



GUIDE FOR CONSTITUENCY ASSOCIATIONS

Election Finances and Contributions Disclosure Act

Introduction

Purpose of this Guide

This guide has been produced to help constituency associations (CA) understand the *Election Finances and Contributions Disclosure Act* (EFCDA), and to ensure compliance with the legislation.

This guide should be reviewed thoroughly for a general understanding of the responsibilities of a Chief Financial Officer (CFO) and the law regarding contributions, official contribution receipts, spending limits, banking, record keeping, and financial reporting.

This guide is established by the Chief Electoral Officer under the authority of the EFCDA. If there is a situation where the EFCDA and this guide come into conflict, the EFCDA is paramount. This guide has the force of law and must be complied with except where information is presented as a “recommendation”, “tip” or “best practice”.

Links to this guide, the EFCDA and any other relevant legislation can be obtained through the [Elections Alberta website](#). Copies of provincial legislation may also be obtained from the [Alberta King's Printer website](#).

It is not possible to cover every situation that may arise. If you are unable to find a suitable explanation in the EFCDA or in the materials provided by Elections Alberta, you may write, phone, or visit.

Contact Information

If you have any questions that this guide does not cover, please contact us:

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For OFS technical support: ofs@elections.ab.ca



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1 Overview

What is a Constituency Association?

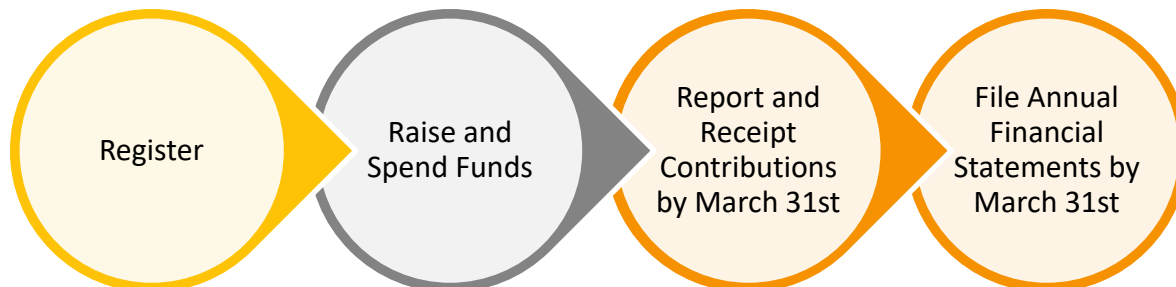
A **constituency association** (CA) is a volunteer-run organization endorsed by a registered political party or an independent Member of the Legislative Assembly (MLA) as the official association of that party or independent MLA in an electoral division. The CA supports political activities on behalf of the party or independent MLA such as membership drives, fundraising, candidate nominations, and promotion. A party or an independent MLA may establish up to 87 CAs in Alberta—one in each electoral division. CAs must register with Elections Alberta, maintain up-to-date registration information and ensure that their CAs submit financial reports to disclose their activities.

Navigating This Guide

Section 2 provides information on how to register, how to update the CA registration, and the duties and responsibilities of the chief financial officer (CFO).

Section 3 provides information on the rules for raising and spending funds, and filing your annual financial statements.

Section 4 contains a glossary of terms used in the EFCDA and in this guide.



Legislative references are provided as endnotes. To view the relevant section of the EFCDA, navigate to the back of this guide or click on the roman numeral at the end of a sentence or paragraph. e.g., “Cancellation of registration becomes effective starting on the third day following the date the notice was mailed.”ⁱⁱⁱ”

2 Registration

This section outlines the registration application process for CAs, and the duties of their appointed CFO.

Registration Application and Approval

A CA or a person acting for a CA must not accept contributions for the CA or registered party unless the CA is registered.


To register, submit [Form CA-R-19-01 Registration of a Constituency Association](#) to Elections Alberta, signed by an authorized party representative on record with Elections Alberta. The party representative signing the form can be the president, CFO, executive director, or leader. An electronic copy of your registration form can be submitted to initiate your registration.

When we receive your registration form, we will process your application and confirm your registration in writing. Once registration has been confirmed, your CA is eligible to start raising and spending funds. However, your CA must have a bank account on record with Elections Alberta before accepting funds or paying expenses. Annual financial reports must also be submitted, in compliance with the EFCDA. ⁱ

See an example of the CA registration form on the next page.



Example of the CA-R-19-01 fillable form available on our website:

 ELECTION FINANCES AND CONTRIBUTIONS DISCLOSURE ACT REGISTRATION OF A CONSTITUENCY ASSOCIATION 2019 ELECTORAL DIVISION BOUNDARIES FORM CA-R-19-01					OFFICE USE ONLY
<input type="checkbox"/> INITIAL REGISTRATION		<input type="checkbox"/> UPDATE TO REGISTRATION		Mark one box only	
NAME OF REGISTERED POLITICAL PARTY < Select POLITICAL PARTY from List >			NAME OF ELECTORAL DIVISION		ED No.
CHIEF FINANCIAL OFFICER (CFO)					
Prefix	First and Last Name		Email Address		
Street Address or P.O. Box					
City / Town / Village / Municipality		Prov. AB	Postal Code	Primary Phone	Alternate Phone
PRINCIPAL OFFICER (PRESIDENT)					
Prefix	First and Last Name		Email Address		
Street Address or P.O. Box					
City / Town / Village / Municipality		Prov. AB	Postal Code	Primary Phone	Alternate Phone
LOCATION RECORDS ARE MAINTAINED AND COMMUNICATIONS ADDRESSED - COMPLETE IF DIFFERENT FROM CFO'S ADDRESS					
Prefix	First and Last Name		Email Address		
Street Address or P.O. Box					
City / Town / Village / Municipality		Prov. AB	Postal Code	Primary Phone	Alternate Phone
FINANCIAL INSTITUTION					
Name					
Street Address or P.O. Box		City / Town / Village / Municipality		Prov. AB	Postal Code
Name(s) of Signing Officer(s)					
ASSETS AND LIABILITIES - REQUIRED FOR INITIAL REGISTRATION or RE-REGISTRATION					
<input type="checkbox"/> No Assets and/or Liabilities exist as of the filing of this initial registration application. <input type="checkbox"/> Assets and/or Liabilities exist.					
Print Name of Constituency Association CFO		Constituency Association CFO's Signature		Date	
ENDORSEMENT - SIGNATORY MUST BE ON RECORD WITH ELECTIONS ALBERTA					
REQUIRED FOR INITIAL REGISTRATION or RE-REGISTRATION					
Print Name of Authorized Political Party Official		Political Party Official's Signature		Date	
FOR UPDATE TO REGISTRATION ONLY					
Print Name of Constituency Association President or CFO		Constituency Association President or CFO's Signature		Date	
ACCEPTANCE BY ELECTIONS ALBERTA					
Print Name of Elections Alberta Representative		Elections Alberta Representative's Signature		Date	
The constituency association must receive written approval from Elections Alberta before initial registration or re-registration is considered effective. For an update to registration, the constituency association must inform Elections Alberta within 60 days after the change. Refer to section 8 of the EFCDA.					
INITIAL REGISTRATION: If signed electronically or digitally - Email to Finance@elections.ab.ca If signed physically - Mail signed original to Suite 100, 11510 Kingsway NW, Edmonton AB T5G 2Y5				UPDATE TO REGISTRATION: Email signed form to Finance@elections.ab.ca or fax to (780) 422-2900	
				OFFICE USE ONLY	

