



THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

COMMISSION
SECRETARIAT


2005 SEP 27 A 9:10


SENSITIVE


MEMORANDUM

Septemsber 26, 2005

TO: The Commission

THROUGH: James A. Pehrkon
Staff Director 

FROM: Allan D. Silberman
Director, ADR Office 

BY: Lynn M. Fraser 
Assistant Director, ADR Office

SUBJECT: ADR 241 Kevin Kelley for Congress and Karen Potter White, Treasurer
Recommendation to approve Settlement Agreement

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to ADR 241 (AR 03-17), Kevin Kelley for Congress and Karen Potter White, Treasurer ("Respondents" or "Committee"). This case was opened on February 4, 2005 and was assigned to the ADR Office on April 26, 2005.

SUMMARY: The Audit Division referred Respondents after an audit revealed that a credit card held in the name of Connie S. McNealy, the Candidate's wife, was used to make campaign related expenditures totaling \$59,812. These charges exceed the contribution limitation by \$57,812. In response to the interim audit recommendation, Respondents verified, and the Audit Division confirmed, that the amount owed to the spouse's credit card account was paid, albeit untimely.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Kevin Kelley for Congress and Karen Potter White.
2. Approve the appropriate letters.
3. Close the file on this matter.

25190262875

Silberman



FEDERAL ELECTION COMMISSION
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SENSITIVE

DATE & TIME TRANSMITTED: Tuesday, September 27, 2005 11:00

RETURN TO COMMISSION SECRETARY BY: Friday, September 30, 2005 4:00

COMMISSIONER: MASON, McDONALD, THOMAS, TONER, WEINTRAUB

SUBJECT: **ADR 241 (AR 03-17) Kevin Kelley for Congress and Karen Potter White, Treasurer. (Recommendation to approve Settlement Agreement) Memorandum from The Director, ADR dated September 26, 2005.**

- () I approve the recommendation(s)
- () I object to the recommendation(s)
- () I am recused from voting

COMMENTS: _____

DATE: _____ SIGNATURE: _____

A definite vote is required. All ballots must be signed and dated. Please return ONLY THE BALLOT to the Commission Secretary. Please return ballot no later than date and time shown above.

FROM THE OFFICE OF THE SECRETARY OF THE COMMISSION

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