



## TRANSFERS GUIDANCE DOCUMENT

### Type 2b—Two committees supporting the same candidate in different elections

There are three different types of transfers. This document explains the reporting and documentation requirements for transfers between two committees supporting the same candidate in different elections (Type 2b transfer). For descriptions of the reporting and documentation requirements for the other two types of transfers—those between your campaign committee and a political party (Type 1) and those between two committees for a candidate for the same election (Type 2a)—please refer to the “[Other Transfers](#)” guidance document.

A transfer is an exchange of funds between political committees. Transfers of funds should be made by check or electronic funds transfer. The transfer of funds between two committees supporting the same candidate in different elections is a **Type 2b** transfer. Type 2b transfers made to your current committee are subject to the contribution limits and source restrictions described below. In addition, Type 2b transfers from your 2013 committee may result in a reduction in the amount of public funds for which you are eligible pursuant to [Rule 5–01\(n\)](#). The amount of the transfer-out will be deemed to consist of matchable contributions, unless you make the transfer from a segregated account set up and maintained in accordance with [Rule 5–01\(n\)\(2\)](#).

#### What can you transfer to your current committee?

You are not limited in the amount you can transfer to your committee. However, each underlying contribution included in the transfer-in is subject to the applicable contribution limits and prohibited sources restrictions.

##### *Contribution Limits*

Before transferring any funds to your current committee, verify that none of the underlying contributions being transferred exceed the current election cycle’s [contribution and doing business contribution limits](#). A transferred contribution is subject to the doing business limits if the original contribution was made on or after February 2, 2008 and the contributor was listed in the [doing business database](#) at the time the contribution was made. Be vigilant in verifying that your transferred contributions and any future contributions do not exceed the contribution and doing business limits. Also note, contributions from a single source are aggregated throughout the entire election cycle.

##### *Prohibited Sources*

You cannot transfer contributions received from corporations, partnerships (including LLPs), or LLCs. This includes partnership and LLC contributions given prior to January 1, 2008. If you are a participant, you cannot transfer contributions from political committees that have not registered with the CFB for the current election cycle, unless the political committee registers within 10 days of the transfer.

#### How do you determine what you can transfer?

1. Obtain or make a list of all the contributions received by the transferor committee. If the transferor committee submitted disclosure statements with the CFB you can download a list from the [CFB’s searchable database](#). If the transferor committee submitted disclosure statements with the [New York State Board of Elections](#) or the [Federal Election Commission](#), you can obtain the disclosure reports from their websites.
2. Identify in reverse chronological date order (“last in — first out”) which contributions were received by the transferor committee totaling the amount of the transfer.
3. Perform an attribution to exclude over-the-limit contributions, portions of over-the-limit contributions, and contributions from prohibited sources. (Your campaign will be notified within 20 days of the disclosure statement filing if any transferred contributions exceed the doing business contribution limit.) The total amount of these contributions must remain in the transferor committee’s bank account since they are **not transferable**.

4. If the transferor committee was a non-principal committee<sup>1</sup> and you anticipate joining the Campaign Finance Program or have already certified for the current election cycle, you must obtain a [Transfer Authorization Card](#) from each individual whose contributions are being transferred **before** the transfer is made (see page 3, item #4 for full details and the sample card attached). The total amount of contributions where Transfer Authorization Cards were not obtained must remain in the transferor committee's bank account since they are **not transferable**.

For assistance on how to determine what is transferable, contact your Candidate Services liaison before you transfer any money.

### What expenditures count toward your current committee's spending limit?

#### *Program participants or those who anticipate joining the Program:*

If you transfer funds from a non-principal committee to a principal committee, you must report certain costs associated with the transferred funds. As detailed below, you must report all costs incurred by the transferor committee during the current election cycle **and** all fundraising costs, regardless when they were incurred.

Costs associated with administering the transferred funds might include bank fees, office expenses, and personnel costs. Such costs incurred during the current election cycle and fundraising costs associated with raising the transferred contributions will count against the expenditure limit in effect at the time the transfer occurs (i.e., out-year, primary, or general limit).

To report the transferor committee's costs, submit copies of the transferor committee's previously filed disclosure statements with the New York State or City Boards of Elections or Federal Election Commission. Submit all statements that cover costs incurred in the current election cycle.

