



GUIDE FOR POLITICAL PARTIES

Election Finances and Contributions Disclosure Act

Introduction

Purpose of this Guide

This guide has been produced to help political parties 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:

Elections Alberta
Suite 100, 11510 Kingsway NW, Edmonton, AB T5G 2Y5
Telephone: 780.427.7191
Toll free: 310.0000.780.427.7191
Fax: 780.422.2900

For general inquiries: info@elections.ab.ca
For financial compliance inquiries: finance@elections.ab.ca
For OFS technical support: ofs@elections.ab.ca

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1 Overview

What is a Political Party?

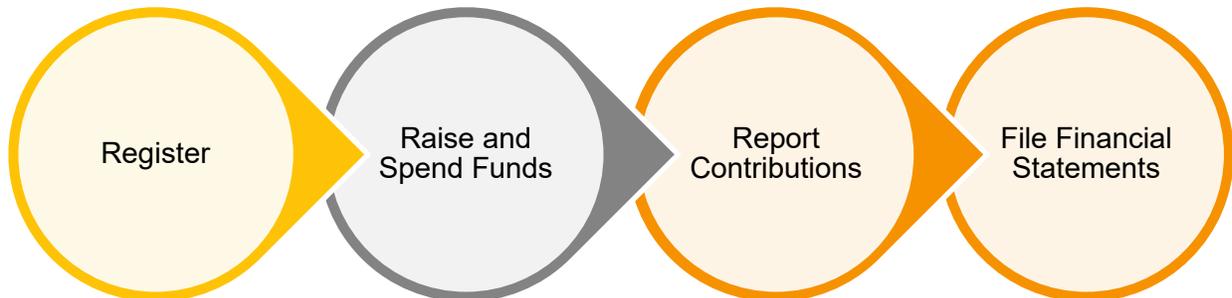
A **political party** (“party”) is an organization that participates in public affairs and aims to elect candidates to the Legislative Assembly. Activities can include, but are not limited to, membership drives, fundraising, candidate nominations, and promotion. Parties must register with Elections Alberta, maintain up-to-date registration information and ensure that they submit financial reports to disclose their activities.

Navigating This Guide

Section 2 provides information on how to register a party, how to update the party’s 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 quarterly contribution reports, annual financial statements, and campaign financial returns.

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.”^{vii}”

2 Registration

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

Requirements Prior to Initial Registration

A person or group wanting to register a political party must first submit, in writing, the proposed party name and abbreviation for review and approval by the Chief Electoral Officer. If your proposed party name and abbreviation are approved, the Chief Electoral Officer will reserve this name and abbreviation for you while you work to meet the qualifications for registration.

Reserving a Party Name

1. Consult Elections Alberta's list of [Registered Political Parties](#) and [Reserved Party Names](#), Edmonton Elections' list of [Registered Local Political Parties](#), and Elections Calgary's list of [Registered Local Political Parties](#) to ensure your proposed party name and/or abbreviation are not in use. Also make sure there is no society, company or corporation using the name you propose.

Your proposed party name cannot include any of these words: advantage, communist, conservative, democratic, green, independence, liberal, pro-life, reform, republican, solidarity, or wildrose.

2. Submit a request to Elections Alberta, by completing form [PA-RES-01 Reserve a Party Name](#) with:
 - Your proposed party name and abbreviation,
 - Your name, email address, physical address, and telephone number,
 - If you are applying on behalf of a group or organization, an up-to-date list of key members or principal officers, and
 - Your reason for applying.
3. We will notify you in writing if your request is approved or declined
 - If approved, your proposed party name and abbreviation will be reserved for 6 months from the date of approval to allow you to fulfill the qualifications listed below.
4. You may request a 3-month extension (use form PA-RES-01)
 - Your extension request must be submitted between 7-30 days before expiry (no exceptions), outlining the progress made and reason for needing an extension, and
 - If approved, your reservation period will be extended another 3 months.
5. You may request a *second* 3-month extension (use form PA-RES-01)

- Your second extension request must be submitted 7-30 days before expiry (no exceptions), outlining the progress made and reason for needing an extension, and
 - If approved, your reservation period will be extended another 3 months, for a total of 12 months from your initial reservation effective date.
6. After one year, if you need more time, you may again submit form PA-RES-01 between 7-30 days before expiry (no exceptions), indicating your interest in re-reserving the name, and **giving evidence of actions taken and progress made** toward qualifying to apply for registered party status.
 - The Chief Electoral Officer (CEO) will decide if the evidence is sufficient to approve re-reservation of the name,
 - If approved, the name and abbreviation will be reserved for 6 months from the date of approval, carrying forward any progress made, and
 - If declined, and there is a request from another applicant for the same or similar name and abbreviation, the CEO may approve the other applicant's request.
 7. Beyond the 6 months, any further extension(s) or re-reservation(s), are pending satisfactory evidence that progress continues to be made toward qualifying to apply for registered party status.
 8. Every application for reserving a proposed party name and abbreviation is evaluated and considered upon submission. Once a formal application is received, the Chief Electoral Officer will make a determination in accordance with the guidance set out in section 7 of the EFCDA. Please refer to "Meeting the Qualifications for Registration" below.

All decisions are solely at the discretion of the Chief Electoral Officer.

Meeting the Qualifications for Registration

A proposed party can qualify to register by meeting one of the following qualifications required under section 6 of the EFCDA:

- **Holding 3 seats** in the Legislative Assembly of Alberta, or
- **Endorsing and ensuring candidates are nominated** in at least half of the electoral divisions in Alberta for a general election, or
- **Completing a petition** containing at least 8,819 names and signatures of eligible electors (0.3% of the total number of electors that were eligible to vote in the last provincial general election held on May 29, 2023).

