

Federal Election Commission

8/13/2018

Page 2 of 2

federal reporting and compliance, Breazeale Saunders & O'Neil, as well as KFC's fundraiser, Politicap, were not available during the special election. These resources are now in place to insure that compliance in the future will not be a problem.

KFC submits that the violations in question, even without the work of the Audit staff, would have ultimately been discovered and cured by KFC itself, because there was no intent to violate the provisions of federal election laws. The candidate always intended to be personally responsible for any indebtedness not eventually paid in the usual and ordinary course of business and the manner in which the loan was obtained was the result of lack of knowledge. Had the campaign had the benefit of the expertise and experience that it has now, the loan in question would have been handled in a manner that did not violate federal regulations and proper screening would have prevented excessive individual contributions.

KFC has cooperated fully with the Audit staff and appreciates the guidance that the staff has provided the Committee. It is respectfully submitted that KFC committed no intentional or grossly negligent action in violation of federal law and took action to cure the unintentional violations as soon as the Committee was capable of doing so given the resources available to it at the time.

In the event that the Commission requires that the information supplied above be sworn, it is being submitted under oath. If additional information is needed to address this issue, please advise and we will comply with the Commission's directives.

Sincerely,



Fred Page, Treasurer
Kelly for Congress

Sworn to and subscribed before me, this the 13 day of August, 2018.



Sarah A Evans
NOTARY PUBLIC
MARCH 18, 2022

My Commission Expires:

RAD REFERRAL #: A17-05

DATE: March 21, 2017

ANALYST: Jessica Grainger

REPORTS ANALYSIS DIVISION AUDIT REFERRAL

- I. CANDIDATE:** John Trent Kelly
CANDIDATE ID NUMBER: H6MS01131
STATE/DISTRICT: MS/01
- II. PRINCIPAL CAMPAIGN COMMITTEE:** Kelly for Congress
C00573980
Fred H. Page, Treasurer
5221-A Cliff Gookin Blvd.
Tupelo, MS 38801
- OTHER AUTHORIZED COMMITTEE(S):** None
- III. REGISTRATION DATE:** March 11, 2015
DATE OF CANDIDACY FOR THE AUDIT PERIOD: March 11, 2015
- IV. ELECTION RESULTS:** Won the 2015 Special Election by 39.95%
Won the 2016 General Election by 40.78%
- V. TOTAL POINTS ASSESSED:**

VII. NOTICES SENT TO AND RESPONSES RECEIVED FROM THE COMMITTEE:

See attached O-Index for the Committee.

VIII. PROBLEMS FOR WHICH AUDIT POINTS WERE ASSESSED:

A. Standard 5 – Excessive, Prohibited and Other Impermissible Contributions/Transfers:

Report Type	Violation (Description)
2015 Q1	Schedule A of the Committee's report disclosed the receipt of excessive contributions totaling \$17,100.00 or 17.93% of the Committee's total contributions (Line 11(e), Column A of the Detailed Summary Page). These contributions were received from six (6) individuals and one (1) non-qualified committee.

2015 30R	The Committee's report contained excessive, prohibited, and impermissible contributions totaling \$44,250.00 or 13.31% of the Committee's total contributions (Line 11(e), Column A of the Detailed Summary Page) as detailed below:
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Schedule A of the Committee's report disclosed the receipt of excessive and potentially prohibited contributions totaling \$9,750.00. These contributions were received from one (1) individual and five (5) apparent limited liability corporations.

Schedule A of the Committee's report disclosed the receipt of contributions designated for the 2015 Runoff Election, which were received after the date of the Runoff Election. The Committee had insufficient debts to support these contributions, which totaled \$34,500.00 and were received from twenty-four (24) individuals, eight (8) multicandidate committees, and two (2) unregistered political organizations.

2015 Q2	The Committee's report contained impermissible contributions totaling \$20,700.00 or 70.06% of the Committee's total contributions (Line 11(e), Column A of the Detailed Summary Page) as detailed below:
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Schedule A of the Committee's report disclosed the receipt of a contribution of \$500.00 from one (1) individual for an election in which the candidate did not participate.

Schedule A of the Committee's report disclosed the receipt of contributions designated for the 2015 Runoff Election, which were received after the date of the Runoff Election. The Committee had insufficient debts to support these contributions, which totaled \$20,200.00 and were received from twenty-eight (28) individuals.

