

Agenda

Item #3



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

To: Commission Members
From: Jonathan Wayne, Executive Director
Date: August 19, 2008
Re: Dana Kadey's Expenditures of Maine Clean Election Act Funds

The Commission staff seeks guidance or a determination from you regarding the permissibility of some campaign expenditures by Dana Kadey, a Maine Clean Election Act (MCEA) candidate running for State Senate, District 29. He has made three expenditures which may be prohibited under the Commission's 2008 expenditure guidelines if you view them as personal expenses, rather than as made for campaign-related purposes:

- a truck cap and roof rack (purchased for \$1,363.95 with an additional expense of \$109.62 for car travel to make the purchase)
- GPS device (\$414.94)
- cooler with electronic cooling and warming capabilities (\$188.10)

This year, Mr. Kadey has received a total of \$21,005 in MCEA funds. This includes a payment of \$1,927 made to him on April 3, 2008 for the primary election period, and a June 13, 2008 payment of \$19,078 for the general election.

Mr. Kadey is running for the Senate as an independent, as he did in 2006. The staff additionally has some concerns about some of his 2006 expenditures of MCEA funds, as explained below.

Relevant Law

Expenditures of MCEA Funds must be for Campaign-Related Purposes

Candidates receiving MCEA funds must spend those funds for "campaign-related purposes." The MCEA does not define campaign-related purposes, but rather directs the Commission to publish guidelines:

All revenues distributed to a certified candidate from the fund must be used for campaign-related purposes. . . . The commission shall publish guidelines outlining permissible campaign-related expenditures. (21-A M.R.S.A. § 1125(6))

The Commission has published 2008 expenditure guidelines, which are posted on the Commission's website and mailed to candidates. These guidelines set forth traditional categories of campaign-related expenditures (e.g., printing and mailing costs, political advertising), and prohibit candidates from spending MCEA funds on personal expenses. The guidelines also list examples of personal uses which are impermissible (e.g., day-to-day household food items and supplies, mortgage, rent or utility payments). Among the prohibited categories are "vehicle and transportation expenses unrelated to the campaign."

Based on our reviews of expenditures by MCEA candidates, almost all candidates appear to understand the prohibition against spending MCEA funds on personal expenses. For example, we see almost no purchases for candidates' vehicles, housing, or apparel. If candidates are unsure whether the Commission would view a campaign purchase as personal, they are welcome to telephone the Commission staff for whatever advice we can offer.

Purchasing Campaign Property or Equipment with Subsequent Personal Value to the Candidate

Occasionally, candidates participating in the MCEA wish to spend public funds on property or equipment which could have personal value to the candidate *after* the election (e.g., computers, printers, telephones). To address this issue, the Commission has adopted Chapter 3, Section 7(2)(C) of its rules, which requires candidates to sell the equipment after the election for fair market value and to reimburse the Commission with the proceeds from the sale:

Liquidation of Property and Equipment. Property and equipment that is not exclusive to use in a campaign (e.g., computers and associated equipment, etc.) that has been purchased with Maine Clean Election Act funds loses its campaign-related purpose following the election. Such property and equipment must be liquidated at its fair market value and the proceeds thereof reimbursed to the Maine Clean Election Fund as unspent fund revenues in accordance with the schedule in paragraph B above.

- (1) The liquidation of campaign property and equipment may be done by sale to another person or purchase by the candidate.
- (2) Liquidation must be at the fair market value of the property or equipment at the time of disposition. Fair market value is determined by what is fair, economic, just, equitable, and reasonable under normal market conditions based upon the value of items of similar description, age, and condition as determined by acceptable evidence of value.

The rule balances two objectives:

- permitting MCEA candidates the flexibility to buy campaign equipment which the candidate believes is necessary for campaign purposes; and
- preventing candidates from using public campaign funds to enrich themselves.

Mr. Kadey's 2008 Expenditures

In 2008, Mr. Kadey has made three expenditures with MCEA funds for items which clearly could have personal value to Mr. Kadey apart from the campaign, and which you may or may not view as campaign-related:

GPS device. Within one week of being notified that he had qualified to receive MCEA funding, on April 8, 2008 Mr. Kadey purchased a GPS (global positioning system) device from 86th Street Photo and Video for \$414.94. He used his personal funds or credit card to make the purchase, and reimbursed himself with MCEA funds. This was his very first purchase for the entire campaign.

Truck cap and roof rack. After receiving the June 13 payment of \$19,078 for the general election, Mr. Kadey purchased a truck cap and roof rack costing \$1,363.95 from Gillie's Truck Caps on June 27, 2008.

Travel to purchase truck cap and roof rack. Mr. Kadey is a resident of Princeton, Maine. He traveled 261 miles round trip from Princeton to Holden, Maine to purchase the truck cap and roof rack, and the campaign reimbursed him \$109.62 for the travel at a rate of 42 cents per mile.

Cooler. Mr. Kadey also purchased a cooler for his vehicle costing \$188.10 from Compact Appliance on July 21, 2008. The cooler has electronic cooling and warming capabilities, which is powered by a 12-volt electronic supply.

Vendor invoices for these purchases are attached.

After the Commission staff performed its customary review of the pre-primary campaign finance reports, Candidate Registrar Gavin O'Brien sent Mr. Kadey a letter dated July 25 (attached) asking him to explain the campaign purpose of his GPS device and some smaller campaign purchases. Mr. Kadey responded with a handwritten letter dated July 26, 2008 (also attached, without some material about potential campaign issues which he asked be kept confidential). With regard to the GPS device, Mr. Kadey explained that Senate District #29 covers a large area, and since purchasing the GPS system Mr. Kadey has not been lost.

During our review of Mr. Kadey's post-primary report, the staff noted that he purchased the truck cap for \$1,363.95. Assistant Director Paul Lavin and I telephoned Mr. Kadey on July 31, 2008 to express our continuing concerns about his purchases. With regard to the truck cap, he stated that he is undergoing medical treatment which leaves him exhausted requiring him to lie down periodically. In order to be on the road campaigning, he

purchased the truck cap to enclose the bed of his truck and put in a mattress, so that he could lie down to rest while on the road. He said that he has only purchased the truck cap because of his 2008 Senate campaign. He raised the argument that he believed he could not purchase the truck cap with his personal funds because that would have resulted in a personal contribution to his campaign, which he is not permitted to make as a MCEA candidate.

Mr. Kadey did not mention in the July 31 conversation that he had also purchased a roof rack, which was part of the purchase price of \$1,363.95. The Commission staff finds it difficult to imagine the campaign purpose for the roof rack.

During the July 31 call, Mr. Kadey volunteered that he had purchased a cooler that he uses when traveling for campaign purposes for reasons related to his medical condition. He also volunteered that he would be willing to come to a Commission meeting to explain the campaign value of these purchases and to provide proof of his medical condition and treatment.