Registration Updates, Cancellations, and Re-registrations

Updates

It is important that you advise Elections Alberta of any changes to your CA registration, and to ensure your party is informed as well. Elections Alberta corresponds regularly with the CA Presidents and CFOs via email, so ensuring up to date information is key. Changes must be submitted to Elections Alberta as soon as possible, and no later than 60 days after any change. The CA must file all changes using [Form CA-R-19-01 Registration of a Constituency Association](#). Updates can be filed by faxing or emailing the completed form to Elections Alberta.ⁱⁱ

Cancellation of Registration

If, for any reason, your CA or party decides to cancel your CA registration, only your party can request the cancellation. The Chief Electoral Officer may cancel a CA's registration upon receipt of an application in writing, from the registered party concerned, to cancel the CA's registration.

We will follow the process below before cancelling the registration of your CA:

- your party applies for your CA deregistration in writing,
- your party confirms that your CA has ceased its activities,
- your party informs us how your CA plans to spend any remaining funds, and
- your CA, or the party on your behalf, files a financial return with supporting documentation to confirm a nil balance.

The Chief Electoral Officer may also cancel a CA's registration for any of the following reasons:

- the CA has failed to file any required financial reports or comply with EFCDA sections 32 or 42, or
- the CA is no longer qualified to be registered, or
- the CA's application contains false information.

Upon cancellation of registration, any remaining funds in the CA account, not required to pay outstanding expenses, must be paid over to the Chief Electoral Officer, to be held in trust. If the CA does not re-register within one year after deregistration, the funds shall be paid into the General Revenue Fund.

CAs are notified by recorded mail if their registration has been cancelled, and their party receives a copy of this correspondence. Cancellation of registration becomes effective starting on the third day following the date the notice was mailed.ⁱⁱⁱ

Cancellation Review

A CA can ask the Chief Electoral Officer to review their cancellation decision by submitting a review request, in writing, within 30 days of the cancellation notice. The Chief Electoral Officer will review the cancellation within 48 hours of receiving your request and give you an opportunity to present your argument/s. The Chief Electoral Officer will also provide the political party with an opportunity to respond. The Chief Electoral Officer may choose to reinstate your registration or confirm the cancellation after this review and will provide you with written notification of the final decision.^{iv}



Re-registration

Should a CA wish to re-register after cancellation, the CA must submit a new registration application. If the reason for the CA's cancellation was due to failure to comply with financial filing requirements, the outstanding financial statement(s) and late fee(s) must be submitted by the party or CA before the Chief Electoral Officer will consider approving the re-registration application. If re-registration is approved, we will provide you with written notification.^v

Chief Financial Officer (CFO)

Appointment

Every CA must appoint a CFO. The EFCDA stipulates the duties and responsibilities of the CFO which the appointed individual must be aware of. Your CFO may also be the CFO for your party and candidate(s) or other CAs.^{vi}

CAs must notify Elections Alberta, within 60 days and in writing, of any changes to their CFO.^{vii} CAs should also ensure that their party is notified of any changes.

Duties of a CFO

CFO duties include ensuring:

- proper records are kept of all revenue, expenses, assets, and liabilities,
- contributions are placed in a bank account on record with Elections Alberta,
- official contribution receipts are issued in accordance with the EFCDA,
- every payment of more than \$25 is supported by:
 - a document from the supplier that states the particulars of the expense, or
 - a receipt or other proof of payment acceptable to the Chief Electoral Officer,
- annual returns and reports required under the EFCDA are filed with the Chief Electoral Officer, and
- non-monetary contributions are properly valued and recorded.^{viii}

The CFO must retain all financial records for three years following the filing due date for the annual return in case Elections Alberta requests to see the documentation. If the CFO changes, the financial records must be provided to the new CFO or to the party for safekeeping.





Bookkeeping Tips

Maintaining accurate and up-to-date records is crucial for ensuring compliance with legislation and makes preparing your annual financial statement at the end of the year easier.

CFOs should ensure that:

- ✓ bank reconciliations are completed regularly to maintain accurate balances,
- ✓ copies of all bank deposit slips are kept,
- ✓ bank statements match the CFO's record of deposits and withdrawals,
- ✓ contributions are recorded as they are received, with the date, contributor name, contributor address, amount, and whether the contribution was money or valued (non-monetary),
- ✓ details of fund-raising events are recorded including the date, name of event, ticket price, ticket sales revenue, auction revenue, the value of donated items, fund-raising expenses, etc.
- ✓ a generic receipt book or other method is used when cash money is received, to record the date, amount, and source,
- ✓ all expenses are recorded and categorized by type,
- ✓ all supporting documents are filed in sequence by date or other acceptable filing method,
- ✓ all books of account and supporting documents are securely stored and,
- ✓ extra attention is given to identifying annual operating expenses, candidate campaign expenses or candidate election expenses.

Bank Accounts

The CFO is responsible for ensuring that the financial institution and signing officer(s) information remains current and up to date with Elections Alberta, for the CA bank account where all money received by the CA is deposited, and all expenses of the CA are paid.