Registration Application and Approval

When the qualifications for registration are met, the proposed party can apply, in writing, for initial registration. The information below is required under section 7(1.2) of the *Election Finances and Contributions Disclosure Act*:

- the full name of the political party and abbreviation to be shown in documents,
- the name of the leader of the political party,
- the address of the place or places where records are to be maintained and of the place to which communications can be addressed,
- the names of the principal officers of the party,
- the name of the chief financial officer of the party,
- the name and address of the financial institution and the signing officers for the account into which contributions made to the party are to be deposited,
- an indication of the provision under section 6(2) that the party has qualified for registration,
- a statement of the assets and liabilities of the party as of a date not earlier than 90 days prior to the date of the application (attested to by the Chief Financial Officer), and
- a statement by the leader of the political party that one of the political party's purposes is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election.

Section 7(2.03) of the *Election Finances and Contributions Disclosure Act* requires a party's application for registration to confirm it is incorporated under one of the following:

- a society under the *Societies Act*,
- a company under Part 9 of the *Companies Act*, or
- a corporation under the *Canada Not-for-profit Corporations Act (Canada)*.

The Chief Electoral Officer may refuse to register a party if the above information is provided less than 60 days before the issuance of a writ of election, or if the party's assets, as set out in the statement of assets and liabilities required to be filed with the registration application, exceed \$5,000.ⁱ

Most of the required information can be provided by submitting [Form PA-R-01 Registration of a Political Party](#) to Elections Alberta, signed by an authorized representative of the proposed party who is 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, but the original must be mailed or delivered to Elections Alberta.

When we receive your registration form, we will process your application and confirm your registration in writing. Once registered, your party can raise and spend funds. Quarterly contribution reports, annual financial reports, and campaign financial reports must also be submitted, in compliance with the EFCDA. Your party must open a bank account before accepting funds or paying expenses.

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

Successor Parties (EFCDA sections 11.1-11.3)

A successor party may, at any time other than during the campaign period for a general election, apply to the Chief Electoral Officer for registration under EFCDA section 7. An application for registration of a successor party must be filed in accordance with EFCDA section 7(1.2). The application must be signed by the leader and one principal officer of each of the registered predecessor parties of the successor party, and be accompanied by resolutions approving the merger passed by each of the registered predecessor parties of the successor party.

A successor party is not entitled to be registered if the successor party is not eligible for registration under the EFCDA, or a registered predecessor party of the successor party has not discharged its obligations under the EFCDA, including obligations to file financial statements and campaign returns and to maintain valid and up-to-date information respecting registration.

A successor party may be registered under the name of one of its registered predecessor parties.

Upon registration, the registered successor party is the successor of each of its predecessor parties. The registration of each predecessor party is cancelled. The registered successor party is responsible for the obligations of its predecessor parties and the constituency associations of its predecessor parties to file financial statements and campaign returns for any period before the registration of the registered successor party.

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

ELECTION FINANCES AND CONTRIBUTIONS DISCLOSURE ACT					
REGISTRATION OF A POLITICAL PARTY					
FORM PA-R-01 Page 1 of 2					
		<input type="checkbox"/> INITIAL REGISTRATION <small>Submit if all pre-registration requirements have been met (EFCDA s.6)</small>		<input type="checkbox"/> RE-REGISTRATION <small>Submit if registration was previously cancelled (EFCDA s.10)</small>	
		<input type="checkbox"/> UPDATE TO REGISTRATION <small>Submit within 30 days of any registration change (EFCDA s.7(4))</small>		<small>OFFICE USE ONLY</small>	
PUBLIC CONTACT INFORMATION					
Political Party Name					Party Abbrev.
Unit No.	Street Address or P.O. Box		City / Town / Village / Municipality	Prov.	Postal Code
				AB	
Phone	Toll Free		Fax		
Email			Website		
PERSONAL CONTACT INFORMATION COLLECTED BELOW IS FOR ELECTIONS ALBERTA INTERNAL USE ONLY AND IS NOT MADE PUBLIC.					
LEADER					
Salutation	First and Last Name				
Address for correspondence, if different from party's public address				Email	
City / Town / Village / Municipality	Prov.	Postal Code	Direct phone	Cell phone	
	AB				
EXECUTIVE DIRECTOR					
Salutation	First and Last Name				
Address for correspondence, if different from party's public address				Email	
City / Town / Village / Municipality	Prov.	Postal Code	Direct phone	Cell phone	
	B				
CHIEF FINANCIAL OFFICER					
Salutation	First and Last Name				
Address for correspondence, if different from party's public address				Email	
City / Town / Village / Municipality	Prov.	Postal Code	Direct phone	Cell phone	
	AB				
PRINCIPAL OFFICER (PRESIDENT)					
Salutation	First and Last Name				
Address for correspondence, if different from party's public address				Email	
City / Town / Village / Municipality	Prov.	Postal Code	Direct phone	Cell phone	
	AB				
SECRETARY					
Salutation	First and Last Name				
Address for correspondence, if different from party's public address				Email	
City / Town / Village / Municipality	Prov.	Postal Code	Direct phone	Cell phone	
	AB				

Mark one box only

Fill in all the details for the party

Fill in all the details for each of the roles

EXAMPLE



ELECTION FINANCES AND CONTRIBUTIONS DISCLOSURE ACT

REGISTRATION OF A POLITICAL PARTY

FORM PA-R-01 Page 2 of 2

LOCATION RECORDS ARE MAINTAINED AND COMMUNICATIONS ADDRESSED (IF DIFFERENT THAN PARTY'S ADDRESS)				
Unit No.	Street Address or P.O. Box	City / Town / Village / Municipality	Prov	Postal Code
			AB	

