

# Sample procedure

*Procedure:* PEF 2 – Preliminary Control of Election Finance Reports

**Owned by:** Head of Legal

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Version	Date Updated:	Reason for Revision:	Author:	Job Title:
.1	22 June 2020	Initial draft		

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## **PART A: OVERVIEW**

### **1 Scope**

1.1 The control of election finance reports consists of two main phases: preliminary control and in-depth control. This procedure sets out the steps to undertake when conducting the first phase (preliminary control). QMS PEF 3 sets out the procedure for in-depth control procedures.

### **2 Legislative and policy background**

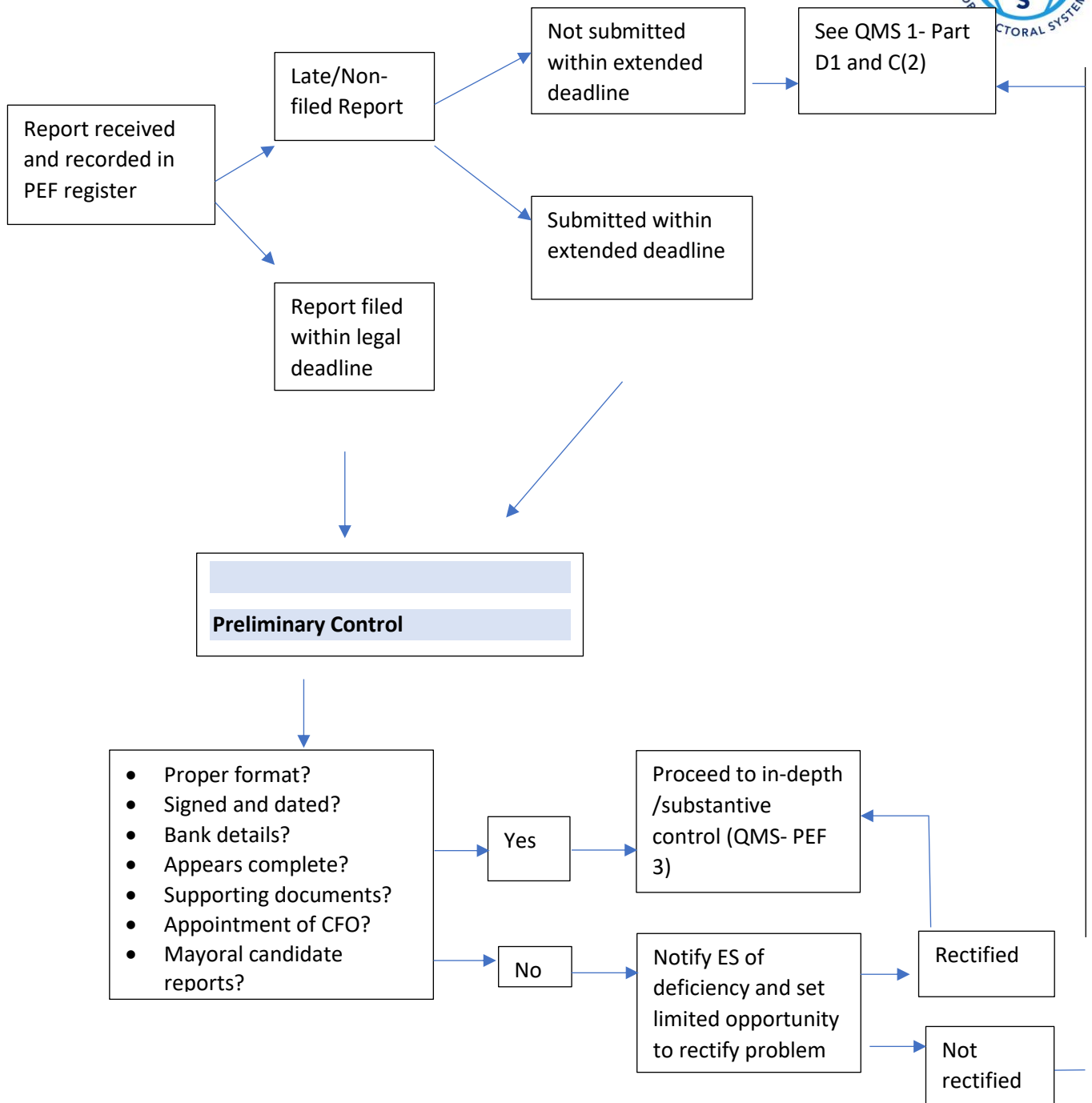
2.1 The Electoral Code (EC) and the Law of Political Parties (LPP) set out detailed reporting requirements for political parties and electoral subjects. These reporting requirements are designed to ensure transparency of party and election finance and to provide a basis for assessing compliance with legal restrictions. The CEC's review of election finance reports is critical to ensuring that political finance reporting is accurate, comprehensive and timely and that electoral subjects have adhered to all legal requirements.

