

Minutes.

Libertarian National Committee.

Regular Meeting, Saturday and Sunday, November 16 and 17, 1996.

[Corrected.]

The Libertarian National Committee met on Saturday and Sunday, November 16 and 17, 1996, in Arlington, Virginia, at the Holiday Inn Hotel.

Present for all or part of the meeting were the following:

- chair, Stephen L. Dasbach;
- vice chair, Karen A. Allard;
- secretary, Gary E. Johnson;
- treasurer, Hugh A. Butler;
- at-large, Sharon A. Ayres;
- at-large, Ron Crickenberger;
- at-large, Steven I. Givot;
- at-large, William W. Hall;
- at-large, Steve Winter;
- Region 1 representative, Joseph W. Dehn III;
- Region 3 representative, Ken Bisson;
- Region 4 representative, Candi Copas;
- Region 6 representative, Mark A. Tuniewicz;
- Region 7 representative, Robert H. Franke;
- Region 8 representative, Geoffrey J. Neale;
- Region 2 alternate, Bennett Rutledge;
- Region 3 alternate, Donald Gallick; and
- Region 5 alternate, Daniel M. Karlan.

The meeting was called to order Saturday at 9:00 a.m. The secretary called the roll. A quorum was present. This meeting was not tape recorded.

Steve Dasbach reported that the former secretary, John Famularo, had not prepared the minutes of the July 3 meeting of the Libertarian National Committee or the July 4 to 7 national convention.

Joe Dehn moved to create a Minutes Reconstruction Committee with Joe Dehn to prepare a written report on the actions of the July 4 to 7 national convention and Gary Johnson to prepare the minutes of the July 3 LNC meeting. The motion passed.

Gary Johnson said he would ask John Famularo for the audio tapes of the LNC meetings he had prepared for the past three years.

There was a general discussion of the ownership of software on the computers at the national headquarters that had been licensed to John Famularo.

The agenda was discussed. Steve Dasbach suggested setting aside 15 minutes at 9 a.m. Sunday to hear a presentation from Robert Wolfe of Compu-Val Investments and the change was made without objection.

Dan Karlan moved to hear the regional reports earlier in the agenda and to give each regional representative 2 minutes per state affiliate in the region to speak instead of 5 minutes per region. The motion failed.

Steve Dasbach said a motion sent by Region 5 Representative Tim Moir on an audit would be discussed under the agenda items on the budget and the policy manual.

Perry Willis presented a written national director's report. He said he intended to retain the staff and add a political director. He described his plans for enhancement of the mailing list for fund raising.

Dan Karlan, Convention Oversight Committee chair, noted that the 1998 national convention would be run by the LNC, not an outside contractor. Perry Willis said this could require added staff. Kris Williams, the projects manager, who will run the convention, promised the convention "will make money."

Perry Willis reported that there has been a problem with distributing financial reports to the LNC but that Kris Williams would fix the problem.

In answer to a question from Dan Karlan, Perry Willis said the headquarters e-mail address, lphq@digex.com, had been answered by a volunteer.

Hugh Butler said he thought \$10,000 should be spent on staff development training.

The distribution of financial reports was discussed. Candi Copas said she would like to see the reports sent monthly to the LNC so the regional representatives could report to their state chairs. Steve Givot said a summary should be in LP News along with instructions on how to get more financial information, such as on a Web site. Joe Dehn said the reports could be distributed by an e-mail list but said some financial reports may be hard to understand and require explanatory notes.

An audit was discussed.

Hugh Butler noted that the party had used an internal auditor. Perry Willis said the internal auditor typically inspected the office procedures, checked sample transactions, and reviewed the receipt files and the processing of money. Steve Dasbach reported that he intended to appoint William Redpath of Virginia as internal auditor to replace Thea McLean, who had resigned.