Scheduling of this Matter; Request for Expenditure Documentation

On August 4, 2008, the Commission staff notified Mr. Kadey by letter that the staff would schedule this matter for your consideration at the August 25 meeting. The notice provided Mr. Kadey with an opportunity to provide further written explanation for your consideration, but we have received none to date.

The August 4, 2008 letter also notified the candidate that the Commission's auditor wished to conduct an interim audit of his campaign to verify that his expenditures of MCEA funds have been disclosed in campaign finance reports and that all uses of those funds were for campaign-related purposes. The letter requested documentation of his expenditures this year (bank account statements, vendor receipts and invoices, log of his travel which his campaign reimbursed, etc.)

The Commission received the expenditure documentation from Mr. Kadey today. Our auditor, Sumner Field, has had an opportunity to conduct a preliminary review of it. Much of the documentation was complete, but we would like to request further information from him, particularly regarding the campaign purpose of some of his travel expenses.

Staff's Concerns regarding Mr. Kadey's 2006 Campaign Expenditures

Mr. Kadey was a candidate for State Senate in 2006, for which he received \$21,996.75 in MCEA funds.

In 2006, Mr. Kadey purchased a high-end laptop computer for \$2,928.26. After the 2006 election, he sold the computer to Lynn Ross for \$809 on November 29, 2006, and returned the \$809 to the Commission. (Lynn Ross performed campaign services for his 2006 campaign, and received compensation of \$850 in MCEA funds.) Following that sale, the Commission's former auditor, Vincent Dinan, notified Mr. Kadey that in his opinion the

sale of the computer for \$809 did not satisfy the fair-market-value requirement of the Commission's rule. Mr. Kadey then provided another \$691 to the Commission.

In light of the personal nature of some of Mr. Kadey's 2008 purchases, I asked our current auditor, Sumner Field, to take an additional look at his 2006 expenditures to verify that MCEA funds were not used for personal purposes. Mr. Field found two general areas of concern:

- (1) In 2006, Mr. Kadey reported making five purchases from sporting goods sellers and other vendors totaling \$1,302.33, which included a notation "campaign walk." In his 2006 campaign, Mr. Kadey went on a two-week walk during which he carried a 28-pound rock to highlight Maine's tax burden. The staff would like to review the documentation of Mr. Kadey's expenditures (vendor invoices or receipts, bank account statements, and canceled checks) to verify that the items purchased were campaign-related, and to determine whether these purchases were for personal items which Mr. Kadey's campaign was required to sell after the 2006 election for fair market value.
- (2) Mr. Kadey made 13 purchases totaling \$3,737.34 on materials for signs from hardware and building supply stores, and other vendors. While many candidates purchase commercially printed signs, some candidates do choose to produce their own signs from materials such as wood, stakes, and paint. Nevertheless, this seems like an unusually large amount for sign materials. One purchase for \$463.74 was from Cabela's (a hunting and sporting goods store), and the staff is unsure what materials for signs could be purchased at Cabela's for that amount. The Commission's auditor would like to review Mr. Kadey's campaign records regarding these expenditures to verify that they were campaign-related.

On August 14, 2008, Sumner Field sent a request for documentation of these expenditures.

Staff Recommendations

The staff inquires whether you would wish to express a viewpoint at this time regarding whether Mr. Kadey's 2008 expenditures described above were for campaign-related purposes.

With regard to the cooler and truck cap, the staff's view is that these items should be regarded as personal, and not appropriate for purchase with public funds. If an individual such as Mr. Kadey chooses to run a Senate candidate with a medical condition requiring unusual personal accommodations, we believe it is appropriate for the candidate to pay for those measures from their own funds rather than through MCEA funds. In order to establish that a purchase was made for campaign-related purposes, a candidate should be able to show more than a tenuous relationship to a political campaign. We also do not know what campaign purpose the roof rack would serve.

With regard to the GPS device, the Commission staff also believes this should be viewed as personal. We know of no other recent publicly or privately financed candidate in Maine who has purchased a GPS device with campaign funds. Also, there is reason to hope that Mr. Kadey already has some familiarity with the roadways of Senate District #29. The candidate's 2006 website indicates that he has been a resident of Washington County for decades, he reported considerable campaign travel in the Senate district during 2006 (4,253 miles), and in fact made a \$20.95 purchase for maps during his 2006 campaign with MCEA funds.

If you are willing to entertain it, the staff's recommendation is that you:

- determine that Mr. Kadey's expenditures for the truck cap and roof rack (including \$109.62 in travel costs to purchase those items), GPS device, and cooler were not made for campaign-related purposes;
- request that Mr. Kadey use \$2,076.61 in personal funds to reimburse his campaign for those purchases and delete those expenditures from his campaign finance reports; and
- request that for the duration of the campaign Mr. Kadey include on Schedule E any property or equipment purchased with MCEA funds which could have personal (non-campaign) value to him after the election.

In addition, we seek your approval to proceed with our interim audit of Mr. Kadey's 2008 expenditures (by requesting further information) and our review of his 2006 expenditures. We would be pleased to take any other action you believe is appropriate in this matter.

unspent funds to the commission within 3 days of the commission's decision and may be required to return all funds distributed to the candidate. In addition to the requirement to return funds, the candidate may be subject to a civil penalty under section 1127. The candidate may appeal the commission's decision to revoke certification in the same manner provided in subsection 14, paragraph C.

[2007, c. 443, Pt. B, §6 (NEW) .]

* [**6. Restrictions on contributions and expenditures for certified candidates.** After certification, a candidate must limit the candidate's campaign expenditures and obligations, including outstanding obligations, to the revenues distributed to the candidate from the fund and may not accept any contributions unless specifically authorized by the commission. Candidates may also accept and spend interest earned on fund revenues in campaign bank accounts. All revenues distributed to a certified candidate from the fund must be used for campaign-related purposes. The candidate, the treasurer, the candidate's committee authorized pursuant to section 1013-A, subsection 1 or any agent of the candidate and committee may not use these revenues for any but campaign-related purposes. The commission shall publish guidelines outlining permissible campaign-related expenditures.

[2007, c. 443, Pt. B, §6 (AMD) .]

6-A. Assisting a person to become an opponent. A candidate or a person who later becomes a candidate and who is seeking certification under subsection 5, or an agent of that candidate, may not assist another person in qualifying as a candidate for the same office if such a candidacy would result in the distribution of revenues under subsections 7 and 8 for certified candidates in a contested election.

[2007, c. 443, Pt. B, §6 (NEW) .]

7. Timing of fund distribution. The commission shall distribute to certified candidates revenues from the fund in amounts determined under subsection 8 in the following manner.

A. Within 3 days after certification, for candidates certified prior to March 15th of the election year, revenues from the fund must be distributed as if the candidates are in an uncontested primary election. [2001, c. 465, §4 (AMD).]

B. Within 3 days after certification, for all candidates certified between March 15th and April 15th of the election year, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested primary election. [2001, c. 465, §4 (AMD).]

B-1. For candidates in contested primary elections receiving a distribution under paragraph A, additional revenues from the fund must be distributed within 3 days of March 15th of the election year. [2001, c. 465, §4 (NEW).]

