Finance Report GAB-2S or GAB-2Sa from the CFIS Website (<http://cfis.wi.gov> [forms]), or contact our office to request a copy be mailed to you.

How to Complete GAB -2S Campaign Finance Reports

There are four ways to file a campaign finance report:

- On paper using the GAB-2S form,
- Using the online screens in the Campaign Finance Information System (“CFIS”),
- Using the CFIS upload templates, or
- Using a new GAB-2 Excel workbook with schedules that may be found on the Government Accountability Board’s website at <http://cfis.wi.gov>. Please click on the “Forms” link under Campaign Finance Information. This template resembles the older EB-2 excel workbook that many committees used in the past, but it differs in some detail.

If you choose to use this new Excel spreadsheet, you should e-mail your completed document to Board staff at gabcfis@wi.gov and we will upload the information contained in the spreadsheet into CFIS for you.

Every committee must use one of the specified, approved forms. A committee that chooses to use the new Excel template with schedule detail must use the template approved by the Government Accountability Board, not an older version. **If your template does not match any fields listed in this document, you are using the wrong template.** Please contact the GAB for the correct form.

For detailed instructions on how to complete and file the campaign finance report, the following “How To” manuals should be referenced:

Paper filers:

Refer to the “How to File a Paper GAB-2S” filing handbook.

Electronic Filers using Data Entry Screens:

Refer to the “How to File a GAB-2S using the CFIS Data Entry Screens” filing handbook.

Electronic Filers using Upload in CFIS:

Refer to the “How to File a GAB-2S using the Upload feature in CFIS” filing handbook.

Electronic Filers using GAB-2 Excel:

Refer to the “How to File a GAB-2S using the GAB-2 Excel Workbook” filing handbook.

Reporting Receipts

In preparing to report receipts on a campaign finance report, please remember the following:

1. Receipts of \$20 or less, including contributions from individuals and other income, such as interest and refunds, are reported as unitemized receipts. However, the candidate’s own records must record and be able to show all campaign receipts.
2. A single contribution or cumulative contributions from the same person totaling more than \$20 must be itemized.
3. A single contribution or cumulative contributions from the same person exceeding \$100 is an itemized contribution requiring not only the contributor’s name and address, but also the contributor’s occupation and the name and address of his or her principal place of employment.
4. Contributions from individuals received through a conduit are reported as receipts. They are treated in the same manner as other individual contributions.
5. Each individual contributor’s name, address, date and amount of contribution must be entered separately for each transaction.
6. A contribution given from a joint checking account should be reported as a contribution from the individual that signed the check. If any part of the amount on the check is intended to be contributed by the other owner of the account, that amount must be clearly indicated on the check or in some other writing which accompanies the check. *Note: If the amount is divided, each individual must be itemized separately.*
7. Receipts from raffles, auctions, garage sale, and other similar fundraising events are individual contributions and must be entered as a receipt.
8. Contributions received from a sole proprietorship or partnership are reported as individual contributions. (corporations and associations are not allowed to contribute).
9. All contributions from political committees, regardless of the amount, must be itemized and entered as a receipt from the contributing committee. The full name and address of the registrant, the date and amount of the contribution are required.
10. In-kind contributions such as political posters, lawn signs, and other items are reported at their fair market value at the time of contribution. These contributions are reported as both a receipt and an expenditure. As a receipt, they are entered as a contribution type of “in-kind”, with the appropriate information about the contributor. This offsetting entry procedure is necessary because an in-kind contribution is treated as if cash was given, and then used to buy the item contributed.
11. A loan from an individual is considered a contribution. It must be reported as a contribution and as a loan. Payments on the loan should be reported as expenditures and the cumulative amount paid in a reporting period is also reported. **THE LOAN ADDED TO OTHER CONTRIBUTIONS FROM THE SAME INDIVIDUAL CANNOT EXCEED THE APPLICABLE INDIVIDUAL CONTRIBUTION LIMIT.** Loans from political committees are considered contributions and are reported.
12. Contributions returned from other registrants, refunds, interest income and loans from commercial lenders are also reported as money received by the campaign.

