

# OCPF Reports



## From the Director Mike Sullivan

OCPF's focus is on the state election.

We are assisting legislative candidates and treasurers, reviewing deposit and bank reports for statewide and county candidates, and managing the state's public finance program.

PACs and parties are also gearing up, and we have been in touch with state ballot question committees, which will be filing 2018 disclosure reports by Sept. 7.

Please watch the front page of our [website](#) for election information.

### Public Financing

Three candidates for governor have decided to participate in the state's program for the public financing of campaigns — Democrats Jay Gonzalez and Robert Massie, and Republican Scott Lively.

These candidates can receive matching funds for the first \$250 that an individual contributed to the campaign, and they will have access to about \$1.2 million, to be divided evenly between the primary and general elections.

Because gubernatorial candidates are funded first, there will likely be no public funds available for other statewide offices. You can read more about it on page six.

*Continued on the Next Page*

## 370 House & Senate candidates in races for 200 seats

Statewide, county and Governor's Council candidates are also participating in the 2018 state election

There are 370 House and Senate candidates in 2018 who will file three campaign finance reports to disclose their 2018 financial activity.

Additionally, 131 on ballot statewide, county and Governor's Council candidates are in the depository system, which requires a bank to file twice-monthly reports on behalf of the committee.

"We want to help all 501 candidates with their campaign finance disclosure responsibilities," said Michael Sullivan, OCPF's director. "Between now and election day, we urge campaigns to call or e-mail when they

need assistance."

### LEGISLATIVE

The 370 [legislative candidates](#) this year is an increase from 337 in 2016. The highest number of legislative candidates recorded by OCPF is 507 in 1990, with a low of 311 in 2008.

Of the 370 candidates, 296 are running for state representative to fill 160 seats, and 74 Senate candidates are vying for 40 seats.

During the last three state election years, House and Senate candidates reported spending about \$12 million each year.

### STATEWIDE

There are 20 statewide candidates, including four for governor.

[Click here](#) for OCPF's statewide tracking tool.

### COUNTY/GOV.'S COUNCIL

There are 111 county and Governor's Council candidates, for such offices as clerk of courts, commissioner, district attorney, register of deeds, and register of probate.

All candidates and committees can be found on the OCPF website, [here](#).

## HOUSE AND SENATE FILING SCHEDULE

**PRE-PRIMARY**  
DUE AUG. 27, COVERING JAN. 1 to AUG. 17

**PRE-ELECTION**  
DUE OCT. 29, COVERING AUG. 18 to  
OCT. 19

**YEAR-END**  
DUE JAN. 22, 2019, COVERING OCT. 20 to  
DEC. 31

## Continued: From the Director

### Legislative Write-In Candidates

This year is unusual in that there are three legislative seats that opened up unexpectedly — due to a resignation, a death and an incumbent not finalizing the nomination signature process.

OCPF has reached out to local election officials to determine who is running for those seats as write-in candidates. Why? Because our office needs to notify candidates who are seeking nomination or election so they can file their campaign finance reports.

### Road Show

In the past few months we've visited Waltham, Framingham, Northampton, Woburn, Marshfield, Lakeville, Auburn and Andover to talk to candidates and committees about the campaign finance law.

If you were unable to attend a seminar, please watch our educational videos by [clicking here](#).

We also hold a seminar each Wednesday at 2 p.m. in the OCPF conference room at One Ashburton Place in Boston.