C. No later than 3 days after the primary election results are certified, for general election certified candidates, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested general election. [2007, c. 443, Pt. B, §6 (AMD).]

Funds may be distributed to certified candidates under this section by any mechanism that is expeditious, ensures accountability and safeguards the integrity of the fund.

[2007, c. 443, Pt. B, §6 (AMD) .]

7-A. Deposit into account. The candidate or committee authorized pursuant to section 1013-A, subsection 1 shall deposit all revenues from the fund and all seed money contributions in a campaign account with a bank or other financial institution. The campaign funds must be segregated from, and may not be commingled with, any other funds.

[2007, c. 443, Pt. B, §6 (AMD) .]

8. Amount of fund distribution. By July 1, 1999 of the effective date of this Act, and at least every 4 years after that date, the commission shall determine the amount of funds to be distributed to participating



2008 EXPENDITURE GUIDELINES For Maine Clean Election Act Candidates

Candidates must spend Maine Clean Election Act (MCEA) funds for campaign-related purposes and not for other purposes such as the candidate's personal benefit, party-building, or to promote another candidate's campaign.

- Expenditures for "campaign-related purposes" are those which are traditionally accepted as necessary to promote the election of a candidate to political office. Candidates using MCEA funds must also take into account the public nature of the funds, the underlying objectives of the MCEA, and the reasonableness of the expenditures under the circumstances. In Maine, traditional campaign expenses have included:

- Printing and mailing costs;
- Political advertising expenses;
- Campaign communications such as signs, bumper stickers, T-shirts, or caps with campaign slogans, etc.;
- Office supplies;
- Campaign events (e.g., food, rent of tent or hall, etc.);
- Campaign staff expenses;
- Campaign travel expenses, such as fuel and tolls; and
- An entry fee for an event organized by a party committee, charity, or community organization or an ad in an event publication, as long as the expenditure benefits the candidate's campaign;

- Candidates may not use MCEA funds for personal expenses. This means candidates may not borrow from or use MCEA funds for personal or other non-campaign expenses, even if temporarily and with the intention of repaying the funds. Personal expenses are for goods and services that the candidate would otherwise purchase independently of the campaign, such as:

- Day-to-day household food items and supplies;
- Vehicle and transportation expenses unrelated to the campaign;
- Mortgage, rent, or utility payments for the candidate's personal residence, even if part of the residence is being used by the campaign; and
- Clothing, including attire for political functions such as business suits or shoes.

- Maine Clean Election Act funds may not be spent to:

- make independent expenditures supporting or opposing any candidate, ballot measure, or political committee;
- assist in any way the campaign of any candidate other than the candidate for whom the funds were originally designated;
- contribute to another candidate, a political committee, or a party committee, other than in exchange for goods and services;
- pay a consultant, vendor, or campaign staff, other than in exchange for campaign goods or services;
- make a thank-you gift (including a gift card) to a volunteer or supporter;
- compensate the candidate for services provided by the candidate;
- make a donation to a charity or a community organization, other than in exchange for campaign goods or services;
- promote political or social positions or causes other than the candidate's campaign;
- pay civil penalties, fines, or forfeitures to the Commission, or defend the candidate in enforcement proceedings brought by the Commission; or
- assist the candidate in a recount of an election.

■ Guidelines on Selected Issues

- *Electronics and Other Personal Property.* Goods purchased with MCEA funds that could be converted to personal use after the campaign (e.g., computers, fax machines, and cellular telephones) must be reported on Schedules B and E of the candidate reporting form. No later than 42 days after the general election, the goods must be sold at fair market value and the proceeds returned to the Maine Clean Election Fund. Candidates are welcome to lease electronic and other equipment.
- *Food.* Candidates may spend a reasonable amount of MCEA funds on food for campaign events or to feed volunteers while they are working. Legislative candidates may not use MCEA funds to purchase food that is consumed only by the candidate and/or the candidate's spouse.
- *Car Travel.* MCEA campaigns may reimburse the candidate or campaign workers for their car travel, as long as the person reimbursed has kept a travel log. For 2008, the campaign may make a travel reimbursement up to the number of miles traveled (as reported in the log) multiplied by \$0.42. Campaigns must keep the travel logs for two years, and provide them to the Commission if requested. Candidates and their spouses or domestic partners may spend any amount of their personal funds for campaign travel without seeking reimbursement. Other individuals may spend up to \$100 of their personal funds to pay for travel without making a contribution to the campaign.
- *Lodging.* Candidates may use MCEA funds to pay for lodging if necessary for campaign purposes, but must keep lodging expenses reasonable.
- *Post-Election Notes and Parties.* Candidates may spend up to the following maximum amounts of MCEA funds on post-election parties, thank you notes, or advertising to thank supporters or voters: \$250 for State Representative candidates and \$500 for State Senate candidates. Candidates may also use personal funds for these purposes.
- *Campaign Training.* Candidates may use MCEA funds for tuition or registration costs to receive training on campaigning or policy issues.
- *Salary and Compensation.* Candidates may use MCEA funds to pay for campaign-related services by staff or consultants, provided that compensation is made at or below fair market value and sufficient records are maintained to show what services were received. Documentation must include a description of the labor performed by the staff member or consultant, and an itemization of any goods or services purchased from other vendors including date, vendor, and amount.

■ Required Record-Keeping

The MCEA requires participating campaigns to keep two documents for every expenditure over \$50: (1) an invoice from the vendor listing the goods or services purchased, and (2) a canceled check or other acceptable proof of payment to the vendor. Please select a treasurer who will be responsible about keeping these records.

■ Auditing and Compliance

In 2008, the Commission staff will audit at least 20% of MCEA candidates and will review all receipts and expenditures disclosed by MCEA candidates in campaign finance reports. The Commission frequently requests additional information from candidates to verify that public funds were spent for campaign-related purposes. Candidates who misuse public funds may be required to repay some or all public funds received, may be liable for civil penalties, and may be referred to the State Attorney General for possible criminal prosecution.



STATE OF MAINE
 COMMISSION ON GOVERNMENTAL ETHICS
 AND ELECTION PRACTICES
 135 STATE HOUSE STATION
 AUGUSTA, MAINE
 04333-0135

July 25, 2008

Dana Kadey
 376 West Street
 Princeton, ME 04668

Dear Mr. Kadey:

The Ethics Commission staff has reviewed your 11-Day Pre-Primary Report and identified several expenditures that may not be campaign-related. The election law forbids candidates from spending MCEA funds on personal or non-campaign-related expenses (21-A MRSA §1125(6)). In addition, the Commission has approved a set of expenditure guidelines that provide more specific restrictions on the use of MCEA funds. These guidelines include a prohibition on "vehicle and transportation expenses unrelated to the campaign."

For each expenditure listed below, please provide a written explanation of the expenditure's value to your campaign. We may request a final decision from the Commission members at their monthly meeting if the staff is not satisfied that these expenditures were allowable.

