

LNC Executive Committee Meeting

Teleconference

May 25, 2000

Present: David Bergland, Chair
Hugh Butler, Vice Chair
Steve Givot, Secretary
Mark Tuniewicz, Treasurer
Joe Dehn

Staff: Steve Dasbach, National Director

Also present: Bill Hall (MI), At-Large Representative
BetteRose Smith (CO), Region 1 Representative
Ken Bisson (IN), Region 3 Representative
Chris Spruyt (NC), Region 4 Representative
Scott Lieberman (CA), Region 2 Alternate

The meeting was called to order by Bergland at 8:38 PM EDT.

Dehn advised Bergland that there was no need for the Executive Committee to consider questions regarding the online LNC candidate listing since Dasbach and he had already resolved the matter.

Item: Arizona

The Committee went into Executive Session at 8:41 PM.

The Committee returned to Open Session at 9:45 PM.

Givot asked whether a determination has been reached not to petition in AZ.

Bergland said that he agrees with Dasbach that it would not be appropriate to do so at the present time.

Item: NM Delegate List

Givot informed the Committee that LPNM -- for a variety of reasons -- scheduled its state convention for the weekend of June 10. He said that the deadline for submitting a preliminary list of national convention delegates is May 30.

Givot said that he was contacted by LPNM chair Joe Knight regarding the inability of LPNM to submit the required list prior to the May 30 deadline. He said that Knight expressed concern that if the deadline is missed, NM delegates would not be assured of being seated at the convention. He said that Knight suggested that if this is the case LPNM might nominate its own presidential candidate.

Givot said that he proposed several alternatives to Knight which he, as Secretary, would deem to comply with the ByLaws requirement.

Dasbach said that he, too, had submitted alternatives to Knight.

Givot said that he believes that Dasbach's alternatives would also constitute compliance with the ByLaws requirement.

Dasbach said that he has discussed the matter with Credentials Committee interim chair Gary Johnson and that Johnson supported what Givot and Dasbach had told Knight.

Dasbach reported that Knight had, in fact, submitted a list naming delegates John Doe 1, John Doe 2, etc. He said that he did not believe that submission of such a list complies with the ByLaws.

Givot agreed.

Bergland asked if a waiver was possible since the LPNM state convention is scheduled for after the May 30 cutoff date for delegate list submission.

Dasbach said that there is no basis in the ByLaws for anyone to waive the submission deadline.

Bergland asked Givot how he intended to proceed.

Givot said that he would continue to urge Knight to submit something which he, as Secretary, would be able to consider in compliance with the ByLaws.

Bergland suggested to Givot that, as a fallback, Givot should suggest to Knight that Knight send a list which satisfied Givot as well as the list that satisfied Knight.

Item: Domain Names

Bergland said that he has communicated with Jack Dean, Hugh Butler, Dan Fylstra and Bill Winter on this matter.

Bergland said that he proposed that in consideration of the transfer of the three domain names to the LP, Dean's firm (Web Commanders) would receive two free ads in LP news (\$2,500 worth) and two articles in LP News about Web Commanders as a libertarian-activist business. He reported that this offer was rejected by Dean. He said that he is awaiting a counter proposal from Dean.

Dehn asked Bergland what Dean did not like about the proposal.

Bergland said that Dean did not say what he did not like about the proposal. He said that Dean needs to discuss this matter with his partner.

The Committee went into Executive Session at 10:05 PM.

The Committee returned to Open Session at 10:42 PM.

Givot moved that the chair be directed to initiate a mandatory administrative proceeding under the Uniform Domain Name Dispute Resolution Policy of Internet Corporation for Assigned Names and Numbers ("ICANN") or other appropriate legal proceedings unless a negotiated settlement with Web Commanders is achieved by June 9, 2000 transferring registration of libertarianparty.com, libertarianparty.net, and libertarianparty.org to LNC, Inc.

Tuniewicz seconded the motion.

The motion passed unanimously.

Item: Status of Pre-Convention Archimedes Mailing

Dasbach said that the returns from the test mailing are coming back.

Dasbach said that his top priorities are the web site rollout, the OK ballot drive, and the national convention. He said that present financial conditions dictate that the next Archimedes mailing be postponed until after the convention.

Dasbach said that as a result of the delay in the mailing -- as well as his focus on the web site rollout, OK ballot access, and the convention -- he is not doing a daily analysis of the results of the test mailing.

Dehn asked about the current membership level.

Dasbach said that membership is currently over 33,700 -- a record high.

Item: Financial Status

Dasbach said that the party is in need of money to complete important short-term projects such as the OK ballot drive.