Calculate administration and fundraising costs by using one of the three methods outlined below:

#### Report an **estimated cost** of administering and raising the transferred contributions.

- A) Apply a 15% "flat tax" to the total amount transferred:

$$\text{Amount Transferred} \times 0.15 = \text{Estimated Cost}$$

Reporting the estimated cost by applying a 15% flat tax to the total amount transferred is the simplest method. It is a good option for campaigns that: (1) are transferring funds raised a long time ago or over a long period of time, or (2) were engaged in multiple and complicated forms of fundraising, or (3) cannot provide documentation to substantiate their administering or fundraising costs. Bank records showing the amount transferred can be submitted to substantiate the "flat tax."

OR

- B) Divide the transferor committee's total administering and fundraising costs by the total amount of funds raised and multiply this ratio by the total amount transferred:

$$\left( \frac{\text{Total Spent to Administer \& Fundraise}}{\text{Total Raised}} \right) \times \text{Amount Transferred} = \text{Estimated Cost}$$

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<sup>1</sup> A non-principal committee is a committee you used to run as a non-participant during a covered election *or* for an office not covered by the CFB, e.g., a state office.

Reporting the estimated cost by using the ratio of total administering and fundraising costs to total amount of funds raised is more precise than the “flat tax” but requires greater detail. Using this method may result in savings in some cases but it requires more work to calculate correctly. Bank records showing the amount transferred, the total amount spent to administer the transferred funds during the current election cycle, the total amount spent to fundraise, and the total amount raised by the transferor committee can be submitted to substantiate the estimated cost.

OR

Report the **actual cost** of administering the transferred contributions during the current election cycle and raising the transferred contributions:

- C) Itemize the total cost of all expenditures associated with the transferred contributions and submit documentation to substantiate the expenditures made.

Reporting the actual cost is appropriate when the transferor committee knows exactly how much it spent to administer and raise the transferred contributions and can provide documentation (e.g., invoices and receipts) — for example, when all transferred contributions were raised through a single fundraising event or solicitation.

### How will you report and document the transfer?

You must report each Type 2b transfer and associated costs and submit all required documentation with the next disclosure statement due after the transfer takes place.

You must:

1. Perform the contribution attribution discussed above (see page 1).
2. Enter the lump sum transfer amount in C-SMART as a “Committee Transfers In” (see pages 6–7).
3. Enter each underlying contribution in C-SMART in the “Committee Transfer in Attributions” screen (see pages 7–8).

*In addition to the above, if you anticipate joining the Program or have already certified and transferred funds from a non-principal committee to a principal committee you must **also**:*

4. Obtain a [Transfer Authorization Card](#) from individuals whose contributions are being transferred **before** transferring their contributions to your current committee. On the “Transfer Authorization Card,” the following affirmation statement must appear directly above the signature line and date:

*“I understand that this contribution will be used by the candidate for an election other than that for which the contribution was originally made. I further understand that the law requires that a contribution be in my name and be from my own funds. I hereby affirm that this contribution was made from my personal funds, is not being reimbursed in any manner, and is not being made as a loan.”*

(See sample transfer authorization card on page 5 and found on the CFB’s website.)

5. Report costs associated with administering the transferred contributions during the current election cycle and costs associated with raising the transferred contributions calculated as described above (see pages 2–3 and 9–10).

#### **IMPORTANT POINTS TO REMEMBER:**

- ★ Contributions cannot be transferred if they: (1) exceed the contribution limits, (2) are from prohibited sources, or (3) do not have a transfer authorization card associated with the contribution (if required)
- ★ Transferred contributions cannot exceed the contribution limits when combined with your current committee's contributions from the same contributor(s)
- ★ Any transferred contributions that are: (1) over-the-limit, (2) prohibited, or (3) *if applicable*, a Transfer Authorization Card was not obtained must be refunded with a certified bank check
- ★ Transferred contributions are not matchable with public funds

#### **WHERE TO FIND IT:**

- ▶ Transfers: Campaign Finance Act §3-702(9); §3-703(14)
- ▶ Transfers: CFB Rules 1-02; 1-07; 1-08(o); 3-03(c)(2); 4-01(b)(8)
- ▶ Public Funds Reductions: Campaign Finance Act §3-705(8) & CFB Rule 5-01(n)

## TRANSFER AUTHORIZATION CARD

**Committee Use Only**

Transaction ID: \_\_\_\_\_

\_\_\_\_\_  
(Committee Name)

I, \_\_\_\_\_, currently residing at \_\_\_\_\_  
(name of contributor) (contributor's home address)

\_\_\_\_\_, hereby allow \_\_\_\_\_  
(city/state/zip) (former committee name)

to transfer \$ \_\_\_\_\_ to \_\_\_\_\_  
(transfer amount) (current committee name)

to be used in the \_\_\_\_\_ elections.  
(election cycle)

I understand that this contribution will be used by the candidate for an election other than that for which the contribution was originally made. I further understand that the law requires that a contribution be in my name and be from my own funds. I hereby affirm that this contribution was made from my personal funds, is not being reimbursed in any manner, and is not being made as a loan.