Date	Payee	Remark	Amount
4/9/2008	P C T Communications	Phone charger cord	\$17.85
4/8/2008	86th Street Photo & Video	Auto navigation GPS	\$414.94
4/29/2008	Calais Advertiser	Advertising / research	\$37.00
4/29/2008	Ellsworth American	Advertising / research	\$49.00
4/29/2008	Downeast Coastal Press	Advertising / research	\$35.00
4/29/2008	Machias Valley News	Advertising / research	\$35.00
4/29/2008	Quoddy Tides	Advertising / research	\$25.00

If you have any questions, please feel free to contact me by phone at 287-4709 or by e-mail at Gavin.O'Brien@maine.gov. Thank you.

Sincerely,

Gavin O'Brien
 Candidate Registrar

DANA KADEY

(Schedule B Only)

CANDIDATE'S FULL NAME

**SCHEDULE B
EXPENDITURES**

- **Itemize each expenditure made during the reporting period.**
- **Enter the date, payee, expenditure type, and amount for each expenditure.**
- **For expenditure types which require a remark, enter a description of the goods and services purchased.**
- **Only enter expenditures that have actually been paid. Enter unpaid debts and obligations on Schedule D.**

Expenditures paid with non-campaign funds: Whenever an expenditure is made on behalf of a candidate with funds other than campaign funds, the campaign **must** reimburse that expenditure with campaign funds. Following the instructions above, enter the information for the vendor that actually provided the goods or services. In the remarks section, include the name of the person reimbursed and any other required remarks.

Expenditure Types Requiring <u>NO</u> Remark		Expenditure Types Which <u>REQUIRE</u> Remark	
PRT	Print media ads	SAL	Campaign workers' salaries
TVN	TV or cable ads, production costs	CNS	Campaign consultants
RAD	Radio ads, production costs	PRO	Other professional services
LIT	Campaign literature (printing and graphics)	EQP	Equipment
POS	Postage for U.S. Mail	FND	Fundraising events
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)
PHO	Phone banks, automated telephone calls	OTH	Other
FOD	Food for campaign events, volunteers		
OFF	Office rent and utilities		
WEB	Internet and e-mail		
POL	Polling and survey research		
RTA	Return of authorized MCEA funds		
RTU	Return of unauthorized MCEA funds		

DATE EXPENDITURE MADE	NAME OF EACH PAYEE	EXPENDITURE TYPE (use code from above)	REMARK (if the expenditure type requires a remark, describe all goods and services purchased)	AMOUNT
4/9/2008	P C T COMMUNICATIONS	OTH	PHONE CHARGER CORD	17.85
4/9/2008	WAL-MART	OTH	OFFICE SUPPLIES	55.51

4/9/2008	USPS	POS		82.00
4/8/2008	86 TH STREET PHOTO & VIDEO	EQP	AUTO NAVIGATION GPS PAID BY DANA KADEY; REIMBURSEMENT MADE ON 04/12/08	414.94
4/17/2008	STAPLES	OTH	OFFICE SUPPLIES	198.50
4/29/2008	CALAIS ADVERTISER	OTH	ADVERTISING / RESEARCH	37.00
4/29/2008	ELLSWORTH AMERICAN	OTH	ADVERTISING / RESEARCH	49.00
4/29/2008	DOWNEAST COSTAL PRESS	OTH	ADVERTISING / RESEARCH	35.00
4/29/2008	MACHIAS VALLEY NEWS	OTH	ADVERTISING / RESEARCH	35.00
4/29/2008	QUODDY TIDES	OTH	ADVERTISING / RESEARCH	25.00
4/30/2008	DANA W KADEY	TRV	04/09/08--04/30/08 1,680 MILES @ .42	705.60
5/19/2008	WAL-MART	OTH	OFFICE SUPPLIES	7.81
5/26/2008	DANA W KADEY	TRV	317 MILES 05/14/08--05/26/08 @.42 PER MILE 1	126.80
Total expenditures(this page only) ⇒ <i>(combined totals from all Schedule B pages must be listed on Schedule F, line 5)</i>				1,790.01

RECEIVED Mr. O'Brien

JUL 29 2008

MAINE ETHICS COMMISSION

In response to your letter of 07-25-08.

Expenditures value to my campaign.

1. Phone charger cord: This is one that charges the phone in an auto. I use my cell phone a lot while "on the trail" in Senate District 29. Nothing is more annoying than to hear the little fellow beep & say "low battery" while I am nosing around in Dred Plantation. I have already saved \$17.85 many times over in mileage because I was able to charge my phone in my auto.
 2. Auto navigation GPS: District 29 is large in sq. miles. Last election I spent tens of hours & hundreds of miles lost while on the trail. Since acquiring the GPS I have never been lost. I have more than saved its cost already in gas mileage.
 3. Items 3-7: Again the district is large and diverse. One of the best ways of knowing what is going on is by studying the local newspapers. I include are two examples of research from those papers which I will be using in my campaign. These items are not to be released to the public.
- Sincerely,
Jana Kadey



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
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04333-0135

July 31, 2008

By E-Mail and Regular Mail

Dana Kadey
376 West Street
Princeton, ME 04668

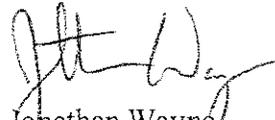
Dear Mr. Kadey:

Thank you for your letter dated July 26, 2008 responding to the Ethics Commission staff's inquiry concerning some of your campaign expenditures made with Maine Clean Election Act (MCEA) funds. As I explained to you by telephone today, the staff continues to have concerns that some of your campaign expenditures could be viewed as primarily personal in nature, and are therefore inappropriate for purchase with MCEA funds. In particular, we discussed the GPS device and the purchase of a truck cap, which are highly unusual campaign expenditures for a candidate, especially for a publicly funded candidate.

I have attached a copy of the Ethics Commission's campaign guidelines which outline what are considered acceptable campaign-related expenditures. It is important that you understand them, consult them when making purchases, and comply with them. If, in the future, you are making purchases with MCEA funds for items that fall outside the categories identified as traditional campaign expenses in the guidelines, I urge you to telephone Candidate Registrar Gavin O'Brien (287-4179) if you have any further questions.

I will discuss your reported expenditures with our Commission's auditor when he returns to the office next week. The auditor may contact you for additional information, if necessary. Thank you.