The CA bank account should only be used for your own CA's revenue and expenses, to prevent co-mingling of other funds.

Records Retention

The CFO must retain all the financial records for three years after the date a financial statement or return is due to be filed with Elections Alberta. This is because the CFO may be required to produce and provide this documentation to support the financial filing and records if it is requested by Elections Alberta.^{ix}



3 Finance Rules and Reporting

This section outlines the rules for contributions, fund-raising, expenses, transfers, and filing financial reports with Elections Alberta. Your CFO must understand and follow these rules to avoid non-compliance situations and consequences.

Contributions

Your registered CA can only accept contributions from persons ordinarily resident in Alberta. Contributions are any money, real property, goods or services, or the use of real property, goods or services, provided to benefit your CA, without compensation to the contributor. The received date of a contribution is the date it is received by and under the CFO's control.^x

All amounts received over \$50 must be recorded as contributions by the CFO. Amounts up to \$50 are recorded as "other income" unless the donor specifically requests that the amount be considered a contribution, in which case the CFO must record a contribution and issue a contribution receipt.^{xi}

Money contributions may be via cash, cheque, e-transfer, credit card, online donation, etc.



All cash must be deposited into your CA bank account on record with the Chief Electoral Officer.^{xii}

Valued contributions include in-kind donations of real property, goods, or services or the use of property, goods, or services. The value of the contribution is the fair market value (FMV) at the time of the contribution.^{xiii} Your CFO is responsible for determining and documenting the FMV of goods, services, or property received. Examples of valued contributions include, but are not limited to:

- use of a computer, furniture, or car,
- promotional items and materials including signage, pamphlets, buttons, etc.
- use of any office or venue,
- legal or consulting services,
- cryptocurrency¹, and
- services from a person who normally charges for that service (e.g., a self-employed graphic designer who provides graphic design services).

Example: John is an eligible contributor who personally owns 10 folding tables. He lends them to his CA for a fundraising event. The CA CFO checks online and confirms that the current rental rate is \$20 per table. The CFO uses this information to record a valued contribution received from John for \$200. This contribution counts toward John's annual contribution limit.

¹ Please see Elections Alberta's [Cryptocurrency Guidelines for Political Participants](#) for more information.



Some services do not qualify as valued contributions, including:

- volunteer labour provided by a person, if that person does not receive compensation or paid time off, to volunteer from their employer or any other person;
- free audit and professional services and free CFO services for work relating to compliance with the EFCDA.^{xiv}

Your CA can buy FMV real property, goods, or services from any individuals and businesses. If you purchase real property, goods, or services at a discounted price from an individual, the difference between the FMV and the discounted price is considered to be a contribution.^{xv} **Note: businesses are prohibited from making contributions, and therefore would not be allowed to provide a discounted price.**

Contribution Limits

Your CA must be registered with Elections Alberta before accepting contributions or incurring expenses. Contributions can be accepted by your registered CA at any time (✓) **except** during a campaign period for an election (✗).^{xvi}

Accepting Contributions in Non-Election Year

←	←	←	January 1	to	December 31	→	→	→
Annual Period								
✓								

Accepting Contributions in Election Year

←	←	←	January 1	to	December 31	→	→	→
Annual Period	Start of Campaign Period / Election Period	End of Election Period	End of Campaign Period	Annual Period				
January 1st to the day before Writ of Election is issued	Writ of Election is issued	Election Day	Two months after Election Day	Day after campaign period ends to December 31st				
✓	✗	✗	✗	✓				

In a general election year, CAs can only accept contributions outside of the campaign period. This applies to all CAs, whether their party is running a candidate in their electoral division or not. For a by-election, the rule only applies to CAs whose party runs a candidate in the by-election.



Contributions made by an eligible contributor to your CA, or any combination of CAs, candidates, political parties, and leadership contestants, shall not exceed \$5,000 in total, per calendar year.²

CFOs are responsible for making reasonable efforts to inform contributors of the rules relating to contributions and for keeping track of contributions received.^{xvii}

*Example: Alex is an eligible contributor who donates \$1,000 to two different CAs in February for a total of \$2,000. As a graphic designer, Alex also donates \$1,200 in graphic design services in September to an independent candidate during a by-election. Alex later buys a ticket to attend a political party fundraiser in November, of which \$150 is the contribution portion. At the fundraiser, Alex places a winning bid on a silent auction item and pays \$50 more than its value. Alex's total contributions to date are **\$3,400** (\$2,000 + \$1,200 + \$150 + \$50). Alex still has \$1,600 of contribution room for the remainder of the year.*



Prohibited Contributors and Contributions

Your CA cannot accept contributions from:

- a person not ordinarily resident in Alberta,
- a corporation,
- any unincorporated association or organization,
- an individual whose funds were furnished to them by someone else,
- a federal political party or federal electoral district association,
- a candidate registered under the Canada Elections Act, and
- an anonymous source (i.e., contributor's name and address are unknown) for an amount over \$50.

Contributions cannot be directly or indirectly solicited, or accepted, from any prospective contributor if your CA or CFO knows, or ought to have known, that:

- the prospective contributor is not eligible to contribute (e.g., contribution from a business or person living outside of Alberta), or
- the amount of the contribution would exceed the annual \$5,000 limit in aggregate for that contributor.

² This limit came into effect on January 1, 2024. The previous limit was \$4,300.

Prohibited contributions, including contributions exceeding the limit, must be returned/refunded to contributors by your CFO. If your CA accepts a prohibited contribution, within 30 days after learning of it, your CFO is responsible for notifying Elections Alberta in writing of the fact and circumstances, and the steps taken to rectify the matter. If the source of a contribution over \$50 is anonymous, your CA cannot keep the funds—the funds must be paid to Elections Alberta for deposit into the General Revenue Fund of the Government of Alberta.^{xviii}

To help contributors comply with contribution rules under the EFCDA, access our [Guide for Contributors](#) from the Elections Alberta website.

Fund-raising Functions

A fund-raising function is any event or activity intended to raise funds for your CA. In most cases, a ticket or admission is charged to attend. Examples include dinners, golf tournaments, barbecues, meet & greets, etc. Silent auctions (or live or online auctions) are another type of fund-raiser that is commonly held in conjunction with a ticketed event.