\_\_\_\_\_  
Contributor's Signature

\_\_\_\_\_  
Date

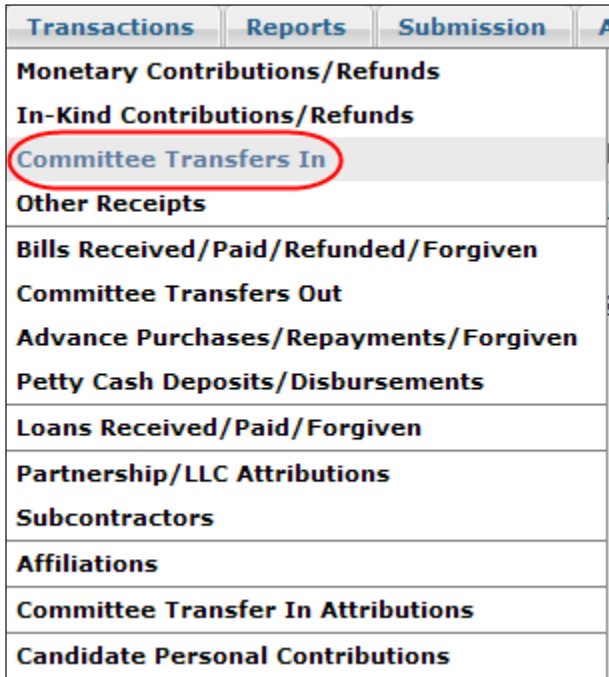
1/30/15

## STEP-BY-STEP:HOW TO ENTER TRANSFERS IN C-SMART

Entering a Type 2b transfer in C-SMAT is a two-step process (A & B). First, you will enter the lump sum amount transferred in. Second, you will enter each underlying contribution that makes up the transfer. If the transferor committee was a non-principal committee in the previous election, you must **also** enter the expenditures associated with administering and raising the transferred funds.

### A. COMMITTEE TRANSFER IN

1. Click the Transactions tab and select “Committee Transfers In.”



2. In the transaction screen, select the transferor committee’s name from “Select Committee” drop-down. If the transferor committee’s name is not in C-SMART, click “Add New Name.”
3. To add a Type 2b transfer:
  - Click “Add Transfer In”
  - Enter the date of the transfer
  - Enter the amount of the transfer
  - Enter the check number
  - Select “Type 2b” transfer
  - Click Save

Transfer In

Statement No:      Transaction ID: 489

\* Committee:

\* Transfer Date:

\* Amount:

\* Check Number:

Runoff/Rerun:  Segregated:

Type 1  Type 2

A Transfers from a party or constituted committee (subject to Campaign Finance Act contribution limits).

A Transfers from a committee solely supporting the same candidate in the same election.

B Transfers from a committee solely supporting the same candidate in another election.

Notes:

\*Required fields


## B. COMMITTEE TRANSFER IN ATTRIBUTION (CONTRIBUTIONS)

1. Click the Transactions tab and select “Committee Transfer In Attributions.”

Transactions	Reports	Submission
<b>Monetary Contributions/Refunds</b>		
<b>In-Kind Contributions/Refunds</b>		
<b>Committee Transfers In</b>		
<b>Other Receipts</b>		
<b>Bills Received/Paid/Refunded/Forgiven</b>		
<b>Committee Transfers Out</b>		
<b>Advance Purchases/Repayments/Forgiven</b>		
<b>Petty Cash Deposits/Disbursements</b>		
<b>Loans Received/Paid/Forgiven</b>		
<b>Partnership/LLC Attributions</b>		
<b>Subcontractors</b>		
<b>Affiliations</b>		
<b>Committee Transfer In Attributions</b>		
<b>Candidate Personal Contributions</b>		

- In the transaction screen, select the transferor committee's name from "Select Committee" drop-down. Then select the transfer in.

