Small Donor Committees – What level of contributions is it acceptable for a small donor committee to accept from any one donor and what level of contribution may small donor committees make to a candidate?

Small donor committee means a political committee that accepts contributions only from natural persons who each contribute no more than fifty dollars ($50.00) total in a calendar year. (§54-2(1)(5), City Code). Natural person is not defined in the ordinance, but the courts make it clear that the plain meaning of the term is used here – namely, a natural person means an individual human being rather than an entity that is legal but non-human (such as a corporation, partnership, or trust).

A small donor committee can contribute any amount up to ten (10) times the limits established for municipal elected office ($1,000 for mayor and at-large council seats; $400 for ward council seats) when given to a candidate committee or recall committee. (§ 54-105(b), City Code). This means Small Donor Committees can contribute up to $4,000.00 in an election cycle to a Ward Candidate or $10,000.00 in an election cycle to a Mayoral Candidate or an At-Large Candidate.

Joint Checking Accounts – To whom on a joint checking account is a contribution ascribed?

A contribution or donation is attributed to the individual signing the check, as a person who signs the check or authorizes a monetary transfer or a non-monetary gift is the one who “makes” the contribution to a candidate committee, political committee, issue committee, or independent expenditure committee. Given that, one joint signer cannot make a contribution for the other joint signer.

Independent Expenditure Committees (IEC’s) Donations and Contribution Limits – Are there limits on the donations a person, natural or otherwise, may make to an IEC, and are there limits as to the amount an IEC can spend on a matter?

There are no limits on the donations a person can make to an IEC, which is why §54-105.5 of the City Code has stringent reporting requirements so as to keep transparency in the process.

IEC’s may not make contributions to candidate committees. (See generally Definitions Section outlining the scope of an IEC, §City Code). Further, IECs cannot coordinate their expenditures with candidates or candidate committees, as coordinated expenditures are treated as contributions and may exceed the permitted maximum contribution amounts ($1,000 for citywide elections and $400 for ward elections).

Paid Advertising - What does an advertisement have to say to disclose the person that paid for it?

Under §54-104.5(a), the disclaimer on any candidate-related brochure or mass media advertisement must list the full legal name of the person or committee that paid for the ad. If the candidate or candidate committee paid for the ad, the disclaimer needs to say
that. If an advertisement is an independent expenditure or electioneering communication, the ad needs to state that it was not authorized by any candidate and, as discussed below, the top five donors to the group that paid for the ad.

Examples: “Paid for by Joe Jones for City Council; Joe Jones authorizes this ad.” “Paid for by the Better Aurora Independent Expenditure Committee; not authorized by any candidate.”

**Disclosure of Top five Donors of $1,000 or more – When is this required?**
An advertisement that isn’t paid for by a candidate (i.e., an independent expenditure or electioneering communication) needs to add to the disclaimer described above the full names of its top five (5) donors of $1,000.00 or more. If the same amount was given by more than five donors, the most recent contributors of such amount must be listed. If there aren’t five donors of $1,000 or more during the election cycle, no such listing is required. (See generally: §54-104.5(b), City Code).

**Major Contribution Reports – When to report and are not contributions capped at $1,000.00?**
A Major Contribution Report must be filed upon receiving a contribution of $1,000 or more at any time within sixty (60) days of the election. See §54-104(c) of the City Code for details on timing of such reports, as reports more than fourteen days before an election must be made within five days after the contribution is received, and reports within fourteen days of an election must be made before midnight of the day following the day the contribution is received.

**In-Kind Contributions- What are the dollar amount limits?**
Contribution limits, when they apply, apply to in-kind contributions as well as to monetary contributions and to combinations of the two. An in-kind contribution may occur where goods or services are given to any committee without charge or at a price that is less than the usual, normal charge (retail value of the items). Section 54-2(l)(1) of the City Code speaks to the value of a contribution in-kind being the normal charge for such goods or services. For instance, a person who hosts a fundraising event will have made an in-kind contribution by paying for a room rental, food, beverage, invitations, gift certificates, mailing costs, and the like. That would be a permitted contribution up to the maximum dollar amount for that race (if there is one), but it must be reported on the committee’s disclosure form to the Clerk.

**Dedicated contributions - How does a campaign committee report donations and expenditures intended to fund a particular event?**
The City Code does not distinguish reporting requirements for donations or expenditures based upon the nature of a campaign event, and it does not recognize dedicated or earmarked funds from the perspective of the donor. The donations are reported as any other contribution.

