

To: All Bounty Program Participants
From: CADEM Staff
Re: Bounty Payments
Date: January 2015

The following changes and information are based on guidance from the Federal Elections Commission (FEC) for funds transferred to local party affiliates.

One---Check Payments (Old System)

Previously, the Bounty Program paid Bounty payments using one check containing both federal and non---federal funds. The FEC was concerned that local affiliates would deposit the check into a federal account without properly disclosing the non---federal funds, and that the non---federal funds would never be transferred to a non---federal account, a violation of FEC Regulations.

Two---Check Payments (New System)

Going forward, the Bounty Program will send two checks for each Bounty payment; one clearly marked "federal" containing federally qualified funds and one clearly marked "state/levin" containing non---federal funds. This change is to ensure that participating organizations deposit each check into the corresponding account.

Types of funds

Federal Funds: Checks labeled "federal" may be deposited into your federal committee account or your non---federal committee account. These funds cannot be used for Federal Election Activity, which includes voter registration.

Non---Federal funds: Checks labeled "non---federal" are either State or Levin funds and must be deposited into your non---federal committee account. These funds cannot be used for Federal Election Activity, which includes voter registration.

Use of funds

As outlined above, both federal and non---federal funds generated through the Bounty Program are restricted and cannot be used for any Federal Elections Activity. Staff recommends clearly allocating Bounty funds towards operating expenses, such as maintaining an office, or for non---federal elections activities.

For more information on Federal Election Activity, please refer to the FEC's Party Guide available at <http://www.fec.gov/pdf/partygui.pdf> and http://www.fec.gov/pdf/party_guide_supp.pdf.

If you have questions regarding the Bounty Program, please contact Kasey Carlson at 916---503---7308 or kasey@cadem.org.

If you have questions regarding federal and non---federal funds or Federal Elections Activity, please contact Chacha Guerra Brown at 916---442---5707 or cha2@cadem.org.