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Certified Public Accountants and Consultants
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Campaign Auditor's Campaign Election Training

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Administrative Notes

- ▶ **The purpose of this presentation is to help candidates avoid common mistakes made during election campaign finance reporting.**

- ▶ **Contact information for the election auditor:**
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Why is there a Campaign Auditor and What Does the Campaign Auditor Do?

It should be noted that the Campaign Auditor is independent of the City's Administration and the City Clerk's Office. As such, the Campaign Auditor's work or conclusions are not influenced by City Administration or the City Clerk's office.

The Campaign Election Auditor (Campaign Auditor) works independently of the City Clerk's office to audit campaign finance reports filed by candidates and committees per Article XIII, Section 4 of the Election Code. The Campaign Election Auditor works in conjunction with the City Clerk's office to keep candidates and committees informed on the rules and regulations regarding campaign finance filings; when a filing has been made in error; assist candidate and committees in correcting errors; and keeping candidates, committees, and the City Clerk's office up-to-date on approaching contribution thresholds.

Why is there a Campaign Auditor and What Does the Campaign Auditor Do?

- **The Campaign Auditor reviews the filings made by candidates for compliance with the rules and regulations. The goal is compliance.**
- **What happens if there is Noncompliance? The candidate may receive an email from the Election auditor asking them to fix a reporting issue or to upload missing data. The candidate may also receive a letter from the City Clerk's Office with the details of the noncompliance and a timeline to correct the issue. It is the candidate's responsibility to cure the noncompliance within the timeline provided in the letter.**
- **The key is communication. Promptly respond to the Campaign Auditor when an email or letter is received, and correct the identified issues quickly. Inform the Campaign Auditor when the issues are corrected.**

Why is there a Campaign Auditor and What Does the Campaign Auditor Do?

- **The Campaign Auditor may be emailed or called to discuss any correspondence the candidate receives regarding the election filings.**
- **If the candidate does not comply with the corrections requested in the email or letter, the Campaign Auditor may forward the matter to the Board of Ethics Campaign Practices.**

Common Errors and How to Avoid Them

Failure to File on Time

The Election Code provides a reporting schedule. You must comply with this schedule. The schedule can be found in Article XIII, Section 4, Subsection (c) of the Election Code.

The Election calendar may be found at the following link:

<https://www.cabq.gov/vote/candidate-information/candidate-calendar-for-the-2023-regular-local-election>

Common Errors and How to Avoid Them

Contributions from Individuals who are not Residents of Albuquerque – Publically Financed Candidates Only

Example: A Candidate's reports disclosed contributions from individuals who were not residents of Albuquerque.

Resolution: The candidate was asked to provide proof that the contributors were residents of Albuquerque or return the contributions.

The Open and Ethical Elections Code, Section 3(R)(1) defines a Person as a City resident (a Person means any individual, cooperative association, club, corporation, company, firm, partnership, joint venture syndicate, profit or nonprofit organization, or any other entity).

Common Errors and How to Avoid Them

Contributions from Individuals who list their Address as a P.O. Box

The Candidate Guide states “Any documents requiring the address of a contributor shall be deemed to be incomplete if the contributor’s residential street address is not provided.” Contributions from contributors with addresses that are P.O. boxes will need to be returned.

Common Errors and How to Avoid Them

Contributions in Excess of \$250 for Publicly Financed Candidates

The Open and Ethical Elections Code states “[a] contribution in support of an Applicant Candidate of not more than \$250.00 per Person, except the Applicant Candidate who can contribute up to \$2,500.” Article XVI, §§ 3(V), 6(A). This means that a candidate may not receive more than \$250 in total from each contributor. The Campaign Auditor audits campaign contributions to determine if the aggregate amount of contributions exceed the limits set forth in the Open and Ethical Elections Code.

Common Errors and How to Avoid Them

Contributions in Excess of Limits for **Privately Financed Candidates**

Article XIII, Section 4(e) limits the total contributions from any one person (with the exception of the candidate himself or herself) to 5 percent of the salary for such office at the time of filing the declaration of candidacy. The limits are as follows:

Office	Amount
Council District 2	\$1,683.00
Council District 4	\$1,683.00
Council District 6	\$1,683.00
Council District 8	\$1,683.00

Common Errors and How to Avoid Them

Descriptions of Expenditures

The Campaign Auditor needs to be able to tell what the campaigns are paying for. Sometimes the descriptions of expenditures are not sufficient to help the Campaign Auditor understand the nature of the expenditure. Descriptions need to be specific. Examples of a sufficient description follows: campaign management; bank fees; campaign software; web page; office supplies; robocalls. To avoid any issues, please be specific in your expenditure descriptions.

