

Elections Canada

Workbook for

Official Agents of

Federal Election

Candidates

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1 Introduction

This workbook will help candidates and their official agents comply with the requirements of the Canada Elections Act.

It is addressed primarily to the official agent, who should use it as a tool in administering the candidate's campaign. Please note that the provisions of the *Canada Elections Act* prevail over the information set out in this workbook.

Target Audience

This workbook is designed to assist official agents of federal election candidates understand their responsibilities and obligations with respect to campaign financing and financial reporting.

Campaign managers, office workers, volunteers, auditors and candidates will also benefit from this information.

Content

This guide contains the following information:

- Contact information
- Important reminders for candidates and their official agents
- Instructions on obtaining and using our Electronic Financial Returns (EFR) software
- Guidelines for campaign contributions, expenses, unpaid claims, loans and transfers
- Timeline of important dates
- Frequently used forms and manuals

Benefits

Users of this guide will have a better understanding of election financing rules and be better equipped to prepare a financial return using EFR software.

2 How to Contact Us

Internet: www.elections.ca



Telephone: Elections Canada Political Finance

Telephone Support

1-800-486-6563

Including EFR support and political finance inquiries

Regular Hours: Monday - Friday 8:00 a.m. to 5:00 p.m. EST

Elections Canada provides telephone support for extended hours during peak periods, such as the final weeks before the campaign filing deadline. Notification of extended hours is sent to all official agents in advance.

Elections Canada General Inquiries

1-800-INFO-VOTE 1-800-463-6868

Fax: Elections Canada Political Finance

Toll-free fax: 1-888-523-9333



Mail: Elections Canada

257 Slater Street

Ottawa, Ontario K1A 0M6



E-mail: info@elections.ca



3 Important Reminders for Candidates and Their Official Agents

Do's Don'ts DO appoint an official agent, who must open DO NOT allow anyone other than the a separate bank account for the sole purpose official agent, candidate or a person of the campaign before any contribution is authorized in writing by the official agent accepted, or any expense is incurred to incur electoral campaign expenses (contracted for) or paid DO NOT allow anyone other than the official agent to pay for electoral DO ensure that the official agent is involved campaign expenses (except for petty in all budgeting and financial decisions cash payments by a person authorized related to the campaign and is consulted before electoral campaign expenses are by the official agent, or the candidate's incurred personal expenses paid by the candidate) DO ensure that only the official agent, the candidate or a person authorized in writing DO NOT accept contributions from any by the official agent incurs campaign source other than an individual expenses DO NOT accept transfers from the DO ensure that all money received is turned registered party or registered electoral district association BEFORE YOU ARE over to the official agent for deposit into the campaign bank account OFFICIALLY CONFIRMED AS A CANDIDATE BY THE RETURNING DO ensure that all expenses (except for OFFICER those paid out of petty cash by a person authorized by the official agent, or the DO NOT accept monetary transfers of candidate's personal expenses paid by the trust funds from registered parties or candidate) are paid out of the campaign bank registered associations account by the official agent DO NOT issue official tax receipts for DO issue receipts for all contributions over contributions received BEFORE YOU ARE OFFICIALLY CONFIRMED AS A \$20 CANDIDATE BY THE RETURNING DO return all official tax receipts issued by OFFICER the returning officer within 1 month after election day; this applies to both unused DO NOT accept contributions from official tax receipts and the returning officer ineligible sources (e.g. foreign sources, copies of all issued official tax receipts corporations, trade unions and unregistered associations) DO ensure all claims are presented within 3 months and paid within 4 months after DO NOT accept contributions that election day exceed an individual's contribution limits DO ensure that all loan, overdraft and line of credit conditions, including repayment schedules, are submitted with the return

4 Contribution Limits

Registered party ¹			
	Applicable during the calendar year	Applicable during the calendar year	
Contributor class	January 1, 2009, to December 31, 2009	January 1, 2008, to December 31, 2008	
Individual	\$1,100	\$1,100	

Registered association, nomination contestant and candidate of a registered party*1		
Contributor class	Applicable during the calendar year	Applicable during the calendar year
	January 1, 2009, to December 31, 2009	January 1, 2008, to December 31, 2008
Individual	\$1,100	\$1,100

Leadership contestant – per contest ¹		
Contributor class	Applicable at a contest beginning during the period of	Applicable at a contest beginning during the period of
Continuator class	April 1, 2008, and March 31, 2009	April 1, 2007, and March 31, 2008
Individual	\$1,100	\$1,100

Non-affiliated ² candidate and independent ³ candidate – per election ¹			
Contributor class	Applicable at an election whose writ is issued during the period of is issued during the per		
Contributor class	April 1, 2008, and March 31, 2009	April 1, 2007, and March 31, 2008	
Individual	\$1,100	\$1,100	

^{*}Please note that the total contribution limit applies to the combined registered associations, nomination contestants and candidates of a given registered party during a calendar year.

¹Adjusted by the inflation factor

²Non-affiliated candidate: candidate for an election who is associated with an unregistered party

³Independent candidate: candidate for an election who is not affiliated with a party

5 New Candidate Reporting Requirements for Gifts or Other Advantages

What is reported: Gifts or other advantages (see definition below) to be reported by the candidate are those accepted during the candidacy period (see definition below) that exceed \$500. If a donor gave more than one gift or other advantage, all gifts or advantages from that donor must be reported if the total benefit is greater than \$500. Contributions to a candidate's electoral campaign are not gifts.

Exception: Gifts or other advantages given by relatives or made by way of an individual's will as an unconditional, non-discretionary testamentary disposition do not need to be reported. A relative is defined as "a person related to the candidate by marriage, common-law partnership, birth, adoption or affinity."

Filing deadline: The candidate must complete the *Candidate's Statement of Gifts or Other Advantages Received* (EC 20053) and send it to Elections Canada within four months of either election day or the publication of a notice of withdrawal of the election writ.

Definitions

Gift or other advantage:

- an amount of money if there is no obligation to repay it
- a service or property, or the use of property or money, that is provided without charge or at less than its commercial value

Candidacy period

For the purposes of the legal provisions on gifts or other advantages, the candidacy period is between:

- the earlier of the day on which the candidate was selected at a nomination contest, or the day on which the writ for an election was issued; and
- the latest of the three following dates a) election day b) the day on which an elected candidate became a member of the House of Commons or c) the day on which the candidate withdrew from the election

This information has been summarized for ease of reference.

Please refer to the Canada Elections Act for complete details and further clarification.

6 Obtaining EFR Software

You can prepare your campaign return using free software provided by Elections Canada.

Our EFR software can be used to prepare most financial returns, including:

- nomination contestant returns
- candidate electoral campaign returns
- registered association annual returns
- party quarterly, annual and election returns
- leadership weekly and contestant returns



EFR software is accessible by three methods:

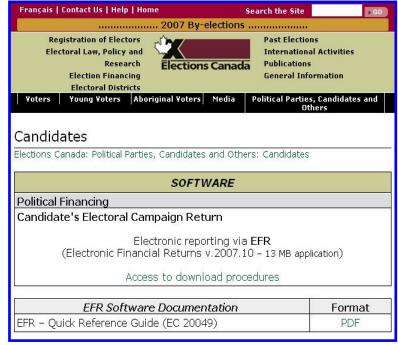
1. An EFR software CD is included in the multi-media kit that is provided to all official agents of

confirmed candidates.

 Official agents and auditors of confirmed candidates can **download** EFR software from the Elections Canada Web site.
 Send an e-mail request to

efr-rfe@elections.ca and include:

- official agent's name
- electoral district
- political affiliation
- candidate's name



Call the Elections Canada Support Network at 1-800-486-6563 to request EFR software.



7 Installing EFR Software

EFR software can be installed on most computers that run a Microsoft operating system, including Windows 98, Windows XP, Windows NT, Windows ME, Windows 2000 and Windows Vista.

