



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF CAMPAIGN & POLITICAL FINANCE

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M-90-05

Revised: May 15, 2020

MEMORANDUM

TO: Interested Persons
FROM: OCPF
SUBJECT: Instructions for Candidates and Committees on the Use of Depository Bank Accounts

Candidates for state and county office, mayor, and certain other municipal offices, as well as political action committees, people's committees, and state party 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 candidate and committee treasurer and chairman. 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.

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.

¹ Depository candidates and committees include state, legislative, county, and mayoral candidate committees, PACs that file reports with OCPF (other than independent expenditure PACs), state party committees, and committees organized on behalf of candidates for city council in cities with a population of 65,000 or more (currently Boston, Cambridge, Lowell, Springfield, Worcester, New Bedford, Brockton, Quincy, Lynn, Fall River, Newton, Lawrence, Somerville, and Framingham). See M.G.L. c. 55, § 19.

***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.*

Initial or Transition 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. The ending date of the initial report is the day the depository account is established.

For municipal candidates who have not been filing with OCPF that are transferring into the depository system, a transition report must be filed to disclose all activity that has occurred since the ending date of the latest periodic report filed by the candidate or committee. The transition report shall cover the period from the ending date of the last report filed on the local level through the day before the committee's depository bank begins reporting.

Initial and transition reports should be e-filed using the identification number and password provided by OCPF.

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 CPF 101 and D104 forms may be filed electronically using OCPF's online organization system, or they may be submitted in paper, by fax, or by email; the D103 must be submitted in paper, by fax, or by email. The initial or transition reports, however, must be filed electronically.

Making Bank Deposits

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 within seven days of receipt.** It is strongly recommended that the deposit report be electronically filed with OCPF within three days of the deposit. 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's 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 ten 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; 4) the amount of the contribution; 5) the contributor's residential address; and 6) the occupation and employer of 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 combined with the data filed by depository banks at the end of each reporting period to provide a complete picture of the candidate's or committee's activity in that reporting period.

Expenditures

All expenditures must be made through the campaign account. The campaign finance law also 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 after the bank files its report**). The depository bank will also enter a vendor’s address, if available.²

Obligations of the Depository Bank

When candidate or committee checks are presented for payment, the depository bank discloses the candidate’s or committee’s activity electronically on a report that itemizes expenditures, and summarizes receipt and expenditure information. The 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’s reports must be submitted by the 5th of each month.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 Year-End report (Form D102) is required once a year on or before January 20th. The year-end report 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 ocpf@cpf.state.ma.us or (617) 979-8300. Further information is also available at the office’s website, www.ocpf.us.

² A committee may use a credit or debit card issued in the committee’s name to make expenditures. Credit card payments, however, 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.