Sincerely,


Jonathan Wayne
Executive Director

DANA KADEY

(Schedule B Only)

CANDIDATE'S FULL NAME

**SCHEDULE B
EXPENDITURES**

- **Itemize each expenditure made during the reporting period.**
- **Enter the date, payee, expenditure type, and amount for each expenditure.**
- **For expenditure types which require a remark, enter a description of the goods and services purchased.**
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PHO	Phone banks, automated telephone calls	OTH	Other
FOD	Food for campaign events, volunteers		
OFF	Office rent and utilities		
WEB	Internet and e-mail		
POL	Polling and survey research		
RTA	Return of authorized MCEA funds		
RTU	Return of unauthorized MCEA funds		

DATE EXPENDITURE MADE	NAME OF EACH PAYEE	EXPENDITURE TYPE (use code from above)	REMARK (if the expenditure type requires a remark, describe all goods and services purchased)	AMOUNT
6/16/2008	STAPLES	OTH	OFFICE SUPPLIES	266.62
6/21/2008	DANA W KADEY	TRV	MILEAGE--05/29/08--06/21/08	382.40

DATE PRINTED:

8/19/2008

42-Day Post-Primary

6/27/2008	GILLIE'S TRUCK CAPS	EQP	TRUCK CAP	1,363.95
7/15/2008	DANA W KADEY	TRV	MILAGE 06/27/2008--07/15/2008 [SEE LOG]	319.20
Total expenditures(this page only) ⇨ <i>(combined totals from all Schedule B pages must be listed on Schedule F, line 5)</i>				2,332.17

Gillie's Truck Caps & Access.

820 Main Road
Holden, ME 04429
Phone (207) 843-5143

CUSTOMER'S ORDER NO.		PHONE	796-5535	DATE	6-27-08	
NAME DANA KADEY						
ADDRESS						
SOLD BY	CASH	C.O.D.	CHARGE	ON ACCT.	MDSE. RET'D.	PAID OUT
QTY	DESCRIPTION			PRICE	AMOUNT	
	LEER FIBERGLASS CAP MODEL 100R				1059.00	
	YAKIMA RACKS				240.00	
					1299.00	
	SALES TAX:				64.95	
	TOTAL:				\$ 1363.95	
RECEIVED BY					TAX	
					TOTAL	

[Handwritten signature]

SER. # 1739415
VIN. # A14547.

All claims and returned goods must be accompanied by this bill.

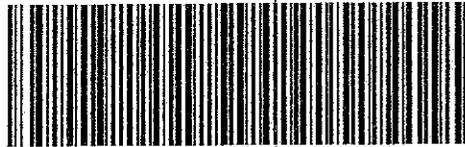
JEFFY PRINT, Bangor, ME 04401

8394 Thank You

RECEIVED

AUG 19 2008

MAINE ETHICS COMMISSION



541823-846325909-N

Packing Slip

1-800-815-2040

Order Number: 541823-N

Order Date: 4/8/2008

Your Salesman: Kevin

Ship To:

Dana Kadey
376 West St
Princeton, ME 04668
Home Phone: (207) 796-5535
Daytime Phone:

Bill To:

Dana Kadey
376 West St
Princeton, ME 04668
Home Phone: (207) 796-5535
Daytime Phone:

Shipping Method: 3-5 Day Shipping

SKU	Name	Qty	Price
GRN660	Garmin Nuvi 660, Portable GPS Car Navigation & Personal Travel Assistant w/ Bluetooth.	1	---
PK	Package Deal Price.	1	---
SD1GB	1GB Professional ULTRA-HIGH SPEED Error Free Secure Digital (SD) Memory Card With Low Power Consumption.	1	---

Package Total: \$399.99
 Shipping: \$14.95
 Tax: \$0.00
 Total: \$414.94

This package has been packed by: _____

RECEIVED

AUG 1 1 2008

MAINE ETHICS COMMISSION

16

Order Detail

Order #: P0082939
 Status: Shipped Complete
 Order Date: 07/21/08
 P O #:
 Purchaser: Dana Kadey



▶ **Shipping Address**

Dana Kadey
 376 West St
 Princeton ME 04668

▶ **Payment Method**

Mastercard

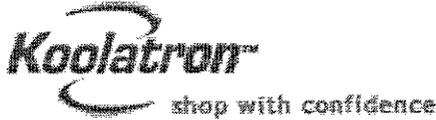
Product	Model	Qty	Price	Ext Price
Koolatron 52 Quart 12 Volt Cooler / Warmer	KOL P85	1	\$151.05	\$ 151.05
<i>Shipped by Federal Express on 07/28/08</i> <i>Phone Number: (800) 463-3339</i> <i>Tracking Number 014251750450673/680</i>				
Koolatron Battery Saver	KOL BS15	1	\$37.05	\$ 37.05
<i>Shipped by Federal Express on 07/28/08</i> <i>Phone Number: (800) 463-3339</i> <i>Tracking Number 014251750450673/680</i>				

Product Total \$ 188.10
 Freight \$.00
 Tax \$.00
Total \$ 188.10

RECEIVED
 AUG 19 2008
 MAINE ETHICS COMMISSION

RUSH ORDER HOTLINE :1-800-265-8456

Site Map | Ai



DEAL OF THE WEEK OFFER
MONDAY TO SUNDAY
 CLICK HERE

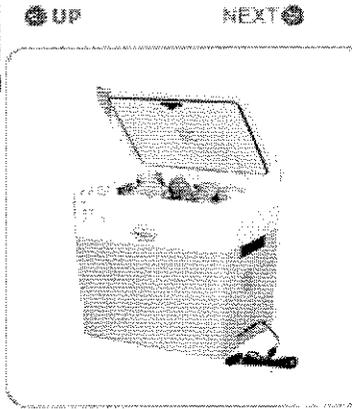


Automotive | Home & Garden | Personal Care | Sports & Fitness | Pet Care | Pest Control | Camping | Tours & Travel

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- Home and Garden
- Personal Care
- Sports & Fitness
- Pet Care Products
- Pest Control
- Camping Products



Koolatron P-85 Krusader Coolers



Koolatron P-85 Krusader Cooler - A Thermoelectric Cooler

"Currently Out Of Stock"

Koolatron P-85 Krusader Cooler Cools using 12 Volt solid-state thermoelectric cooler in your vehicle. While you relax and enjoy quiet dependable 12 "Ice Age" are standing in line to buy overpriced ice or driving from store to store not sold out yet.

Koolatron P-85 Krusader Cooler is the largest 12 volt cooler available for tailgating.

WARNING:
 Koolatron P85 Krusader cooler is so big that you cannot open the lid in most cars. OK in Vans and SUVs where there is more headroom. It is advisable to load this Cooler in the vehicle since it will probably take two people to load.

The Koolatron P-85 Krusader cools 45 to 50 Fahrenheit degrees below ambient. It can be used horizontally (chest position) or vertically like a divider.

FEATURE OF THE MONTH
 click here

SHOP WITH CONFIDENCE

- Your privacy
- About Us
- 30 day money back guarantee.
- Wholesale
- Customer Support.
- Shipping Details.
- Direction to Koolatron

Details & Specifications =>

Take Koolatron P-85 Krusader cooler shopping, put your perishables in the Cooler then finish your other driving errands while the cooler protects your food.

When you're not using the Koolatron P-85 Krusader Cooler on the road, it can double as a bar fridge or student dormitory fridge with the addition of a Koolatron AC adapter (available separately).

By simply reversing the power cord, Koolatron P-85 Krusader cooler can be turned into a warmer, to keep "fast food" or "take out food" hot on the way home. Or bring a full load of hot chocolate or coffees to the gang in winter. Bring a hot casserole and other hot foods to family gatherings or other festive affairs.