B. Standard 6 - Mathematical Discrepancies:

Report Type	Violation (Description)
2015 12R	<p>The Committee's report contained mathematical discrepancies totaling \$4,905.02, as detailed below:</p> <p>The Committee's beginning cash balance, \$57,150.85, was less than the ending cash balance of the Committee's previous report, \$59,703.36, a discrepancy of \$2,552.51.</p> <p>The Committee's report contained mathematical discrepancies totaling \$2,352.51.</p>
2015 30R	<p>The Committee's beginning cash balance, \$17,687.68, was less than the ending cash balance of the Committee's previous report, \$22,225.13, a discrepancy of \$4,537.45.</p>
2015 Q2	<p>The Committee's report contained mathematical discrepancies totaling \$29,595.42.</p>
2015 YE	<p>The Committee's report contained mathematical discrepancies totaling \$267,988.11.</p>
2016 12P	<p>The Committee's report contained mathematical discrepancies totaling \$265,412.11.</p>

C. Standard 7 - Failure to Provide Supporting Schedules:

Report Type	Violation (Description)
2015 30R	The Committee failed to provide supporting schedules totaling \$7,750.00 as detailed below:

The Committee filed a 48-Hour Notice from the May 14, 2015 through May 30, 2015 period for a contribution of \$5,000.00 from one (1) multicandidate committee that was not disclosed on Schedule A.

The Committee filed 48-Hour Notices during the May 14, 2015 through May 30, 2015 period for contributions totaling \$2,750.00 from one (1) individual and one (1) multicandidate committee that were partially disclosed on Schedule A.

2016 Q1	The Committee failed to file the required 48-Hour Notice from February 18, 2016 through March 5, 2016 for a contribution of \$2,500.00 from one (1) multicandidate committee.
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D. Standard 8 - Failure to Properly Itemize Contributions from Individuals:

Report Type	Violation (Description)
2015 12R	The Committee failed to provide adequate identification for 12 of 19, or 63.16%, of the contributions from individuals that require itemization (name, occupation/employer and address).

2015 Q2	The Committee failed to provide adequate identification for 29 of 29, or 100%, of the contributions from individuals that require itemization (occupation/employer and address).
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E. Standard 11 – Failure to Properly Itemize Disbursements:

Report Type	Violation (Description)
2015 30R	The Committee failed to provide the address, adequate purpose, and original vendor information for staff reimbursements for 20 of 36, or 55.56%, of the disbursements requiring itemization.

IX. MATTERS REQUIRING REFERRAL TO OGC/ADRO/AF:

- A. OGC – none
- B. ADRO – none
- C. AF – none

X. OTHER COMMISSION ACTIONS DURING THE 2013-2014 AND 2015-2016 ELECTION CYCLES:

None

XI. OTHER RELEVANT INFORMATION:

None

O-Index (2017-2018)

Cmte. ID: C00573980 Cmte. Name: KELLY FOR CONGRESS
 Treasurer Name: FRED H PAGE Address: 5221-A CLIFF GOOKIN BLVD, TUPELO, MS 38801
 Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: QUARTERLY FILER

Form Tp	Rpt Tp	Avl	Recept Dt	Pgs	Begin lmg#	End Cvg Dt	Litr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
No records were found for this cycle.														

O-Index (2015-2016)

