

# Memorandum

FPPC No. M-86-176

To : Advice File: Section 84211

Date : June 2, 1986

From : FAIR POLITICAL PRACTICES COMMISSION  
Carla Wardlow

Subject: Reporting Expenditures from a Candidate's Personal Funds

Candidates who wish to use personal funds for campaign purposes should deposit the funds into the campaign account before using them. When personal funds are deposited into the campaign account, the following methods of reporting should be used whether or not the candidate has a committee, and whether a Form 430 or a Form 490 is used:

1. Candidate contributes personal funds to his or her own campaign account: Report a contribution received on Schedule A.
2. Candidate makes a loan of personal funds to campaign account: Report as a loan received on Schedule B.

Candidates should not make direct payments to vendors with personal funds. However, when the direct payment of a vendor is unavoidable, the following methods of reporting should be used:

3. Candidate pays a vendor directly and does not intend to be reimbursed by campaign funds: Report a contribution received from the candidate on Schedule A, and report the payment made on Schedule E. If the payment is \$100 or more, provide the required information, i.e., name and address of vendor or payee, amount of payment.
4. Candidate pays a vendor directly and is reimbursed by campaign funds within the reporting period: Report as a reimbursement to the candidate on Schedule E. If the payment is \$100 or more, provide the required information, i.e., name and address of vendor or payee, amount of payment.
5. Candidate pays a vendor directly and intends to be reimbursed, but is not reimbursed within the reporting period: Report as an accrued expense owing to the candidate on Schedule F. If the payment is \$100 or more, provide the required information,

i.e., name and address of vendor or payee, description of goods or services, amount of payment.

6. Candidate makes contributions to, or expenditures on behalf of, other candidates or committees: Report the receipt as a miscellaneous increase to cash on Schedule G, and the expenditure on Schedule E and the Allocation Schedule.

IMPORTANT NOTE: Except with respect to Item 6, if the candidate makes contributions or loans to the campaign account aggregating \$1,000 or more during the late contribution period, or if the candidate makes expenditures out of personal funds aggregating \$1,000 or more during the late contribution period, or both, a late contribution report must be filed. With respect to Item 6, a late contribution report need only be filed if the candidate or committee receiving the contribution, or on whose behalf the expenditure is made, must report the contribution as a late contribution.

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Fair Political Practices Commission  
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Dear Legal Department:

A question has come up that we would like your legal opinion on:

Hypothetical situation--Say a lobbying "Firm" with 3 lobbyists, and about 50 attorneys who are not lobbyists, are registered to lobby the Department of Education on behalf of one of their clients. Subsequently, the Department of Education comes to the law firm looking for legal representation in a law suit, not related to the client we lobby for, not involving the lobbyists at all.

What are the limitations with regard to the \$10.00 limit which all attorneys with the "Firm" are bound? If the attorney involved in the law suit takes a reportable person from the Department of Education out to dinner to discuss the law suit, would he/she be limited by the \$10 rule?

Thank you for your attention to this question.

Sincerely,



Carrie R. Gallippi  
Legislative Department

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