If you are a **Macintosh** user, you can install EFR software if you run a virtual windows environment on your computer. We do not, however, provide technical support for Macintosh users.

To install the EFR software, follow these steps:

- 1. Locate and double-click on the **setup.exe** file.
- 2. Enter the password to complete the installation.

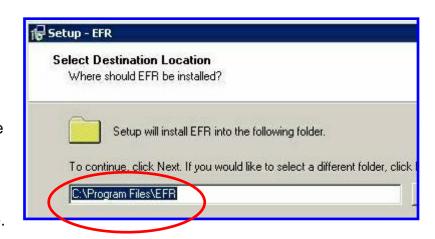


Note: The password is supplied with the software. If you do not have the installation password, please call the **Elections Canada Telephone Support Network at 1-800-486-6563**.

Choose the directory where the program should be installed; the default path is
 C:\Program Files\EFR\.

If you are not an experienced computer user, it is advisable to leave this installation path unchanged.

If you change the installation path, please make note of the directory where you installed the EFR software.



- 4. When the installation is complete, a shortcut will appear on your desktop.
- 5. To launch the EFR program, double-click this icon.



8 Updating EFR Software

Older versions of EFR **do not** accommodate political financing legislation enacted on January 1, 2007, and will not properly prepare a financial return for a 2007 (or later) event.

There are two ways to verify the version of EFR that you have installed:

 Launch the EFR program and check the top of the EFR window.



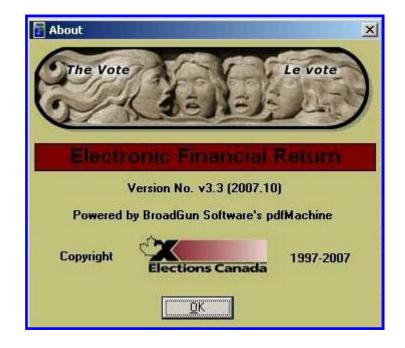
Launch the EFR program and select HELP and ABOUT from the top menu options.

To **update** your EFR software to the most current version, please contact Elections Canada:

- Send an e-mail request to efrrfe@elections.ca and include:
 - o official agent's name
 - electoral district
 - o political affiliation (if any)
 - candidate's name

or

By telephone at 1-800-486-6563



It is always advisable to perform a backup before upgrading to a new version of EFR. See the Backup section for details on how to perform a data backup.

Note: When upgrading to the new version of EFR software, your existing database of EFR returns will be saved. That is, you **won't lose** your existing EFR returns when upgrading.

9 EFR Support and Assistance

EFR users can obtain assistance in three ways:

Support Option	Location
EFR Quick Reference Guide (EC 20049)	1) Election Financing Documents CD in the Multi-media Kit
	2) Elections Canada Web site -> Candidates -> Software -> EFR - Quick Reference Guide
	3) EFR – Select HELP, Help Topics There is a link to download the guide.
Candidate's Electoral Campaign Return Specimen (EC 20120-A)	1) Election Financing Documents CD in the Multi-media Kit
	2) Elections Canada Web site ->Candidates ->Forms ->Optional Forms
Telephone	Elections Canada Support Network Toll-free 1-800-486-6563

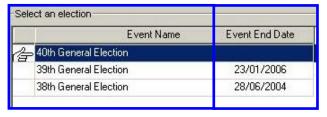
10 Getting Started with EFR – Starting a New Campaign Return

The EFR program *Wizard* will lead you through the step-by-step process of entering an election date and setting up a campaign return. The Set-up Wizard guides you through the following five steps:

1) Select the type of return

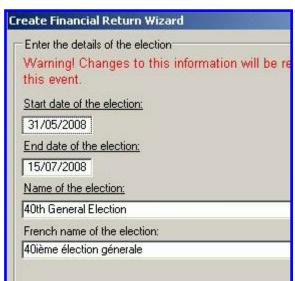


2) Select the event

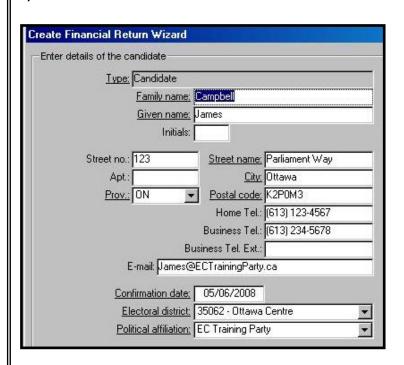


3) Enter the election period

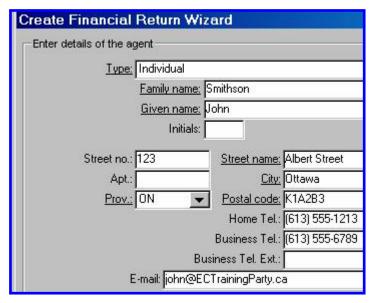
Start date = Writ date End date = Polling date



4) Enter the candidate's information



5) Enter the official agent's information



Final Step: Click **Finish** to complete the return set-up.

11 Inflows - General Information

EFR categorizes monetary inflows into four types as follows:

EFR Tab	Examples of Transactions
0 1 11 11	Monetary contributions from all contributors – including contributions that are
Contributions	returned
Transfers In	A monetary transfer from a nomination contestant, party or registered association
	Refunds from suppliers
	Bank interest
Cash Inflows	Expense reimbursement from Elections Canada
	Expense recovery portion of ticketed fundraiser revenue
	Reimbursement of security deposit/rent deposit
	Monetary loans
Loans/Overdrafts	Overdraft borrowing facilities – to be reported at maximum amount drawn

Your campaign return must disclose all inflows and outflows and every inflow and outflow must be processed through your campaign bank account. Non-monetary inflows – the receipt of goods or services – are entered as discount expenses (see Section 13.17).

Common mistakes:

Common mistakes:			
"Mr. & Mrs."	All personal contributions must be in one name only.		
	Do not enter multiple names or titles in the first name field.		
"LLP"	Contributions cannot be accepted from a partnership (LLP or otherwise).		
	Each partner may contribute up to his or her personal limit and each contribution is		
	recorded in the individual partner's name, using his or her home address.		
"Pre-confirmation"	Contributions received before a candidate's nomination is confirmed by a returning		
	officer are not eligible for an official tax receipt.		
	These contributors should receive non-tax receipts .		
"Sole Proprietor"	Contributions from sole proprietors should be recorded in the individual's name (not		
	in the business name) using the donor's home address.		

12 Third-party Payment Processing (Credit Card, Paypal, Etc.)

If you receive contributions that are processed by a third party, please note the following information.

Credit card contributions

Contributions made by credit card must be receipted by the entity that receives the credit card payment. That is, if the credit card charge is processed by the registered party or registered association, the contribution receipt must be issued by the recipient (registered party or registered association). For more detailed information, please see Information Sheet 10, *Making Contributions Using Resources Given to One for That Purpose – Application (and Limited Exceptions) to the Rule*, available on the Elections Canada Web site.

Contributions made through Paypal or a similar service

If contributions are received through Paypal, or a similar service, the receipts must be issued by the entity that receives the bank deposit. That is, if the campaign accepts contributions through Paypal and the net contribution (after Paypal fees) is deposited to the campaign bank account, then the contribution receipt should be issued by the campaign.

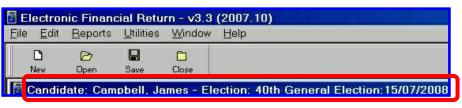
If contributions are received by the registered party or registered association, the receipts must be issued by the receiving entity – the registered party or registered association.

Note: In general, if you receive a net settlement (contribution amount less a processing fee), you should issue a contribution receipt for the full contribution amount and report the processing fee as an expense. That is, if you receive a single \$500 contribution through Paypal and the net deposit to your campaign bank account (from Paypal) is \$490, you should report and receipt the contribution as \$500 and record an expense of \$10.