Fill in if the financial records are not at the party's address

PRIMARY FINANCIAL INSTITUTION				
Name of Financial Institution				Phone
Unit No.	Street Address or P.O. Box	City / Town / Village / Municipality	Prov	Postal Code
			AB	

Fill in all the details for your primary financial institution

ADDITIONAL INFORMATION		
Name of Finance Contact	Direct phone	Email
Name of Constituency Association (CA) Contact	Direct phone	Email

STATEMENT FROM PARTY LEADER	
As required by Section 7(1.2)(j) of the <i>Election Finances and Contributions Disclosure Act</i> , I _____, Print Name	
Leader of _____, Print Party Name	confirm that one of the party's purposes
is to participate in public affairs by endorsing one or more of its members as candidates and supporting their election.	
_____, Leader Signature	_____, Date

Fill in, date and sign digitally or physically

ENDORSEMENT BY AUTHORIZED PARTY REPRESENTATIVE		
_____, Print Name	_____, Party Representative Signature	_____, Date

Fill in, date, and sign digitally or physically

ACCEPTANCE BY ELECTIONS ALBERTA	
_____, Authorized Signature	_____, Date

Before using this form for Initial Registration, the proposed political party must be qualified to register with Elections Alberta. Contact Elections Alberta by phone at 780.427.7191 or by email at info@elections.ab.ca to receive detailed information and instruction on forming a political party in Alberta.

Please do not use this form to request a change to the political party name or abbreviation. Submit your request, in writing, to the Chief Electoral Officer.

FOR INITIAL REGISTRATION OR RE-REGISTRATION, FORWARD SIGNED ORIGINAL TO:

ELECTIONS ALBERTA - Suite 100, 11510 Kingsway NW, Edmonton, AB T5G 2Y5

FOR UPDATE TO REGISTRATIONS ONLY: FAXED OR SCANNED COPIES ARE ACCEPTABLE.

Phone 780.427.7191 Fax 780.422.2900 Email: finance@elections.ab.ca Website: www.elections.ab.ca

OFFICE USE ONLY

ENTERED:

Registration Updates, Cancellations, and Re-registrations

Updates

It is important that you advise Elections Alberta of any changes to your party's registration information. Changes must be submitted to Elections Alberta as soon as possible, but no later than 30 days after any change. The party must file all changes using [Form PA-R-01 Registration of a Political Party](#). Updates can be filed by faxing or emailing the completed form to Elections Alberta. ⁱⁱ

If your party wishes to change its registered name and/or abbreviation with Elections Alberta, you must submit your request, in writing, to the Chief Electoral Officer.

*If approved, the register of political parties will be updated effective on the date that the Chief Electoral Officer received your request. The Chief Electoral Officer will not approve your request if the Chief Electoral Officer assesses that your proposed name or abbreviation is likely to be confused with the name or abbreviation of another registered party, the name or abbreviation of a party that has been de-registered since the last general election, or a reserved party name or abbreviation. We will notify you in writing of the Chief Electoral Officer's decision.*ⁱⁱⁱ

Cancellation of Registration

If, for any reason, a party decides to cancel its registration, the cancellation must be requested in writing. We will cancel the party's registration when:

- the party applies for deregistration in writing,
- the party confirms that it has ceased its activities,
- the party informs us how it plans to spend any remaining funds, and
- the party files a financial return with supporting documentation to confirm a nil balance.^{iv}

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

- the party has failed to file any required financial reports or comply with EFCDA sections 32, 42, or 43, or
- the party is no longer qualified to be registered, or
- the party's application contains false information.^v

When a party's registration is cancelled, the registration of the party's CAs are also cancelled. Parties and CAs are notified, by recorded mail, if their registration has been cancelled. Cancellation of registration becomes effective starting on the third day following the date the notice was mailed.^{vi}

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

Cancellation Review

A party 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 the request and give the party an opportunity to present their argument/s. The Chief Electoral Officer may choose to reinstate the party's registration or confirm the cancellation after this review and will provide the party with written notification of the final decision.^{vii}

Re-registration

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

Chief Financial Officer (CFO)

Appointment

Every party 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's candidate(s) and CA(s).^{ix}

Parties must notify Elections Alberta, within 30 days and in writing, of any changes to their CFO.^x

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,
- financial returns and reports required under the EFCDA are filed with the Chief Electoral Officer, and
- non-monetary contributions are properly valued and recorded.^{xi}

The CFO must retain all financial records for three years following the filing due date for a financial 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 financial statements 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 fundraising events are recorded including the date, name of event, ticket price, ticket sales revenue, auction revenue, the value of donated items, fundraising 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, party campaign expenses, party election 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 party's bank account where all money received by the party is deposited, and all expenses of the party are paid.



The party's bank account should only be used for your party's revenue and expenses.

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.^{xii}

3 Finance Rules and Reporting

This section outlines the rules for contributions, fundraising, 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

The following are permitted persons and entities (“eligible contributors”) that can make contributions:

- a person ordinarily resident in Alberta,
- a corporation carrying on business in Alberta and **is not prohibited a corporation**, and
- an Alberta trade union or employee organization.

Contributions are any money, real property, goods or services, or the use of real property, goods or services, provided to benefit your party, without compensation to the contributor. The received date of a contribution is the date it is received by and under the CFO’s control.^{xiii}

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.^{xiv}

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

Annual Memberships

A person can pay an annual party membership fee up to \$50 each for their own, their spouse, child, or parent, and no portion is a contribution. However, if the fee is more than \$50 each, the party must record the excess as a contribution received from the person who paid.

