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2019 FEB 26 PM 3:31



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

MEMORANDUM

February 26, 2019

TO: The Commission

THROUGH: Alec Palmer *AP by MAH*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

Krista J. Roche *KJR*
Director, ADR Office

SUBJECT: ADR 886 Kelly for Congress and Fred H. Page, Treasurer,
Recommendation to Approve Negotiated Settlement

RESOLUTION TERMS: Certify that a representative of the Committee participated in an FEC conference, webinar, or other program developed in consultation with the FEC's Information Division; and pay a civil penalty of \$1,900.

Attached for your review is a signed Negotiated Settlement pertaining to ADR 886 (AR 18-04). The Audit Division referred this matter to the Office of General Counsel. The Office of General Counsel subsequently transferred the matter to the ADR Office. The ADR Office received this referral on September 5, 2018.

SUMMARY: The Audit Division referred Kelly for Congress and Fred H. Page, Treasurer, (Respondents or the Committee) for one finding detailed in the Final Audit Report approved by the Commission on July 12, 2018. The audit concluded that there was an excessive contribution from a loan guarantor totaling \$49,900 and excessive contributions from individuals totaling \$25,200, which had all been resolved, albeit untimely.

In a letter dated August 13, 2018, Respondents contend that there were reporting challenges due to the "hectic and short" 2015 Mississippi Special Election. Additionally, the Respondents contend that the loan in question was repaid within thirty (30) days and that excessive contributions by individuals were resolved with redesignation and reattribution letters, signed by the contributors. Finally, the

Recommendation to Approve
Negotiated Settlement
ADR 886 (AR 18-04)
Page 1

Committee has since hired a Compliance firm to ensure that "compliance in the future will not be a problem."

RECOMMENDATIONS:

1. Approve the attached negotiated settlement of Kelly for Congress and Fred H. Page, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.