



GOVERNMENTAL ETHICS COMMISSION

<https://ethics.kansas.gov>

Bob Dool
Treasurer for Kris Kobach for Governor
PO Box 1993
Topeka, KS 66601

October 3, 2018

Notification of Material Error or Omission
In A Receipts and Expenditures Report

RE: Receipts and Expenditures Report Due July 30, 2018
(Covering the Period January 1, 2018 thru July 26, 2018)

A review of your Receipts and Expenditures Report identified above indicates the material error(s) or omission(s) listed on the other side of this page. Such error(s) and omission(s) must be corrected within thirty (30) days of the date of this notice by filing an amended report.

File the amended report within thirty (30) days with:

Secretary of State
120 SW 10th
Memorial Hall
Topeka, KS 66612

As provided by law, a copy of this notice has been made a part of your record in the Secretary of State's Office. The intentional failure to file an amended report within thirty (30) days is a class A misdemeanor. In addition, you may not accept contributions or make expenditures following the end of the thirty (30) day period if the amended report has not been filed.

Additional information and assistance may be obtained by writing or calling this office. If after having contacted this office substantial issues remain unresolved, you may within ten (10) days of receipt of this notice request a hearing before the Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Skoglund", written over a horizontal line.

Mark Skoglund
Executive Director

1. K.S.A. 25-4153 (a)(1) states, "The aggregate amount contributed to a candidate and such candidate's committee . . . shall not exceed the following: for the pair of offices of governor and lieutenant governor or for other state officers elected from the state as a whole, . . . \$2000 for each primary election . . . and an equal amount for each general election." The Kobach campaign reported receiving the following contributions:

<u>Date</u>	<u>Contributor</u>	<u>Amount</u>
10-11-17	Aaron Cunningham	\$200
10-25-17	Aaron Cunningham	\$150
11-29-17	Aaron Cunningham	\$400
07-10-18	Aaron Cunningham	\$100
07-15-18	Aaron Cunningham	\$1300
		\$2150
06-09-17	William Deramus	\$1000
05-16-18	William Deramus	\$2000
		\$3000
12-28-17	JG Gym LLC	\$2000
01-12-18	JG Gym LLC	\$2000
		\$4000
12-28-17	JM Storage LLC	\$2000
01-12-18	JM Storage LLC	\$2000
		\$4000
12-28-17	JMBS Services, Inc.	\$2000
01-12-18	JMBS Services, Inc.	\$2000
		\$4000
01-30-18	Alice Tadlock	\$3000

All of these contributions were received during the primary election period.

Pursuant to K.S.A. 25-4153, the campaign accepted contributions in excess of the legal limit amounting to \$8150. We would suggest that these contributions be refunded immediately. The return of these contributions should be noted on Schedule C (Expenditures and Other Disbursements) of the October 29, 2018 Receipts and Expenditures Report.

2. Schedule A (Contributions and Other Receipts) of the July 30, 2018 report lists the following contributions being received:

<u>Date</u>	<u>Contributor</u>	<u>Amount</u>
03-07-18	Lynn Sebree Business Account	\$250
01-12-18	JM Storage LLC	\$2000
01-12-18	JG Gym LLC	\$2000
01-12-18	JMBS Services, Inc.	\$2000

K.S.A. 25-4153a states that no registered lobbyist, political committee or person, other than an individual, shall make a contribution and no legislator or candidate for the legislature shall accept a contribution from a lobbyist, political committee or person, other than an individual after January 1 and prior to sine die adjournment of the regular session of the legislature or any other time the legislature is in session. These contributions should not have been accepted and should be returned. The return of these contributions must be shown on Schedule C (Expenditures and Other Disbursements) of the October 29, 2018 report.