If a person pays for an annual party membership fee for someone other than the above, the whole amount paid must be recorded as a contribution from the person who paid, whether the fee is less or more than \$50.

Prohibited Contributors and Contributions

Your party cannot accept contributions from:

- a person not ordinarily resident in Alberta,
- a trade union or an employee organization that is not an Alberta trade union or Alberta employee organization,
- an unincorporated association or organization not operating in Alberta,
- Prohibited corporations such as:

- Provincial corporations as defined in the *Financial Administration Act*, and includes a management body within the meaning of the *Alberta Housing Act* and a provincial health agency, a regional health authority and a subsidiary health corporation under the *Provincial Health Agencies Act*,
- municipalities,
- Metis settlements,
- school boards under the *Education Act*,
- public post-secondary institutions under the *Post-secondary Learning Act*,
- corporations that do not carry on business in Alberta,
- registered charities,
- publicly funded corporations as determined by the regulations,
- any corporation, or corporation within a class of corporation, designated by the Lieutenant Governor in Council as a prohibited corporation, or
- 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 potential contributor if your party or CFO knows, or should know, that:

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

Prohibited contributions, including contributions exceeding the limit, must be returned/refunded to contributors by your CFO. If your party 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 party cannot keep the funds—the funds must be paid to Elections Alberta for deposit into the General Revenue Fund of the Government of Alberta.^{xv}

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

Collusion

Political parties are prohibited from colluding with third party advertisers to circumvent or avoid contribution limits or expense limits.^{xvi}

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.^{xvii} 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 party for a fundraising event. The party 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.

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, and
- free audit and professional services and free CFO services for work relating to compliance with the EFCDA.

Your party 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, the difference between the FMV and the discounted price is considered to be a contribution.^{xviii}

Contribution Limits

Your party must be registered with Elections Alberta before accepting contributions or incurring expenses.^{xix} The timing of when the party accepts a contribution, determines if the contribution should be recorded as “annual” or “campaign”. For a provincial general election, all contributions accepted by your party during the campaign period must be recorded as campaign contributions, separate from annual contributions.^{xx} The following tables outline how to classify contributions.

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

Accepting Contributions in Non-Election Year

← ← ← January 1 to December 31 → → →
Annual Period
Record annual contributions

Accepting Contributions in Provincial General 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
Record annual contributions	Record campaign contributions*			Record annual contributions



***If your party runs a candidate in a by-election and your party accepts contributions during the campaign period, you can choose which contributions relate to the by-election, if any, and record these as campaign contributions.^{xxi}**

Contributions made by an eligible contributor to your party or any combination of parties, CAs, candidates, and prospective candidate associations, shall not exceed \$5,000 in total, per calendar year. CFOs are responsible for making reasonable efforts to inform contributors of the rules relating to contributions and for keeping track of contributions received.^{xxii}

*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.*

Fundraising Functions

A fundraising function is any event or activity intended to raise funds for your party. 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 fundraiser that is commonly held in conjunction with a ticketed event.

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 party has a choice of two categories for reporting your fundraising functions:

1. Activity: A fundraising event where tickets are sold, or admission is charged to attend. A fundraising 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. Fundraising activities include raffles, 50-50 draws, etc.

Most fundraisers charge admission, but some do not. Regardless, details about the fundraiser must be reported.

2. Auction: An auction fundraiser 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 fundraising activity or auction must be recorded, as well as the total amount of contribution receipts issued to those who attended or participated in the fundraiser (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 fundraising function revenue. ^{xxiii}

1. Activity

Only eligible contributors can pay for tickets or admission to attend party fundraisers. This is because a portion of the price paid comprises a contribution, which results in the issuing of a contribution receipt.

Notably, persons and entities prohibited from making contributions (e.g., non-Alberta residents, non-Alberta corporations, etc.) cannot purchase tickets or admission, or reimburse the purchaser for their ticket or admission paid, because of the contribution portion. They can, however, pay the non-contribution (expense) portion only. The non-contribution (expense) portion of the ticket or admission price, recognizes that the purchaser received compensation for attending (e.g., meal, refreshments, etc.).

Calculating the Contribution Receipt Amount

When planning a fundraiser, your party 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 those who purchased tickets or admission. The EFCDA provides an easy calculation, via Method 1 below, or the actual costs per person can be calculated via Method 2.

Method 1^{xxiv}

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 fundraising function revenue. However, the CFO or ticket/admission purchaser, 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^{xxv}

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 fundraising events and how to determine the contribution portion vs. non-contribution portion (expense portion) of each ticket sold or admission charged.

Fundraising Function	Ticket / Admission Price	Method	Contribution Portion (tax received)	Non-Contribution "Expense" Portion (Not received)
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 party's financial statement as "received contributions" revenue, and
- 2) the non-contribution portion is recorded on your party's financial statement as "fundraising function" revenue.

If the fundraising 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.^{xxvi} 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 fundraising activity, a separate record of the auction revenue and expenses must be kept as different rules apply.

Your party can buy items for the auction and accept items donated by eligible contributors.

For donated items, your CFO must record a valued contribution and issue a valued contribution receipt to the donor. 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 a winning bid exceeding the value of the donated item is a contribution for the excess amount paid.

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 tax 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 expense²,

Bidding:

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

Scenario 2

A store donates a \$700 lamp 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 fundraising 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 party 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 fundraising revenue received from the winning bidder,
- \$1,200 as a contribution received from the bidder.

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.

² 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 party.