Multiple constituencies can hold a fundraiser together, but it should be decided in advance which CA will report the fund-raising activities on their annual financial statement, including the recording of contributions. That CA will be responsible for reporting all the fund-raising details on their annual financial statement. Any revenues shared with other CAs must be recorded as transfers.

Your CFO should keep a detailed record of each event including the date, name of the event, cost to attend, who paid for tickets or admission (if any), and the total realized revenue at the event. For an auction, your CFO should keep a record of each auction item, its value, who donated the item, who paid the winning bid, and how much was paid.

Activity or Auction?

For reporting purposes in Elections Alberta's Online Financial System (OFS), your CA has a choice of two categories for reporting your fund-raising functions:

1. Activity: A fund-raising event where tickets are sold, or admission is charged to attend. A fund-raising activity can be an event that does not require a ticket or admission to attend, but those who attend are expected to make a contribution. Fund-raising activities include raffles, 50-50 draws, etc.

Most fund-raisers charge admission, but some do not. Regardless, details about the fund-raiser must be reported.

2. Auction: An auction fund-raiser can be any type of auction—live, silent, online etc. Auction details must be recorded separately from Activity details, even if they occur at the same time.

The gross income of a fund-raising activity or auction must be recorded, as well as the total amount of contribution receipts issued to individuals who attended or participated in the fund-raiser (calculated using either Method 1 or 2 below). The difference between these amounts can result in net revenue (the non-contribution receipted revenue). This revenue must be recorded as fund-raising function revenue.^{xix}



1. Activity

Only eligible contributors (individuals living in Alberta) can pay for tickets or admission to attend CA fund-raisers. This is because a portion of the price paid comprises a contribution, which results in the issuing of a contribution receipt. Notably, prohibited persons, corporations and trade unions cannot pay for tickets or admission, or reimburse an individual for their ticket or admission price because of the contribution portion. They can, however, pay the non-contribution (expense) portion only, in order to attend.

The non-contribution (expense) portion of the ticket or admission price, recognizes that the person received compensation for attending (e.g., a meal, refreshments, golf game).

Calculating the Contribution Receipt Amount

When planning a fund-raiser, your CA needs to decide on the ticket or admission price. Based on the price, your CFO will determine what portion of the price paid for admission constitutes a contribution and issue a receipt in this amount to each individual who pays to attend the event. The EFCDA provides an easy calculation, via Method 1 below, or the actual costs per person can be calculated via Method 2.

Method 1 ^{xx}

Ticket / Admission up to \$50: Any price paid up to \$50 is not required to have a contribution portion and all sales can be recorded as fund-raising function revenue. However, the CFO or any individual who paid for a ticket or admission, can opt for half of the price paid to be considered a contribution. In this case, the other half is allowed for expenses, even if actual expenses are less or more.

Ticket / Admission \$50.01 to \$100: The contribution portion is the price less \$25 which is allowed for expenses, even if actual expenses are less or more.

Ticket / Admission over \$100: The contribution portion is 75% of the price and 25% is allowed for expenses, even if actual expenses are less or more.

Method 2 ^{xxi}

The contribution portion is the amount paid above the fair market value (FMV) of what the ticket or admission purchaser received as compensation for attending (e.g., a meal, refreshments, golf game). Calculate the actual cost per person to determine the contribution portion vs. the non-contribution portion.



The table below shows examples of fund-raising events and how to determine the contribution portion vs. non-contribution portion (expense portion) of each ticket sold or admission charged.

Fund-raising Function	Ticket / Admission Price	Method	Contribution Portion (tax receipted)	Non-Contribution "Expense" Portion (Not receipted)
Barbecue	\$35	Method 1	\$0 -or- \$17.50 (50%)	\$35 -or- \$17.50 (50%)
Dinner	\$80	Method 1	\$55	\$25
Meet the Candidate	\$200	Method 1	\$150 (75%)	\$50 (25%)
Golf Tournament	\$400	Method 2	\$163.55	\$236.45 (actual cost/FMV)

Recording Revenue from Ticket or Admission Sales

When there is a contribution and non-contribution portion applied for each sale of a ticket or admission, the revenue must be recorded in two categories:

- 1) the contribution portion is recorded on your CA financial statement as "receipted contributions" revenue, and
- 2) the non-contribution portion is recorded on your CA financial statement as "fund-raising function" revenue.

If the fund-raising function uses some means of raising funds, other than selling tickets or charging admission, and if the price paid is more than the fair market value for goods or services received, the excess is a contribution and is eligible for a contribution receipt.^{xxii} In addition to recording the revenue from ticket or admission sales, all event expenses must be recorded.

2. Auction

If an auction is held in conjunction with a fund-raising activity, a separate record of the auction revenue and expenses must be kept as different rules apply.

Your CA can buy items for the auction and accept items donated by persons ordinarily resident in Alberta.

For items valued over \$50 donated by individuals, your CFO must record a valued contribution and issue a valued contribution receipt to the donor. For items valued up to \$50 donated by individuals, your CFO records it as valued fund-raising function revenue, unless the individual specifically requests that their donation be considered a contribution. In this case the CFO must record a valued contribution and issue a valued contribution receipt to the donor for the value of the item.

Your CFO should retain documentation verifying the amount paid for purchased auction items and the FMV of donated items. In addition to donated items being recorded as revenue, they must be recorded as expenses.

Only eligible contributors can bid on auction items, as bids that exceed the value of the donated items are considered contributions made by the individual.



Recording Revenue and Expenses from Auctions

The following scenarios illustrate how to report the revenue (and expenses) from silent auctions. In all cases, keep a record of the date, names, and addresses of auction item donors and winning bidders, the amounts, and whether these were valued or money contributions, for contribution receipt purposes.

Scenario 1

An accountant donates a gift certificate for personal tax preparation, with a stated value of \$300. The CFO verifies that the stated value is FMV. The winning bidder pays \$375 via cash, cheque or by e-transfer. The CFO records:

Donation:

- \$300 valued contribution received from the donor, and \$300 expense³,

Bidding:

- \$300 as fund-raising revenue received from the winning bidder,
- \$75 contribution received from the bidder.