13 EFR Software

13.1 EFR Tips - Shortcuts and Navigation

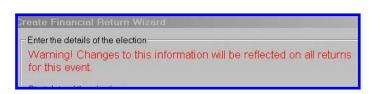
You can see the return Name, Type and Event Date in the top of the inside window.



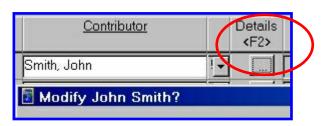
<u>Underlined Fields</u>: EFR denotes mandatory fields by underlining them.



RED messages: Important messages are displayed in large RED text.



F2 and: The **F2** function button and the details button enable modification or updating of the selected entity (contributor, supplier, etc.).



Preview: The preview button is located at the bottom of each screen and allows you to preview the current page of the return you are working on. You must save the return before previewing.

Save: You can save your current return by clicking the Save button at the bottom of each screen, by selecting <CTRL + S> or through the main menu, FILE, SAVE.

Tabs: EFR denotes the active tab with BLACK text and the inactive tabs with WHITE text.



To navigate to a different tab, click on the tab. Remember to SAVE your work before changing tabs.

Sorting: Most fields can be sorted in ascending order by clicking on the

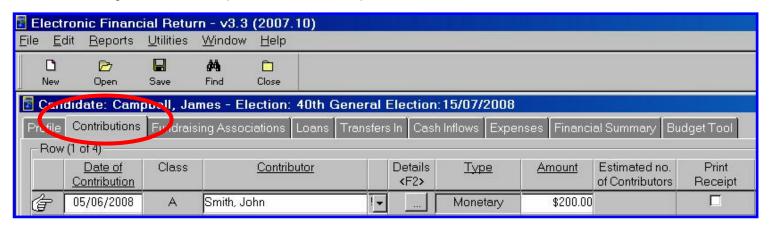


column header. Clicking a header twice will sort in descending order.

13.2 Inflows – Individual Contributor

Monetary contributions are entered in the CONTRIBUTIONS tab – see below.

Non-monetary contributions (donations "in kind") are entered in the EXPENSES tab.



Example: You receive a \$200 contribution from a new contributor

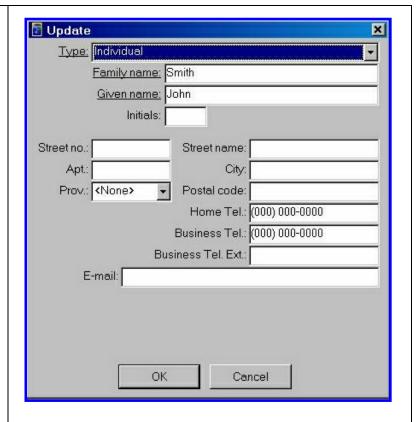
John Smith \$200 June 05, 2008

≤ \$200 vs. > \$200

Since this contributor has not given more than \$200, EFR does not **require** the full address to be entered. If this contributor subsequently makes another contribution, you will have to enter the contributor's full address.

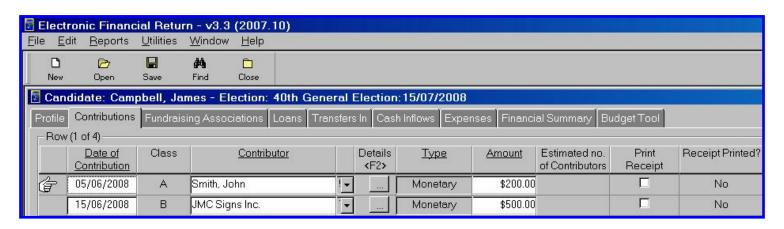
To add the contribution:

- a. Select Add
- b. Enter the contribution date and amount
- c. Select the details button [...] or **F2** to enter a new contributor or click any letter key or the spacebar to search for an existing contributor
- d. For new contributors, enter the contributor name and address
- e. Select <u>Save</u>



Note: EFR automatically validates contribution limits. Be sure not to enter a contributor twice – always search for the name before entering a new contributor. If the same contributor is entered twice and the entry of the contributor name and address is not identical, the validation process will fail.

13.3 Inflows - Corporate Contributor and Returned Contribution



Example: You deposit a \$500 contribution cheque from a local business

JMC Signs Inc. \$500 June15, 2008

≤\$200 vs. > \$200

Note: Since this contributor has given more than \$200, EFR **requires** the full address to be entered.

As of January 1, 2007, corporate contributions cannot be accepted. This contribution will have to be returned.

To record a returned contribution, first enter the contribution transaction normally.

Next, from the contributions tab, choose the contribution to be returned and select "Add Returned Contributions"

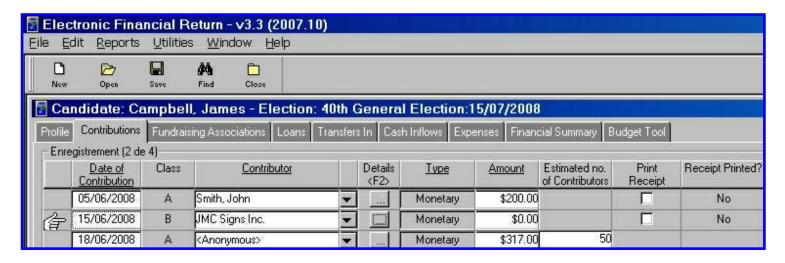
Add Returned Contributions from the options at the bottom of the screen.



Enter the return date, amount and to whom the contribution was returned (the original contributor or the Chief Electoral Officer). If the contribution is returned to the CEO, the cheque should be payable to *The Receiver General for Canada*.



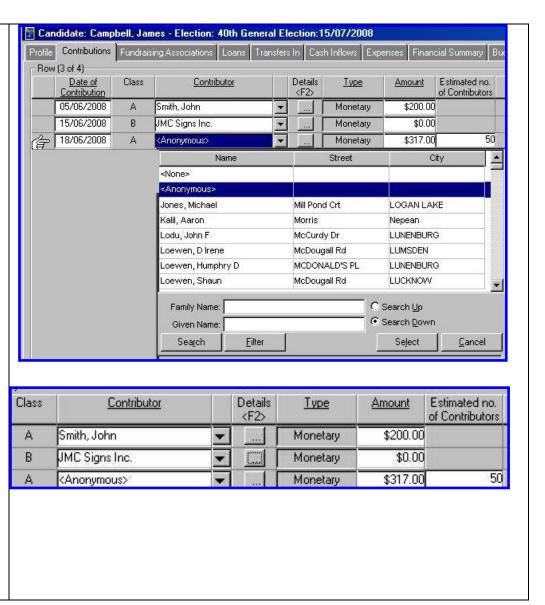
13.4 Inflows – Anonymous Contributor



Example: At a campaign rally on **June 18**, the campaign collected **\$317** in anonymous ("pass the hat") contributions.

There were approximately **50** people at the event, for an average contribution of **\$6.34** per person.

Add a new contribution. Select "Anonymous" from the contributor list and enter a \$317 contribution amount and 50 estimated contributors.



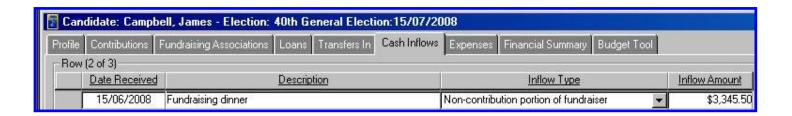
13.5 Inflows - Fundraiser Revenue

The campaign hosted a fundraising dinner on June 15, 2008, at the Smalltown Meeting Lodge. The ticket price was \$200 per plate and 50 individuals attended the event. The commercial value of the benefit (dinner and entertainment) received by each attendee was \$66.91. In the case of a ticketed fundraiser, the amount of the monetary contribution received is the difference between the price of the ticket and the commercial value of what the ticket entitles the bearer to obtain. The Smalltown Meeting Lodge invoiced the campaign a total of \$4,000 for services provided. There are three transactions to be entered for this fundraiser: the contribution portion of the ticket sales, the non-contribution portion of the ticket sales and the expense.