Cmte. ID: C00573980 Cmte. Name: KELLY FOR CONGRESS
 Treasurer Name: FRED H PAGE Address: 5221-A CLIFF GOOKIN BLVD, TUPELO, MS 38801
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Form Tp	Rpt Tp	Avl	Recept Dt	Pgs	Begin lmg#	End Cvg Dt	Litr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
MS-T					15031431844	4/1/2015	4/22/2015							
RQ1		N	6/16/2015	23			3/22/2015	\$0	\$95,369	\$5,815	\$89,554			\$0
RQ2	Q1	N	3/22/2015	2	15330079108	1/1/2015	3/31/2015	\$0	\$95,369	\$5,662	\$89,707			\$0
RQ2	12S	N	5/4/2015	7	15330082634	4/1/2015	4/22/2015	\$0	\$95,369	\$5,662	\$89,707			\$0
RQ2	12R	N	5/4/2015	3	15330082641	4/1/2015	5/13/2015		\$0	\$5,662	\$89,707			\$0
RQ2	12R	N	7/14/2015	3	201507140300000300	4/23/2015	5/13/2015		\$89,554	\$22,334	\$54,737			\$0
RQ2	30R	N	8/2/2015	11	201508020300001459	5/14/2015	6/22/2015		\$89,554	\$24,734	\$59,703			\$0
RQ2	Q2	N	9/22/2015	4	201509220300005050	6/23/2015	6/30/2015		\$89,707	\$28,139	\$63,065			\$0
RQ2	YE	N	3/21/2016	2	2016032203000040209	10/1/2015	12/31/2015		\$17,687	\$382,457	\$296,818		\$0	\$0
RQ2	12P	N	3/21/2016	2	2016032203000040211	1/1/2016	2/17/2016		\$17,687	\$382,457	\$296,818		\$0	\$0
RQ2	Q1	N	4/27/2016	3	2016042803000042590	2/18/2016	3/31/2016		\$17,687	\$382,457	\$296,818		\$0	\$0
F3N	Q1	N	4/15/2015	23	15951168828	1/1/2015	3/31/2015		\$103,326	\$50	\$132,821			\$0
F3A	Q1	A	6/8/2015	28	15951458934	1/1/2015	3/31/2015		\$103,326	\$50	\$132,821			\$0
F3	Q1	A	6/16/2015	39	15031431868	1/1/2015	3/31/2015		\$103,326	\$50	\$132,821			\$0
F3A	Q1	A	12/7/2015	31	201512079004149847	1/1/2015	3/31/2015		\$17,687	\$382,457	\$296,818		\$0	\$0
F3N	12S	N	4/30/2015	17	15951233751	4/1/2015	4/22/2015		\$17,687	\$382,457	\$296,818		\$0	\$0
F3A	12S	A	6/8/2015	18	15971201631	4/1/2015	4/22/2015		\$17,687	\$382,457	\$296,818		\$0	\$0
F3N	12R	N	5/21/2015	17	15951440717	4/23/2015	5/13/2015		\$103,326	\$50	\$132,821			\$0
F3N	30R	N	7/2/2015	104	201507029000053288	5/14/2015	6/22/2015		\$103,326	\$50	\$132,821			\$0
F3A	30R	A	11/24/2015	110	201511249004110137	5/14/2015	6/22/2015		\$103,326	\$50	\$132,821			\$0
F3A	30R	A	12/7/2015	110	201512079004149878	5/14/2015	6/22/2015		\$103,326	\$50	\$132,821			\$0
F3A	30R	A	12/8/2015	110	201512089004152586	5/14/2015	6/22/2015		\$103,326	\$50	\$132,821			\$0
F3N	Q2	N	7/15/2015	14	201507159000223587	6/23/2015	6/30/2015		\$29,545	\$50	\$132,821			\$0
F3A	Q2	A	9/15/2015	15	201509159002667703	6/23/2015	6/30/2015		\$29,545	\$50	\$132,821			\$0
F3A	Q2	A	11/24/2015	16	201511249004110247	6/23/2015	6/30/2015		\$29,545	\$50	\$132,821			\$0
F3A	Q2	A	12/8/2015	16	201512089004152696	6/23/2015	6/30/2015		\$29,545	\$50	\$132,821			\$0
F3N	Q3	N	10/15/2015	26	201510159003073181	7/1/2015	9/30/2015		\$48,726	\$52,789	\$128,758			\$0
F3A	Q3	A	11/24/2015	27	201511249004110263	7/1/2015	9/30/2015		\$48,726	\$52,789	\$128,758			\$0
F3N	YE	N	11/31/2015	55	201601319005217334	10/1/2015	12/31/2015		\$90,987	\$67,198	\$152,547			\$0
F3N	12P	N	2/25/2016	37	2016022590009621657	1/1/2016	2/17/2016		\$72,036	\$53,752	\$170,831			\$0
F3N	Q1	N	4/15/2016	37	201604159012497332	2/18/2016	3/31/2016		\$170,831	\$68,174	\$178,157			\$0
F3N	Q2	N	7/15/2016	51	201607159020498828	4/1/2016	6/30/2016		\$178,157	\$76,472	\$173,436			\$0
F3N	Q3	N	10/15/2016	63	201610159032541912	7/1/2016	9/30/2016		\$173,436	\$100,959	\$152,043			\$0
F3N	12G	N	10/27/2016	32	201610279036991530	10/1/2016	10/19/2016		\$62,290	\$37,844	\$180,488			\$0
F3N	30G	N	12/8/2016	32	201612089040558594	10/20/2016	11/28/2016		\$39,801	\$36,617	\$183,671			\$0
F3N	YE	N	1/31/2017	11	201701319042194059	11/29/2016	12/31/2016		\$0	\$36,785	\$146,887			\$0
F2		N	3/11/2015	3	15031402779									

Form Tp	Rpt Tp	AVI	Receipt Dt	Pgs	Begin Dtg#	End Cvg Dt	Ltr Mail Dt	Begin Cash	Receipts	Disb	End Cash	Loans	Debits	Loans	Debits & Loans
F6N			5/22/2015	3	15951441224										
F6A			5/22/2015	1	15971085633										
F6N			5/22/2015	3	15971085634										
F6N			5/27/2015	7	15951443512										
F6N			5/28/2015	2	15951444984										
F1		N	3/11/2015	6	15031402783										
F6N			2/25/2016	1	201602259009621700										
F6N			2/24/2016	2	201602249009620758										
F6N			3/4/2016	1	201603049009644065										
F6N			5/15/2015	1	15951379897										
F6N			5/19/2015	1	15951400833										
F6N			5/5/2015	1	15970687676										
F6N			4/28/2015	2	15970682779										
F6N			11/5/2016	1	201611059037124001										
F6N			11/7/2016	1	201611019037017445										
F6N			10/30/2016	2	201610309037009893										
Totals									\$1,104,907		\$950,930				