The City Code defines expenditures in Section 54-2(w) of the City Code. Further, the City Code regulates disposition and personal use of unexpended campaign funds in Section 54-102 of the City Code, which helps define proper expenditure or use of donations.

**Volunteering – Distribution of campaign fliers, making campaigning calls on behalf of a candidate, or sending campaigning e-mails**
Volunteering one’s time and effort to distribute campaign literature door-to-door,
volunteering to make campaign calls on behalf of a candidate, and volunteering to send e-mails campaigning on behalf of a candidate are volunteer activities and are not contributions to the candidate or the campaign under the ordinance, generally speaking. If the phone calls or e-mails make use of a commercial system to replicate them and to transmit them repetitively without the effort of the individual such as a robocall system, the value of that service would be a donation in-kind which would need to be reported. If a service is provided at a rate that is less than the going rate for those services, the difference is an in-kind contribution.

**Can a covered entity or business make contributions to a candidate committee?**
A “covered entity” is a for-profit organization or enterprise, a labor organization, a labor organization, a tax-exempt organization under section (501)(c) of the Internal Revenue Code (“IRC”), or a political organization that is exempt under section 527 of the IRC and is not operated primarily for political purposes (supporting or opposing candidates or ballot issues). Pursuant to section 54-101(e), a covered entity may not make a contribution to a candidate committee, and a candidate committee may not solicit or accept contributions from a covered entity. While a covered entity may not contribute from its own funds, it may establish and administer a separate, segregated fund to solicit and accept contributions or dues from its principal owners, members, shareholders, or executive and administrative personnel. Therefore, a covered entity must register a separate segregated fund as a political committee with the city clerk. Information on how to form a political committee can be found on page 4 of the Campaign Finance Guide.

**How much can a candidate contribute to their own campaign?**
Contribution limits do not apply to contributions (both monetary and non-monetary) made from a candidate’s personal funds to the candidate’s own committee. See section 54-2(k)(1)(f).

**Does the cost of transmitting a donation value to a campaign have to be reported? Is the cost part of the donation limit level for the donor?**
If a contributor gives the maximum amount to a candidate, the contributor can absorb the cost of delivering that contribution (a stamp on an envelope that contains a check or the cost of electronically transmitting that amount) because it is a cost that the contributor absorbs and the candidate never receives. If, however, the contributor adds to the maximum contribution an additional amount to cover the candidate's processing costs, the contributor has violated the contribution limits because the dollar amount actually transferred to candidate has exceeded the legal limit.

**THE ANSWERS TO THESE FREQUENTLY ASKED QUESTIONS ARE ADVISORY ONLY AND SHOULD NOT BE RELIED UPON AS LEGAL ADVICE.**

**IF YOU ARE UNSURE ABOUT HOW TO COMPLY WITH AURORA’S CAMPAIGN FINANCE ORDINANCE, YOU SHOULD CONSULT WITH YOUR OWN ATTORNEY.**
In light of the Court’s issuing a preliminary injunction in *Coffman v. Aurora, 21 CV 30504* will the City of Aurora be enforcing provisions of Chapter 54 of the City Code pertaining to candidate involvement in, or coordination with, other campaigns or groups involved in municipal elections?

In *Coffman v. City of Aurora, 21 CV 30504*, The Honorable District Court Judge Peter F. Michaelson ordered, on May 28, 2021 that:

a. Aurora is – pending trial on the merits - enjoined from enforcing the portions of Ordinance 2020-58 that prohibit candidate involvement in or coordination with campaigns or other groups involved in municipal politics, specifically:

b. Ordinance § 54-103(a)) concerning participation in activities involving committees and candidates.

c. Ordinance § 54-101(a)–(b) concerning non-monetary planning, policy, strategy, and physical campaign contributions for and with other campaigns, including fundraising for, support of, and attendance at functions and events in coordination with or on behalf of other candidates and their committees.

d. Ordinance, §54-2 (n) concerning non-monetary actions and communications concerning “nonpublic information” by anyone, but especially a person(s) who has managerial authority, was authorized to raise or expend funds for a candidate or committee, or provided a candidate or committee service related to campaign or fundraising strategy.

Accordingly, the City Clerk’s Office will not be enforcing those three provisions pending further direction from the Court. Campaigns need not comply with the prohibitions contained in those three sections of the City Code until the Court has ruled on the matter further. The City Clerk’s Office will post notice of any substantive rulings of the Court on our website and will send notice of any substantive rulings to campaigns or committees registered with the City Clerk’s Office.