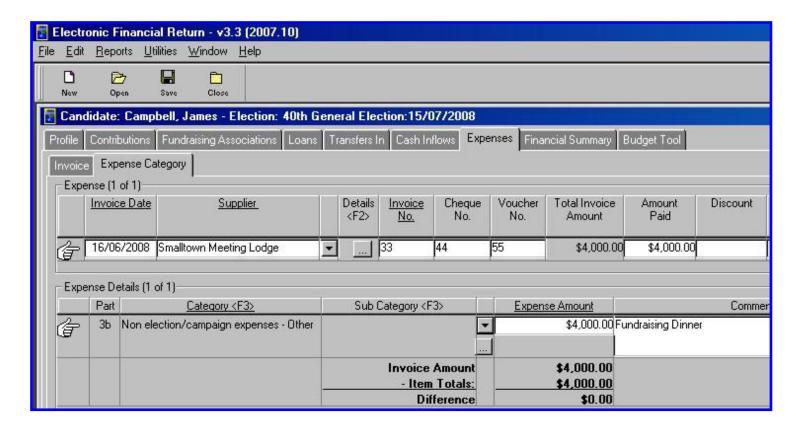
Enter each contribution in EFR using the CONTRIBUTIONS tab and issue a receipt valid for income tax purposes for \$133.09 to each ticket purchaser. You calculate this figure as follows:

Ticket price of \$200 – commercial value of benefit received of \$66.91 = \$133.09.



In the CASH INFLOWS tab, record the date of the dinner, a description of the cash inflow (fundraising dinner), and \$3,345.50 (that is, \$66.91 x 50) as inflow type "Non-contribution portion of fundraiser."

...continued



In the EXPENSES tab, record the date of the dinner, the name of the supplier, \$4,000 in the AMOUNT PAID column, and \$4,000 as an amount not included in election expenses. See Sections 13.12 and 13.13 for detailed instructions on entering expenses.

13.6 Printing Tax Receipts



You can print receipts for all contributions that are entered in EFR.

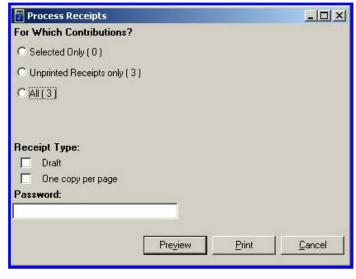
Tip: If you obtain manual tax receipts from your returning officer, you have to return all unused receipts and copies of all issued receipts to the returning officer within 30 days of polling day. If you miss the 30-day deadline, you will forfeit your \$1,000 nomination deposit. If you use EFR to produce your receipts, you do not need to obtain manual receipts and can avoid the 30-day deadline and possible forfeiture of your \$1,000 nomination deposit.

To print receipts, go to the CONTRIBUTIONS tab and select **Print Contribution Receipt**.

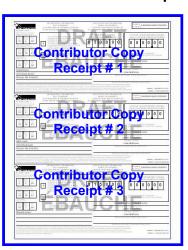
If the receipt type is not specified, three copies per page will be printed. If you select **DRAFT**, receipts will be printed with a "DRAFT" watermark.

If you select **ONE COPY PER PAGE**, each receipt will require three pages (one page per copy).

You need to enter the password to print or preview receipts. See Section 7 for more information on passwords.



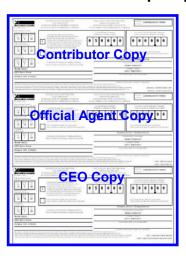
Sample Page **Draft** Receipt Default = Three receipts per page One copy per page



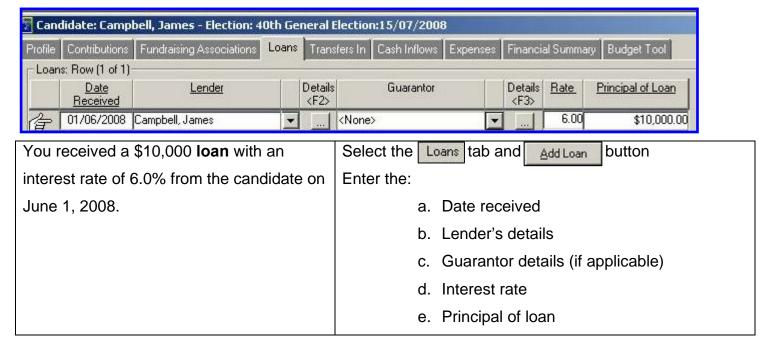
Sample Page **Draft Receipt**



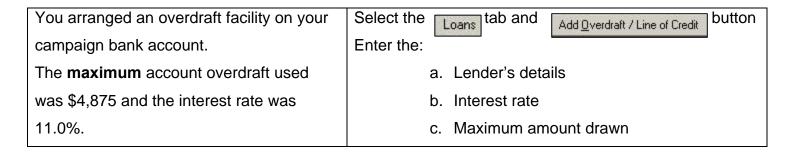
Sample Page Official Receipt Default = Three copies per page



13.7 Loans, Overdrafts and Lines of Credit







Note: You are required to send Elections Canada copies of the loan agreements and repayment schedules for all loans and overdraft facilities when you submit your campaign return.

Note: If the interest rate charged on a loan is less than a commercial interest rate, the official agent must record a non-monetary contribution from the lender equal to the foregone interest on the loan. You can use the *Loans Control Sheet – Calculation of Non-Monetary Contribution (EC 20156*) to assist you with these calculations.

13.8 Inflows - Transfers In

Monetary Transfers received are entered in the TRANSFERS IN tab.

Non-monetary transfers ("in kind") received are entered in the EXPENSES tab.

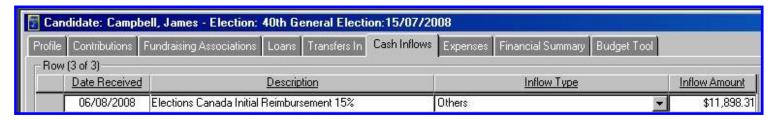
(See Outflows – Non-Monetary Transfers)



Example: On June 20, you received a \$5,000 **Update** X cheque from your local registered association. Type: Registered Association To add the transfer from the registered association: Name: EC Training Party EDA a. Select Street no.: 257 Street name: Slater Street City: Ottawa b. Enter the transfer date and amount Apt.: Prov.: ON Postal code: K1A0M6 c. Select the details button [...] or **F2** to enter a Home Tel.: (800) 486-6563 new transferor or click any letter key or the Business Tel.: Business Tel. Ext.: spacebar to search for an existing transferor E-mail: d. For new transferors, after selecting the details Electoral district: 35062 - Ottawa Centre • button [...] or **F2** enter the registered association details e. Select Save

Note about transfers: Transfers can be accepted once the candidate is confirmed, but not before. After polling day, monetary transfers can only be accepted to pay outstanding claims or loans.

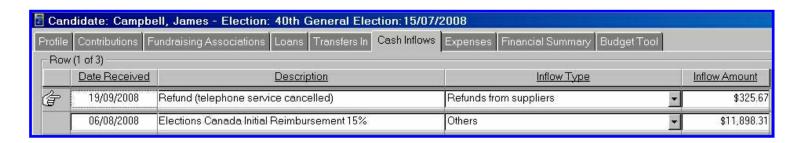
13.9 Inflows – Miscellaneous



Example 1: You received a cheque for \$11,898.31 on August 6 from the Receiver General for Canada, representing your initial election expenses reimbursement.