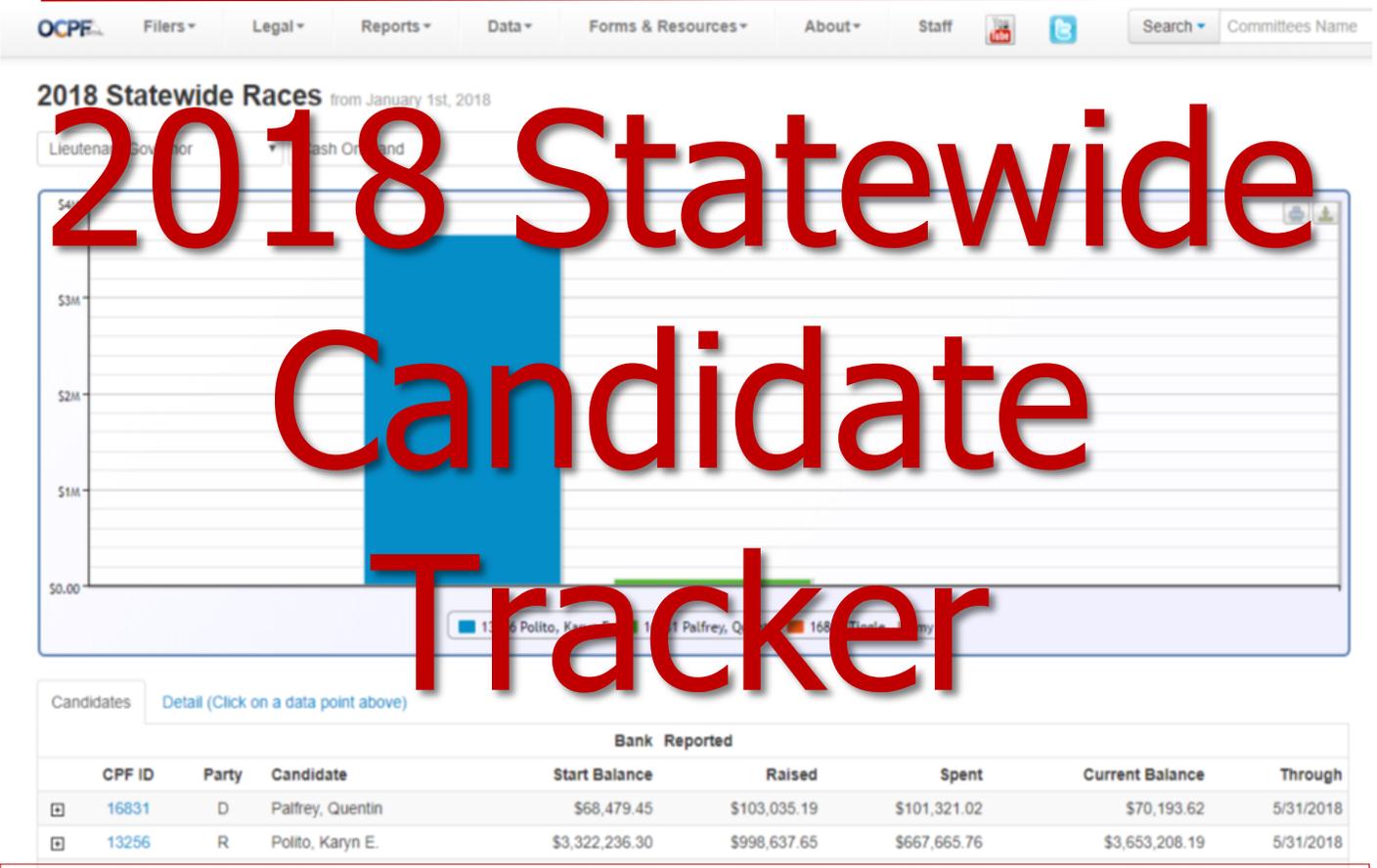
This summer, as your committees are raising and spending money, we encourage you to reach out to our office with questions or concerns.

For state election updates, follow our Twitter account [@OCPFreports](#).

Have a great summer.

Mike

Are you a new municipal election official? [Click here for our guide.](#)



**OCPF's candidate tracker displays receipts, expenditures and current balances for all statewide candidates. The tracker will be updated twice monthly until election day, Nov. 6. Please click the image above to use the tracker.**

# Recent Cases & Rulings



*OCPF audits all campaign finance reports and reviews all complaints alleging violations of the campaign finance law. These audits and reviews may result in enforcement actions or rulings (below). The identity of any complainant is kept confidential. Disposition agreements are matters of public record once cases are concluded.*

*OCPF does not comment on any matter under review, nor does the office confirm or deny that it has received a specific complaint. The identity of any complainant is kept confidential. Public resolution letters and disposition agreements are matters of public record once cases are concluded.*

## Disposition Agreements

*A disposition agreement is a voluntary written agreement entered into between the subject of a review and OCPF, in which the subject agrees to take certain specific actions.*

### ***Former Senator Jarrett Barrios resolves disclosure and recordkeeping issues with OCPF***

The political committee for former Sen. Jarrett Barrios has made a \$19,500 payment to the state’s general fund to resolve campaign finance issues concerning disclosure and recordkeeping, according to a disposition agreement between Barrios and OCPF.