3. The Campaign Finance Act requires that any contribution from an individual in excess of \$150 must be accompanied by the occupation of the individual. Schedule A (Contributions and Other Receipts) of the July 30, 2018 report does not reflect the occupation of numerous individual donors. The report must be amended to show the occupation of all contributors who gave in excess of \$150.
4. Schedule C (Expenditures and Other Disbursements) of the July 30, 2018 report shows expenses in the amount of \$5,862.45 for fuel costs and vehicle expenses. Pursuant to Advisory Opinion 2007-14, the candidate can only be reimbursed for mileage at the state mileage reimbursement rate. The candidate can not be reimbursed for fuel or other vehicle expenses. The Commission opined "due to the difficulty in determining the allocation of vehicle expenses between a candidate's personal use of a vehicle and the candidate's use of a vehicle for holding political office or for campaign purposes, the Commission now determines that beginning January 1, 2008, the use of campaign funds to pay for otherwise un-reimbursed vehicle expenses will be limited to the state mileage reimbursement

rate." When claiming reimbursement for mileage from campaign funds, the treasurer needs to keep detailed records for mileage expenditures showing the dates of travel, the necessity for and specific purpose of the travel, and the actual mileage traveled. It will be necessary for the candidate to reimburse the campaign account for the fuel purchased and vehicle expenses. This reimbursement will need to be disclosed on Schedule A (Contributions and Other Receipts) on the October 29, 2018 Receipts and Expenditures Report. The candidate can be reimbursed for the miles driven at the state rate of 53.5 cents per mile through June 30, 2018 and 54.5 cents from July 1, 2018. If done, this expenditure would be disclosed on Schedule C (Expenditures and Other Disbursements) on the October 29, 2018 report.

5. Schedule C (Expenditures and Other Disbursements) lists a returned contribution on 5-15-18 in the amount of \$200 with no name and address. An amended Schedule C (Expenditures and Other Disbursements) must be filed with the name and address for the \$200 returned contribution.
6. Schedule C (Expenditures and Other Disbursements) lists the following expenditures being made by the Kobach for Kansas campaign:

<u>Date</u>	<u>Expenditure</u>	<u>Amount</u>
03-23-18	Internet Hotel/Clearwater, Florida	\$1141.36
05-01-18	Concert Hotel/Utah	\$525.48
05-02-18	American Airlines	\$778.41
06-22-18	Donald Trump	\$813.41
07-02-18	Amboy Dukes, Inc.	\$295.48
07-26-18	Cloud 9 Sports	\$903.12

Further explanation as to the purpose of these expenditures and how they are campaign expenses must be provided in a letter to the Commission.

7. Schedule C (Expenditures and Other Disbursements) lists the following expenditures being made for reimbursement of expenses:

<u>Name</u>	<u>Amount</u>
J R Claeys	\$26,823.81
Caitlin Claeys	\$704.85

Danedri Herbert	\$2967.48
Kurtis Engel	\$3656.01
Neil Melton	\$8914.74
Kerry Koziol	\$3005.35
Dave Koziol	\$727.15
Desiree Taliaferro	\$1743.03
Samantha Poetter	\$2536.41
Tim Nordell	\$560.18
Andy Blunt	\$1136.90
Daniel Cossins	\$380.54
Kris Kobach	\$5507.85

For reporting purposes, please specify whether these reimbursements were for salaries and/or reimbursement of expenses. If any one expense was over \$50, it must be itemized.

8. Schedule C (Expenditures and Other Disbursements) lists two \$500 expenditures to Kansans For Life, with the notation "Later Reimbursed by KFL". If these two donations were reimbursed to the Kobach for Kansas campaign, they must be reported on Schedule A (Contributions and Other Receipts) of the July 30, 2018 report.
9. K.S.A. 25-4148 (b) (7) requires that when an expenditure is made by payment to an advertising agency, public relations firm or political consultants for disbursement to vendors, the report of such expenditure shall show in detail the name of each such vendor and the amount, date and purpose of the payment to each. Expenditures were made to the following advertising agencies:

<u>Advertising Agency</u>	<u>Amount</u>
Sandlot Strategic, Inc.	\$610,938.75
TSG	\$184,046.07
American Media & Advocacy	\$539,308.40
Chatham Light Media	\$108,940.00
American Viewpoint	\$39,710.17

Please submit the required supplemental information as an amendment to Schedule C on the July 30, 2018 Receipts and Expenditures Report.

If you have any questions, feel free to contact this office.