Select the tab Cash Inflows Enter the: Date received

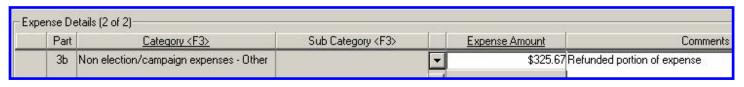
- b. Description
- c. Inflow type (Others)
- d. Amount



Example 2: You received a cheque for \$325.67 on Select the tab Cash Inflows September 19 from the phone company, Enter the: representing a refund. a. Date received b. Description c. Inflow type (Refunds from suppliers) d. Amount

Note: Refunds from suppliers

When a refund from a supplier is received, and the cash inflow is entered in EFR, an offsetting entry must be made to the expense transaction to reduce the election period portion of this expense. If applicable, you must allocate the *refunded* amount to "Non-election" expenses.



13.10 Outflows - General Information

EFR categorizes outflows into three types, as follows:

Outflow Type	Examples of Transactions
Paid Expenses	All expenses paid from the campaign bank account
	All unpaid expenses, that you expect to pay in the future, which remain unpaid
Unpaid Claims	four months after polling day.
	Represents the commercial value of goods or services received without charge,
Discounts	or at less than their commercial value.

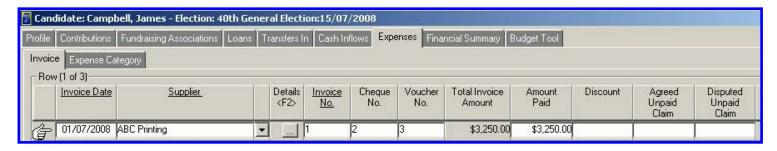
Note about unpaid claims: An unpaid claim should be reported as a non-monetary contribution if the supplier does not expect to be reimbursed.

Note about discounts: Discounts represent non-monetary contributions or non-monetary transfers. Non-monetary contributions are only permissible from an eligible contributor and count towards that individual's contribution limit. Corporations and other ineligible contributors are not permitted to provide goods or services at discounted or no cost. Discounts received from ineligible contributors must be returned to the contributor unused. If used, the equivalent value must be remitted to the Chief Electoral Officer, payable to the Receiver General for Canada.

13.11 Outflows – Authorization of Expenses

The official agent is the only person authorized under the Act to pay electoral campaign expenses. The only exceptions are the candidate's personal expenses paid by the candidate, and the expenses paid out of a petty cash fund by persons authorized in writing by the official agent.

13.12 Outflows - Advertising Expenses



Expenses and transfers out are entered using the EXPENSES tab in EFR.

Example: You purchase 500 campaign signs on

July 1, 2008, from ABC Printing, at a cost of \$3,250.

• Enter the details on the INVOICE tab (front tab)

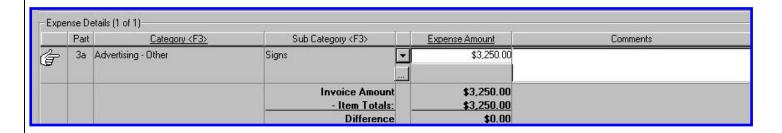
Profile Contributions Fundraising
Invoice Expense Category

Bow (1 of 3)

Select the EXPENSE CATEGORY tab (back tab)

To add the expense:

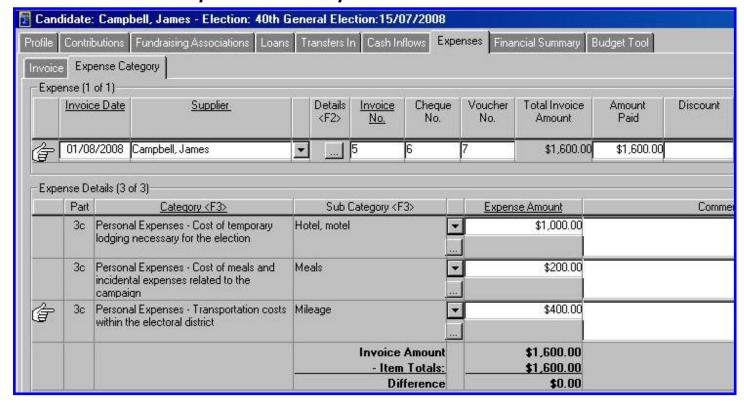
- a. Select Add
- b. Enter the expense date
- c. Select the details button [...] or **F2** to enter a new supplier or click any letter key or the spacebar to search for an existing supplier
- d. For new suppliers, after selecting the details button [...] or *F2*, enter the supplier details
- e. Enter the invoice number, cheque number, voucher number, the amount paid, the discount amount and the unpaid amount
- f. Select the EXPENSE CATEGORY tab and enter the expense amount
- g. Select **F3** and choose the applicable expense category
- h. Select Save



In the EXPENSE CATEGORY tab, you can allocate the expense amount to one or more expense categories by clicking

In this example, the entire expense is allocated to **Advertising – Signs**.

13.13 Outflows - Multiple Personal Expenses of the Candidate

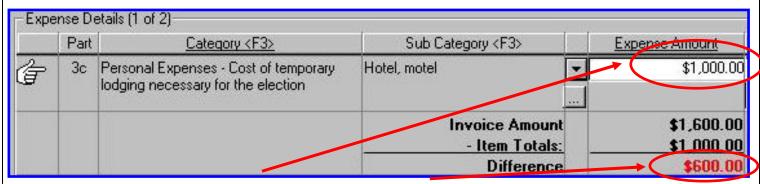


Example: You reimburse the candidate for the following personal expenses:

- \$1,000 for candidate hotel costs
- \$200 for candidate meal costs
- \$400 for the candidate's incremental mileage expense

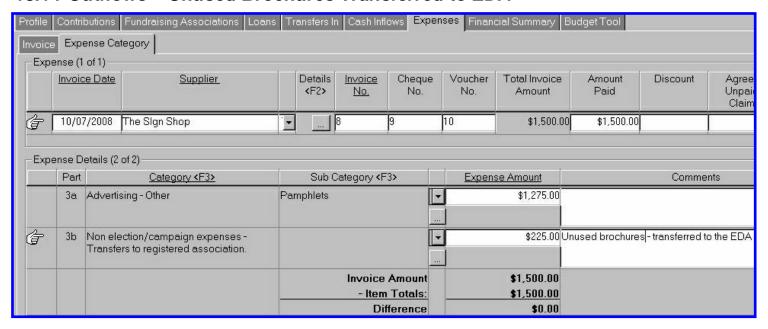
Remember: All candidate mileage claims require a detailed mileage log.

Amounts charged as personal expenses of the candidate must be **incremental**, reasonable and incurred by the candidate.



As each expense allocation is made, the remaining balance is updated. You must allocate the full expense amount to one or more expense categories. You can add an additional expense allocation by selecting and choosing the applicable expense category.

13.14 Outflows - Unused Brochures Transferred to EDA



Example: You purchase **1,000** brochures for **\$1,500**.

850 of these brochures were used during the campaign.

150 are still packaged and were not used.

These brochures were transferred to the local registered association after the election campaign.