**Committee Transfer In Attributions**

Select Committee: **Transferor Committee**  

**Name:** Transferor Committee  
40 Rector Street 7FL  
New York NY 10006  
**Boro:** Manhattan Candidate Committee

Total Transferred In: \$0.00  
Total Attributed: \$0.00  
Total Unattributed: \$0.00  
Assoc. Expenditure: \$0.00

Transfer In | Individual Contributions | Associated Expenditures

Committee:  Transaction ID:   
 Transfer Date:  Amount:   
 Check Number:  Runoff\Rerun:  Segregated:   
 Notes:

	Transfer Date	Transfer Amount	Contribution Amount	Expenditure Amount	Transaction ID
<b>Select Transfer In</b>	9/10/2012	\$5,000.00	\$500.00	\$5,000.00	489

- To add a committee transfer in attribution:
  - Select the "Individual Contributions" tab
  - Click "Add Contributions"
  - Select the contributor's name from the Contributor drop-down. If the Contributor is not in C-SMART, click on the Names tab, enter the Contributor's name and address, and return to the Committee Transfer In Attributions screen
  - Enter the contribution date as the date in which the contribution was originally received by the transferor committee
  - Enter the amount of the contribution being transferred. Note: If only a portion of the contribution amount is eligible to be transferred, enter that portion as the amount
  - Click Save

Transfer In | **Individual Contributions** | Associated Expenditures

**Add Contributions**  
[Modify](#)  
[Delete](#)

Transfer Date: 9/10/2012 Amount: \$5,000.00 Statement No: Transaction ID: 490

\* Contributor: **Sellers, Patrick**

\* Contribution Date: 09/01/2009 \* Amount: 400.00

Notes:

\*Required Fields

[Records 1 of 2] << First < Prev Next > Last >>



## Associated Expenditures

Stay in the Committee Transfer In Attributions screen to report the associated expenditures associated with administering and raising the transferred funds. Select the tab for Associated Expenditures, located next to the Individual Contributions tab, and then click “Add Expenditures.”

The screenshot shows the 'Associated Expenditures' tab selected. On the left, there are three buttons: 'Add Expenditures' (circled in red), 'Modify', and 'Delete'. The main form area contains fields for 'Transfer Date', 'Amount', 'Statement No.', and 'Transaction ID'. Below these are fields for 'Vendor Name', 'Address', 'Expenditure Date', and 'Amount'. A 'Notes' field is also present. At the bottom, there is a table with the following data:

	Transfer Date	Transfer Amount	Contribution Amount	Expenditure Amount	Transaction ID
Select Transfer In	9/10/2012	\$5,000.00	\$500.00	\$0.00	489

If you are using the **estimated cost** method (flat tax or ratio):

- Select the transferor committee’s name from the Vendor Name drop-down menu
- Enter the date of the actual transfer
- Enter the amount (of 15% flat tax or the estimated cost ratio)
- Click Save

The screenshot shows the 'Associated Expenditures' form with the following fields populated: 'Transfer Date: 9/10/2012', 'Amount: \$5,000.00', 'Statement No:', and 'Transaction ID:'. The 'Vendor' field is a dropdown menu with 'Transferor Committee' selected. The '\*Expenditure Date' field is '09/10/2012' and the '\*Amount' field is '750'. There is a 'Notes' field and a '\*Required Fields' label. At the bottom right, there are 'Save' and 'Cancel' buttons.

If you are using the **actual cost** method:

- Select the vendor's name from the Vendor Name drop-down. If the vendor is not in C-SMART, click on the Names tab, enter the vendor's name and information, and return to the Committee Transfer In Attributions screen
- Enter the date the expense was originally paid
- Amount of the expenditure
- Click Save

Transfer In | Individual Contributions | **Associated Expenditures**

[Add Expenditures](#)  
[Modify](#)  
[Delete](#)

Transfer Date: 9/10/2012    Amount: \$5,000.00    Statement No:    Transaction ID: 492

\*Vendor: ABC Printing Inc.

\*Expenditure Date: 09/01/2009    \*Amount: 2,500.00

Notes:

\*Required Fields

Save    Cancel

**Continue this process until you have entered all the expenditures associated with administering and raising the transferred funds.**

If you have any questions, contact your Candidate Services liaison at 212-409-1800 or [CSUmail@nyccfb.info](mailto:CSUmail@nyccfb.info).