



NORTH CAROLINA

STATE BOARD OF ELECTIONS

CAMPAIGN FINANCE



WHAT IS INCLUDED IN A DISCLOSURE REPORT?

All disclosure reports must include the Disclosure Report Cover form (CRO-1000), the Detailed Summary form (CRO 1100), and details for all contributions and expenditures occurring within the reporting period.

The Disclosure Report Cover is essential for showing the start and end dates of the transactions included, the type of report being submitted, and for providing a signature that attests to the truth of the report. A candidate/treasurer who signs a report must have completed the required training (unless the report is filed within the 90-day training grace period).

The Detailed Summary form is also required even if there has been no financial activity, in which case zeroes should be entered on the appropriate lines. However, if contributions have been received or expenditures made or debts incurred, then additional forms containing those transactions must be included with the report.

A helpful hint to remember when completing disclosure reports using the paper forms is that the Detailed Summary form (CRO-1100) serves as a forms guide as well as a summary of activity. The treasurer should refer to the transactions described on this form to determine which other forms, if any, are required to accompany the report. The required form for each transaction is noted on the same line as the transaction description.

This process is simpler for persons who use the State Board software because the software generates the appropriate form for each transaction.

Remember when first organizing the committee, it is the First Activity that sets the date or organization. First Activity is defined as receiving contributions or making expenditures, filing a notice of candidacy, or being certified as the nominee of a political party for a vacancy. (In-Kind contributions and expenditures count).

The image shows the 'Disclosure Report Cover' form. It includes fields for 'Reporting Period', 'Candidate Name', 'Committee Name', and 'Reporting Period'. There are also checkboxes for 'Type of Report' (e.g., 'Candidate', 'Treasurer') and 'Reporting Period' (e.g., 'Quarterly', 'Annual'). A 'Signatures' section is at the bottom with lines for 'Candidate' and 'Treasurer' to sign and date.

The image shows the 'Detailed Summary' form, which is a table with columns for 'Description of Transaction', 'Amount', 'Type of Transaction', and 'Required Form'. It lists various categories of contributions and expenditures, such as 'Contributions from Individuals', 'Contributions from Political Parties', and 'Expenditures for Campaigns'. Each row includes a description, a numerical amount, and a code indicating the required form.

Description of Transaction	Amount	Type of Transaction	Required Form
1. Contributions from Individuals	0.00	1	1
2. Contributions from Political Parties	0.00	2	2
3. Contributions from Other Political Candidates	0.00	3	3
4. Expenditures for Campaigns	0.00	4	4
5. Expenditures for Administration	0.00	5	5
6. Expenditures for Other	0.00	6	6
7. Total	0.00		

PENALTIES FOR FILING DISCLOSURE REPORTS LATE

Mandatory Electronic Filers (MEF) MUST file **BOTH** a *Signed Cover Page & Data File* **Timely** to not be penalized as late or missing a date file. NCGS§ 163-278.9.(i) Statements filed with Board defines what makes a committee a MEF. Data Files need to be sent to campaign.reporting@ncsbe.gov

Yes. Committees will be assessed civil penalties for reports that are not received or postmarked by the report due date. A candidate committee report that does not affect a statewide election is penalized at \$50 per day up to a maximum of \$500.

A candidate committee report that does affect a statewide election is penalized at a rate of \$250 per day up to a maximum of \$10,000. A report is considered to affect a statewide election if the committee made any contributions to or in support of a statewide candidate.

WHEN SUBMITTING PAPERWORK...REMEMBER

- i. Forms can be typewritten or completed in blue or black ink (handwritten reports must not be complete in pencil).
- ii. Forms need not be stapled together.
- iii. Reports cannot be filed prior to the end of the reporting period.
- iv. Always enter the period start date and period end date on form CRO-1000.
- v. A DATE and ORIGINAL signature are required on the Disclosure Report Cover (CRO-1000).



