



SEGREGATED BANK ACCOUNT GUIDANCE DOCUMENT

If you want to contribute to other political committees or other candidate committees, pay debt from a previous election, or run for Speaker of the City Council, you can avoid a public funds deduction by opening and fundraising into a segregated bank account separate from your committee's regular bank account.

The segregated bank account is used only for depositing contributions designated for the account and for making the expenditures specified by [Rule 5-01\(n\)](#). When considering whether to open a segregated bank account, keep in mind the following:

- ❖ Contributions to the segregated bank account are not matched with public funds and they will not count towards threshold.
- ❖ The only expenditures you can make directly from the segregated bank account are bank fees for the account and expenditures subject to Rule 5-01(n) deductions from public funds payments. See Chapter 6 of the Handbook for more information on these expenditures.
- ❖ Other expenditures related to the segregated bank account, such as fundraising expenditures, must be paid from your current committee's regular bank account. They will count toward your spending limit but they are not qualified expenditures.



COMPLIANCE ALERT

Do not deposit contributions for the segregated bank account into the bank account being used for your regular primary/general election, and do not deposit contributions for the regular primary/general bank account into the segregated bank account. If you do this, you will lose all the advantages of the segregated account.

Be sure to contact your CSU liaison for detailed guidance before getting started if you are thinking about opening a segregated bank account.

When you open a segregated bank account, you will report it to the CFB by submitting a [Change of Bank Account Form](#) found on the CFB's website. Any remaining funds in a segregated bank account must be returned to contributors on or before December 31st of the year following the election year. If the funds cannot be returned to contributors for any reason, they must be returned via certified check payable to the "New York City Election Campaign Finance Fund".

When you solicit contributions intended for a segregated bank account, the contributor must sign a special [Contribution Card for Segregated Bank Account](#) for every contribution. This card must contain the following information:

- ❖ The committee's name at the top of the card.
- ❖ The contribution type (e.g., check, cash, money order).
- ❖ The amount of the contribution.
- ❖ The contributor's name and residential address.
- ❖ The contributor's employment information.

- ✦ The contributor affirmation statement below, exactly as written, and immediately above the line for the contributor's signature and date of contribution:

I understand that this entire contribution will be used only (i) to pay expenses or debt from a previous election; (ii) by the candidate for an election other than the election for which this contribution is made; or (iii) to support candidates other than the candidate to whose campaign this contribution is made, political party committees, or political clubs. I further understand that this contribution will not be matched with public funds. I understand that State law requires that a contribution be in my name and be from my own funds. I hereby affirm that I was not, nor, to my knowledge, was anyone else, reimbursed in any manner for this contribution; that this contribution is not being made as a loan; and that this contribution is being made from my personal funds or my personal account, which has no corporate affiliation.

The affirmation statement informs and confirms the contributor's agreement that money is being deposited into a segregated bank account and will not be matched with public funds.

You must keep documentation for all transactions associated with your campaign's segregated bank account:

- ✦ Contribution cards
- ✦ Copies of checks
- ✦ Copies of money orders
- ✦ Deposit slips
- ✦ Invoices for each expenditure made
- ✦ Copies of the front and back of all canceled committee checks
- ✦ Bank statements

Copies of contribution cards, checks, money orders, deposit slips, and statements for the segregated bank account must be submitted with each disclosure statement.

Do not forget to designate each contribution or expenditure for the segregated bank account in C-SMART with the correct bank account. When entering any transactions for the segregated account in C-SMART, be sure to also check the "Segregated" checkbox indicator on the transaction screen. For more information on entering segregated bank account activity in C-SMART, review the applicable C-SMART Help.