**ELECTIONS GOVERNANCE COMMITTEE CAMPAIGN FINANCES PROCEDURE**

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| 1 December 2015 | USC CouncilElections Committee |

**1. Scope**This procedure shall specify,

1. The proper procedures for setting candidate spending limits, tracking candidate spending, and the administration of reimbursements.
2. The standards that the Elections Committee shall use to govern its interactions with candidates relating to matters of campaign finances.
3. Terms used in this document shall be defined in the same manner as in **By-Law #2.**

**2. Definitions**

1. **Fair Market Value** of a product or service means the typical price, without special concessions or discounts, that is available to all persons who approach a person or company that sells, or deals in, that product or service.
2. **Committee** means the Elections Governance Committee.

**3. Manager of Election Finance**

1. The Manager of Election Finance shall be a member of the Elections Committee designed by the Chief Returning Officer (or the Chief Returning Officer herself) to be responsible for tracking candidate spending and calculating reimbursements on behalf of the committee.
2. The Manager of Election Finance shall be responsible for ensuring that the Elections Committee is notified of any candidates that violate financial regulations as per this procedure.
3. The CRO, or the Elections Committee if the CRO is the Manager of Election Finance, shall be responsible for ensuring the Manager of Election Finance adheres to their responsibilities under this procedure.

**4. Bond Collection**

1. All candidate bonds, excepting Board of Governors and Senate candidates, shall be collected at the USC Front Desk along with nomination forms.
2. The Manager of Election Finance shall provide the USC Front Desk with a list of required bonds for each position prior to the opening of the nomination period.
3. Candidates shall only be considered eligible if, prior to the opening of the campaign, they leave a deposit of:

	* 1. PVP candidates: $300.00
		2. Vice-Presidential candidates: $50.00
		3. Senate candidates: $50.00
		4. Board of Governors candidates: $75.00
		5. Faculty president candidates: $25.00
		6. Divisional candidates: $25.00
4. Any prospective candidate, except for Board of Governors and Senate, who cannot pay the bond at the time they hand in their nomination form shall make prior arrangements with the CRO. The Front Desk shall not accept any nomination forms without payment of bond, or note from the CRO verifying that an arrangement has been made with the candidate.
5. The Manager of Election Finance shall be responsible for confirming that a candidate has paid her bond with the Front Desk.
6. The CRO shall confirm the list of eligible candidates (those who meet all criteria outlined in section 7.00 of By-Law #2) with the Front Desk at the start of the campaign period. Upon confirmation, all collected bonds excepting those who submitted by candidates deemed to be ineligible shall be deposited into the Elections Subsidies budget account line.
	* 1. Bonds for candidates who have been deemed ineligible will be held at the Front Desk for thirty (30) days following the close of balloting. After this time they will be claimed by the USC.

**5. Setting Spending Limits**

1. The Manager of Election Finance shall calculate the spending limits and present the finalized figure to the CRO for approval no later than fourteen (14) days - not including holidays - prior to the start of campaigning.
2. The CRO shall confirm the spending limits for each candidate at least seven (7) days prior to the start of the campaign period for the election.
3. The CRO shall announce approved spending limits in the following ways:

	* 1. A press released handled through the USC’s Communications portfolio;
		2. An email to current constituency council presidents, and;
		3. At the All-Candidates meeting immediately prior to the start of the campaign period.
4. Spending limits for candidates’ expenses and contributions, combined, shall be as follows:

	* 1. Each PVP slate has a spending limit of, $1500.
		2. Each Divisional candidate has a spending limit of, $100.
		3. Each Faculty president candidate has a spending limit of, $200.
		4. Each Student Programs Officer candidate has a spending limit of, $200.
		5. The spending limit for Senate and Board of Governor candidates shall be determined by the Secretary of the University.

**6. Contributions and Expenses**

Candidates shall have a spending limit for the campaign consisting of expenses and contributions.