Barrios represented the Middlesex, Suffolk and Essex Senate District when he lived in Cambridge. He left office in 2007 but maintained a campaign finance account with OCPF.

After leaving office, the committee placed the remaining campaign balance into an investment account. Initially, the committee reported receipts of “bank interest” until 2011. After 2011, the committee did not disclose such receipts.

During a review, OCPF determined that campaign finance reports filed by the committee did not include all of the investment income, losses, fees or various expenditures made by the committee during a seven and half year period – January of 2011 through June of 2017.

The reports, as initially filed, did not disclose a total of \$91,316 in investment income and unrealized securities gains from security sales and investments. Additionally, the committee did not initially disclose a total of \$45,827 in decreases in security values, fees related to the investment account, and expenditures originating from the campaign account during the period.

In addition to the committee agreeing to pay \$19,500 to the Commonwealth to resolve these issues, the committee agreed to take the following actions:

- The committee amended its campaign finance reports to accurately disclose all receipts and expenditures that were not previously reported.
- The committee will follow an enhanced reporting schedule through Dec. 31, 2020. The enhanced reporting schedule requires the committee to periodically file paper campaign finance reports, in addition to the regular campaign finance reports that are e-filed on the standard schedule.
- The committee agreed to retain a certified public accountant to review all records and campaign finance reports due to be filed with OCPF through the 2020 year-end report.

### ***Revere City Councilor Daniel Rizzo resolves disclosure and recordkeeping issues with OCPF***

Daniel Rizzo, a Revere city councilor and former mayor, entered into a disposition agreement with the Office of Campaign and Political Finance to resolve recordkeeping and reporting issues from 2015 through 2017.

To resolve the issues, Rizzo agreed to reduce the liability that the committee owes to him personally by \$25,000.

The committee also agreed to file additional campaign finance reports with OCPF and to provide bank statements, checks and other records with each report filed through Dec. 31, 2019. The committee will continue to file with the Revere Election Commission on the regular schedule for Revere City Council candidates.

OCPF’s review of the Rizzo Committee’s reports and bank records determined that the committee did not

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# Continued: Recent Cases & Rulings

disclose \$7,325 in contributions, and reported another \$2,250 in receipts that were not deposited into the campaign account.

The committee also did not disclose \$8,407 in expenditures, and reported two expenditures that never cleared the account, one for \$9,000 and the other for \$250.

OCPF's review also noted the following issues:

- The committee received and deposited \$1,260 in checks from business entities. Candidate committees are prohibited from accepting contributions from corporations, LLCs, LLPs and partnerships.
- The committee carried forward an incorrect balance that preceded 2013, which overstated its reported ending balance by approximately \$17,850 on its 2012 year-end report. Consequently, each subsequent report filed by the committee also reflected significant incorrect starting and ending balances.
- During 2016 and 2017, the committee inadvertently posted duplicate entries for nine expenditures, totaling \$4,477.
- The committee filed an inaccurate 2015 year-end report by disclosing that it paid \$9,000 to a scholarship fund on Oct. 21, 2015, to disgorge prohibited funds it unknowingly received from employees of a waste disposal company. The payment was actually made on Jan. 25, 2016, using the candidate's personal funds.

The committee amended its campaign finance reports and made a one-time accounting adjustment of approximately \$19,000.

