

REPORTS ANALYSIS DIVISION REFERRAL
TO
ALTERNATIVE DISPUTE RESOLUTION OFFICE

DATE: December 2, 2016

ANALYST: R. Bradley Austin

- I. COMMITTEE: Kumar for Congress
C00548925
Seymour Hundley ESQ, Treasurer
2450 Walton Boulevard
Rochester Hills, MI 48309
- II. RELEVANT STATUTES:
11 CFR § 102.9(e)
11 CFR § 110.1(b)(3)
11 CFR § 104.3(b)(2)
52 U.S.C. § 30104(b)(4)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

Kumar for Congress ("the Committee") amended its 2014 October Quarterly Report to disclose additional disbursements of \$180,828.04, which were not disclosed on the original report (Attachment 2).

On December 29, 2014, Lee Markus, a consultant for the Committee, contacted the Reports Analysis Division ("RAD") and spoke with a RAD Analyst regarding a Notice of Failure to File, which the Committee received for the 2014 October Quarterly Report. Mr. Markus was instructed to work with the Electronic Filing Office ("EFO") for assistance with filing the report (Attachment 5).

On January 20, 2015, the Committee filed its original 2014 October Quarterly Report, covering the period from July 17, 2014 to September 30, 2014 (Image 15950047491). This report disclosed disbursements totaling \$12,362.00 on Line 17 (Operating Expenditures) of the Detailed Summary Page (Image 15950047494)².

² Due to the late filing of the 2014 October Quarterly Report, the Committee was subject to an Administrative Fine (AF 2860).

On April 20, 2015, the RAD Analyst contacted Mr. Markus concerning discrepancies on the Committee's 2013-2014 reports. Among other items, the Analyst mentioned a cash-on-hand discrepancy involving the 2014 October Quarterly Report. Mr. Markus informed the Analyst that he would address any discrepancies (Attachment 5).

On April 21, 2015, a Request for Additional Information ("RFAI") was sent to the Committee on the 2014 October Quarterly Report concerning reporting discrepancies, including lack of reconciliation of cash on hand and omitted loans (Image 15330081096).

On May 7, 2015; Joe Livoti contacted RAD to inform the Analyst that he was a newly-engaged compliance consultant for the Committee. The Analyst reviewed the outstanding issues with him. Between June 12, 2015 and July 27, 2015, Messrs. Livoti and Markus spoke to the Analyst on several occasions regarding making data corrections to address the unresolved reporting discrepancies. The Analyst indicated the issues may be referred to another office within the Commission for further review (Attachment 5).

Between August 5, 2015 and September 14, 2015, Mr. Livoti and Anil Kumar ("the Candidate") spoke with the RAD Analyst and RAD Management multiple times about amending the Committee's 2013-2014 election cycle reports. Mr. Livoti stated the discrepancies stemmed from a problem with the Committee's data file following a switch from NGP to FECFile reporting software at the end of that election cycle. He explained that after the Committee switched to FECFile, the information from the NGP data file was not incorporated into the new FECFile data file, resulting in data omissions. Mr. Livoti said he would work on transferring the information on receipts and disbursements into the Committee's current FECFile database (Attachment 5).

On October 6, 2015, RAD Management spoke to the Candidate to follow up on the unresolved discrepancies on the 2014 October Quarterly Report, among other reports. The Candidate stated he previously had inexperienced staff, which caused the errors, and that the Committee would file corrective amendments (Attachment 5).

During the month of October 2015, Mr. Livoti spoke with RAD Management on several occasions concerning the Committee's difficulty in uploading the Amended 2014 October Quarterly Report. RAD Management referred Mr. Livoti to EFO for assistance with problems arising out of the Committee's use of two separate database files created with different electronic filing software, NGP and FECFile. Mr. Livoti was informed that the Committee would have to merge them to correctly disclose all activity (Attachment 5).

On December 2, 2015, RAD Management left a message for Mr. Livoti reminding him that the referable issues on the 2014 October Quarterly Report were unresolved and needed to be corrected (Attachment 5).

On December 31, 2015, RAD Management spoke to the Candidate, who identified a new compliance consultant, Brett McRae, who would be responsible for making the remaining corrections to the 2013-2014 reports (Attachment 5).

Between January 21, 2016 and March 29 2016, Mr. McRae contacted RAD Management on several occasions about filing the corrective amendments. He mentioned that past campaign staffers made various errors in entering transactions into the database, and that the matter was further complicated by the fact that the Committee used multiple software packages to complete the 2013-2014 reports (Attachment 5).