Social Events

Social events are activities where the purpose is not to raise funds. Such events may include meetings and 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 fundraising functions.

Door Prizes

Your party can buy items for door prizes and accept prizes donated by eligible contributors.

For prizes valued over \$50 donated by eligible contributors, your CFO must record a valued contribution and issue a valued contribution receipt to the donor. For prizes valued up to \$50 your CFO records it as valued fundraising function revenue if the prize was for a fundraising event, or as valued other income if the prize was for a social event, unless the donor 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. In addition to donated prizes being recorded as revenue, they must be recorded as expenses.

Golf Tournaments

Only eligible contributors can pay an entry fee to a golf tournament if the entry fee exceeds the FMV of goods and services received, because the excess is a contribution. The entry fees should be recorded as a contribution and non-contribution (expense) per s. 23(3) of the EFCDA.

Trade Union and Corporate Sponsorships at Fundraisers

An eligible trade union or corporate contributor is permitted to pay for sponsorship at fundraising functions held by or on behalf of a CA. The CA is responsible for determining the FMV of the sponsorship benefit received using comparable market rates for similar events held in the local market. Any portion of the paid sponsorship exceeding the value the trade union or corporation receives in return, comprises a contribution and counts toward the trade union's or corporation's \$5,000 annual contribution limit. **The sponsorship must promote the trade union or corporation itself, not the CA, to avoid triggering third party advertising.**

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, or provide data files for Elections Alberta to upload, before official contribution receipts 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)
- contributor type (individual, corporation, trade union, or employee organization)

Separate records must be kept for annual contributions vs. campaign contributions.

Online Financial System Login screen



Sample of Contribution Data Entry Screen in OFS

Add Contribution:

Year: 2022 Event: 2022 Annual Entity: PARTY

Party: ARDEMOParty

Contribution

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

Contributor

Contributor: + Add New Contributor

Okay Okay and next Cancel

Party ID for Each Contributor

Your party must assign a unique identifier—a Party ID—for each contributor, and provide this information as part of the contribution information required to be reported in OFS. The contributor and contribution information that your party reports in OFS links to the contributions that your CAs and candidates may report, to help you track and prevent over-contributions.

Each party can use their own numbering method for their Party IDs, as long as the method does not duplicate any IDs. The most common numbering method simply starts at 1 and goes up as the party gets more contributors.

Once contributor is assigned a Party ID it follows that contributor from year to year, even if the contributor's address or other information changes. OFS maintains each contributor's history for the party, including any name changes, address changes, etc.

The party's CAs and candidates benefit from having access to the party's contributor list in OFS when entering their contributions. If a contributor is not on the list, a new contributor can be added, and the party must assign a Party ID to the new contributor. The party can manually add the new Party ID or provide it with the party's next contributor data file.

If your CAs accept contributions, you are encouraged to have the CAs enter contributions as they are received throughout the year. This helps your party to monitor for over-contributions and assists with Elections Alberta's periodic compliance review. Waiting until the end of the year to record contributions significantly increases the risk of violations and penalties under the EFCDA.

Official Contribution Receipts

Your CFO must issue official contribution receipts to all contributors using OFS.

There are two ways to issue receipts through OFS:

- for contributors preferring an **electronic receipt**, your CFO generates the receipts and emails them to contributors from OFS, or
- for contributors 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 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.

Your CFO must issue separate receipts to contributors for their annual and campaign contributions. Contribution receipts must be issued no later than the filing deadline for the financial statement that the contributions relate to. The following table provides approximate timelines for when receipting is available in OFS and when all receipts must be issued by.

Receipt type	Receipting available in OFS	Receipts issued and delivered to contributors
Annual - Prefix "A"	Beginning of February, for previous year's contributions	March 31st, the annual financial statement filing deadline
Campaign - Prefix "C"	Two months after Election Day	Six months after Election Day, the party's campaign return filing deadline

If a contributor makes one or more annual contribution to your party, OFS will produce one annual or "A" type receipt for that contributor, listing their annual contribution(s). In an election year, if the same contributor makes one or more campaign contributions to your party, OFS will produce one campaign or "C" type receipt for that contributor, listing their campaign contribution(s).

Sample of Official Contribution Receipt

ADP

OFFICIAL CONTRIBUTION RECEIPT

A220000304

2022 TAX YEAR

Issued to:

JOHN S DOE
1212 SWEET HOME
EDMONTON BEACH, AB T1T 1T1

Receipt Date: November 14, 2022

Period: Party Annual

Receipt Total: \$ 100.00

Tax Deductible: Yes

Issued by: 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
November 14, 2022	Money	\$ 100.00

Income Tax Credits

Both money and valued contributions made to a party by individuals ordinarily resident in Alberta 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 Contributions

Elections Alberta publishes your party's reported contributions in two categories:

- for contributions from a contributor that exceed \$250 in aggregate for the reporting period, 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 for the reporting period, from any one contributor.^{xxvii}

The party's reporting periods are quarterly, annual, and campaign, and the contribution reports are published shortly after the filing deadline that applies to each of these reporting periods. Finalized contributions reports are published after Elections Alberta's financial audits for the annual and campaign periods are complete and the party has been notified.

Other Revenues

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

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

*Fees and deposits collected by your party from leadership contestants must reported as other income revenue, not contributions. Any refunds issued for fees or deposits must be reported as operating expenses.

Loans from Financial Institutions

Your party 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 financial statements.^{xxviii}

Guarantees

Only eligible contributors may sign, co-sign, guarantee or provide collateral for a loan on behalf of your party. 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.^{xxix}

Loan Payments

Only eligible contributors may make a loan payment or guarantee payment on behalf of your party. Loan payments made by you or on behalf of your party 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 party.^{xxx}

Incurring Expenses

Your party can incur expenses any time after your party is registered with Elections Alberta. It is important for the party's CFO to know when an election is called, and the dates for the election period and campaign period.