## Public Resolution Letters

*A public resolution letter may be issued in instances where the office found "no reason to believe" a violation occurred; where "no further action" or investigation is warranted; or where a subject "did not comply" with the law but, in OCPF's view, the case is able to be settled in an informal fashion with an educational letter or a requirement that some corrective action be taken. A public resolution letter does not necessarily imply a wrongdoing on the part of a subject and does not require agreement by a subject.*

**CPF-17-130: Robert Moulton, North Adams:** Did not comply (reporting and prohibited business contribution); 4/11/2018. The Moulton Committee did not originally disclose a liability and a payment for online advertising, and received a prohibited corporate/LLC contribution when it did not initially pay rent for office space for the candidate's mayoral campaign. To resolve these matters, the committee amended its campaign finance reports, disgorged its remaining funds to charity, and dissolved.

**CPF-18-14: Ryan Chamberland, Blackstone:** No further action (reporting); 4/13/2018. The Chamberland Committee did not initially make an expenditure for the use of a club for a campaign event, and did not disclose the receipt of in-kind contributions for food and stamps for the candidate's campaign for state representative. To resolve the matters, the committee amended its campaign finance reports and made a payment of \$175 to the club.

**CPF-18-26: Nicholas Christ, Fall River:** Did not comply (reporting); 5/7/2018. Durfee Rising, an informational and promotional project funded by the Bristol County Chamber Foundation, did not initially disclose a \$1,000 expenditure to update its website in a manner that supported a local ballot question. The group filed the disclosure form, the CPF M22, when it was contacted by OCPF.

**CPF-18-41: Dan Lenke, Cambridge:** Did not comply (reporting); 6/6/2018. The Lenke Committee did not file deposit reports for \$1,238 in contributions, and it made \$900 in expenditures that were not drawn on the committee checking account.

**CPF-18-42: Margaret Farmer, Boston:** Did not comply (reporting); 6/6/2018. The Farmer Committee did not file deposit reports for \$2,215 in contributions, and did not disclose occupation and employer information for some contributions.

**CPF-18-40: Khrystian King, Worcester:** Did not comply (reporting); 6/6/2018. The King Committee did not file deposit reports for \$525 in contributions, and did not clarify the purpose of a \$325 expenditure.



# CONTRIBUTIONS BY CREDIT CARD OR DEBIT CARD

**Many political committees collect contributions by credit or debit card via the Internet. If you do this, please follow these regulations:**

- 1. The donor must provide his or her name and residential address at the making of the contribution.**
- 2. The donor must provide his or her occupation and employer at the making of the contribution (if the contribution is \$200 or more).**
- 3. The donor must certify that he or she is using his or her own credit or debit card, and that the contribution comes from his or her personal funds.**

**CLICK [HERE](#) FOR THE GUIDE.**

# PUBLIC FINANCE

## Three candidates for governor will participate in the public finance program

Statewide candidates are *eligible* to receive matching public funds for their campaigns, in return for agreeing to abide by statutory spending limits and by raising certain amounts of “qualifying contributions.”

Gubernatorial candidates who agree to limit spending are eligible to receive funds first. Three candidates for governor have agreed to limit spending and participate in the public financing program – Democrats **Jay Gonzalez** and **Robert Massie**, and Republican **Scott Lively**. Gov. **Charles Baker**, a Republican, will not participate in the public financing program.

**Approximately \$1.2 million in public funds will be available**

*Nine of 18 party-affiliated candidates chose to participate in the state's public financing program, but because candidates for governor with primary opponents agreed to participate, no funds are available for other races in the primary election.*

To become eligible to receive public funds, candidates file reports with OCPF listing contributions received that qualify under the matching funds formula. Qualifying contributions include only the first \$250 of individual contributions received in 2017 or 2018. Candidates must also obtain a bond for the amount they receive. Matching funds are then wired to a candidate’s designated campaign account and, like all receipts, are included in the regular campaign finance reports.

**Public funds become available for the primary election after July 2.**

For more information, please [click here](#).

The campaign finance law requires local election officials to post campaign finance reports to their municipal websites, if a report has \$1,000 or more in activity.

OCPF encourages local election officials to post ALL campaign finance reports, regardless of activity.

[Click here](#) for more information.

