



Use of Unexpended Campaign Contributions

Unexpended campaign contributions are the balance of funds a committee has on hand at the end of an election cycle. Some committees may terminate their account while others may carryover/rollover their funds to the next year and/or election cycle.

The information below is intended as guidance to committees on how to disburse of unexpended campaign contributions at the end of an election cycle.

(Article XXVIII, Section 2(15) of the Colorado Constitution; 1-45-106, C.R.S. & CPF Rules 2.2.4; 2.2.5; 10.1; and 12)

Do:

- File a termination report at any time using the next regularly scheduled report.
- Check the “Yes” radio button when asked if the report is a termination report.
- Ensure your TRACER account has or will have a zero (\$0) funds on hand balance when the termination report is filed.

Don't:

- Have any outstanding debts or obligations (including loans or late filing penalties). A committee may not terminate unless they have a zero (\$0) balance on their termination report.
- Attempt to terminate by filing an amended report – a termination report may only be filed using a regularly scheduled report.
- Assume a report filed with a zero (\$0) balance terminates the committee – a committee must answer Yes to the termination question in order to terminate.

Maintenance of Records:

- A committee must maintain its records for 180 days after the election unless a complaint is filed, in which case the records must be maintained until final disposition.
- Covered Organization Affirmations must be kept for 1 year.
- LLC Affirmations must be kept for 1 year after the election.

Candidate Committees

Permissible Uses for Unexpended Funds (See Section 1-45-103.7(6.5), C.R.S. & 1-45-106, C.R.S.):

- Reimburse the candidate for reasonable and necessary expenses for the care of children or other dependents directly connected with the candidate’s campaign activities during the election cycle.

- Donate remaining funds to a charitable organization recognized by the IRS.
- Return contributions to contributors.
- Contribute funds to a political party within applicable contribution limits.

Additionally, candidates elected to or re-elected to office may also choose to use Unexpended Funds for:

- Voter Registration
- Political issue education, which includes obtaining information from or providing information to the electorate
- Postsecondary educational scholarships
- Defraying reasonable and necessary expenses related to mailings or similar constituent communications
- Expenses directly related to official duties for elected office

*Note: Unexpended funds may also be “rolled over” to a candidate committee established by the same candidate for a different public office. Please refer to the companion document titled *“Frequently Asked Questions – Rollover of Candidate Committee Funds at the end of an Election Cycle”* for more information.

Unexpended funds may not be used for:

- Personal expenses/purposes not reasonably related to supporting the election of the candidate.
- Contributions to other candidate committees at any level (local, county, state, or federal).

Issue Committees/Small-Scale Issue Committees:

Issue committees wishing to disburse unexpended funds may donate the funds to a charitable organization recognized by the I.R.S. or return any remaining funds to contributors.

Political Parties, Political Committees, Small Donor Committees, Independent Expenditure Committees, and 527 Political Organizations

Campaign finance laws do not specifically address the issue of unexpended campaign contributions/funds related to the above-mentioned committee types. The Secretary of State’s Office recommends that these committees keep in mind the purpose of their committee and follow the statutory framework outlined for issue committees under 1-45-106, C.R. S. and either donate unexpended campaign contributions/funds to an I.R.S. recognized charity or return the funds to contributors.