1. Expenses shall be defined as costs incurred by, or on behalf of, a candidate for goods, privileges, or services for use in their election campaign.
	* 1. If a candidate receives goods, privileges, or services at a discounted price that is not available to the public, the expense shall be recorded at fair market value, as per its definition in **By-Law #2.**
2. Contributions shall be defined as goods, privileges, or services donated or given in whole or in part, to a candidate or their campaign for the purposes of campaigning.
	* 1. A candidate shall not accept cash, cheque, or any other monetary equivalent in any amount as a contribution.
		2. If the contributor supplies goods and services, the value shall be determined as fair market value, as per its definition in **By-Law #2**.

**Example 1:**Your order for campaign signs would normally cost $300, but a candidate receives them instead for $0 from a relative. You must record this as a contribution of $300 goods or services in your Spending Limit.

**Example 2:**
Your order for campaign scarves would normally cost $100, but the vendor agrees to sell them to you for $50. You must record a contribution of $50 in goods or services, and record an expense of $50 in goods or services, both in your Spending Limit.

1. Special Rules for Expenses and Contributes
	* 1. Where an item is used during the campaign period, but not entirely consumed, the cost shall be declared for the entire item, regardless of the amount of the item that remains unconsumed.
		2. Candidates will be required to declare expenses or contributions for the production of campaign material and media, including but not limited to videos, mobile apps, or graphics, but only the costs of making said product available to the public.

		**Example:**
		A campaign volunteer has tools needed to make campaign sign frames for a particular candidate. The resources for the frames would be a expense, however the time of the volunteer needed to produce the campaign sign frames would not be an expense.
		3. If a professional (even if a campaign volunteer as well) who would normally charge for a service provides a service to a candidate for free, the value of the service is considered to be a contribution.

**7. Eligible Reimbursement**

1. The Manager of Election Finance shall be responsible for maintaining a record of each candidate’s eligible reimbursement throughout the campaign period.
2. A candidate’s eligible reimbursement shall be calculated as a sum of a candidate’s paid bond and expenses accrued, less than any fines accumulated. Candidates will not be reimbursed for goods, privileges, or services required through contribution.

	* 1. A PVP candidate disqualified prior to the election shall be reimbursed ten (10) per cent of the candidate’s campaign expenditures, or ten (10) per cent of the maximum spending limit as set by the Committee, whichever is less. This shall be subject to any fines issued and/or outstanding loans.
3. Only campaign expenses with valid, verifiable, and corresponding original receipts will be eligible for reimbursement. Any item deemed not to be an appropriate campaign expense may be excluded from reimbursement by the Committee or the USC’s Managing Director, Financial and Corporate Resources.
4. The Committee may adjust a candidate’s eligible reimbursement number artificially if they deem a candidate to have not competed in the spirit and purpose of the election using the following criteria:
	* 1. The candidate is not competing with the intention of being elected to office, or;
		2. The candidate is running a campaign for the sole purposes of discrediting another candidate.
5. The Senate and Board of Governors candidates will not be reimbursed by the USC for their campaign expenses.
6. The Manager of Election Finance shall keep a record of all eligible reimbursement calculations on file for thirty (30) days following the closing of balloting.

**8. Tracking Expenses and Contributions**

1. At the start of the campaign period, the Chief Returning Officer shall make expenses and contributions tracking sheets available to all candidates. Candidates are required to use the tracking sheets to submit a list of expenses or contributions.

	* 1. Candidates shall be issued fines for failure to use designated tracking sheets, as set out by the Committee.
2. All candidates shall submit to the CRO original receipts of all expenses and contributions.

	* 1. Failure to submit receipts by the deadline will result in an automatic reduction in the candidate’s eligible reimbursement by five (5) per cent per business day that the submission is late.
3. The CRO shall immediately forward any received receipts or tracking sheets to the Manager of Election Finance and shall forward any and all received receipts and tracking sheets after 4 p.m. on the last day of campaigning.