Dasbach said that the IL drive continues. He said that as of last week there were 33,000 signatures in hand in Illinois.

Dasbach said that expenditures that can be are being postponed until funding for the current ballot drives is secure.

Dehn asked whether deposits for convention packages were used to fund the ballot drives.

Dasbach said that those funds have not yet been used. He said that -- to assure the availability of funds for the OK ballot drive over the coming weekend -- he will be doing a precautionary transfer of funds from the convention account to the main account. He said that he expects to transfer those funds back by the middle of the coming week.

Dehn asked about the Reserve Fund requirements.

Dasbach said that the cash in the convention account is helping fund the required Reserve Fund balance.

Dehn said that the funds in the convention account are being used to satisfy two requirements.

Givot said that there is no requirement to segregate and not spend the convention deposits, so that these funds are not being used to satisfy two requirements.

Tuniewicz agreed.

Givot and Tuniewicz agreed that the convention deposits can fully be counted as cash for purposes of meeting the Reserve Fund requirement, as was discussed at the last LNC meeting.

Dasbach said if the convention money weren't there, he would have had no choice but to stop the OK ballot drive. He said that the lack of flexibility in the current Reserve Fund requirements raises concern.

Item: Consideration of Return of Large Contribution

Tuniewicz referred to a series of questions he had submitted to Dasbach previously. The questions previously posed to Dasbach are:

1) I understand that on 1/21/00 we received a contribution in the amount of \$20,000 from a generous donor. Would the National Director please clarify how this contribution came about? In particular, whether this was a solicited contribution or a spontaneous one? If the former, who in the office (or outside of it) was involved in obtaining it? I have the donor's contact info and plan on sending him a thank you note.

2) I also note that we've made two recent payments to National Voter Outreach, the petitioning firm. One on 1/26/00 for \$7,500 and another on 3/1/00 for \$12,180. As I understand it, these specific payments were to assist in the very successful ballot drive for our US Senate candidate here in Massachusetts.

Could you please explain the process by which the decision to assist this campaign was reached? I don't recall seeing Massachusetts on any of our ballot access planning documents at any LNC meetings prior to that time. I also know that we were in the middle of trying to improve our liquidity at that time.

Tuniewicz asked Dasbach for his interpretations of "directed" vs. "non-directed" contributions.

Bergland asked Tuniewicz what his objective was in exploring this topic.

Tuniewicz said that he believes that a certain large contribution may have to be returned, depending on the answers to the questions he has raised.

Dasbach said that he does not believe there is a basis to return any contribution.

Tuniewicz said that his inability to consult directly with outside professionals necessitates him asking Dasbach questions regarding this contribution. He said that concerns regarding the answers previously given by Dasbach cause him to bring this matter directly to the Executive Committee.

Givot asked Hall what his personal responsibility and liability is if a contribution has been accepted that should not have been accepted.

Hall said that corporate officers and directors, such as those on the LNC, are entitled to rely on competent staff and professionals to investigate and handle the matter appropriately. If the staff and professionals decide that in the future things should be handled differently, they should so report to the board, so the board can deal with the issue.

Tuniewicz said that aside from the issue of this contribution, there may be need for a policy on this matter.

Dasbach said that the party has not accepted any directed contributions.

Bergland suggested that he should discuss this with Tuniewicz and Dasbach and attempt to resolve any issues.

Tuniewicz objected to that approach because it takes the discussion of the topic off the record.

Dehn said that it is on the record that the people who are directly responsible for this will address the matter.

Tuniewicz said that he strongly objects to deferring discussion.

Dasbach answered Tuniewicz's second question. He said that prior discussions included the need for the national party to help in races which may establish ballot access. He said that in MA this year that would be either the presidential candidate or US Senate candidate. He said that a 3% vote is required for major party status in MA. Therefore, he said, aiding one of these campaigns in MA is consistent with priorities already set.

Dasbach said that normally assistance would be provided in the fall, but in this instance it was vital to get the candidate on the ballot first. He said that although Tuniewicz is correct that the LP was building liquidity, some very generous donors from MA helped us build up our reserves sooner. He said that the party contracted with National Voter Outreach to gather signatures for the ballot drive.

Tuniewicz asked whether the LP contracted directly with National Voter Outreach?

Dasbach said that he thinks so, but is not certain. He said that he is sure that the party paid National Voter Outreach directly.

Tuniewicz agreed that prior to further Executive Committee discussion it would be appropriate for him to discuss other aspects relating to his questions privately with Hall.

Tuniewicz said that to the best of his knowledge, no donor has done anything wrong.

The Committee agreed to keep June 15 available for an additional meeting should it prove necessary.

The meeting was adjourned at 11:29 PM EDT.