## LOCAL ELECTION OFFICIALS: Who can file the M 102-O form?

Answer here ->



Hint: It's for local candidates who don't raise or spend money

# 2018 Gubernatorial Race

Candidates for governor have reported \$2,639,980 in receipts and \$1,545,519 in expenditures during the first five months of the 2018 state election year.

<i>Candidate</i>	<i>Receipts</i>	<i>Expenditures</i>
Charles Baker — R	\$2,097,035	\$1,092,524
Jay Gonzalez — D	\$294,476	\$210,340
Scott D. Lively — R	\$67,500	\$66,887
Robert K. Massie — D	\$180,968	\$175,767

# OCPF IT DEPARTMENT

## *What we're working on*

*(That you care about)*

Coming Soon

- 1. NEW LOOK AND FUNCTION:** The online *Reporter* system for filing campaign finance reports will soon have a new look. All of the changes are designed to make it easier for candidates and committees to complete and file their reports.
- 2. ONLINE ORGANIZATION PROCESS:** Currently, candidates and committees organize by filing paper organizational forms. When this application is launched, candidates and committees will be able to e-register.
- 3. SEARCH BAR:** The search bar will allow users to type words or names and get a list of results that match. Example: Type "public employee" into the search field and get documents with matching results.

# 111s are now filed online

An entity\* that has made contributions or expenditures to support candidates or political committees in excess of the incidental threshold (\$15,000 or 10 percent of a group's general fund, whichever is less), must file the CPF 111 form.

The 111 form is now e-filed.

More information is available by clicking [here](#).

To file the 111 form, please click the "Register to File Independent Spending Reports" link on the front page for the OCPF website, [www.ocpf.us](http://www.ocpf.us)



\*Not a political committee

## E-Filing / Reporter Sign-In

[Forgot Password?](#)

[Register to File Independent Spending Reports](#)

**Did you know that in-kind contributions from corporations, LLCs, LLPs and partnerships are prohibited? [Click here](#) for more information.**

# TOP FIVE MOST ACTIVE LOCAL PARTY COMMITTEES, BY EXPENDITURES

REPUBLICAN EXPENDITURES (2017)		DEMOCRATIC EXPENDITURES (2017)	
Marlborough REPC::	\$60,072	Worcester DEMCC:	\$31,480
Sutton REPTC:	\$39,144	Gloucester DEMCC:	\$12,487
Taunton Ward 7 REPWC:	\$4,927	Quincy DEMCC:	\$10,536
North Andover REPTC:	\$4,160	Brookline DEMTC:	\$10,140
Barnstable REPTC:	\$3,835	Longmeadow DEMTC:	\$10,042

**Local party committees in Massachusetts will file three campaign finance reports this year, if they exceed \$100 in activity in a reporting period.**

**Reports are due Aug. 27 (pre-primary), Oct. 29 (pre-election) and Jan. 22, 2019 (year-end).**

**[Click here](#) for local party committee reports. As of Dec. 31, 2017, the Brookline DEMTC had the largest balance, \$34,933, heading into the 2018 state election year. For Republicans, the Marlborough REPC had the largest balance, \$32,233.**

**The state’s campaign finance regulations were recently revised**

**[Click here](#) for a summary of changes to the regulations**

**[Click here](#) for access to the finalized version**



## **OCPF CONTACTS**

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**[Click here](#) for OCPF’s Twitter page**

# DISCLAIMERS ON ADVERTISEMENTS

The campaign finance law requires disclaimers on some independent expenditures, electioneering communications and ballot question communications (MGL Chapter 55, Sec. 18G).



Communications that require disclaimers or the listing of the top five donors include TV, radio and internet ads, as well as print ads, direct mail and billboards.

[Click here](#) for more information.



The 60 Seconds with OCPF video series provides quick answers to common campaign finance questions

## HOW TO CONTACT YOUR OCPF AUDITOR

EACH CANDIDATE ORGANIZED WITH OUR AGENCY IS ASSIGNED TO AN OCPF AUDITOR BASED ON THE FIRST LETTER OF HIS OR HER LAST NAME. PACs AND LOCAL PARTY COMMITTEES ALSO HAVE AUDITORS.