Scenario 2

A store wants to donate a \$700 art deco lamp, but businesses are prohibited from donating under the EFCDA. Instead, an individual purchases the lamp for \$700 and donates it to the auction with a copy of the store receipt to validate the value. The winning bidder pays \$550 via cash, cheque or by e-transfer. The CFO records:

Donation:

- \$700 valued contribution received from the donor, and \$700 expense,

Bidding:

- \$550 as fund-raising revenue received from the winning bidder,
- No contribution recorded for the bidder because the bid was lower than the value.

Scenario 3

A member of the CA owns a cabin in the mountains and wishes to donate two night's accommodation. The member estimates the total value for two nights at \$1,000. The CFO conducts online research on similar cabins and locations and decides the value should be \$800. The CFO advises the donor, who acknowledges the revised value. The winning bidder pays \$2,000. The CFO records:

Donation:

- \$800 valued contribution received, and \$800 expense,

Bidding:

- \$800 as fund-raising revenue received from the winning bidder,
- \$1,200 as a contribution received from the bidder.

³ The valued contribution received from the donor must also be reported as an expense to recognize that the donor paid for or provided the item on behalf of the constituency association.

The CFO needs to be mindful of contribution limits when accepting auction items at FMV, and maximum bids accepted, to ensure they are appropriate and defensible, and to reduce the risk of over-contributions.

Social Events

Social events are activities where the purpose is not to raise funds. Such events may include meetings or small gatherings. Amounts charged at social events are designed to cover the expenses for holding the social event only. The gross (total) amount collected and expenses from social events must be separately recorded and reported as part of the annual financial statement under other income and operating expenses, not under fund-raising functions.

Door Prizes

Your CA can buy items for door prizes and accept prizes donated by persons ordinarily resident in Alberta.

For prizes valued over \$50 donated by individuals, your CFO must record a valued contribution and issue a valued contribution receipt to the donor. For prizes valued up to \$50 donated by individuals, your CFO records it as valued fund-raising function revenue if the prize was for a fund-raising event, or as valued other income if the prize was for a social event, unless the individual specifically requests that their donation be considered a contribution. In this case the CFO must record a valued contribution and issue a valued contribution receipt to the donor for the value of the door prize.

Your CFO should retain documentation verifying the amount paid for purchased prizes and the FMV of donated prizes from individuals. In addition to donated prizes being recorded as revenue, they must be recorded as expenses.

Golf Tournaments

Only individuals can pay an entry fee to a golf tournament. If the entry fee exceeds the FMV of goods and services received, the excess should be recorded as a contribution. The entry fees should be recorded as a contribution and non-contribution (expense) per s. 23(3) of the EFCDA. A corporation or union is not allowed to pay an entry fee or reimburse a fee paid by an individual.

Trade Union and Corporate Sponsorship

Elections Alberta urges CAs to exercise caution before accepting trade union or corporate sponsorships for fundraising events. This is because the EFCDA prohibits contributions from any entity other than an individual ordinarily resident in Alberta. Unless there a fair market value transaction, money from a union or corporation will be a prohibited contribution.

A payment by a trade union or corporation to a CA is only permissible if the compensation received by the CA is not greater than the FMV of the benefit obtained. You must be able to demonstrate that the fair value of the benefit is reasonable, relative to equivalent advertising opportunities in the local market. For instance, sponsoring a golf hole at a CA's tournament and advertising at that hole must be valued similarly to any other advertising opportunity, for a similarly attended golf tournament, at the same facility.



Corporate advertising that is affiliated with an individual (e.g., Ms. Smith, Realtor for XYZ Realty Co.) is generally prohibited. It is Elections Alberta's position that such an affiliation makes it difficult for fund-raising event attendees to discern whether the contributor is the individual or the corporation. This restriction does not apply to the normal social networking that occurs at such events (e.g., exchange of business cards amongst attendees).

If you have questions about trade union or corporate sponsorship activities please contact our Office, prior to engaging in any such relationship or contract, at finance@elections.ab.ca.

Recording and Reporting Contributions

Elections Alberta provides your CFO with access to our Online Financial System (OFS) to report contributions. Your CFO must report all amounts over \$50 as contributions, and any amounts up to \$50 for which the donor specifically requests that the amount be considered a contribution.

The CFO must enter the following information in OFS for each contribution before an official contribution receipt can be generated:

- date received
- money or valued
- amount
- contributor first and last name (one name per contribution)
- contributor mailing address
- contributor email address (optional for e-receipting purposes)

Your CA has access to the party's contributor list in OFS. When your CFO enters a contribution, the CFO should search and select the contributor from the list to apply to that contribution. If the contributor cannot be found, the CFO can enter a new contributor.



Your CFO is strongly encouraged to record contributions in OFS as they are received. This helps your CFO to keep track of contributors and contributions, as well as assisting with Elections Alberta's filing review. It also helps prevent violations such as over-contributions. Waiting until the filing deadline to record contributions significantly increases the risk of violations and penalties under the EFCDA.

OFS Login screen



Official Contribution Receipts

Your CFO must issue official contribution receipts to all contributors using OFS. Elections Alberta enables receipting at the beginning of February for your CA's previous year contributions. Your CFO must issue the receipts no later than the annual financial statement filing deadline on March 31st.

There are two ways to issue receipts through OFS:

- for persons preferring an **electronic receipt**, your CFO generates the receipts and emails them to contributors from OFS, or
- for persons preferring a **hard-copy receipt**, or those who do not have an email address, your CFO generates the receipts, prints them off from OFS, and mails them to the contributors.

Your CFO must ensure that all electronic contribution receipts are successfully delivered to contributors.

If a person makes more than one contribution to your CA, OFS will produce one receipt for that contributor listing the individual amounts and total contribution.

If a contributor misplaces their receipt, your CFO can resend or reprint a copy for the contributor. If a receipt is issued incorrectly (e.g., wrong address or amount), your CFO must cancel the original receipt and issue a corrected replacement, following the prompts in OFS. The system maintains all records of contributions and official receipts, including any cancelled and reissued receipts.

