Administration of Campaign Finance, Conflict of Interest & Lobbying Laws



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GOVERNMENTAL ETHICS COMMISSION

https://ethics.kansas.gov

Karen Ohlsen Treasurer for Richard Karnowski 24704 C Road Soldier, KS 66540 September 14, 2022

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

RE: Receipts and Expenditures Report Due July 25, 2022 (Covering the Period January 1, 2022 thru July 21, 2022)

A review of your Receipts and Expenditures Report identified above indicates the material error(s) or omission(s) <u>listed on the other side of this page</u>. 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,

Karina Renna

State Campaign Finance Coordinator

- 1. The July 25, 2022 report did not disclose a payment to the Secretary of State for the candidate's filing fee. If the filing fee was paid by the candidate from personal funds, it should be recorded on Schedule B (In-Kind Contributions) as an "in-kind" contribution from the candidate to the campaign. If the filing fee was paid from campaign funds, this expenditure should be listed on Schedule C (Expenditures & Other Disbursements). The July 25, 2022 report must be amended by showing the payment of the filing fee either on Schedule B or Schedule C and on the cover summary page.
- 2. Schedule C (Expenditures and Other Disbursements) lists the following expenditures that need further detail:

<u>Date</u>	<u>Name</u>	Purpose	Amount
01-03-22	Expedia	Consultant travel	\$1,104.81
01-06-22	Bank of America	Miscellaneous fee charged	\$1,000.00
01-12-22	Discover	Meeting/Travel	\$1,018.80
01-22-22	Expedia	Meeting/Travel	\$760.06

An amended Schedule C or letter of explanation must be filed providing further explanation as to the purpose of the travel and how these expenditures are for legitimate campaign purposes.

- 3. Schedule D (Other Transactions) of the January 10, 2022 Receipts and Expenditures Report lists a loan payable totaling \$30,000.000 to Richard Karnowski. Schedule C (Expenditures and Other Disbursements) of the July 25, 2022 report indicates \$2,000.00 was reimbursed during the reporting period. The loan balance of \$28,000.000 is not carried forward as a loan payable to the July 25, 2022 report, nor is it 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 July 25, 2022 report must be filed disclosing the disposition of this debt.
- 4. Schedule A (Contributions and Other Receipts) indicates your campaign accepted the following cash contributions over \$100:

Date	Name	Amount
01-26-22	Rich Schoenfeld	\$200
07-20-22	Todd & Tammi Wichman	\$1000

K.S.A. 25-4153(i) states, "No person shall make any contribution or contributions to any candidate or the candidate committee of any candidate in the form of money or currency of the United States which in the aggregate exceeds \$100 for any one primary or general election, and no candidate or candidate committee of any candidate shall accept any contribution or contributions in the form of money or currency of the United States which in the aggregate exceeds \$100 from any one person for any one primary or general election."

The cash contributions listed above should not have been accepted by the campaign. In the future, you must be certain that all contributions in excess of \$100 are made by check, cashier's check, money order or e-funds.

If you have any questions, please contact this office.