OCPF AUDITORS ASSIST CANDIDATES AND COMMITTEES WITH REPORTING, REGULATIONS AND E-FILING. THEY ALSO REVIEW THE REPORTS FILED BY CANDIDATES AND COMMITTEES.

Candidate Last Name	Auditor	E-Mail
A-D:	Alanna Kelly	akelly@cpf.state.ma.us
E-L:	Jeff Tancreti	jtancreti@cpf.state.ma.us
M:	Shane Slater	sslater@cpf.state.ma.us
N-Z:	Anne Bourque	aboutque@cpf.state.ma.us
PACs (80500 to 89998):	Caroline Paras	cparas@cpf.state.ma.us
PACs (80000 to 80499):	Michael Joyce	mjoyce@cpf.state.ma.us
Local Parties:	Sheila Cole	scole@cpf.state.ma.us
Ballot Questions:	Michael Joyce	mjoyce@cpf.state.ma.us



**\*\*HOUSE AND SENATE CANDIDATES\*\***

# Are you spending personal funds on your campaign?

*Here's how to disclose it on your campaign finance report*

**The preferred method:** If a House or Senate candidate uses his or her own funds to run for office, he or she should deposit the money into their campaign account and make expenditures using the account's checks or debit card.

However, House and Senate candidates can make direct expenditures using their personal funds. When doing so, they are required to disclose the expenditures as "out-of-pocket" expenditures.

**Step One:** Log into Reporter 6, OCPF's web-based reporting system, and click the "ADD EXPENDITURES" button.

**Step Two:** Select "OUT-OF-POCKET CANDIDATE EXPENSE (AS LOAN)."

**Step Three:** Enter the expenditure information and click "SAVE." The expenditure will be itemized and automatically listed as a liability/loan.

**Example:** A Senate candidate uses her personal debit card to buy campaign t-shirts on-line, and decides that she will make the expenditure a loan using her personal debit card. After buying the signs, she reports the expenditure as an out-of-pocket candidate expense in Reporter 6. The expenditure will be disclosed when she files her periodic campaign finance report.



### Exception

If a candidate is reimbursed for out-of-pocket expenditures before the end of the campaign reporting period, he or she should *not follow the steps above*. The campaign finance report would disclose the activity as a reimbursement to the candidate.



**\*\*CANDIDATES WHO FILE WITH CITIES OR TOWNS\*\***

# Are you spending personal funds on your campaign?

*Here's how to disclose it on your campaign finance report*



Municipal candidates\* who file locally in the non-depository system often make campaign expenditures using their personal funds. When doing so, they are required to disclose the expenditures and contributions on their campaign finance reports (CPF M102 form).

**Step One:** Report the amount spent as a contribution from the candidate to the campaign on Schedule A, even though the money was paid directly to a vendor. If you anticipate being paid back by the committee, write "loan" next to the candidate's name.

**Step Two:** Record the amount as an expenditure, listing the actual vendor in the "To Whom Paid" column on Schedule B (expenditures) with the date, purpose, address and amount. Listing the expenditure balances the account.

**Step Three:** If a candidate anticipates being paid back by the campaign, the contribution information should be listed in the liabilities section of the campaign finance report (Schedule D). Liabilities to a candidate can remain for as long as the committee is open, and may be paid back or forgiven at a future date.

**Example:** Candidate X needs to buy \$1,000 worth of lawn signs but does not have that balance in his campaign account. He uses his personal funds. He will disclose the activity by reporting a \$1,000 contribution to the campaign from himself on the receipts schedule and a \$1,000 expenditure to the lawn sign company on the expenditures schedule. If it is considered a loan to the campaign, he will also list the \$1,000 amount as a loan on the liabilities schedule.

### Exception

If a candidate is reimbursed for out-of-pocket expenditures before the end of the campaign reporting period, he or she should *not follow the steps above*. The campaign finance report would disclose the activity as a reimbursement to the candidate with a corresponding reimbursement form (CPF R1).

\*Includes all municipal candidates in cities and towns who file campaign finance reports with their municipal clerks or local election officials.