Sample of Contribution Data Entry Screen in OFS

Add Contribution:

Year: 2021 Event: 2021 Annual Entity: CA

Party: ARDEMOParty ED: 01 - CALGARY-ACADIA

Contribution

Date Received: mmm d, yyyy Type: Cash Amount Received:

Contributor

Contributor: + Add New Contributor

Okay Okay and next Cancel



Sample of Official Contribution Receipt

ARDEMOParty	OFFICIAL CONTRIBUTION RECEIPT A210000001 2021 TAX YEAR	
Issued to:		
JOHN S DOE 1212 SWEET HOME EDMONTON BEACH, AB T1T 1T1	Receipt Date: July 21, 2021 Period: Constituency Association Annual Receipt Total: \$ 500.00 Tax Deductible: Yes	
Issued by: CALGARY-ACADIA Constituency Association ARDEMOParty		
Signed by: John Doe, Chief Financial Officer		
If any information is incorrect on this receipt, contact the issuer named above.		
Date Received	Contribution Type	Amount
May 7, 2021	Money	\$ 500.00

Income Tax Credits

Both money and valued contributions made to a CA can be claimed for Alberta income tax credits in the year the contribution is made. CFOs are not responsible for calculating tax credits that contributors may be eligible for. The table below is provided as an example of how tax credits are calculated and administered under the *Alberta Income Tax Act*. The maximum tax credit of \$1,000 is reached when a contributor's aggregate contributions total \$2,300 across all political participants.

Amount Contributed	Available Tax Credit	Maximum Credit	Cumulative Amount
Up to \$200	75%	\$150	\$150
Next \$900 (\$201 to \$1,100)	50%	\$450	\$600
Next \$1,200 (\$1,101 to \$2,300)	33.3%	\$400	\$1,000
Over \$2,300	Nil	Nil	\$1,000

Public Disclosure of Receipted Contributions

Elections Alberta publishes your CA's receipted contributions in two categories:

- For contributions from an individual contributor that exceed \$250 in aggregate, the total amount contributed, and the contributor's name and municipality. Addresses are redacted on Elections Alberta's public website, and
- the total amount of all contributions received that did not exceed \$250 in aggregate from any single contributor.^{xxiii}

The contributions report is published with the CA's annual financial statements shortly after the March 31st filing deadline. A finalized contributions report and financial statement are published after Elections Alberta's financial audit is complete and the CA has been notified.

Other Revenues

Examples of revenue other than contributions that must be reported include:

- Collections at CA meetings up to \$50 per person at the meeting
- Nomination contestant fees and deposits
- Interest earned on investments and bank deposits
- Sales of annual memberships (see information below)
- Money and in-kind donations up to \$50
- Sales of goods
- Any other revenue not listed above

Annual Memberships

An annual membership fee paid by a person for their own membership in a party or a CA of that party, or in both, is not a contribution if:

- the total of fees paid to the party and/or the CA do not exceed \$50, and
- the party and CA each maintain a membership list showing the amount of the fee or fees paid by each member that is allocated to the party and/or CA.



If the fee or total of those fees exceeds \$50, the amount of the excess is a contribution.

An annual membership fee, paid by a person on behalf of another person for that person's membership in a party or in a CA of that party, or in both, is a contribution by the person who paid the fee.^{xxiv}

For more information, refer to our interpretation bulletin on [Purchasing Political Party and Constituency Association Memberships](#).



Loans from Financial Institutions

Your CA can borrow money from any recognized financial institution, except an Alberta Treasury Branch (ATB Financial). Your CFO must record and report loan details as part of your annual financial statement.^{xxv}

Guarantees

Only a person ordinarily resident in Alberta may sign, co-sign, guarantee or provide collateral for a loan on behalf of your CA. The amount of the guarantee or collateral is considered a contribution in the year the guarantee or collateral is provided and counts towards the guarantor's annual contribution limit under section 17(1) of the EFCDA. However, no contribution receipt is issued to a guarantor or person providing collateral until the guarantor is required to make payment or the collateral is applied to the loan.^{xxvi}

Loan Payments

Only a person ordinarily resident in Alberta may make a loan payment or guarantee payment on behalf of your CA. Loan payments made by you or on behalf of your CA are considered contributions and count toward the annual contribution limit under section 17(1) of the EFCDA. The contributors can be issued a contribution receipt, unless they are reimbursed by the CA.^{xxvii}

Incurring Expenses

Your CA can incur expenses any time after your CA is registered with Elections Alberta.

Operating Expenses

There is no limit to the amount of a CA's annual operating expenses. If your CA expenses include any advertising for your CA, or on behalf of your party or your registered candidate, the advertisement must follow Elections Alberta's [Advertising Guidelines for Political Participants](#).

Expenses Paid on Behalf of your Party or Candidate for an Election

If your CA incurs expenses for your party or candidate to promote themselves or to oppose others during an election, there are limits on the amount that the CA can spend. Examples of the types of expenses include advertisements in all formats, advertising production, fundraising events and activities, polling including surveys and research, honoraria and salaries, and office and technology. These expenses must be tracked and reported separately from the CA's operating expenses. **When the goods or services are used by the party or candidate specifically during an election period, they are "election expenses" and are subject to the party's or candidate's spending limit.**^{xxviii}



It is important for your CFO to know when an election is called, and the dates for the election period and campaign period. Your CFO must work closely with the party or candidate CFO to ensure that the expenses are recorded and allocated appropriately.

Spending Limit:

Start of Campaign Period / Election Period	End of Election Period	End of Campaign Period
Writ of Election is issued	Election Day	Two months after Election Day
Goods or services used by party or candidate for their promotion or opposing others <u>are</u> subject to spending limit, including those purchased pre-writ		Goods or services used by party or candidate for their promotion or opposing others <u>are not</u> subject to spending limit

Spending limits for parties and candidates are listed on Elections Alberta's website [here](#). Also refer to our interpretation bulletin on [Campaign Period Restrictions and Overlapping Reporting Periods](#).

Forgiven and Unpaid Expense Debts

If, in the ordinary course of a commercial transaction, the CA defaults on payment of an expense because of insufficient revenue, the commercial transaction is not automatically converted into a "contribution" by the vendor. Rather, the CA is still liable for the expense and its liability would be dealt with through the ordinary procedures used by vendors (e.g., settlement, legal action, enforcement), which are not regulated by the EFCDA.