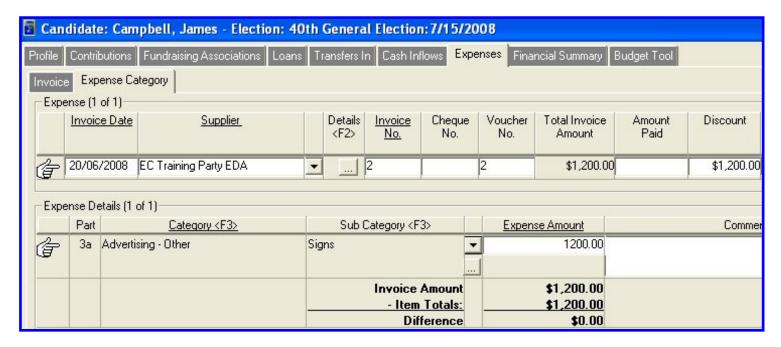
The allocation of expenses is as follows:

850 used $850/1000 \times \$1,500 = \$1,275$ Advertising – Pamphlets

150 transferred to EDA $150/1000 \times 1,500 = 225$ Non-election expense – Transfer to EDA

13.15 Outflows - Signs Used a Second Time

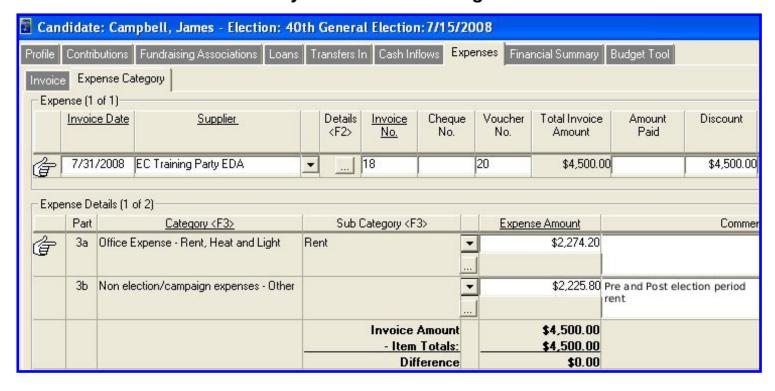
The campaign received 100 signs from their registered association that were used in the last federal election. These signs are being reused.



The use of these signs must be reported as a **DISCOUNT** expense, based on the current fair market value.

The official agent called a local sign provider and received a written quote of \$1,200 to purchase 100 similar signs.

13.16 Outflows – Non-monetary Transfer from a Registered Association



Since the campaign has not paid this expense, it is entered as a **Discount** (not **Amount Paid**).

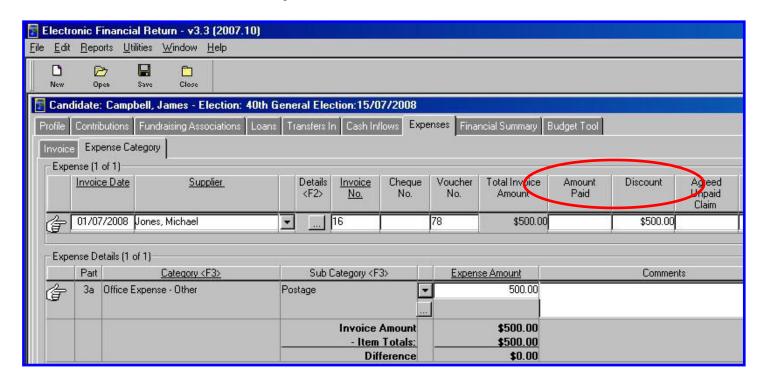
Once the expense is entered, EFR automatically enters the corresponding non-monetary transfer from

the registered association in the TRANSFERS IN tab.



Note: The campaign must supply a copy of the source documentation (rent or lease agreement).

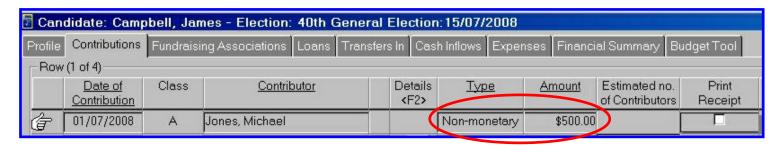
13.17 Outflows - Non-monetary Contribution



Michael Jones, a campaign worker, pays **\$500** in postage expenses to mail a campaign brochure during the election period and is not expecting to be reimbursed by the campaign.

The campaign would record this expense as a **Discount**, not as an **Amount Paid**, since the expense was not paid from the campaign bank account. The **supplier** is **Michael Jones** (not Canada Post).

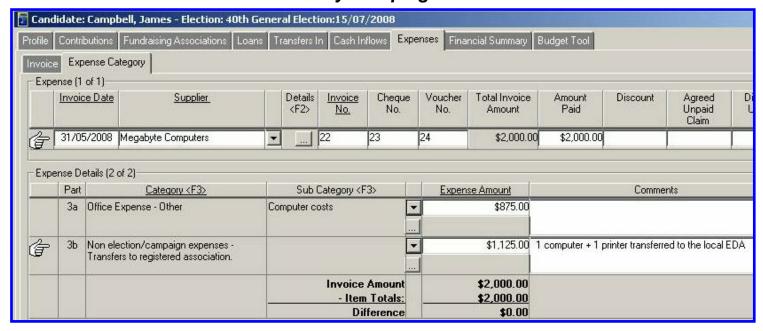
Once the expense transaction is saved, a **Non-monetary** contribution is automatically added to the contribution tab:



A **receipt** (not for tax purposes) must be provided to this contributor.

EFR can print a **non-tax receipt** for this contributor from the CONTRIBUTIONS tab.

13.18 Outflows - Asset Purchased by Campaign



Example: You purchase one computer and one printer for use in the campaign office during the campaign at a cost of **\$2,000**.

The computer supplier also provides rentals and they provide you a written quote of **\$875** to rent similar computer equipment for the election period.

It is preferable to rent or lease all assets.

If an asset is purchased, the election expense is equal to the applicable rental cost during the election period.

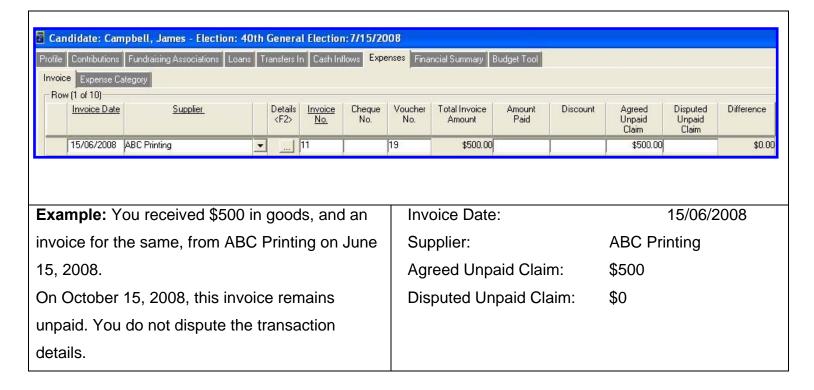
The amount by which the purchase price exceeds the rental cost is a non-election expense.

Note: The campaign must *properly* dispose of all assets at the end of the election period.

All assets must be disposed of to the local registered association or registered party, or sold at fair market value.

In the example above, the computer is transferred to the local registered association and this is noted in the EFR expense category *Non election/campaign expenses – Transfer to registered association*.

13.19 Outflows – Unpaid Claims



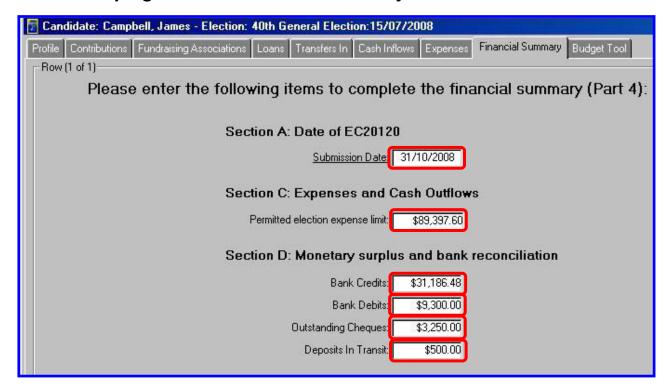
Notes regarding unpaid claims: An unpaid claim should be reported as a non-monetary contribution if the supplier does not expect to be reimbursed. A claim that remains unpaid for more than four months after polling day or for which an invoice was not sent within three months of polling day can be paid only if the Chief Electoral Officer authorizes the official agent to accept and/or pay the claim.