The nature of an expense and when the expense is incurred, determines which type of expense to record. Some expenses can be classified as **operating expenses** regardless of when the expense is incurred. Some expenses must be recorded as **election expenses** or as **campaign expenses** based on the nature of the expense and when the expense is incurred.

Operating Expenses

There is no limit to the amount that a party can spend on operating expenses (ongoing costs to run the party). Operating expenses include, but are not limited to:

- audit and professional fees necessary for compliance with the EFCDA by the party,
- expenses incurred to hold a conference or convention of the party,
- expenses incurred by the party to operate a permanent office, including the salaries and wages paid to permanent staff members working in the office during an election period, and
- reasonable incidental expenses incurred by or on behalf of volunteers.^{xxxi}

Election Expenses and Campaign Expenses

Expenses to promote your party, or to promote two or more of your registered candidates, or for your party to oppose others in a provincial general election or by-election, must be tracked and reported as election expenses or as campaign expenses. The nature of an expense, and when the goods or services are used or consumed, determines whether to record them as an election expense or a campaign expense.

An election expense incurred by the party on behalf of a specific candidate, is an election expense of that candidate, not the party.

Election Expenses and Spending Limits

Expenses that your party incurs to promote your party, or to promote two or more of your registered candidates, or for your party to oppose others during an election period, must be recorded as “election expenses” of the party. In addition, your CAs can incur election expenses on behalf of the party.

Your party’s election expenses are subject to a spending limit which applies during the election period, from the date a Writ of Election is issued to the end of Election Day.



The party’s election expense limit is **\$5,000,000** for a Provincial General Election, less any election expenses the party may incur if there is a by-election and/or a senate election in the same calendar year. The party’s election expense limit is **\$75,000** for a by-election and **\$100,000** for each party-endorsed candidate in a senate election.

Your party and your party’s CFO will be liable to a fine of not more than \$100,000 if your party exceeds the election expense limit.^{xxxii}

Parties are prohibited from colluding with third party advertisers or other registered parties to circumvent or avoid expense limits.^{xxxiii}

The chart below provides further information to help you with recording expenses.

Type of Expense	Election Expenses – Subject to Spending Limit	Campaign Expenses – Not Subject to Spending Limit
Applies to	Election period	Campaign period
Definition	Any expense incurred, or non-monetary contribution received, by a registered party, constituency association or candidate to the extent that the real property, goods or services that the expense was incurred for, or that were received as a non-monetary contribution, are used to directly promote or oppose a registered party, its leader or a candidate during an election period.	Any expense incurred, or non-monetary contribution received, by a registered party, constituency association or candidate to the extent that the real property, goods or services that the expense was incurred for, or that were received as a non-monetary contribution, are used to directly promote or oppose a registered party, constituency association or candidate during a campaign period.
Examples of Expenses	<ul style="list-style-type: none"> • the production of advertising or promotional material, • the distribution, broadcast, or publication of advertising or promotional material in any media or by any other means during an election period, including using a capital asset, • the payment of remuneration and expenses to or on behalf of a person for the person’s services as a CFO or in any other capacity, • securing a meeting space, or the conduct of election surveys or other surveys or research during an election period.^{xxxiv} 	<ul style="list-style-type: none"> • the production of advertising or promotional material, • the distribution, broadcast, or publication of advertising or promotional material in any media or by any other means during a campaign period, including using a capital asset, • the payment of remuneration and expenses to or on behalf of a person for the person’s services as a CFO or in any other capacity, • securing a meeting place, or the conduct of election surveys or other surveys or research during a campaign period.^{xxxv}
Examples of Expenses Exempt from Spending Limit	<p>Operating Expenses are exempt from spending limits. Record the following expenses as operating expenses on your party’s annual financial statement even if the goods or services are used or consumed during the election period or campaign period:</p> <ul style="list-style-type: none"> • audit and professional fees necessary for compliance with the EFCDA, • expenses incurred to hold a conference or convention of a registered party, • expenses incurred by a party to operate a permanent office, including the salaries and wages paid to permanent staff members working in the office during the election period, and <p>reasonable incidental expenses incurred by or on behalf of volunteers (that relate to the above bullets)^{xxxvi}</p>	

Expenses that Span Multiple Periods

Some goods or services for promoting your party or opposing others may be used or consumed during both the election period and campaign period. In these cases, the expense should be claimed as both in proportion to the period of their consumption, impact or use.

Use of Previous Elections Goods

The use of election goods in a 2nd or subsequent election is a non-monetary contribution.^{xxxvii}

If your party uses its previous goods, such as signage, the use of the goods must be reported at fair market value at the time. The value is carried in as valued other income and expensed accordingly.

Expenses Paid on Behalf of a Specific Candidate

If your party incurs expenses for a specific candidate during an election, there are limits on the amount that the party can spend, as it counts toward the candidate’s spending limit.^{xxxviii} The candidate election expense limit is \$75,000.

Examples of the types of expenses include advertising in all formats, advertising production, fundraising events and activities, polling including surveys and research, honoraria and salaries, office and technology, etc. Expenses on behalf of a specific candidate must be tracked and reported separately from the party’s operating and the party’s election/campaign expenses.

When the goods or services are used by the candidate specifically during an election period, they are “election expenses” and are subject to the candidate’s spending limit.