Reporting Expenditures

In preparing Schedule 2 of the campaign finance report, the treasurer should remember the following:

1. All expenditures totaling \$20 or less are unitemized expenditures that can be lumped together and reported as an unitemized total.
2. An expenditure that exceeds \$20 in amount or value is an itemized expenditure requiring the name and address of the person or business to whom it was made and the date and amount of the payment.
3. The specific political purpose of an expenditure must be reported. Please remember that the purpose of campaign finance reports is to inform the public. The descriptions should provide a person, perhaps unfamiliar with the intricacies of campaigning, with information on the nature of the expenditure and how it relates to the political process. For example, if food has been purchased for a fundraiser or for a party for workers, give the purpose as “food for fundraiser” or “food for party for campaign workers.” Do not write “food” only. If T-shirts are purchased for resale by the committee, give the purpose as “campaign T-shirts for resale,” not “T-shirts” only.
4. The receipt of an in-kind contribution is also reported as an in-kind expenditure and either itemized or unitemized, depending on the amount.
5. Expenditures from a petty cash fund must be supported by receipts. They are reported as payments to the vendors and are itemized or unitemized expenditures depending on the amount.
6. Payments made on loans and incurred obligations are reported as expenditures. The cumulative amount paid to each creditor is reported.
7. All financial institution service charges should be listed as itemized or unitemized expenditures depending on the amount.
8. The giver of an in-kind contribution itemizes the contribution, regardless of the amount. The itemization must include the name and address of the registrant on whose behalf the disbursement (in-kind contribution) is made, the name and address of the person or business to whom the payment is made, the date and amount of the disbursement.
9. Contributions to other political registrants should be reported and must be itemized regardless of the amount transferred. The itemization must list the name and address of the registrant receiving the contribution, the date and amount of the contribution.
10. All expenditures other than from the petty cash fund must be made by check.
11. A letter should be sent to the GAB within 5 days of donating money to a charitable organization, the Common School Fund, Wisconsin Election Campaign Fund, or any other government entity. The letter should include the date of the donation, the name of the organization, and shall provide an explanation to the GAB of why the funds were not retained by the committee. See 11.65 *Wis. Stats.*

Reporting Incurred Obligations

1. Incurred obligations are to be reported when an enforceable agreement has been reached. If the exact amount of the obligation has not yet been defined then the amount of the obligation must be estimated. Although the committee may not have received a bill, the amount recorded should be a good faith estimate of the amount owed.
2. Each obligation must be carried forward on subsequent reports until the obligation has been reduced to zero.

Reporting Loans

It is important to remember the following information concerning the recording and reporting of loans:

1. A loan from an individual or a political committee is reported as a contribution (personal loan).
2. A loan from a financial institution is reported as other income and as a loan.
3. Each payment on a loan must be reported as an expenditure. The cumulative amount of the payments made on a loan is also reported.

VI. TERMINATION OF REGISTRATION AND REPORTING REQUIREMENTS

A candidate may terminate its registration if it meets the following requirements:

1. Determines that all financial activity will stop, and that she or he will no longer receive contributions, make disbursements, or incur obligations; and
2. Files a termination campaign finance report showing that all incurred obligations have been paid or satisfied, and that the cash balance has been reduced to zero; and,
3. Completes a request for termination in Schedule 4 (Termination Request).

A candidate that is exempt from filing campaign finance reports need not file a termination report.

A candidate may not terminate his or her registration before a primary or election in which he or she is a candidate. If a candidate loses a primary, he or she may terminate before the election.

Disposal of Residual Funds

A candidate may dispose of remaining funds when terminating by:

1. Returning money to contributors in amounts that are not more than the contributor's original contribution (note: the candidate or treasurer may choose which contributors to refund. You *are not required* to prorate and return a portion to all contributors); or
2. Donating money to any tax-exempt charitable organization, the Common School Fund, Wisconsin Election Campaign Fund, or any other government entity; or
3. Transferring money to another registrant within the permitted contribution limit; or
4. Using any combination of the above.

Prior to making these disbursements, make sure the committee does not have any pending fees or settlement offers.