



GUIDELINES FOR ORGANIZING CAMPAIGN MATERIALS FOR AN AUDIT

In preparation for an Ethics Commission audit, you should review the recordkeeping guidelines contained in the applicable Ethics Commission's *Candidate Manual*, the provisions of San Diego Municipal Code section 27.2925, and the requirements of title 2, section 18401 of the California Code of Regulations.

Audit materials should be organized for each committee by election (primary/general) and by separating documents by campaign statement period, i.e., semi-annual, 1st pre-election report, 2nd pre-election report, etc. Please ensure that all documentation is available for review and in order. In the event a document is missing, request a copy of the document as soon as possible from the appropriate source, e.g., bank or vendor.

The Ethics Commission recognizes that an audit will invariably divert a certain amount of time from an auditee's usual routine. The Commission's objective is to perform the audit efficiently and effectively, minimizing the disruption of that routine. Accordingly, here are some suggestions for organizing your audit materials in order to expedite the audit process and to minimize disruptions:

Bank Statements and Canceled Checks

- canceled checks should be in sequential order by check number;
- bank statements should be in sequential order by month; and
- credit and debit bank memos should be provided.

Contribution Records

- deposit slips should be attached to corresponding deposit receipts and contribution copies;
- deposit slips and contribution check copies should be in order by date of deposit;
- all credit card contributions and contributions made through the Internet should have copies of supporting documentation, such as contributor cards, transaction lists, credit card slips, etc.;
- credit card contributions and contributions made through the Internet should be grouped according to the amount(s) credited to the committee checking account; and
- sufficient documentation to substantiate any disgorgements of excess contributions that were made before the end of the filing deadline for the reporting period in which the contribution

was received, including but not limited to, copies of the contribution checks or other evidence of a contribution, evidence of deposit of the contribution into the Committee's checking account, and a copy of the Committee's check returning the contribution with evidence of that check clearing the Committee's checking account.

Expenditure Records

- all relevant supporting documentation, such as invoices or receipts, should be attached to the copy of each canceled check or check voucher;
- copies of canceled checks should be maintained, with the attached supporting documents, in sequential order by check number, or in alphabetical order by payee name. The second method is particularly useful if the expenditure records on the campaign statement also appear in alphabetical order;
- copies of the canceled checks or check vouchers and the attached supporting documentation should be organized by month or by the campaign statement period in which the expenditures were made;
- all credit card receipts for expenditures should be attached to the corresponding credit card statements; and
- contractual agreements or any other documents reflecting the promise to pay for goods and services should be organized by date or in alphabetical order by vendor.

Other Records

- non-monetary contributions should be in order by date and include supporting documentation to verify the value, such as valuation letters from contributors or other records describing the method used to determine the value of the goods or services contributed;
- communications sent by the campaign to secure occupation and employer information from contributors should be organized by date or in alphabetical order by contributor.
- telephone communications should be in date order including a transcript of the message communicated and a record of the number of calls for each message; and,
- campaign literature paid for by the campaign should be organized by date of distribution and include supporting documentation and information, such as the quantity, date, and method of distribution. Include an original sample of each mailer, flyer, pamphlet, door hanger, walking card, poster, yard sign, business card, campaign button, door hanger, yard sign, campaign button, and bumper sticker.