Common Errors and How to Avoid Them

Multiple Bank Accounts

Article XIII, Election Code, Section 4(b)1 states “Each candidate or the candidate’s treasurer and each Measure Finance Committee shall establish one and only one campaign bank checking account for each election.”

Candidates who use a credit union may be required by the credit union to open both a checking and savings account. The candidate may do this, but the savings account may not be used for transactions or to hold balances other than the amount necessary to open the account.

Common Errors and How to Avoid Them

Failure to Report In-Kind Contributions and Expenses (see “In-kind Reporting and Limits” section below)

You must report the fair value of in-kind contributions and expenses. In prior elections several candidates were not familiar with in-kind contributions and did not report them. Other candidates did not report them timely. Please see the in-kind section below for more on reporting requirements and limits.

Common Errors and How to Avoid Them

Campaign Materials

Under the Election Code, Article XIII, Section 5, “Each candidate and each chairperson of each Measure Finance Committee shall ensure that an image of all broadly distributed campaign material used in the campaign is filed with the City Clerk's Office on or prior to the day the financial report disclosing the expenditure for said campaign material is due.”

- **Video (provide a link to the video)**
- **Artwork (upload an image to the campaign finance website)**
- **Radio (provide a link to the radio spot)**
- **Television (provide a link to the television spot)**
- **Door hangers (upload to the campaign finance website)**
- **Yard signs (upload an image to the campaign finance website)**

Common Errors and How to Avoid Them

Campaign Materials (Continued)

- **Street signs (upload an image to the campaign finance website)**
- **T-shirts (upload a picture to the campaign finance website)**
- **Buttons (upload a picture to the campaign finance website)**
- **Web page postings (provide a link to the website)**
- **Social media ads and content (upload a picture to the campaign finance website)**
- **Digital ad production (upload a picture to the campaign finance website)**
- **Photos (upload a picture to the campaign finance website)**
- **Scripts for robo-calls or phone call services (upload a script to the campaign finance website)**

Other Issues

Computer Literacy

Candidates or the candidate's designees must be computer literate. All reporting is done online at the campaign finance website. Therefore, you must be able to navigate the Internet, the campaign website, and understand the basics of uploading documents and images.

If the candidate is not computer literate, then they must find an individual who is that can ensure compliance for technology related issues. The Campaign Auditor will not accept excuses such as: we could not get our internet to work; we could not get the campaign finance website to work; our printer will not work; our bank has not given us the data; etc. . . The candidate or candidate's designee are responsible for on time filing no matter the circumstances.

Other Issues

Candidate's Designees

The Candidate is responsible for the acts and interactions of their designees. As a result, the candidate is responsible for their Treasurer's actions. If the Treasurer is not getting the work done, the candidate will be held responsible. It is the candidate's campaign.

Other Issues

File Early

We encourage you to not wait until the deadline to file the campaign finance reports. Waiting until the last minute to report means you do not have time to recover from computer problems, internet problems, or other reporting issues.

Permissible v. Non-permissible Expenses

You should be familiar with Part 4 of the City Clerk Rules. Please contact the Campaign Auditor if you are questioning the validity or allowability of an expenditure.

In-kind Reporting and Limits

You should be familiar with Part 3 of the City Clerk Rules.

Please see Article XIII, Section 2 of the Election Code for the complete definition of “in-kind contributions,” but in sum “in-kind contributions” are goods and services, other than money, donated or provided to a campaign at no cost or at a discount of 20% or more from the fair market value. In-kind contributions must be reported when the goods or services are received by the candidate, campaign, or MFC, or no later than 30 days following the receipt of the in-kind contributions.

Common problems related to in-kind contributions encountered by the Campaign Auditor are:

- Unreported in-kind contributions. These are usually found by tips from other candidates or tips by voters.**

In-kind Reporting and Limits

- **Receipt of in-kind contributions over the limit. The individual in-kind contribution limit for publicly financed candidates is \$2,500. Aggregate limits are based on the specific office sought by the candidate and are posted online at the City's election information website.**
- **In some instances, candidates did not report their in-kind contributions when they were received or within 30 days of receipt.**

Thank you for watching this presentation.

Please remember that the goal is compliance.

The Campaign Auditor is here to help with that goal.