The party’s CFO must work closely with the candidate’s CFO(s) to ensure that the expenses are recorded and allocated appropriately.

Start of Campaign Period / Election Period	End of Election Period	End of Campaign Period
Writ of Election is issued	Election Day	+ 2 months after Election Day
Goods or services used by candidate for their promotion or opposing others <u>are</u> subject to the spending limit, including those purchased pre-writ by the party		Goods or services used by candidate for their promotion or opposing others <u>are not</u> subject to the spending limit, including those purchased pre-writ by the party

Spending limits for parties and candidates are listed on Elections Alberta’s website [here](#).

Pre-paid Election and Campaign Expenses

Your party can pay for the party's election and campaign expenses prior to a Writ of Election, as well as expenses for a specific candidate. Pre-paid expenses must be properly recorded and reported following the guideline below.

Timing of Expense	How to Report the Pre-paid Expense
Incurred in the year immediately prior to the election year	<p>Party expense: Record the expense as an asset on the party's annual financial statement balance sheet, and carry the asset forward to the party's campaign return to expense it</p> <p>Specific candidate expense: Record the expense as an asset on the party's annual financial statement balance sheet, and carry the asset forward to the candidate's campaign return for the candidate's campaign to expense</p>
Incurred in the election year, prior to the Writ of Election	<p>Party expense: Report the expense on the party's campaign return</p> <p>Specific candidate expense: Record the expense on the party's campaign return as an expense on behalf of candidate (the candidate's campaign will report goods/services received and used)</p>

Forgiven and Unpaid Expense Debts

If, in the ordinary course of a commercial transaction, the party 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 party 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 party and it would be regulated by the EFCDA. If the vendor is an eligible contributor, a contribution would be allowed within the contribution limit. **If the vendor is a prohibited person or entity, such as a union or a corporation, 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 party to pay an expense become a "contribution" by the vendor?

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

Example 1: A volunteer with a party has, as an individual, contributed the maximum annual amount allowed under the EFCDA. The volunteer also owns a computer hardware business in Alberta. She instructs her staff to generate an invoice in the name of the computer hardware business and delivers a printer to the party. The invoice gets filed but is never paid, although the party 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 by the business.

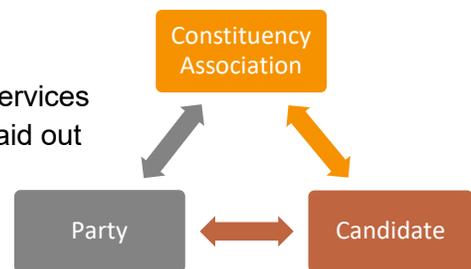
Where the vendor and the party fabricate an invoice for which there was never an intention to pay (see Example 1 above), then this could be an attempt to circumvent the rules. If the forgiveness of the debt is a prohibited contribution (e.g., the vendor is a business operating outside Alberta), the vendor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

Example 2: A party enters a contract with a corporation to purchase a printer for the party. The corporation delivers the printer to the party accompanied by an invoice requiring payment by a certain date. By that date, due to a lack of funds, the party 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 party 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 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 control.

Transfers

Your party can transfer money, real property, goods, and services with your CA(s) 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(s) and party as transfers.



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

Transfers are not contributions, but must be recorded by the party, CA, 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(s), and candidate(s). 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.

Parties can transfer funds, property, goods or services, with prospective candidate associations only if the prospective candidate has been endorsed by the party or is an elected member of the Legislative Assembly and a member of the party.

Parties can only receive surplus funds transfers from leadership contestants; transfers of goods and services are allowed.

Financial Reports

Quarterly Reports

Your party must file quarterly reports via OFS to disclose contributions received in each quarter of the calendar year. The “received date” of a contribution is the date it is received by, and under the control of, the CFO. If no contributions are received in a quarter, a “nil” quarterly report is still required to be filed.

Only contribution revenue is included in quarterly reports – this includes both money and valued contributions, including any amounts of \$50 or less where the contributor has requested that their donation be considered a contribution. When a contributor’s aggregate contributions exceed \$250 at any point in the year, that contributor’s name and contributions are published on Elections Alberta’s financial disclosure website at efpublic.elections.ab.ca.

Quarterly reports are based on the date ranges shown in the table below, with the reports due 15 days after the end of each quarter. If the 15th falls on a weekend or holiday, the next business day will be considered the due date. The due date applies even if the report is nil.

Quarter	Dates Covered by Quarterly Report	Filing Deadline
1	January 1 to March 31	April 15
2	April 1 to June 30	July 15
3	July 1 to September 30	October 15
4	October 1 to December 31	January 15

OFS contains Quick Help guides with step-by-step instructions for entering contributions and submitting quarterly reports. For OFS questions and for technical support, contact Elections Alberta during business hours by phone , toll free, at 310.0000 then 780.427.7191, or by email at ofs@elections.ab.ca or finance@elections.ab.ca.

Financial Statements

Your party must file **annual financial statements** to disclose all revenue, expenses, assets, and liabilities of the party. If there has been no financial activity whatsoever, a “NIL” annual financial statement must still be filed.

Your party must also file **campaign returns** to report all campaign period revenue and expenses following election events. If there has been no campaign-related revenue or expenses, a “nil” campaign financial statement is still required to be filed.

The deadline for filing the party’s annual financial statement is March 31st each year.

The deadline for filing the party’s campaign return is six months after Election Day.

All registered parties must file a campaign return for a general election. Only parties that run a candidate in a by-election must file a campaign return for that by-election. The components of the campaign return are:

- a financial statement,

- a contribution detail report per EFCDA section 32(4),
- a campaign expense report,
- an expense limit report per EFCDA section 41.2(4) for parties and 41.3(4) for candidates, and
- any supporting information and documents relating to the campaign return.

