



**GOVERNMENTAL ETHICS COMMISSION**

<https://ethics.kansas.gov>

July 16, 2019

Danedri Herbert  
Treasurer for Kris Kobach  
223 W Main Street  
Gardner, KS 66030

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

RE: Receipts and Expenditures Report Due October 29, 2018  
(Covering the Period July 27, 2018 thru October 25, 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.


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

Secretary of State  
120 SW 10<sup>th</sup>  
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,

  
Mark Skoglund  
Executive Director

1. The beginning balance of \$52,744.69 listed on the October 29, 2018 report is not the same as the ending balance of \$51,724.54 listed on the July 30, 2018 report. This difference of \$1,020.15 must be explained in an amended report.
2. Schedule D (Other Transactions) of the July 30, 2018 Receipts and Expenditures Report lists loans payable totaling \$1,543,933.75 to Willis E. Hartman. These loans are not carried forward as loans payable to the October 29, 2018 report, nor are they disclosed on Schedule C (Expenditures and Other Disbursements). **All loans should be listed on Schedule D (Other Transactions) until such time as they are repaid or forgiven.** An amended October 29, 2018 report must be filed disclosing the disposition of these debts.
3. The October 29, 2018 report did not reflect the following reimbursements for the Notification of Material Error or Omission in A Receipts and Expenditures Report for the July 30, 2018 report and noted in the response from Bob Dool, Treasurer for the Kris Kobach for Governor campaign:

<u>Name</u>	<u>Purpose for Reimbursement</u>	<u>Amount</u>
Aaron Cunningham	Excess contribution	\$150
William Deramus	Excess contribution	\$1000
Lynn Sebree	Contribution during session	\$250
Business Account		

If the reimbursements were made, an amended Schedule C (Expenditures and Other Disbursements) for the October 29, 2018 must be filed listing the reimbursements. If the campaign has not reimbursed these contributors, it must do so immediately. Copies of the checks must be provided to the Commission.

4. The October 29, 2018 report did not reflect the reimbursement of \$70.12 from Mr. Kobach for the use of the incorrect mileage rate as noted in the letter on November 2, 2018 from Bob Dool, Treasurer for the Kris Kobach for Governor campaign. If Mr. Kobach reimbursed the campaign for the \$70.12, an amended Schedule A (Contributions and Other Receipts) for the October 29, 2018 report must be filed reflecting this reimbursement. If the reimbursement has not been made, it must be made immediately. A copy of the check must be provided to the Commission.
5. Schedule A (Contributions and Other Receipts) lists a \$125 cash contribution on 10-22-18 and a \$140 cash contribution

on 10-29-18 with the notation "Anonymous". K.S.A. 25-4154 (b) states, "No person shall give or accept any contribution in excess of \$10 unless the name and address of the contributor is known to the individual receiving the contribution." An explanation of these two contributions must be provided. If the campaign is not aware of the names of the contributors of these two contributions, \$265 must be expended in a non-political manner since these would be illegal contributions. An explanation of these contributions must be provided in a letter to the Commission.

6. 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>
08-26-18	Jay Armstrong (In-Kind)	\$500
09-28-18	Jay Armstrong	\$1000
10-11-18	Jay Armstrong	\$1500
		<b>\$3000</b>
09-06-18	William Cowherd	\$60
10-09-18	William Cowherd	\$2000
		<b>\$2060</b>
10-01-18	Edwin Martin	\$2000
10-11-18	Edwin Martin	\$1000
		<b>\$3000</b>
10-10-18	Cecil O'Brate	<b>\$4000</b>
08-20-18	Quentin Pittman	\$2000
10-15-18	Quentin Pittman	\$300
		<b>\$2300</b>
10-16-18	J Michael Vess	<b>\$4000</b>
09-15-18	Steven Worrell	<b>\$2500</b>

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

Pursuant to K.S.A. 25-4153, the campaign accepted contributions in excess of the legal limit amounting to

\$6,860.00. 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 January 10, 2020 Receipts and Expenditures Report.