When the Chief Electoral Officer authorizes a claim to be paid, the official agent, after submitting the candidate's return, must submit to the Chief Electoral Officer an updated version of the *Candidate's Electoral Campaign Return* (EC 20120) within 30 days after making the payment.

Please contact us if you require authorization to pay or accept an unpaid claim, or if you have questions about the processing of unpaid claims.

With some exceptions, if an unpaid claim remains unpaid (in whole or in part) on the day that is 18 months after election day for the election to which the return relates, that unpaid claim is deemed to be a contribution to the candidate made as of the day on which the expense was incurred, and is subject to the rules on contributions. This information will be published by the Chief Electoral Officer.

13.20 Campaign Return Financial Summary – Part 4



Submission Date: Enter the date up to which you have reported all campaign transactions in this return.

Tip: Collect all of your bank statements before preparing your return in EFR.

Enter the date from your most recent bank statement in the **Submission Date** field.

Permitted Election Expense Limit: Enter the final limit of election expenses for your electoral district. Elections Canada provided this limit to you by mail and it is also available on our Web site.

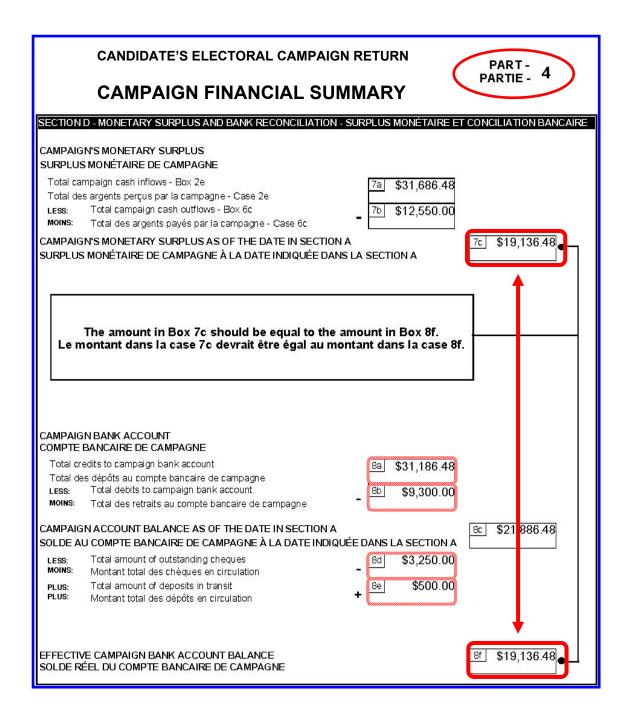
Bank Credits and Bank Debits: Using all of your bank statements, calculate the total bank debits and total bank credits to your campaign bank account.

Tip: Most financial institutions provide a summary at the bottom of each monthly bank statement indicating the total debits and credits for that month.

Outstanding Cheques: Enter the total dollar amount of cheques that have been issued and are reported in your campaign return, but have not yet cleared your bank account.

Deposits in Transit: Enter the total dollar amount of all deposits reported in your return that have not yet been credited to your bank account.

Tip: Provide an itemized list of all outstanding cheques, including the cheque number, amount and payee, with your return.



If you have correctly reported all of your campaign transactions in EFR, and all of your transactions have been processed through your bank account, your campaign return and your bank account should balance. That is, in Part 4 of your electoral campaign return, box 7c should equal box 8f.

Tip: Using your bank statements, enter all of your bank account transactions in EFR.

13.21 Backup

You should back up your EFR files regularly. Each time you exit the program, you will be prompted to complete a backup.

FFR - gen00102

Would you like to create a backup of your database?

Yes No Cancel

You can also initiate a backup anytime by selecting **Utilities**, **Backup** from the main menu.

A backup will save all of your returns in one file. The default path for the backup file is:



Windows 2000 + XP Path: C:\Documents and Settings\All Users\Documents\EFR\dbbackup\

Windows Vista Path: C:\Users\Public\Documents\EFR\dbbackup\

Note: If you are not an experienced computer user, it is advisable to leave this backup file path unchanged.

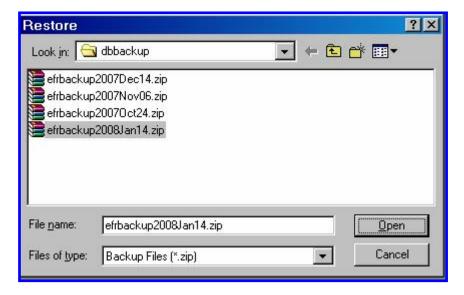
13.22 Backup – Restore

To restore from a backup file, launch EFR and select **Utilities**, **Restore From Backup**.

You will be prompted to choose a backup file to restore. Normally, the most recently dated file will contain the most data. The backup file name contains the date (i.e. efrbackup2008Jan14.zip).

EFR will automatically search the default file path for a backup file. If you have saved your backups in a different location, you will have to choose the backup file from this new location.

Note that when restoring from a backup file, you will lose any data entered since the date of the backup file.

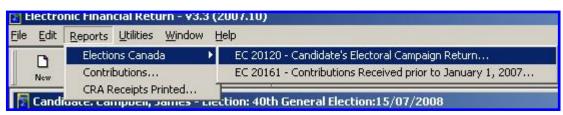


13.23 Submitting Your Return to Elections Canada

Your campaign return is due four months after polling day. Using our current example, polling day is July 15, 2008, and the candidate's return is due November 15, 2008.

Tip: EFR-prepared returns contain fewer errors.

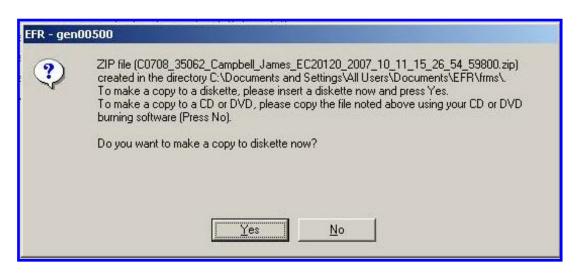
Along with a signed hard copy of your return, you should also submit an electronic copy of your EFR return. You can submit the electronic copy by e-mail or on a diskette or CD/DVD.



Select: Reports, Elections Canada and EC 20120 from the main menu

Select: Create EC Submission File from the bottom menu | Create EC Submission File

The following dialogue box appears. You can select YES and insert a diskette now or select NO to burn a CD/DVD or email the submission file to us.



Make note of the path where the submission file is located:

Path: C:\Documents and Settings\All Users\Documents\EFR\frms\ Windows 2000 + XP

Path: C:\Users\Public\Documents\EFR\frms\ Windows Vista

Submission File: C0708 35062 Campbell James EC20120 2007 10 11 15 26 54 59800.zip

The submission file can be burned to a CD/DVD or e-mailed to us at efr-rfe@elections.ca.

If sending the submission file by e-mail, be sure to include the name of the candidate and official agent.

14 Expenses Not Subject to Reimbursement

A candidate who is elected or receives at least **10 percent** of the valid votes cast at the election is entitled to a reimbursement of **60 percent** of the actual paid election expenses and the paid personal expenses, to a maximum of **60 percent** of the election expenses limit (subject to certain filing requirements).

Certain expenses are not eligible for reimbursement. Some examples include:

- Expenses incurred for goods and services consumed **before** the issue of the writ;
 for example, the cost of a flyer distributed before the issue of the writ is not an election expense
- Nomination deposit
- Cost of parties held after the close of polls on election day
- Legal costs for recounts
- Charges by lawyers for legal services
- Proportion of rent and other costs of campaign offices before the writ is issued and after election day
- Interest payable on loans for the period after election day during which the loans are still outstanding
- Costs associated with preparing the various reports required by the Act, other than the payment
 of remuneration to a person for his or her services as an official agent during an election period
- Candidate's salary

Note: Campaign expenses (other than candidate's personal expenses) that are not paid from the campaign bank account are not eligible for reimbursement.