Long life brushless motor and internal air circulation for even temperature distribution. Koolatron P85 Krusader Cooler can be used horizontally (chest position) or vertically like a fridge.

Model Specs: - Empty Wt. (19 lbs.)
Capacity - (52qts.), 80 12 oz. cans or 9 bottles of the 2 liter size, 6 standing vertically plus 3 more laying horizontally plus lots of space for extra stuff around the bottles.

Dimensions for Koolatron P-85 Krusader Cooler

- Height 20 1/4"
- Width 16"
- Depth 21"
- Interior Height 16 1/2"
- Interior Width 11 1/2"
- Interior Depth 14 1/2"
- Weight 26 lbs

A
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 Vale
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 Scis
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 Scor
 B
 P

Capacity 52 Quarts
Power 12 volts / 4.5 A DC
Usage



- [FAQ's \(Frequently Asked Questions\)](#)
- [Thermoelectric Refrigeration ---What is it? How does it work?](#)
- [Applications and Benefits of Koolatron Coolers](#)

Product Features =>

- Color: Gray
- 52 Quart Capacity
- Thermoelectric Cooling System
- 100% CFC & HFC Free
- Uses No Liquids or Gases
- Uses Less Amperage Than Your Car Headlights
- Unaffected By Motion or Tilting
- Internal Air Circulation for Even Temperature
- Can Be Stood Up Like a Mini-Fridge
- Power Can Be Inverted for a Warming Unit
- Enough Space For 80 Cans of Soda
- Easy to Maintain; Just Vacuum It Clean

What Do I Get? =>

- **Koolatron P-85 Krusader Cooler.**

All Prices are in U. S. Dollars
"Currently Out Of Stock"

Price: \$169.99

Order online or call customer service helpline at 1-800-265-8456

[Privacy Policy](#) | [Site Map](#) | [Contact Us](#) | [Write a testimonial](#)

All funds are in US dollars. Fully secure site.

Koolatron Online uses SSL (secure sockets layer), which encrypts sensitive information before it is sent over Internet. Koolatron Online backs all its products with a 30 days money back guarantee.

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STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

August 4, 2008

By E-Mail and Regular Mail

Dana Kadey
376 West Street
Princeton, ME 04668

Dear Mr. Kadey:

This is to notify you that I will be scheduling a discussion of your 2008 campaign expenditures for the next meeting of the members of the Maine Ethics Commission on Monday, August 25, 2008 at 9:00 a.m. At that time, I will express continuing concerns of the staff that some of your expenditures seem primarily personal in nature, rather than related to your campaign. The meeting will be held in the hearing room of the Public Utilities Commission, at 242 State Street in Augusta.

August 25 Commission Meeting

Under 21-A M.R.S.A. § 1125(6), all expenditures of Maine Clean Election Act (MCEA) funds must be made for "campaign-related purposes," and the MCEA requires the Commission to adopt guidelines "outlining permissible campaign-related expenditures" (enclosed). At the meeting, I will ask the members if they wish to make a determination whether any of your 2008 campaign expenditures do not comply with the guidelines. If the Commission members determine that any expenditures are *outside* the guidelines, they may ask you to use your personal funds to reimburse your campaign for those expenditures.

Of most concern to the staff are the GPS device you purchased for \$414.94 on April 8, 2008, and the truck cap purchased for \$1,393.95 on June 27, 2008. The members may also wish to consider other purchases such as the telephone charger cord or the subscriptions to local newspapers.

One week before the August 25, 2008 meeting, I will send to the Commission members a packet of information outlining the staff's concerns. I will include in that packet a copy of your July 26, 2008 letter. *If you would like to submit anything further in writing for their consideration before the meeting, please submit it no later than Friday, August 15.* My fax number is 287-6775 and my e-mail address is Jonathan.Wayne@maine.gov.

Interim Audit of Your Campaign

The staff of the Ethics Commission has decided to undertake an interim audit of your campaign to verify that you deposited the MCEA funds you received into a separate bank account and that all of your expenditures of MCEA funds to date have been disclosed in campaign finance reports and were made for campaign-related purposes. In connection with the audit, I have attached a request for documents from the Commission's auditor. Please comply with the request within two weeks of your receipt of this letter.

To reduce the burden on you, the Commission staff will obtain the requested bank account statements and canceled checks directly from the Machias Savings Bank if you sign and return to me the attached authorization form for your campaign checking account. We would still need you to supply the other requested documentation for the indicated expenditures (register slips or vendor invoices, and travel logs).

If you have any questions about the request for documents, please telephone our auditor, Sumner M. Field, at 287-4179. If you have any questions about the August 25 meeting, please telephone me at that number. Thank you.

Sincerely,


Jonathan Wayne
Executive Director

cc: Sumner M. Field, III

unspent funds to the commission within 3 days of the commission's decision and may be required to return all funds distributed to the candidate. In addition to the requirement to return funds, the candidate may be subject to a civil penalty under section 1127. The candidate may appeal the commission's decision to revoke certification in the same manner provided in subsection 14, paragraph C.

[2007, c. 443, Pt. B, §6 (NEW) .]

6. Restrictions on contributions and expenditures for certified candidates. After certification, a candidate must limit the candidate's campaign expenditures and obligations, including outstanding obligations, to the revenues distributed to the candidate from the fund and may not accept any contributions unless specifically authorized by the commission. Candidates may also accept and spend interest earned on fund revenues in campaign bank accounts. All revenues distributed to a certified candidate from the fund must be used for campaign-related purposes. The candidate, the treasurer, the candidate's committee authorized pursuant to section 1013-A, subsection 1 or any agent of the candidate and committee may not use these revenues for any but campaign-related purposes. The commission shall publish guidelines outlining permissible campaign-related expenditures.

[2007, c. 443, Pt. B, §6 (AMD) .]

6-A. Assisting a person to become an opponent. A candidate or a person who later becomes a candidate and who is seeking certification under subsection 5, or an agent of that candidate, may not assist another person in qualifying as a candidate for the same office if such a candidacy would result in the distribution of revenues under subsections 7 and 8 for certified candidates in a contested election.

[2007, c. 443, Pt. B, §6 (NEW) .]

7. Timing of fund distribution. The commission shall distribute to certified candidates revenues from the fund in amounts determined under subsection 8 in the following manner.

A. Within 3 days after certification, for candidates certified prior to March 15th of the election year, revenues from the fund must be distributed as if the candidates are in an uncontested primary election. [2001, c. 465, §4 (AMD).]

B. Within 3 days after certification, for all candidates certified between March 15th and April 15th of the election year, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested primary election. [2001, c. 465, §4 (AMD).]

B-1. For candidates in contested primary elections receiving a distribution under paragraph A, additional revenues from the fund must be distributed within 3 days of March 15th of the election year. [2001, c. 465, §4 (NEW).]