Requirement for Professional Audit

Annual and campaign financial statements required to be filed by a party may be required to be audited by a person authorized by the *Regulated Accounting Profession Act*. A copy of the audited financial statement and auditor’s report must accompany each financial statement by the filing deadline.

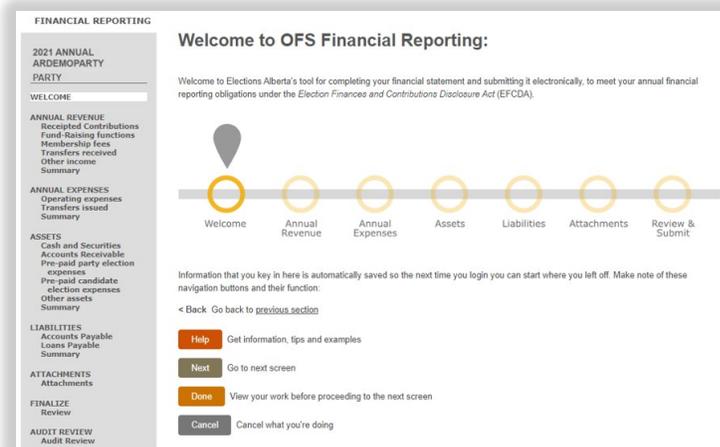
An audited financial statement is not required if the revenue and expenses for the reporting period do not each exceed \$25,000; however, a non-audited financial statement must still be filed by the filing deadline, including a nil return where applicable.^{xxxix}

Electronic Filing in OFS

Your CFO is responsible for entering the party’s financial statements in OFS. The entire filing process is electronic. Keeping up-to-date records of all financial transactions enables smoother and faster completion of the financial statements. Electronic sign-off is required by both the party CFO and President. Other authorized party officials may be authorized to sign-off if the CFO or President is unavailable. 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 party and Elections Alberta’s financial analysts, who review each submission.

OFS Welcome Screen for Financial Statement Module



Failure to File



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

Both the party and the party'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 party also has 30 days to file any outstanding financial statement, or Elections Alberta may cancel the registration of your party. The issue will be referred to the Election Commissioner for investigation, where further administrative penalties may be imposed on the party and the party's CFO.

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. ^{xi}
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.^{xii}</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. ^{xiii}
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. ^{xiiii}
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.^{xliv}</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. ^{xlv}
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.^{xlvi}</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. ^{xlvii}
Eligible Contributor	A person who is ordinarily resident in Alberta, a corporation carrying on business in Alberta and is not prohibited a corporation, and an Alberta trade union or employee organization. ^{xlviii}
General Election	An election to vote for new members of the Legislative Assembly in all electoral divisions. ^{xlix}

Term	Definition
Member of the Legislative Assembly (MLA)	A person elected to represent the people in an electoral division in Alberta
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. ¹
Prospective Candidate Association	A prospective candidate association (PCA) is an official association established by an individual, or on behalf of an individual, for the purpose of supporting a prospective candidate for election as a member of the Legislative Assembly.
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. 7(2.01)-(2.02)
ii EFCDA s. 7(4)-7(5)
iii EFCDA s. 7(3.1)-(5)
iv EFCDA s. 10(1)(a)
v EFCDA ss. 10(3), 10(5)
vi EFCDA s. 10(6)
vii EFCDA ss. 10(7), 10(9)
viii EFCDA s. 10(11)
ix EFCDA s. 29(1)
x EFCDA s. 7(4)
xi EFCDA s. 30
xii EFCDA s. 10.1
xiii EFCDA ss. 16, 1(1)(e)
xiv EFCDA ss. 13(2), 33
xv EFCDA ss. 1(1)(l), 1(1)(1.01), 16, 17, 19, 21.1, 34, 35, 36
xvi EFCDA ss. 41.42, 44.11
xvii EFCDA s. 22(1)
xviii EFCDA s. 22(2)
xix EFCDA s. 7(1)
xx EFCDA s. 32(2)
xxi EFCDA s. 32(4.01)
xxii EFCDA s. 30(2)
xxiii EFCDA s. 23
xxiv EFCDA s. 23(3)(a)
xxv EFCDA s. 23(3)(b)
xxvi EFCDA s. 23(4)
xxvii EFCDA ss. 4(1)(e), 11, 32
xxviii EFCDA s. 40(1)
xxix EFCDA s. 41(2)- (4)
xxx EFCDA ss. 41(5), 41(7)
xxxi EFCDA s. 41.2(3)
xxxii EFCDA s. 48.1(1)
xxxiii EFCDA s. 41.42
xxxiv EFCDA ss. 41.1(1)(a), 41.1(3)
xxxv EFCDA ss. 1.1(1)(a), 1.1(3)
xxxvi EFCDA s. 41.2(3)
xxxvii EFCDA s. 41.1(2)
xxxviii EFCDA s. 41.3(3)(a)
xxxix EFCDA ss. 1(1)(a.02), 42(1.1), 43(7)
xl EFCDA s. 1(1)(a.1)
xli EFCDA s. 1.1(1)(a)
xlii EFCDA s. 1(1)(b)
xliii EFCDA s. 1(1)(c)(i)
xliv EFCDA s. 1(1)(d)
xlv EFCDA s. 1(1)(f.02)
xlvi EFCDA s. 41.1(1)(a)
xlvii Election Act s. 1(1)(k)
xlviii EFCDA s. 16
xlix Election Act s. 1(1)(n)
l EFCDA s. 1(1)(j.1)



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