7. Schedule A (Contributions and Other Receipts) lists a \$75.00 contribution received on 10-17-18 with no contributor. An amended Schedule A must be filed listing the name of the contributor for the \$75.00 contribution.
8. Schedule A (Contributions and Other Receipts) of the October 29, 2018 report lists two, \$2000 contributions from Ellen Beren and two, \$2000 contributions from Microsoft. These contributions are reported as received on October 1, 2018. It appears these contributions are duplicate entries. If so, an amended Schedule A must be filed removing the duplicate entries. However, if the contributions are not duplicate, the campaign has received \$2000 in excess contributions from Ellen Beren and \$2000 from Microsoft. The excess contributions must be refunded immediately and noted on Schedule C (Expenditures and Other Disbursements) of the January 10, 2020 Receipts and Expenditures Report.
9. Schedule A (Contributions and Other Receipts) of the October 29, 2018 report lists a \$500 contribution from Kansas American Family Insurance PAC and received on 9-20-18 and another \$500 contribution on 9-21-18. Kansas American Family Insurance PAC reports giving only one \$500 contribution on 8-30-18 to the Kris Kobach campaign. It appears this is a duplicate entry. If so, an amended Schedule A must be filed removing this duplicate entry.
10. According to the reports filed with the Secretary of State, the Kansans For Life PAC reports making a \$300 contribution on 10-18-18 and the Johnson County Republican Party reports making a \$1000 contribution on 10-23-18 to the Kris Kobach campaign. These contributions were not reported by your campaign. If these contributions were received, they must be reported on Schedule A (Contributions and Other Receipts) on the October 29, 2018 report. **If the campaign did not receive these contributions, please note this fact in a letter to the Commission.**
11. 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 October 29, 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.

12. Schedule C (Expenditures and Other Disbursements) of the October 29, 2018 report shows expenses in the amount of \$3,227.49 for fuel costs. The candidate can not be reimbursed for fuel. When claiming reimbursement for fuel costs, the candidate can be reimbursed for mileage. 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. This reimbursement must be disclosed on Schedule A (Contributions and Other Receipts) on the January 10, 2020 report. The candidate can be reimbursed for the miles driven at the state rate of 54.5 cents per mile. If done, this expenditure would be disclosed on Schedule C (Expenditures and Other Disbursements) on the January 10, 2020 report.

13. 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>
8-3,10,13-18	Capital Plaza Hotel	\$6515.74
08-29-18	Chateau Avalon	\$150.00
08-31-18	Republican Governors Assn	\$5000.00
09-07-18	Hotels.com	\$390.98
09-10-18	Chesters Chophouse & Wine Bar	\$1151.00
09-10-18	Dillons	\$1370.00
08-23-18	Cummins, Coffman & Schmidtlein	\$2830.00
09-19-18	Cummins, Coffman & Schmidtlein	\$3300.00
09-21-18	Overland Charters	\$2290.00
09-28-18	CKMC & W	\$1350.00
10-01-18	CKMC & W	\$1350.00
10-01-18	U-Haul	\$346.95
10-09-18	Goodyear	\$895.94
10-09-18	Various Hotels in Topeka	\$851.62
10-17-18	Waste Connections of Kansas	\$580.50
Various	Genesis	\$1274.13
10-18-18	Pence	\$17427.74
10-22-18	Capital Plaza Hotel	\$600.00

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

14. 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	\$3177.15
Danedri Herbert	\$490.42
Desiree Taliaferro	\$760.38
Adam Plunkett	\$1632.61
Lynn Mowney	\$540.21
Mike Roman	\$644.20
Rob Wasinger	\$896.40
Steve Drake	\$674.49
Kris Kobach	\$34981.07

For reporting purposes, it will be necessary for you to provide a more detailed description of the reimbursement for expenses. If any one expense was over \$50, it must be itemized.

15. 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.	\$303,957.07
1360 LLC	\$6,660.92
Campaign Sidekick LLC	\$53,100.00
White Sand Enterprises	\$3,268.78
VCREEK/AMG LLC	\$45,500.00

Please submit the required supplemental information as an amendment to Schedule C on the October 29, 2018 Receipts and Expenditures Report.

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