On March 29, 2016, the Committee filed an Amended 2014 October Quarterly Report disclosing disbursements totaling \$193,190.04 on Line 17 of the Detailed Summary Page, an increase of \$180,828.04 from the original report (Image 201603299012197354).

On April 10, 2016, an RFAI was sent to the Committee, referencing the Amended 2014 October Quarterly Report, received on March 29, 2016. Among other issues, the RFAI requested clarification regarding the significant increase in disbursements not disclosed on the original report (Image 201604100300041433).

On April 13, 2016, Mr. McRae spoke to RAD Management concerning the 2013-2014 and 2015-2016 election cycle reporting matters. RAD Management reminded Mr. McRae of the RFAI sent on the Amended 2014 October Quarterly Report (Attachment 5).

On May 2, 2016, Mr. McRae called RAD to discuss, among other campaign finance matters, that the Committee would submit a Miscellaneous Electronic Document ("FEC Form 99") within the next few days to respond to the increase in disbursement activity referenced in the RFAI (Attachment 5).

On May 5, 2016, the Committee filed a second Amended 2014 October Quarterly Report (Image 201605059015387510). The report disclosed no change in disbursements from the March 29, 2016 amendment (Attachment 2).

On May 5, 2016, the Committee also filed an FEC Form 99 stating, in part:

"The amended report reflects the results of a review of the committee's finances by an attorney experienced in campaign finance matters. The attorney's contract provides that services will continue until February 28, 2017, so there will be plenty of time to ensure the committee's filing requirements are in full compliance after the 2016 general election... Following the candidates loss in the 2014 primary election, all of the committee's staff with knowledge and experience in campaign finance matters ended their employment with the committee. In addition, the committee ended its contract with NGP-VAN and switched to using the FEC File system. As a result of these issues, there was no one with sufficient knowledge of the committee's transactions and experience with the reporting software to gather all of the required information and file it. As a consequence the 2014 October Campaign Statement was filed late and did not reflect all of the committee's expenditures. The committee has

endeavored to rectify these issues by working in good faith to discover the reporting shortcomings and filing the amended Campaign Statement which -it believes is accurate and complete" (Image 201605059015387814).

On May 6, 2016, Mr. McRae called RAD Management to follow up on the Form 99. RAD Management stated the matter would be referred to another office within the Commission for further review (Attachment 5).

Excessive, Prohibited and Other Impermissible Contributions (Failure to Refund or Redesignate General Election Contributions within the Permissible Timeframe after the Candidate's Primary Election Loss)

Kumar for Congress ("the Committee") received 2014 General Election contributions from nineteen (19) individuals that were not refunded or redesignated within the permissible timeframe from the date Anil Kumar ("the Candidate") lost in the 2014 Michigan Primary Election, held on August 5, 2014. The contributions total \$41,201.00 as disclosed on the 2013 October Quarterly, 2013 Year-End, and 2014 April Quarterly Reports (Attachments 3 and 4).

2013 October Quarterly Report

On October 13, 2015, the Committee filed the 2013 October Quarterly Report, covering the period from July 1 to September 30, 2013, on paper (Image 201510140300026877). This report disclosed the receipt of \$22,001.00 in 2014 General Election contributions from nine (9) individuals (Attachment 4).

On March 24, 2016, the Committee filed the 2013 October Quarterly Report electronically (Image 201603249011957670). This report disclosed no change to receipts or disbursements from the October 13, 2015 report submitted on paper.

On July 11, 2016, the Committee filed the 2016 July Quarterly Report covering the period from April 1, 2016 to June 30, 2016 (Image 201607119020394145). This report disclosed the refunds of \$22,001.00 in 2014 General Election contributions from nine (9) individuals, originally disclosed on the 2013 October Quarterly Report, that were made outside of the permissible timeframe (Attachment 4).

On July 19, 2016, the Committee filed an Amended 2016 July Quarterly Report (Image 201607199020702738). This report disclosed no changes to the 2014 General Election refunds from the original report.

On September 26, 2016, the Committee filed Amended 2016 July Quarterly Reports (Image 201609269032138051). The report disclosed an additional \$4,940.00 in General Election contributions refunds related to contributions originally disclosed on the 2013 Year- End Report. The report disclosed no additional changes to the 2014 General Election contribution refunds from the original report.

2013 Year-End Report

On January 31, 2014, the Committee filed the 2013 Year-End Report covering the period from October 1, 2013 to December 30, 2013 (Image 14960311262). This report disclosed the receipt of \$6,100.00 in 2014 General Election contributions from three (3) individuals (Attachment 4).

On August 7, 2014, August 28, 2015, and March 23, 2016, the Committee filed Amended 2013 Year-End Reports (Images 14942422997, 201508289001585504, and 201603239011956087). These reports disclosed no changes regarding the receipt of the 2014 General Election contributions.