	* 1. The CRO may authorize the Manager of Election Finance to pick up any receipts and/or sheets from the USC Front Desk.
4. The CRO may request candidates to submit original receipts and tracking sheets prior to 4 p.m. on the last day of campaigning.
5. Copies of all receipts for printing done at Creative Services for elections purposes shall be made available to the CRO or Manager of Election Finance by Creative Services on or before the last day of campaigning.
6. The Manager of Election Finance, the Associate Vice-President Finance and Internal Audit, and any Committee member chosen to assist shall receive each candidate’s tracking sheet to ensure that candidates have not exceeded their spending limits, have original receipts for all expenses, have only expenses listed as can be considered appropriate, and have adhered to any other relevant provisions in **By-Law #2**.
7. The Manager of Election Finance, the Associate Vice-President Finance and Internal Audit, and any Committee member chosen to assist shall review each candidate’s tracking sheet to ensure that candidates have not exceeded their spending limit, have listed appropriate values for their contributions, and have only listed contributions as can be considered appropriate, and have adhered to any other relevant provisions **By-Law #2**.
8. Where the Manager of Election Finance notices expenses listed as contributions or vice versa, they shall move the item to the appropriate list. Where proper listing of expenses and contributions would result in overspending by a candidate the Manager of Election Finance shall inform the CRO.
9. The Manager of Election Finance shall inform the CRO of any irregularities in expenses or contributions lists, as per section “6. Contributions and Expenses” of this document.
10. In addition to section “6. Contributions and Expenses”, the Manager of Election Finance shall produce a list of expenses and/or contributions flagged as inappropriate for the Committee to approve. Any expenses deemed inappropriate by the Committee shall not be reimbursed.
11. The Manager of Election Finance has the authority to approve any and all expenses and contributions lists in which no irregularities have been noted (i.e., the Committee does not need to approve the reimbursement of every candidate, only the list of inappropriate expenses that are not to be reimbursed).
12. The Manager of Election Finance shall keep all expenses and contributions records on file for thirty (30) days after the close of balloting in case a candidate wishes to contest their reimbursement.

**9. Issuing Reimbursements**

1. The Manager of Election Finance shall provide a list of candidates and the amount they are to be reimbursed along with a completed cheque requisition form to be signed to the Secretary-Treasurer no later than fourteen (14) days, including Reading Week and other holidays, after the close of balloting.

**Example 1**
The Manager of Election Finance shall fill out a cheque requisition form with the list attached in place of the amount payable, have the Secretary-Treasurer sign it, and submit it to the USC’s finance office for processing.
2. At the same time as section 9.1, the CRO shall inform candidates of the amount they are scheduled to be reimbursed, including a list of expenses the Committee did not deem to be appropriate as per section 8.10 of this document.
3. Candidates shall be reimbursed for the amount equal to their eligible reimbursement plus their bond, less any fines applied by the Committee.

**Example 1**
A Divisional candidate who has 5 demerit points and spends $90 in eligible expenses would be reimbursed: ($90 + $25) - $30 = $85.
4. Reimbursement cheques shall be made available for pickup at the USC Front Desk no later than twenty-one (21) days after the close of balloting, including Reading Week and other holidays.
5. The CRO shall notify all candidates that are eligible for reimbursement that their cheques are available by email on the day they become available at the Front Desk.
6. Any cheques that have not been picked up from the Front Desk and have stale-dated shall be not be reissued.

**10. Campaign Loans**

1. A PVP slate may obtain an interest-free loan for the amount of the bond plus the spending limit established in section 5.4 of this procedure, by applying to the USC Managing Director, Financial and Corporate Resources.

	* 1. Any loans granted pursuant to this section must be repaid, subject to any amount reimbursed and fines owed, within thirty (30) business days from the close of balloting, and,
		2. Any loan which is not repaid within this time period will be pursued legally and will be subject to an interest rate as provided for in the Courts of Justice Act, RSO 1990.

 **11. Context and Enactment**

1. Documents Repealed – N/A
2. Supporting/Related Documents – By-Law #2
3. Date Passed –
4. All Previous Amendments – N/A