



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CAMPAIGN & POLITICAL FINANCE

ONE ASHBURTON PLACE, ROOM 411
BOSTON, MASSACHUSETTS 02108

MICHAEL J. SULLIVAN
DIRECTOR

TEL: (617) 979-8300
(800) 462-OCPF
FAX: (617) 727-6549

M-90-05
Issued: April 1990
Revised: June 22, 2018

MEMORANDUM

TO: Interested Persons
FROM: Michael J. Sullivan, Director *MJS 6/22/18*
SUBJECT: Instructions for Candidates and Committees on the Use of Depository Bank Accounts

Candidates for statewide office, Governor's Council, county offices, and certain municipal offices, as well as political action committees and people's committees, are required by Section 19 of M.G.L. c.55 to designate a bank or other authorized financial institution ("depository bank") as a depository for campaign funds.¹ These candidates and committees are often referred to as "depository committees."

This memorandum describes in general terms the establishment of a depository bank account, the use of a depository checking account, the procedure for filing a deposit report, and the use of checks and debit cards for campaign expenditures. Candidates and committees should consult the OCPF publication *Campaign Finance Guide: "Depository" Candidates & Committees* or contact this office for further information on the campaign finance law and the depository system.

Establishing a Depository Account

The following is a summary of the forms that must be filed with OCPF by the candidate or committee when establishing a depository account.

CPF 101 (Statement of Organization): This form lists the names and addresses of the committee treasurer and chairman. For candidate committees, the form lists the candidate on whose behalf the committee is organized. When the CPF 101 form is filed (CPF 101 PC for PACs), the candidate or committee will receive a CPF identification number and password for e-filing purposes.

¹ The statewide offices are governor, lieutenant governor, secretary of state, attorney general, treasurer/receiver general and auditor; the county offices are district attorney, clerk of court, register of probate, register of deeds, county commissioner, county treasurer and sheriff. The municipal offices include mayor, city councilor and alderman in the cities of Boston, Brockton, Cambridge, Fall River, Framingham, Lawrence, Lowell, Lynn, New Bedford, Newton, Quincy, Somerville, Springfield and Worcester. The treasurers of political action committees (other than independent expenditure PACs), people's committees and each of the political committees of the state political parties are also required to designate a depository.



CPF D102 (Initial Campaign Finance Report): For a new candidate or committee, the initial report is filed to disclose any activity occurring prior to opening the depository bank account and authorizing the bank to disclose activity to OCPF. For existing candidates or committees that are transferring into the depository system, this report discloses all activity that has occurred since the ending date of the latest periodic report filed by the candidate or committee.

The ending date of the initial report (CPF D102) is the day the depository account is established.

The initial report should be e-filed using the identification number and password provided by OCPF.

CPF D103 (Appointment of Depository Bank): This form must be completed by candidates and committees who open a checking account with a depository bank. The depository bank must sign the form and indicate the date such account was opened. PACs and people's committees **must** file a CPF D103 form.

Candidate Note: A depository bank account must be opened even if a candidate intends to spend only his or her own money on the campaign.

CPF D104 (Statement of Candidate Not Raising or Expending Campaign Funds): If a candidate does not have a committee and does not intend to accept contributions, use their own money, make expenditures or incur liabilities, the candidate is not required to open an account with the depository bank but must complete Form CPF D104. **PACs and people's committees cannot file Form CPF D104.**

The forms above can be filed with OCPF by fax or e-mail, other than the CPF D102, which should be e-filed.

Making Deposits of Receipts

All monies received by a candidate or committee, including a candidate's personal funds, must be deposited in the depository bank account. **Please note that all deposits must be made by the end of the seventh day following receipt.** It is strongly recommended that the deposit report be electronically filed with OCPF on the same day the deposit is made or shortly afterward. All receipts, including contributions, refunds and loans, are listed on the deposit report. The candidate or committee creates the deposit report using OCPF's Web-based campaign finance reporting system, available on the agency website, www.ocpf.us.

Note: A deposit report should be filed for each deposit made. For example, if a committee deposits five checks on Monday and 10 checks on Tuesday, two separate deposit reports should be filed with OCPF – one for the Monday deposit and one for the Tuesday deposit.

The deposit report must contain the following information for each receipt: 1) the date of deposit, 2) the form of tender, i.e. cash, check, etc.; 3) the name of each contributor who made a contribution of more than \$50 (or which together with all other contributions from such contributor in the same calendar year add up to more than \$50); 4) the contributor's residential address; 5) the amount of the contribution; and 6) the occupation and employer for each contributor who made a contribution of \$200 or more (or which together with all other contributions from such contributor in the same calendar year add up to \$200 or more).

After being electronically filed with OCPF by a candidate or committee, each deposit report is grouped with the data filed by depository banks at the end of each reporting period.

Issuing Checks for Expenditures

Any payment for campaign finance purposes made by or for the benefit of a depository candidate or committee in excess of \$100 **must** be made by a check or debit card drawn on the depository bank account.² **The candidate may not be named as a payee of a check for more than \$100.** No person who is authorized to make expenditures may sign a committee check payable to himself or herself.

The campaign finance law requires a candidate/committee to provide certain information on expenditure checks drawn on their depository checking account (this is a standard check that is personalized with the name of the candidate or committee and an OCPF identification number, as applicable). The memo line of the check is used by the candidate or committee issuing the check to indicate the **specific purpose** of the expenditure. Example: "newspaper advertisement." This information will enable the depository bank to complete the necessary reports to be electronically filed with OCPF. The handwritten information on the check should be legible.

Debit Card Expenditures: Debit cards may be used by candidates and committees to make expenditures. The depository bank will record each expenditure using OCPF's Web-based reporting system. The same information required for checks is also required for debit card usage, except for the specific purpose information, which the bank will not have (**the candidate or committee will enter the purpose information**). The depository bank will also enter a vendor's address, if available.

Obligations of the Depository Bank

When candidate or committee checks are presented for payment, the depository bank itemizes expenditures electronically on an **expenditure report**. The expenditure report includes the specific purpose from the memo line of the check. If the general or specific purpose has been omitted, the depository bank enters an asterisk (*). **It is the responsibility of the person completing the check to ensure that this information is entered legibly on each check.**

The depository bank is also responsible for summarizing the receipt and expenditure information for each depository account. The depository bank's reports must be submitted by the 5th and 20th of each month. The report due by the 20th of the month is for the period from the 1st to the 15th of the month. The next report due by the 5th of the following month is for the period from the 16th through the last day of the month. The reports must be transmitted to OCPF no later than midnight of the 5th day of the month or the 20th day of the month, whichever is applicable.³

Annual Reporting Obligations of the Depository Candidate/Committee

In addition, the depository candidate or committee has an annual reporting responsibility with OCPF. The filing of a CPF D102 Campaign Finance Report is required once a year on or before

² A committee may use a credit card issued in the committee's name to make expenditures. However, credit card payments must be made by a check or debit card drawn on the depository bank account.

³ The obligations of depository banks are discussed in more detail in OCPF Memorandum M-90-04.

M-90-05

Revised: June 22, 2018

Page 4

January 20th. The **CPF D102** summarizes all monetary receipts and expenditures and itemizes in-kind contributions and liabilities of the candidate or committee for the previous calendar year.

If you have questions concerning depository bank accounts and procedures, please contact OCPF at (617) 979-8300. Further information is also available at the office's website, www.ocpf.us.