On July 11, 2016, the Committee filed the 2016 July Quarterly Report covering the period from April 1, 2016 to June 30, 2016 (Image 201607119020394145). This report disclosed the refunds of \$1,160.00 in General Election contributions from two (2) individuals, originally disclosed on the 2013 Year-End Report, that were made outside of the permissible timeframe (Attachment 4). The report disclosed no remedies for 2014 General Election contributions from two (2) individuals totaling \$4,940.00.

On July 19, 2016, the Committee filed an Amended 2016 July Quarterly Report (Image 201607199020702738). This report disclosed no changes to the 2014 General Election refunds from the original report.

On September 26, 2016, the Committee filed an Amended 2016 July Quarterly Report (Image 201609269032138051). The report disclosed the refunds of the remaining \$4,940.00 in General Election contributions disclosed on the 2013 Year-End Report from two (2) individuals, in addition to the refunds disclosed on the original 2016 July Quarterly Report (Attachment 4).

2014 April Quarterly Report

On April 15, 2014, the Committee filed the 2014 April Quarterly Report covering the period from January 1, 2014 to March 31, 2014 (Image 14960720937). This report disclosed the receipt of \$12,901.00 in 2014 General Election contributions from seven (7) individuals (Attachment 4).

On August 5, 2014, the Candidate lost in the Primary Election for Michigan's 11th Congressional District.

On August 6, 2014, the Committee filed an Amended 2014 April Quarterly Report covering the period from January 1, 2014 to March 31, 2014 (Image 14942411086). This report disclosed the receipt of an additional \$199.00 2014 General Election contribution from one (1) individual (Attachment 4).

On August 28, 2015 and March 23, 2016, the Committee filed Amended 2014 April Quarterly Reports (Images 201508289001585578 and 201603239011956242).

These reports disclosed no change regarding the receipt of 2014 General Election contributions.

On April 8, 2016, Brett McRae, the Committee's compliance consultant, and RAD Management spoke regarding the unrefunded 2014 General Election contributions, among other compliance matters. RAD Management encouraged the Committee to review the contributions disclosed as designated for the 2014 General Election and take corrective action (Attachment 5).

On April 10, 2016, a Request for Additional Information ("RFAI") referencing the Amended 2014 October Quarterly Report, received March 29, 2016, was sent to the Committee. Among other issues, the RFAI noted the Committee's receipt of 2014 General Election contributions throughout the 2013-2014 election cycle and requested that the Committee refund or redesignate the contributions since the Candidate was not eligible to participate in the 2014 General Election (Image 201604100300041433).

On May 6, 2016, Mr. McRae contacted RAD Management and advised that the Committee was in the process of mailing refund checks for the 2014 General Election contributions (Attachment 5).

On July 11, 2016 the Committee filed the 2016 July Quarterly Report covering the period from April 1, 2016 to June 30, 2016 (Image 201607119020394145). This report disclosed the refunds of \$13,100.00 in 2014 General Election contributions from eight (8) individuals, originally disclosed on the 2014 April Quarterly Report and 2014 Amended April Quarterly Report, received August 6, 2016, that were made outside of the permissible timeframe (Attachment 4).

On July 19, 2016, the Committee filed an Amended 2016 July Quarterly Report (Image 201607199020702738). This report disclosed no changes to the 2014 General Election refunds from the original report.

On July 27, 2016, Mr. McRae spoke to RAD Management regarding the Committee's reporting. RAD Management advised Mr. McRae that the issue of untimely refunded 2014 General Election contributions would be referred for further review by another Commission office. Mr. McRae acknowledged he had advised the Candidate and the Committee of the pending referral (Attachment 5).

On August 26, 2016, RAD Management contacted Mr. McRae to clarify the issue of \$4,940.00 in 2014 General Election contributions that remained unrefunded. RAD Management encouraged Mr. McRae to provide additional information for the public record if these contributions were subsequently remedied (Attachment 5).

On September 26, 2016, Mr. McRae contacted RAD Management and clarified that the remaining \$4,940.00 in General Election contributions had been refunded, but due to Committee error, had not been reported properly on previous 2016 July Quarterly Reports. Mr. McRae said he would file an Amended 2016 July Quarterly with complete information (Attachment 5).

On the same day, the Committee filed an Amended 2016 July Quarterly Report (Image 201609269032138051). Per the conversation above, the report disclosed an additional \$4,940.00 in General Election contributions refunds related to contributions originally disclosed on the 2013 Year- End Report. The report disclosed no additional changes to the 2014 General Election contribution refunds from the original report.