Dan Karlan said that former national chair Dave Walter estimated that a "limited audit" would cost \$1,000 to \$1,500. A "certified audit" would cost \$10,000 and take 1 month, including 2 weeks on site. To save money, the contract should be multi-year and the audit should not cover fraud or compliance with Federal Election Commission regulations.

Bill Winter, director of communications, reported on media. He said media contracts increased dramatically during the Presidential campaign. George Getz booked guests on radio talk show. Dan Smith took over much of the communications director's work with state affiliate support.

Bill Winter said the new national platform will be printed. Joe Dehn said he would need to see it first as he prepared the the report on the national convention.

Dan Gallagher, director of operations, presented a report. He was working on the new computerized accounting system.

Dan Gallagher said the answering service for the toll-free telephone number had been changed to a new company.

The LNC went into executive session to hear the report from its legal counsel, Bill Hall.

The LNC recessed for lunch from 1:05 p.m. to 2:20 p.m.

Hugh Butler presented a written treasurer's report.

Sharon Ayres presented a written report on the Presidential campaign.

Ron Crickenberger presented a written report on the Campaign Area.

Steve Givot said he would like to see the headquarters offer what he called Project Equalizer, which would provide candidates the service of preparing their paperwork for the Federal Election Commission.

Kris Williams reported on the support for the state affiliates. He noted that ballot access was covered in the written report on the Presidential campaign. He said ballot access had been retained in 1996 in 22 states for the 1998 election, compared to being retained in 1992 in 19 states for the 1994 election. He discussed the plans for petitioning in North Carolina, New Hampshire, Florida, and Oklahoma.

Geoff Neale moved to consider resolutions that may effect the budget before the budget presentation. The motion passed.

Bennett Rutledge discussed a resolution passed by the Maryland LP state committee:

"A resolution from the Libertarian Party of Maryland to the Libertarian National Committee

"Whereas, for the past two years, the LNC and the Browne campaign have engaged in a crusade to prove that the only way for the Libertarian Party to achieve a 'breakthrough' is via the Presidential campaign of Harry Browne;

"Whereas, the election results clearly show that the Browne campaign was not nearly as successful as local candidates such as Jon Coon; and

"Whereas, the LNC and the Browne campaign have drained the resources from the limited supply of donors who should be funding more productive local campaigns,

"Be it resolved that the Libertarian Party of Maryland makes the following requests of the LNC:

"1. The focus of the Libertarian Party must be returned to the state and local level; it is much more important to build the 'farm team' of elected Libertarians at the state and local level.

"2. The LNC should severely reduce the amount of fundraising targeted to members in states where local candidates are being run in 1998 to no more than one LNC fundraiser per year for the next three years.

"3. If it is the Browne campaign to 'roll over' into the next Presidential campaign, the LNC should require all parties working on the campaign to resign from any official post with the LNC to allow the LNC to focus on state and local races and to insure that the campaign does not get preferential treatment as the de-facto LP campaign for the year 2000.

"4. That we request the same thing from the Watergate as we do of the rest of Washington -- a small central 'government' intended to support the state and local organizations -- and yes, even the Presidential campaign -- with training and materials, rather than a behemoth doling out 'political welfare' to its constituents."

Bennett Rutledge moved to focus the Libertarian Party on the state and local level, build a 'farm team' of elected Libertarians at the state and local level, reduce the amount of fundraising targeted to members in states where local candidates are being run in 1998 to no more than one LNC fundraiser per year for the next three years, and require individuals working on the Harry Browne for President campaign to resign from any official post with the LNC to allow the LNC to focus on state and local races and insure that the campaign does not get preferential treatment as the de-facto LP campaign for the year 2000. The motion died for lack of a second.