2.2 The goal of preliminary control is to ensure that the finance reports meet formal requirements and to detect facial problems.

2.3 In addition to relevant provisions of the EC and LPP, please refer to CEC Instruction no 1, dated xxxxxx and CEC QMS 1.

### **3. Flow Chart**

3.1 The chart below provides an overview of the steps to be followed from receipt of election finance reports through preliminary verification.



## PART B RECEIPT AND RECORDING OF REPORT

### 1. Recording of received reports

All reports received by the CEC either within or after the legal deadline must be recorded in the PEF register by XXX (position of the person who is to record the report). Each report is assigned a file number and the submission date of the hard copy is recorded in the register (if applicable, mention of the submission date of the electronic date as well).

1.1 The Head of Legal assigns the report to a Legal Specialist whose name will be listed in the register as the person responsible for the electoral subject's report.

### 2 Timing of preliminary control

2.1 Preliminary control will be undertaken of all reports filed within the legal deadline or any agreed extended deadline. When reports are not submitted within those timeframes, they will be subject to the assessment procedure set out in QMS PEF 1 at Part C2 and Part D2).

2.2 Preliminary control, as a general rule, will be carried out no later than five days from receipt of the financial report.

### 3 Areas reviewed during preliminary control

3.1 **Format** – Under the law, the CEC prescribes a set format for reports and electoral subjects must submit their report using that format. The CEC encourages reports to be made using the excel template. If the report submitted is not made using the excel template, the reviewer should confirm during preliminary control that:

3.1.1 All pages have been completed

3.1.2 Each page of the report has been signed by the CFO

3.2 **Content** – The reviewer should confirm the following in terms of content:

3.2.1 The bank account number is provided (and matches that designated by the electoral subject);

3.2.2 There are no obvious gaps (e.g. missing data in rows/columns) in the information provided;

3.2.3 The total amount of in-kind contributions received corresponds to the total amount of in-kind expenditure

#### 3.3 Documentation

3.3.1 Although a more comprehensive review will be undertaken during the in-depth review stage, the reviewer should take a look to see if appropriate types of supporting documentation has been provided along with the report. This would include:

- Bank statements
- Contracts for goods and services
- Invoices for goods and services

- Mayoral candidate reports (for local elections)
- Donor declarations
- Back up for in-kind donation evaluations
- Specimens of electoral materials (brochures, leaflets, etc)

#### **4. Completing review template**

4.1 The legal specialist conducting the preliminary control must complete a control form (Appendix A) for each report reviewed.

4.2 If the legal specialist concludes that the report should be rejected, they shall prepare a letter to the CFO of the electoral subject for approval by the Head of Legal/Finance. The letter shall specify the defects found and specify what steps the electoral subject must take and a deadline for doing so. The letter shall also specify the potential consequences for failing to take the specified action.

## Appendix A of Procedure PEF 2

### PRELIMINARY CONTROL FORM

Name of electoral subject:

Report being controlled: (e.g. 20XX Local election campaign report)

Date report due:

Date report submitted:

Date allocated for preliminary control:

Areas Controlled:

A Format:

1. Is the report in the proper format? Yes \_\_\_\_ No \_\_\_\_ If no, what is wrong?
2. Does the report appear complete? Yes \_\_\_\_ No \_\_\_\_ If no, what is missing?
3. Have all pages been completed/addressed: Yes \_\_\_\_ No \_\_\_\_ If no, what is missing?
4. Has the CFO signed each page of the report? Yes \_\_\_\_ No \_\_\_\_

B. Content

1. Is the bank account number provided and does it match the account designated by the electoral subject? Yes \_\_\_\_ No \_\_\_\_
2. Are there any obvious gaps in the information provided? Yes \_\_\_\_ No \_\_\_\_
3. Does the total amount of in-kind contributions correspond to the total amount of in-kind expenditure? Yes \_\_\_\_ No \_\_\_\_

C. Documentation – Does there appear to be supporting documentation such as:

1. Bank statements Yes \_\_\_\_ No \_\_\_\_
2. Contracts for goods and services Yes \_\_\_\_ No \_\_\_\_
3. Invoices for goods and services Yes \_\_\_\_ No \_\_\_\_
4. Mayoral candidate reports (for local elections) Yes \_\_\_\_ No \_\_\_\_
5. Donor declarations Yes \_\_\_\_ No \_\_\_\_
6. Back up for in-kind donation evaluations Yes \_\_\_\_ No \_\_\_\_
7. Specimens of electoral materials Yes \_\_\_\_ No \_\_\_\_

**Preliminary Control Decision** (tick the appropriate box):

1. Reject the report submitted for the following reason(s):
  - Prepare notification to electoral subject and attach to this form.
  
2. Accept the submission and refer for in-depth control.

\_\_\_\_\_  
Signature of Reviewer                      Date Control Completed

\_\_\_\_\_  
Signature of Decision-maker              Date Control Approved