15 Candidate's Personal Expenses – Incremental Concept

The personal expenses of a candidate (other than election expenses) are considered electoral campaign expenses when they are reasonably incurred in relation to his or her campaign.

These expenses are not subject to the election expenses limit.

Personal expenses include incremental expenses: expenses that a candidate would not normally incur had there not been an election. For example, the costs of day-to-day meals at home are not related to a campaign, whereas a candidate who had to relocate because of the campaign might incur incremental expenses for the costs of meals.

Incremental travel expenses – tips:

- A candidate may make a claim for mileage, or vehicle rental and direct expenses (gas, etc.).
- Cellular phone costs are considered campaign expenses not a candidate's personal expense.
- If a candidate incurs incremental meal expenses the candidate's meal is a candidate's
 personal expense, but any additional meals purchased are not personal expenses of the
 candidate.
- Child Care only incremental expenses that are incurred as a result of being a candidate will be considered candidate's personal expenses.

Please refer to Appendix C – Supporting Documentation for further information.

16 Salaries, Wages, Honorariums and Volunteer Labour

Volunteer labour is any service provided free of charge by someone outside of the person's normal working hours. It does not include service provided by a person who is self-employed, if the service is one that is normally charged for by the volunteer. The commercial value of volunteer labour need not be reported. Examples of volunteer labour are:

- a sign painter who is not self-employed working outside his or her normal working hours painting signs for the campaign
- a self-employed insurance salesman working for the campaign free of charge doing door-to-door canvassing
- unemployed or retired persons working anytime

Note about compensation: Any compensation paid to a worker or volunteer (salary, wage, honorarium, etc.) must be supported by documentation. If an expense of \$50 or more is incurred, the official agent must keep a copy of the invoice prepared by the worker or volunteer who provided the service, together with proof that it was paid. If an expense of less than \$50 is incurred, the official agent must keep a record of the nature of the expense, together with proof that it was paid.

17 Appendix A - Important Dates

Writ is issued (election called)	Candidate's nomination confirmed by the returning officer – Between writ date and 21 days before polling day	Polling day	Deadline for official agents to return manual official tax receipts – 30 days after polling day	All invoices to be received by official agent, including candidate's statement of personal expenses – 3 months after polling day	Deadline for filing candidate's campaign return and paying election expenses – 4 months after polling day	after polling
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Note about tax receipts: You can print all of your tax receipts and non-tax receipts using EFR. It is not necessary to obtain manual tax receipts from your local returning officer (when completing candidate confirmation papers) if you intend to use EFR to prepare your return and print your receipts. If you obtain manual tax receipts from your returning officer and do not return copies of ALL manual receipts (issued, cancelled and voided) within 30 days of polling day, you will FORFEIT your \$1,000 nomination deposit with no recourse. Tax receipts may be issued for monetary contributions received between the candidate's nomination confirmation and 30 days after polling day (if in transit on polling day).

Note about invoices: All expense invoices, including the *Candidate's Statement of Personal Expenses* (EC 20220), must be received by the official agent within three months of polling day, and paid within four months of polling day. Any unpaid expense that remains unpaid four months after polling day is considered an unpaid claim and must be reported as such. Any payment made beyond four months after polling day requires prior approval by the Chief Electoral Officer. Please contact us by telephone for further information.

Note about unpaid claims: Before submitting a campaign return that contains unpaid claims, consider requesting a monetary transfer from your registered association or registered party to pay these claims and reclassify them as paid election expenses. This will reduce your administrative burden by eliminating the lengthy request and approval process required to settle unpaid claims.

Note about transfers: Transfers from a registered association, registered party, or nomination contestant (in your candidate's electoral district) may not be received prior to the candidate's nomination being confirmed by the returning officer. Monetary transfers may not be received after polling day, except to pay unpaid claims or loans.

18 Appendix B – Frequently Used Candidate Forms

Elections Canada - Frequently Used Candidate Forms

Form #	Form Title	Web Accessible
EC 20010	Nomination Paper	$\sqrt{}$
EC 20011	Checklist for Audits	$\sqrt{}$
EC 20026	Receipt for a Contribution to a Candidate at an Election of a Member to Serve in the House of Commons of Canada (not for tax purposes)	\checkmark
EC 20039	Direct Deposit Enrolment or Change Request	$\sqrt{}$
EC 20048	Candidate's Statement of Surplus / Updated Election Return (replaces 20140)	$\sqrt{}$
EC 20053	Candidate's Statement of Gifts or Other Advantages Received	
EC 20060	Receipt for a Contribution to a Candidate at an Election	
EC 20070	Record of Official Receipts	
EC 20120	Candidate's Electoral Campaign Return	$\sqrt{}$
EC 20120-A	Candidate's Electoral Campaign Return – Specimen	$\sqrt{}$
EC 20140	Candidate's Statement of Surplus (OLD FORM – use EC 20048)	
EC 20141	Notice of Estimated Surplus (Candidate)	
EC 20153	Checklist for the Candidate's Official Agent	$\sqrt{}$
EC 20154	General Solicitation Contributions Record Keeping	$\sqrt{}$
EC 20156	Loans Control Sheet – Calculation of the Non-Monetary Contribution	
EC 20157	Application for Extension of Filing Deadline (Candidate)	
EC 20158	Request for Chief Electoral Officer Authorization to Pay Unpaid Claim	
EC 20159	Request to Amend the Candidate's Electoral Campaign Return	
EC 20161	Contributions Received Prior to January 1, 2007	$\sqrt{}$
EC 20190	Election Handbook for Candidates, Their Official Agents and Auditors	V
EC 20220	Candidate's Statement of Personal Expenses	V

Where can you obtain these forms?

1) Elections Canada Web site: ->Political Parties, Candidates and otherswww.elections.ca ->Candidates

->Gandidates ->Forms ->Manuals

2) Multimedia kit CD: Election Financing Documents CD

3) Mail or Fax: Call Elections Canada Telephone Support

1-800-486-6563 to request forms.

19 Appendix C - Supporting Documentation

Source documentation or invoices: For electoral campaign expenses of \$50 or more, the official agent must keep a copy of the invoice prepared by the person who provided the goods or services, together with proof of payment.

If an electoral campaign expense of less than \$50 is incurred on behalf of the candidate by the official agent or a person authorized in writing by the official agent, the person who made the payment must keep a record of the nature of the expense, together with proof that it was paid.

Vouchers: It is advisable to prepare voucher cover pages for all expenditures. Any voucher may be used, including the voucher cover page available from Elections Canada (see next page).

Each cheque should correspond to an individual voucher. Elections Canada Voucher Cover Page.

Gas and mileage logs: If a reimbursement for direct expenses is made (gas or rental costs), then a mileage claim cannot also be made. A mileage log detailing the date, destination, mileage and purpose should accompany all mileage claims.

Kilometric reimbursement rates for approved travel are available on the Treasury Board of Canada Secretariat Web site at www.tbs-sct.gc.ca/index e.asp.

These rates can also be obtained by contacting Elections Canada.

Lease or rental agreements: All claims for lease or rental expenses require copies of the source lease and rental agreements (i.e. lease agreements for campaign office premises).

Source documents or invoices from the registered association or registered party: Source documentation is required for all claims over \$50. Invoices from the registered party or registered association for third-party expenses are insufficient. A copy of the original supplier invoice is required. i.e. if the party buys campaign signs in bulk and sells them to each campaign, a copy of the original sign purchase invoice is required for each campaign's claim.

20 Voucher Cover Page (sample)

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21 Notes			

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