To date, no further communications have been received from the Committee regarding these matters.

INFORMATION

Q-Index (2015-2016)

Treasurer Name: HUNDLEY, SEYMOUR MR. ESQ. Cmte. Name: KUMAR FOR CONGRESS
Cmte. ID: C06548925 Address: 2450 WALTON BLVD, ROCHESTER HILLS, MI 48309
Cmte. Designation: P (PRIMARY) CAMPAIGN COMMITTEE OF A CANDIDATE Filing Frequency: QUARTERLY FILER

Form ID	Ret. ID	AI	Receipt	OL	Pgs	Begin Ingr	Begin Cvg D1	End Cvg D1	End Cvg D2	Ltr Mail D1	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
MS-T	10/15/2015	21	201510180000029023	7/1/2015	9/30/2015											
MS-T	11/16/2015	1	201511000000000007	7/1/2015	9/30/2015											
MS-T	4/13/2016	3	201604130000063057	1/1/2016	3/31/2016											
MS-T	4/13/2016	1	201604130000063057	1/1/2016	3/31/2016											
MS-T	5/5/2016	1	2016050500015307814													
MS-T	5/3/2016	1	201605030000000000													
MS-T	5/16/2016	3	2016051600000074214													
MS-T	6/2/2016	1	20160602000000000000													
MS-T	10/12/2016	3	201610120000103439													
MS-T	11/6/2016	1	20161106000000000000													
R02	11/3/2016	2	201611030000009712	7/1/2016	9/30/2016	11/3/2016										
F3N	4/13/2016	9	20160413000000000000	1/1/2016	3/31/2016											
F3A	3/30/2016	10	201603300012198589	1/1/2016	3/31/2016											
F3A	6/9/2016	7	20160609000000000000	1/1/2016	3/31/2016											
F3A	7/14/2016	16	201607140000111423	4/1/2016	6/30/2016											
F3A	3/30/2016	19	20160330000000000000	1/1/2016	3/31/2016											
F3A	5/15/2016	10	201605050015307550	4/1/2016	6/30/2016											
F3N	10/15/2015	20	20161015000000000000	7/1/2016	9/30/2016											
F3A	12/1/2016	22	2016120100004500364	7/1/2016	9/30/2016											
F3A	3/20/2016	37	20160320000000000000	7/1/2016	9/30/2016											
F3A	5/15/2016	14	201605050015307605	7/1/2016	9/30/2016											
F3N	9/25/2016	26	20160925000000000000	10/1/2016	12/31/2016											
F3A	3/30/2016	26	201603300012198636	10/1/2016	12/31/2016											
F3A	4/15/2016	23	20160415000000000000	10/1/2016	12/31/2016											
F3N	4/13/2016	77	2016041300123129366	1/1/2016	3/31/2016											
F3A	5/15/2016	23	201605050015307678	1/1/2016	3/31/2016											
F3N	7/11/2016	139	20160711000000000000	4/1/2016	6/30/2016											
F3A	7/16/2016	143	20160716000000000000	4/1/2016	6/30/2016											
F3A	9/26/2016	142	20160926000000000000	4/1/2016	6/30/2016											
F3N	7/20/2016	29	20160720000000000000	7/1/2016	9/30/2016											
F3A	11/18/2016	28	20161118000000000000	7/1/2016	9/30/2016											
F3A	11/17/2016	28	20161117000000000000	7/1/2016	9/30/2016											
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F3A	11/17/2016	212	20161117000000000000	7/1/2016	9/30/2016											
F3N	10/27/2016	62	20161027000000000000	10/1/2016	10/19/2016											
F2	12/3/2016	2	20161203000000000000													
F6N	7/28/2016	1	20160728000000000000													
F6N	2/25/2016	1	20160225000000000000													
F6N	7/20/2016	1	20160720000000000000													
F6N	10/31/2016	1	20161031000000000000													
F6N	10/28/2016	1	20161028000000000000													
F6N	10/27/2016	2	20161027000000000000													
F2	11/25/2016	3	20161125000000000000													
F1A	10/17/2016	4	20161017000000000000													

Form	Tr	Rpt	Trp	All	Receipt	Di	Pgs	Crntg	Type	H	(HOUSE)	Crntg	Designation	P	(PRINCIPAL	CAMPAIGN	COMMITTEE	OF	A	CANDIDATE)	Filing	Frequency	QUARTERLY	FILER	
End	Tr	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp	Trp

No records were found for this cycle.