C. No later than 3 days after the primary election results are certified, for general election certified candidates, revenues from the fund must be distributed according to whether the candidate is in a contested or uncontested general election. [2007, c. 443, Pt. B, §6 (AMD).]

Funds may be distributed to certified candidates under this section by any mechanism that is expeditious, ensures accountability and safeguards the integrity of the fund.

[2007, c. 443, Pt. B, §6 (AMD) .]

7-A. Deposit into account. The candidate or committee authorized pursuant to section 1013-A, subsection 1 shall deposit all revenues from the fund and all seed money contributions in a campaign account with a bank or other financial institution. The campaign funds must be segregated from, and may not be commingled with, any other funds.

[2007, c. 443, Pt. B, §6 (AMD) .]

8. Amount of fund distribution. By July 1, 1999 of the effective date of this Act, and at least every 4 years after that date, the commission shall determine the amount of funds to be distributed to participating



2008 EXPENDITURE GUIDELINES For Maine Clean Election Act Candidates

Candidates must spend Maine Clean Election Act (MCEA) funds for campaign-related purposes and not for other purposes such as the candidate's personal benefit, party-building, or to promote another candidate's campaign.

- Expenditures for "campaign-related purposes" are those which are traditionally accepted as necessary to promote the election of a candidate to political office. Candidates using MCEA funds must also take into account the public nature of the funds, the underlying objectives of the MCEA, and the reasonableness of the expenditures under the circumstances. In Maine, traditional campaign expenses have included:
 - Printing and mailing costs;
 - Political advertising expenses;
 - Campaign communications such as signs, bumper stickers, T-shirts, or caps with campaign slogans, etc.;
 - Office supplies;
 - Campaign events (e.g., food, rent of tent or hall, etc.);
 - Campaign staff expenses;
 - Campaign travel expenses, such as fuel and tolls; and
 - An entry fee for an event organized by a party committee, charity, or community organization or an ad in an event publication, as long as the expenditure benefits the candidate's campaign;

- Candidates may not use MCEA funds for personal expenses. This means candidates may not borrow from or use MCEA funds for personal or other non-campaign expenses, even if temporarily and with the intention of repaying the funds. Personal expenses are for goods and services that the candidate would otherwise purchase independently of the campaign, such as:
 - Day-to-day household food items and supplies;
 - Vehicle and transportation expenses unrelated to the campaign;
 - Mortgage, rent, or utility payments for the candidate's personal residence, even if part of the residence is being used by the campaign; and
 - Clothing, including attire for political functions such as business suits or shoes.

- Maine Clean Election Act funds may not be spent to:
 - make independent expenditures supporting or opposing any candidate, ballot measure, or political committee;
 - assist in any way the campaign of any candidate other than the candidate for whom the funds were originally designated;
 - contribute to another candidate, a political committee, or a party committee, other than in exchange for goods and services;
 - pay a consultant, vendor, or campaign staff, other than in exchange for campaign goods or services;
 - make a thank-you gift (including a gift card) to a volunteer or supporter;
 - compensate the candidate for services provided by the candidate;
 - make a donation to a charity or a community organization, other than in exchange for campaign goods or services;
 - promote political or social positions or causes other than the candidate's campaign;
 - pay civil penalties, fines, or forfeitures to the Commission, or defend the candidate in enforcement proceedings brought by the Commission; or
 - assist the candidate in a recount of an election.

■ Guidelines on Selected Issues

- *Electronics and Other Personal Property.* Goods purchased with MCEA funds that could be converted to personal use after the campaign (e.g., computers, fax machines, and cellular telephones) must be reported on Schedules B and E of the candidate reporting form. No later than 42 days after the general election, the goods must be sold at fair market value and the proceeds returned to the Maine Clean Election Fund. Candidates are welcome to lease electronic and other equipment.
- *Food.* Candidates may spend a reasonable amount of MCEA funds on food for campaign events or to feed volunteers while they are working. Legislative candidates may not use MCEA funds to purchase food that is consumed only by the candidate and/or the candidate's spouse.
- *Car Travel.* MCEA campaigns may reimburse the candidate or campaign workers for their car travel, as long as the person reimbursed has kept a travel log. For 2008, the campaign may make a travel reimbursement up to the number of miles traveled (as reported in the log) multiplied by \$0.42. Campaigns must keep the travel logs for two years, and provide them to the Commission if requested. Candidates and their spouses or domestic partners may spend any amount of their personal funds for campaign travel without seeking reimbursement. Other individuals may spend up to \$100 of their personal funds to pay for travel without making a contribution to the campaign.
- *Lodging.* Candidates may use MCEA funds to pay for lodging if necessary for campaign purposes, but must keep lodging expenses reasonable.
- *Post-Election Notes and Parties.* Candidates may spend up to the following maximum amounts of MCEA funds on post-election parties, thank you notes, or advertising to thank supporters or voters: \$250 for State Representative candidates and \$500 for State Senate candidates. Candidates may also use personal funds for these purposes.
- *Campaign Training.* Candidates may use MCEA funds for tuition or registration costs to receive training on campaigning or policy issues.
- *Salary and Compensation.* Candidates may use MCEA funds to pay for campaign-related services by staff or consultants, provided that compensation is made at or below fair market value and sufficient records are maintained to show what services were received. Documentation must include a description of the labor performed by the staff member or consultant, and an itemization of any goods or services purchased from other vendors including date, vendor, and amount.

■ Required Record-Keeping

The MCEA requires participating campaigns to keep two documents for every expenditure over \$50: (1) an invoice from the vendor listing the goods or services purchased, and (2) a canceled check or other acceptable proof of payment to the vendor. Please select a treasurer who will be responsible about keeping these records.

■ Auditing and Compliance

In 2008, the Commission staff will audit at least 20% of MCEA candidates and will review all receipts and expenditures disclosed by MCEA candidates in campaign finance reports. The Commission frequently requests additional information from candidates to verify that public funds were spent for campaign-related purposes. Candidates who misuse public funds may be required to repay some or all public funds received, may be liable for civil penalties, and may be referred to the State Attorney General for possible criminal prosecution.

Machias Savings Bank
PO Box 318
Machias, ME 04654

Dear Sir/Madam:

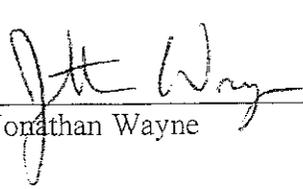
I authorize you to release to Jonathan Wayne, Executive Director of the Maine Ethics Commission, all account statements, cancelled checks, deposit slips, checks deposited into the account, documents reflecting or relating to wire transfers into or out of the account, signature cards, debit or credit memos and all and any other documents or records regarding checking account number [REDACTED]. This authorization is in effect until you receive further written notice from me.

The Ethics Commission will pay for all copying charges and you may deliver the documents directly to Mr. Wayne.