O-Index (2013-2014)

Cmte. ID: C00573980 Cmte. Name: KELLY FOR CONGRESS

Treasurer Name: FRED H PAGE Address: 5221-A CLIFF GOOKIN BLVD, TUPELO, MS 38801

Cmte. Type: H (HOUSE) Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: QUARTERLY FILER

Form Tp	Rpt Tp	AVI	Receipt Dt	Pgs	Begin Dtg#	End Cvg Dt	Ltr Mail Dt	Begin Cash	Receipts	Disb	End Cash	Loans	Debits	Loans	Debits & Loans
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No records were found for this cycle.

**Response Codes, Due Dates, and Receipt Dates for
Kelly for Congress
(C00573980)**

Standard 5

Report	Response Code	Description	Due Date	Response Date
2015 Q1	LAR	Receipt of Contribution from Persons/Individuals > \$2,700 (A5-04)	06/08/2015	12/07/2015
	IR	Receipt of Contribution from Non-Qualified Committee in Excess of \$2,700 (A5-08)		6/8/2015
2015 30R	LIR	Receipt of Contribution from Persons/Individuals in Excess of \$2,700 and/or Qualified Multi-Candidate Committee in Excess of \$5,000 (A5-04)	09/08/2015	12/08/2015
	LAR	Receipt of Runoff Contributions after Runoff (A5-16)		
	LAR	Possible Corporate LLC(s) (A5-35)		
2015 Q2	LAR	Receipt of Runoff Contributions after Runoff (A5-16)	10/27/2015	12/08/2015
	LIR	Incorrect Election Designations for Contributions-Not a Real Election (A5-26)		

Standard 6

Report	Response Code	Description	Due Date	Response Date
2015 12R	NR	Incorrect Column B Figures (A6-06)	08/18/2015	N/A
		Beginning Cash Discrepancy (A6-10)		
2015 30R	LIR	Beginning Cash Discrepancy (A6-10)	09/08/2015	12/08/2015
2015 Q2	LAR	Incorrect Column B Figures (A6-06)	10/27/2015	11/24/2015
2015 YE	NR	Incorrect Column B Figures (A6-06)	04/25/2016	N/A
2016 12P	NR	Incorrect Column B Figures (A6-06)	04/25/2016	N/A

Standard 7

Report	Response Code	Description	Due Date	Response Date
2015 30R	LIR	48-Hour Notices Filed, But Not on Schedule A (plural) (A7-26)	09/08/2015	12/08/2015
	LIR	48-Hour Notices Filed, But Only Partial Contribution on Schedule A (plural) (A7-28)		
2016 Q1	NR	Failure to File 48-Hour Notice (A7-24)	06/01/2016	N/A

Standard 8

Report	Response Code	Description	Due Date	Response Date
2015 12R	NR	Inadequate/Incomplete Contributor Information – Citing Emp/Occ (Best Efforts) (A8-02a)	08/18/2015	N/A
2015 Q2	LAR	Inadequate/Incomplete Contributor Information – Citing Emp/Occ (Best Efforts) (A8-02A)	10/27/2015	11/24/2015

Kelly for Congress (C00573980)

1. List of Pseudonyms: None
2. List of All 48-Hour Notices Filed:

Type	New/ Amended	Date Filed	Image Number
48-Hour Notice	N	04/28/2015	15970682779
48-Hour Notice	N	05/05/2015	15970687676
48-Hour Notice	N	05/15/2015	15951379897
48-Hour Notice	N	05/19/2015	15951400833
48-Hour Notice	N	05/22/2015	15951441224
48-Hour Notice	A	05/22/2015	15971085633
48-Hour Notice	N	05/22/2015	15971085634
48-Hour Notice	N	05/27/2015	15951443512
48-Hour Notice	N	05/28/2015	15951444984
48-Hour Notice	N	02/24/2016	201602249009620758
48-Hour Notice	N	02/25/2016	201602259009621700
48-Hour Notice	N	03/04/2016	201603049009644065
48-Hour Notice	N	10/30/2016	201610309037009893
48-Hour Notice	N	11/01/2016	201611019037017445
48-Hour Notice	N	11/05/2016	201611059037124001