Kumar for Congress (C00548925)

2014 October Quarterly Report/Amended 2014 October Quarterly Report, received 5/5/16

Overview of Additional Disbursements

Report Line	Original 2014 October Quarterly Report (Image 15950047494)	Amended 2014 October Quarterly Report, Received 5/5/2016 (Image 201605059015387513)	Variance Amount
Line 17: Operating Expenditures	\$12,362.00	\$193,190.04	\$180,828.04
		Total:	\$180,828.04

CONFIDENTIAL

Kumar for Congress (C00548925)
Breakdown of Remedied and Unremedied Excessive Contributions (all reports)

Total Amount Remedied Outside of the Permissible Timeframe (all reports):	\$41,201.00
Total Amount Unremedied (all reports):	\$0.00
Total Amount Not Remedied Within the Permissible Timeframe (all reports):	\$41,201.00

Kumar for Congress (C00548925)
2014 General Election Contributions Not Refunded and/or Refunded Outside Permissible Timeframes, Listed by Contributor

Contributor Name	Date	Contribution Amount	Amount Not Refunded Within Timeframe	Refunded # Days After Primary (on 8/5/14)
ADDINGTON, JOHN RICHARD PA-C	12/2/2013	\$2,600.00		
ADDINGTON, JOHN RICHARD PA-C	5/9/2016	-\$2,600.00	\$2,600.00	643
DHABUWALA, JANAPRIYA B MD	1/15/2014	\$2,600.00		
DHABUWALA, JANAPRIYA B MD	5/9/2016	-\$2,600.00	\$2,600.00	643
DHABUWALA, RUPA J	1/15/2014	\$2,200.00		
DHABUWALA, RUPA J	5/9/2016	-\$2,200.00	\$2,200.00	643
FRAZIER, ARTHUR	10/18/2013	\$900.00		
FRAZIER, ARTHUR	5/9/2016	-\$900.00	\$900.00	643
GANDHI, MANMOHAN K.	3/31/2014	\$2,600.00		
GANDHI, MANMOHAN K.	5/9/2016	-\$2,600.00	\$2,600.00	643
GRESKI, JEFFREY LORENZ DO	12/2/2013	\$2,600.00		
GRESKI, JEFFREY LORENZ DO	5/9/2016	-\$2,600.00	\$2,600.00	643
GUPTA, RAJ KUMAR	9/19/2013	\$2,600.00		
GUPTA, RAJ KUMAR	5/9/2016	-\$2,600.00	\$2,600.00	643
GUPTA, SAROJ	9/19/2013	\$2,600.00		
GUPTA, SAROJ	5/9/2016	-\$2,600.00	\$2,600.00	643
HARWOOD, TIMA	3/31/2014	\$2,600.00		
HARWOOD, TIMA	5/9/2016	-\$2,600.00	\$2,600.00	643

JACOB, VADAKKAN J.	9/19/2013	\$2,401.00		
JACOB, VADAKKAN J.	3/29/2014	\$199.00		
JACOB, VADAKKAN J.	5/9/2016	-\$2,600.00	\$2,600.00	643
KAMAT, DINESH VYANKTESH	3/29/2014	\$251.00		
KAMAT, DINESH VYANKTESH	5/9/2016	-\$251.00	\$251.00	643
KERKAR, JOTI	9/12/2013	\$2,400.00		
KERKAR, JOTI	5/9/2016	-\$2,400.00	\$2,400.00	643
KERKAR, PRAMOD D MD	9/12/2013	\$2,400.00		
KERKAR, PRAMOD D MD	5/9/2016	-\$2,400.00	\$2,400.00	643
MEHRA, ROHIT	3/31/2014	\$2,600.00		
MEHRA, ROHIT	5/9/2016	-\$2,600.00	\$2,600.00	643
MOHAN, CHANDRAMANI N.M.D	9/15/2013	\$2,400.00		
MOHAN, CHANDRAMANI N.M.D	5/9/2016	-\$2,400.00	\$2,400.00	643
RUNGTA, SHILPA	9/16/2013	\$2,400.00		
RUNGTA, SHILPA	5/9/2016	-\$2,400.00	\$2,400.00	643
WEHBE, FADWA	9/30/2013	\$2,400.00		
WEHBE, FADWA	5/9/2016	-\$2,400.00	\$2,400.00	643
WHEBE, TOUFIC K	9/30/2013	\$2,400.00		
WHEBE, TOUFIC K	5/9/2016	-\$2,400.00	\$2,400.00	643
ZOMA, GEORGE	3/3/2014	\$50.00		
ZOMA, GEORGE	5/9/2016	-\$50.00	\$50.00	643
Total Amount Not Rehired/Redesignated within Permissible Timeframe:			\$41,201.00	