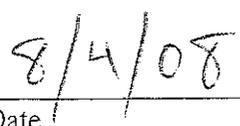
Sincerely,

Dana Kadey

Date



Jonathan Wayne



Date



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

August 4, 2008

Dear Mr. Kadey:

To facilitate the Interim Audit of your campaign finances, please forward to the Commission's office the following documents:

- A copy of your campaign bank accounts for the months of March, April, May, June and July, with copies of cancelled checks. Please note that a form is enclosed authorizing your financial institution to provide the information to the Commission staff directly if you so choose.
- A copy of supporting documentation for expenditures greater than \$50.00 (register slips, vendor invoices, etc) for the transactions identified on the attached copies of your campaign finance reports.
- A copy of your travel log for the period from March through July.

Documents may be mailed, emailed, or faxed.

Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "Sumner M. Field III".

Sumner M. Field III, Auditor
Commission on Governmental Ethics and Election Practices

DANA KADEY

(Schedule B Only)

CANDIDATE'S FULL NAME

**SCHEDULE B
EXPENDITURES**

- Itemize each expenditure made during the reporting period.
- Enter the date, payee, expenditure type, and amount for each expenditure.
- For expenditure types which require a remark, enter a description of the goods and services purchased.
- Only enter expenditures that have actually been paid. Enter unpaid debts and obligations on Schedule D.

Expenditures paid with non-campaign funds: Whenever an expenditure is made on behalf of a candidate with funds other than campaign funds, the campaign **must** reimburse that expenditure with campaign funds. Following the instructions above, enter the information for the vendor that actually provided the goods or services. In the remarks section, include the name of the person reimbursed and any other required remarks.

Expenditure Types Requiring NO Remark		Expenditure Types Which REQUIRE Remark	
PRT	Print media ads	SAL	Campaign workers' salaries
TVN	TV or cable ads, production costs	CNS	Campaign consultants
RAD	Radio ads, production costs	PRO	Other professional services
LIT	Campaign literature (printing and graphics)	EQP	Equipment
POS	Postage for U.S. Mail	FND	Fundraising events
MHS	Mail house (all services purchased)	TRV	Travel (fuel, mileage, lodging, etc.)
PHO	Phone banks, automated telephone calls	OTH	Other
FOD	Food for campaign events, volunteers		
OFF	Office rent and utilities		
WEB	Internet and e-mail		
POL	Polling and survey research		
RTA	Return of authorized MCEA funds		
RTU	Return of unauthorized MCEA funds		

DATE EXPENDITURE MADE	NAME OF EACH PAYEE	EXPENDITURE TYPE (use code from above)	REMARK (if the expenditure type requires a remark, describe all goods and services purchased)	AMOUNT
4/9/2008	P C T COMMUNICATIONS	OTH	PHONE CHARGER CORD	17.85
4/9/2008	WAL-MART	OTH	OFFICE SUPPLIES	55.51

DATE PRINTED:

8/4/2008

11-Day Pre-Primary Report - for MCEA candidates

4/9/2008	USPS	POS		82.00
4/8/2008	86 TH STREET PHOTO & VIDEO	EQP	AUTO NAVIGATION GPS PAID BY DANA KADEY; REIMBURSEMENT MADE ON 04/12/08	414.94
4/17/2008	STAPLES	OTH	OFFICE SUPPLIES	198.50
4/29/2008	CALAIS ADVERTISER	OTH	ADVERTISING / RESEARCH	37.00
4/29/2008	ELLSWORTH AMERICAN	OTH	ADVERTISING / RESEARCH	49.00
4/29/2008	DOWNEAST COSTAL PRESS	OTH	ADVERTISING / RESEARCH	35.00
4/29/2008	MACHIAS VALLEY NEWS	OTH	ADVERTISING / RESEARCH	35.00
4/29/2008	QUODDY TIDES	OTH	ADVERTISING / RESEARCH	25.00
4/30/2008	DANA W KADEY	TRV	04/09/08--04/30/08 1,680 MILES @ .42	705.60
5/19/2008	WAL-MART	OTH	OFFICE SUPPLIES	7.81
5/26/2008	DANA W KADEY	TRV	317 MILES 05/14/08--05/26/08 @.42 PER MILE 1	126.80
Total expenditures(this page only) ⇨ (combined totals from all Schedule B pages must be listed on Schedule F, line 5)				1,790.01

DANA KADEY

(Schedule B Only)

CANDIDATE'S FULL NAME

**SCHEDULE B
EXPENDITURES**

- Itemize each expenditure made during the reporting period.
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PHO	Phone banks, automated telephone calls	OTH	Other
FOD	Food for campaign events, volunteers		
OFF	Office rent and utilities		
WEB	Internet and e-mail		
POL	Polling and survey research		
RTA	Return of authorized MCEA funds		
RTU	Return of unauthorized MCEA funds		

DATE EXPENDITURE MADE	NAME OF EACH PAYEE	EXPENDITURE TYPE (use code from above)	REMARK (if the expenditure type requires a remark, describe all goods and services purchased)	AMOUNT
6/16/2008	STAPLES	OTH	OFFICE SUPPLIES	266.62
6/21/2008	DANA W KADEY	TRV	MILEAGE--05/29/08--06/21/08	382.40

6/27/2008	GILLIE'S TRUCK CAPS	EQP	TRUCK CAP	1,363.95
7/15/2008	DANA W KADEY	TRV	MILAGE 06/27/2008--07/15/2008 [SEE LOG]	319.20
Total expenditures(this page only) ⇔ <i>(combined totals from all Schedule B pages must be listed on Schedule F, line 5)</i>				2,332.17



STATE OF MAINE
COMMISSION ON GOVERNMENTAL ETHICS
AND ELECTION PRACTICES
135 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0135

(attachments
omitted)

August 14, 2008

Mr. Dana Kadey
376 West St.
Princeton, ME 04668

Dear Mr. Kadey:

When an audit of a candidate's campaign finances is undertaken, it is the Commission staff's practice to review prior election financial activity as well. Based on our review of your 2006 financial reports, we would like to inquire about several transactions which are identified on the attached pages. As a Maine Clean Election Act candidate in 2006, you were required to obtain and keep a vendor invoice and proof of payment (*e.g.*, a cancelled check, a vendor receipt) for expenditures over \$50 for a period of two years following your final campaign report for the 2006 general election. (21-A M.R.S.A. § 1125(12-A)) Please forward to the Commission's office the following documents as soon as possible, but no later than August 31, 2008:

- A copy of your campaign bank account statements for the months of April, May, June, July, August, September, October, November, and December of 2006 and January 2007 with copies of cancelled checks. Please note that a form is enclosed authorizing your financial institution to provide the information to the Commission staff directly if you so choose.
- Original supporting documentation (*e.g.*, register slips, itemized vendor invoices, purchase orders, etc.) for the expenditures identified on the attached copies of your campaign finance reports. We will return the original documents to you after our review.

If you have any questions, please contact me at 287-4179. Thank you for your cooperation.

Sincerely,

Sumner M. Field III, Auditor
Commission on Governmental Ethics and Election Practices

cc: Jonathan Wayne, Executive Director
Paul Lavin, Assistant Director