



Campaign Finance Handbook

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 themselves 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 Adv. 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](#)