However, if a vendor forgives a debt in whole or in part, the result may be a contribution by the vendor to the CA and it would be regulated by the EFCDA. If the vendor is a person ordinarily resident in Alberta, a contribution would be allowed within the contribution limit. **If the vendor is a prohibited person or entity, no amount of contribution would be allowed.**

Under the EFCDA, the responsibility of ensuring a contribution is not prohibited rests on the potential contributor.

Q: When does a failure by the CA to pay an expense become a "contribution" by the vendor?

A: When, at the time the CA incurs the expense, the intent between the CA and vendor was not to receive payment but a contribution instead.

Example 1: A volunteer with a CA has, as an individual, contributed the maximum annual amount allowed under the EFCDA. The volunteer also owns a computer hardware business. She instructs her staff at the computer hardware business to generate an invoice in the name of the computer hardware business and delivers a printer to the CA. The invoice gets filed but is never paid, although the CA has enough funds to cover payment. The records of the computer hardware business show the amount of the printer not as an account receivable, but as a write down item. This is an example of a forgiven expense that is likely a contribution, which is prohibited.



Where the vendor and the CA fabricate an invoice for which there was never an intention to pay (see Example 1 above), then this could be an attempt to circumvent the rules. If the forgiveness of the debt is a prohibited contribution, the vendor would be in contravention of section 16 of the EFCDA, and the accepting CA would be in contravention of section 35 of the EFCDA.

Example 2: A CA enters a contract with a corporation to purchase a printer for the CA. The corporation delivers the printer to the CA accompanied by an invoice requiring payment by a certain date. By that date, due to a lack of funds, the CA is insolvent and unable to pay the invoice. After some discussion, the corporation agrees to forgive the debt. This is an example of a forgiven expense that is likely not a contribution. The CA will need to provide Elections Alberta with evidence of insufficient revenue and written documentation specifying the arrangement, including any court documents, to justify the write down of the expense not becoming a contribution.

The party or CA that agreed to buy the real property, goods, or services, or the use of goods, services or real property should make all reasonable efforts to pay the vendor. Provided the transactions were made in good faith and without any intention to circumvent the rules in the EFCDA, the expenses should be considered payable and outstanding. Forgiveness by the vendor should only be an option when the inability to pay is due to circumstances beyond the party's or CA's control.

Transfers

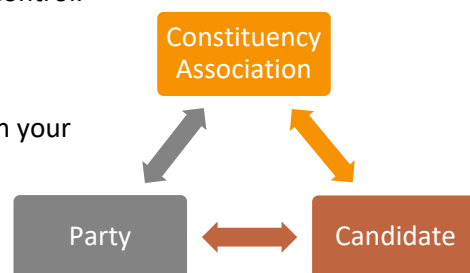
Your CA can transfer money, real property, goods, and services with your party any time. All transfers of money must be paid out of the issuing account and deposited into the recipient account. Record all transactions between your CA and party as transfers.

Candidates can only receive transfers from your CA or party during a campaign period, and during a deficit retirement period to help them clear outstanding campaign debt. Candidates can transfer surplus funds to your CA or the party from time to time after the campaign period.

Transfers are not contributions, but must be recorded by the CA, party, or candidate that issues or receives the transfer, including:

- date the transfer was issued or received,
- name of the party, CA, or candidate that issued or received the transfer, and
- amount or value of the transfer and, if applicable, a suitable description of the goods.

OFS is able to connect transfers between the party, CA, and candidate. When a transfer is entered in the financial statement in OFS, it will appear on the other financial statement that the transfer relates to. Only transfers that have taken place should be reported. Reporting future transfers as receivables or payables in OFS is discouraged.



CAs can only receive surplus funds transfers from nomination contestants, and cannot transfer any money to nomination contestants for their use. Transfers of goods and services are allowed.

CAs cannot transfer any money with leadership contestants, only transfers of goods and services are allowed.

Filing Annual Financial Statements

Your CA must file annual financial statements to report all revenue, expenses, assets, and liabilities for the calendar year. If there has been no financial activity whatsoever, a “NIL” annual financial statement must still be filed.



The deadline for filing an annual financial statement is March 31st of the following year.

Electronic Filing in OFS

Your CFO is responsible for entering the financial statement in OFS. The entire filing process is electronic. Keeping a record of all financial transactions during the year enables smoother and faster completion of the financial statement. Electronic sign-off is required by both the CFO and President, or authorized party officials on behalf of the CA. Each person is provided with a unique user ID and password for system access.

Data entry of financial transactions and balances is completed through a series of user-friendly screens with “help” features. Contributions must be receipted in OFS to allow the totals to auto-populate in the financial statement. Bank account statements and other supporting documents must also be uploaded. Automated calculations and cross-referencing schedules within the financial statement bring significant benefits to both your CA and Elections Alberta financial analysts, who review each submission.

OFS Welcome Screen for Financial Statement Module

FINANCIAL REPORTING

2021 ANNUAL
ARDEMOPARTY
CONSTITUENCY ASSOC.
01-CALGARY-ACADIA

WELCOME

ANNUAL REVENUE
Receipted Contributions
Fund-Raising functions
Transfers received
Other income
Summary

ANNUAL EXPENSES
Operating expenses
Transfers issued
Exp. incurred for party
Exp. incurred for
candidate(s)
Summary

ASSETS
Cash and Securities
Accounts Receivable
Other assets
Summary

LIABILITIES
Accounts Payable
Loans Payable
Summary

ATTACHMENTS
Attachments

FINALIZE
Review

Welcome to OFS Financial Reporting:

Welcome to Elections Alberta's tool for completing your financial statement and submitting it electronically, to meet your annual financial reporting obligations under the *Election Finances and Contributions Disclosure Act* (EFCDA).

Information that you key in here is automatically saved so the next time you login you can start where you left off. Make note of these navigation buttons and their function:

< Back Go back to [previous section](#)

Help Get information, tips and examples

Next Go to next screen

Done View your work before proceeding to the next screen



Failure to File

Failure to file your CA's annual financial statement with Elections Alberta by the filing deadline will result in an **automatic late filing fee of \$500** for each missed filing.



Both the CA and the CA's CFO are jointly liable for payment of the fee. If the late fee is not paid within 30 days after the filing deadline, a notice may be filed with the clerk of the Court of King's Bench. On being filed, the notice will have the same force and effect and may be enforced as if it were a judgment of the Court.