WHAT IS THE LAW REGARDING CONTRIBUTIONS?

Do not “pass the hat” or collect any joint contributions, however small the amount, without recording the contributor’s name and contact information.

Do not accept cash from a contributor in excess of \$50.

Do not accept a contribution, including an “in-kind” contribution, from a business, corporation, professional association, labor union or insurance company.

A person who purchases something from a candidate: has *made a contribution* to that candidate’s committee. All such contributions, however small, must be disclosed.

Volunteers raising contributions on behalf of the committee must turn those over to the treasurer within seven days of receipt so that the records are current, as required by State Law.

Do not accept blank checks. The contributor must indicate the intended recipient on the payee line of the check.

WHAT IS THE LAW REGARDING EXPENDITURES?

Candidate committees may only make expenditures as permitted by G.S. 163-278.16B. A candidate or candidate committee may use contributions only for the following purposes:

- i. Expenditures resulting from the candidate’s campaign for public office.
- ii. Expenditures resulting from holding public office.
- iii. Donations to an organization described in Section 170(c) of the Internal Revenue Code of 1986 (26 U.S.C. § 170(c)), provided that the candidate or the candidate’s spouse, children, parents, brothers, or sisters are not employed by the organization.
- iv. Contributions to a national, State, district or county committee of a political party or a caucus of the political party or affiliated party committee.
- v. Contributions to another candidate or candidate’s campaign committee.
- vi. To return all or a portion of a contribution to the contributor.
- vii. Payment of any penalties against the candidate or candidate’s campaign committee for violation of North Carolina’s Campaign Finance Laws.
- viii. Payment to the Escheat Fund established by Chapter 116B of the General Statutes.
- ix. Legal expense donation not in excess of four thousand dollars (\$5,000) per calendar year to a legal expense fund established pursuant to Article 22M of Chapter 163 of the General Statutes.
- x. If the candidate committee is required to file disclosure reports, all expenditures must be reported.
- xi. Any expenditure that is made for media purposes must be paid for by check or other verifiable form of payment.
- xii. All expenditures of more than \$50 must be made with a verifiable form of payment.
- xiii. Expenditures for non-media purposes that are less than \$50 may be reported without disclosing the payee. The report must still disclose the form of payment, date, amount, purpose, and account code for the account from which the expenditure was made.

MEDIA

WHAT IS A LEGEND?

A legend is the disclosure statement included on certain print media, TV and radio advertisements. When a disclosure legend is required, the legend must include the statement “Paid for by [Name of candidate, committee, individual or other entity]” and must indicate whether the ad was authorized or not authorized by a candidate. See G.S. §163-278.39 for complete requirements.

WHAT ADVERTISEMENTS REQUIRE THE LEGEND?

TV, radio and print media advertisements require a disclosure legend. Print media includes billboards, cards, newspapers, newspaper inserts, magazines, mass mailings, pamphlets, fliers, periodicals, and outdoor advertising facilities.

WHAT MATERIALS DO NOT REQUIRE THE LEGEND?

Buttons, bumper stickers, yard signs and campaign paraphernalia such as balloons, shopping bags, nail files, etc., imprinted with a campaign message.

Am I required to put the legend on a palm card/business card? Yes

LEGEND SIZE REQUIREMENTS

For print media, the legend must be 5% of the printed space of the ad or 12-point type, whichever is greater.

b. For television, the visual disclosure legend must be 4% of vertical picture height. Television advertisements that are paid for by a candidate or candidate campaign committee must contain an easily identifiable photograph of the candidate for at least two seconds appearing simultaneously with the visual disclosure legend.

c. For radio, the disclosure statement must last at least two seconds, provided the statement is spoken so that its contents may be easily understood.

WHAT INFORMATION MUST BE INCLUDED IN THE LEGEND STATEMENT?

Please refer to the Media section in the Campaign Finance Manual that is available on the State Board of Elections: website <https://www.ncsbe.gov/campaign-finance>