Your CA also has 30 days to file the outstanding financial statement, or Elections Alberta may cancel the registration of your CA. The issue will be referred to the Election Commissioner for investigation, where further administrative penalties may be imposed on the CA and the CFO.^{xxix}



4 Glossary

This section provides definitions for common terms in the EFCDA that may be used in this Guide. Terms are listed in alphabetical order.

Term	Definition
By-election	An election other than a general election that is held in an electoral division to vote for a new member of the Legislative Assembly. A by-election can be triggered when a member resigns, becomes disqualified, dies, is recalled through a recall vote, etc. ^{xxx}
Calendar Year	January 1 st to December 31 st
Campaign Expense	<p>Any expense incurred (whether paid or unpaid), or non-monetary contribution received, by a party or candidate that is used for their promotion or to oppose others during a campaign period, excluding the election period.^{xxxi}</p> <p>A campaign expense includes: the production and distribution of advertising or promotional material in all formats and by all means; payment for a person's services as a chief financial officer or in any other capacity; meeting, office, event costs; conduct of election or other surveys or research, etc. Campaign expenses are not subject to spending limits.</p>
Campaign Period	The period starting on the day a writ is issued for an election and ending 2 months after election day. Applies to parties and candidates. ^{xxxi}
Candidate	A person who seeks to be elected as a member of the Legislative Assembly, who has been endorsed by a party or who runs as an independent. ^{xxxi}
Chief Electoral Officer (CEO)	An independent, non-partisan officer of the Legislative Assembly, responsible for administering provincial elections, by-elections and referenda.
Chief Financial Officer (CFO)	An individual appointed to be responsible for managing the finances of a political participant. Every political participant must appoint a CFO.



Term	Definition
Constituency Association (CA)	<p>A volunteer-run organization endorsed by a political party, or by an Independent member of the Legislative Assembly (MLA), to support political activities on their behalf such as fundraising and membership drives. A party may register up to 87 CAs in Alberta—one per electoral division. An Independent Member of the Legislative Assembly (MLA) may register only one CA, in the MLA's electoral division.^{xxxiv}</p> <p>Note: CAs are not the same as MLA Constituency Offices, as their purposes are different. CAs are regulated by Elections Alberta, whereas MLA offices are regulated by the Legislative Assembly.</p>
Election Day	The day set for voting at an election. ^{xxxv}
Election Expense	<p>Any expense incurred (whether paid or unpaid), or non-monetary contribution received, by a party or candidate that is used for their promotion or to oppose others during an election period.^{xxxvi}</p> <p>An election expense includes: the production and distribution of advertising or promotional material in all formats and by all means; payment for a person's services as a chief financial officer or in any other capacity; meeting, office, event costs; conduct of election or other surveys or research, etc. Election expenses are subject to spending limits.</p>
Election Period	<p>By-election: The period starting on the day a writ is issued to hold a by-election in an electoral division and ending at the end of election day.</p> <p>General election: The period starting on the day the writs are issued to hold a general election in all electoral divisions, and ending at the end of election day.</p>
Electoral Division (ED)	A geographic area in Alberta established under the <i>Electoral Divisions Act</i> . In Alberta there are currently 87 provincial electoral divisions. Other terms such as "ridings" or "districts" may be used incorrectly to refer to electoral divisions, as these can come from other provinces or jurisdictions. ^{xxxvii}
Eligible Contributor	A person who is ordinarily resident in Alberta. ^{xxxviii}
General Election	An election to vote for new members of the Legislative Assembly in all electoral divisions. ^{xxxix}



Term	Definition
Member of the Legislative Assembly (MLA)	A person elected to represent the people in an electoral division in Alberta
Nomination Contest	A process used by a party or constituency association to select a person for endorsement as their official candidate in an electoral division.
Nomination Contestant	A person who seeks to be endorsed as the official candidate for a party in an electoral division.
Online Financial System (OFS)	Elections Alberta's secure online financial reporting system used by political participants to report details of their activities.
Political Party	An organization whose primary purpose is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election. ^{xi}
Writ of Election	A writ of election is issued by the Chief Electoral Officer pursuant to an order of the Lieutenant Governor in Council, to initiate an election in an electoral division.



i EFCDA s. 8
ii EFCDA ss. 8(4)-8(5)
iii EFCDA ss. 10(1)(b), 10(3)-10(6)
iv EFCDA ss. 10(7), 10(9)
v EFCDA ss. 8(1), 10(11)
vi EFCDA s. 29(1)
vii EFCDA s. 8(4)
viii EFCDA s. 30
ix EFCDA s. 10.1
x EFCDA ss. 14, 16, 1(1)(e)
xi EFCDA ss. 13(2), 33
xii EFCDA s. 14(1)
xiii EFCDA s.22(1)
xiv EFCDA s. 1(5)
xv EFCDA s. 22(2)
xvi EFCDA ss. 8(1), 17(2)
xvii EFCDA ss.17(1), 30(2)
xviii EFCDA ss. 1(1)(l), 1(1)(1.01), 16, 17, 19, 21.1, 34, 35, 36
xix EFCDA s. 23
xx EFCDA s. 23(3)(a)
xxi EFCDA s. 23(3)(b)
xxii EFCDA s. 23(4)
xxiii EFCDA ss. 4(1)(e), 11, 32
xxiv EFCDA s. 25
xxv EFCDA s. 40(1)
xxvi EFCDA ss. 41(2)-41(4)
xxvii EFCDA ss. 41(5), 41(7)
xxviii EFCDA ss. 41.2(5)(b), 41.3(3)(b)
xxix EFCDA ss. 29(4), 43.1, 43.2(2), 44, 48(4), 48(5)
xxx EFCDA s. 1(1)(a.1)
xxxi EFCDA s. 1.1(1)(a)
xxxii EFCDA s. 1(1)(b)
xxxiii EFCDA s. 1(1)(c)(i)
xxxiv EFCDA s. 1(1)(d)
xxxv EFCDA s. 1(1)(f.02)
xxxvi EFCDA s. 41.1(1)(a)
xxxvii Election Act s. 1(1)(k)
xxxviii EFCDA s. 16
xxxix Election Act s. 1(1)(n)
xl EFCDA s. 1(1)(j.1)



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