Bennett Rutledge discussed a resolution passed by the Maryland LP state committee:

"A resolution from the Libertarian Party of Maryland

"Whereas, for the past two years, Perry Willis has acted in a totally unprofessional manner in his single-minded pursuit of the Harry Browne campaign, to the detriment of his responsibilities as National Director of the Libertarian Party;

"Whereas, Mr. Willis has allowed the LNC to go into substantial debt over the Browne campaign, while hiding that fact from the LNC and the party as a whole (as illustrated by the non-existent treasurer's report at the national convention contrasted to the FEC reports filed a few weeks before and a few days later showing \$200,000 debt);

"Whereas, due to the irresponsibly close co-mingling of the Browne campaign and the national office of the LNC (both before and after the nomination was won), accurate financial records may never be possible;

"Whereas, despite Mr. Willis' 'creative' tactics, the result of the Browne campaign was not even close to the expectation set; and certainly not nearly enough to atone for Mr. Willis' many indiscretions;

"Whereas, Mr. Willis' lack of knowledge of applicable laws put the party into potential legal jeopardy at least once for which we have direct knowledge (having disclosed confidential employee information to someone he was merely interviewing for a supervisory position in the national office), and probably other times as well; and

"Whereas, Mr. Willis used tactics most politely described as shady to secure for himself the position of national director three years when he knew he could never have passed the scrutiny of the full search procedure,

"Be it resolved that the Libertarian Party of Maryland demands the immediate resignation of Perry Willis as national director of the Libertarian Party. If Mr. Willis refuses to resign, he should be fired."

Bennett Rutledge moved to demand the resignation of Perry Willis as national director and, if he refused, to fire him.

Hugh Butler said that the FEC report showed a debt because the FEC defines debt differently than generally accepted accounting does.

Perry Willis responded to the charges in the resolution.

A roll call vote was requested. The vote was zero in favor, 14 against, and 2 abstentions:

- Stephen L. Dasbach, no;
- Gary E. Johnson, no;
- Hugh A. Butler, no;
- Sharon A. Ayres, no;
- Ron Crickenberger, no;
- Steven I. Givot, no;
- William W. Hall, no;
- Steve Winter, no;
- Joseph W. Dehn III, no;
- Bennett Rutledge, abstain;
- Ken Bisson, no;
- Candi Copas, no;
- Daniel M. Karlan, abstain;
- Mark A. Tuniewicz, no;
- Robert H. Franke, no; and
- Geoffrey J. Neale, no.

A proposed budget for calendar year 1997 was presented by Steve Dasbach, Hugh Butler, and Perry Willis.

Steve Dasbach said the budget called for hiring a full time political director.

Steve Dasbach said some budget items would have flexible spending authority. The amount that could be spent for the item would be adjusted by how much money had been raised for it.

Perry Willis noted, for example, that for prospecting fundraising mailings, if more than a certain amount of money were raised, then the amount that could be spent on prospecting mail could be increased.

There was a recess from 4:45 p.m. to 4:55.

Perry Willis said that the national headquarters office space may be expanded. The party has an option with

the Watergate building on the office next door in 1998.

Perry Willis noted that the budget called for a full time graphics staff worker. The position was currently vacant but the intention was to fill it.

Steve Dasbach said he would like to see the monthly publication L.P. News prepared "in house" instead of by a contractor. The transition would be completed by mid-year with the director of communications, Bill Winter, as editor. Bill Winter said he would stop producing the monthly newsletter, the Libertarian Volunteer, as a separate publication and would incorporate its content into L.P. News.

Dan Karlan expressed concern that L.P. News would lose its objectivity if it were produced at the headquarters.

Bill Redpath reported on ballot access. He recommended that the LNC allocate a \$20,000 to \$25,000 reserve to fund lobbying in conjunction with other parties at state legislatures to reform ballot access laws.

The LNC recessed Saturday, November 16, at 7:00 p.m. and was called to order Sunday, November 17, at 9:00 a.m.

Bob Franke introduced Rob Wolfe, vice president of Compu-Val, an investment management company. He made a presentation and answered questions. No action was taken.

Regional reports were given reports from Joe Dehn on Region 1, Bennett Rutledge on Region 2, Ken Bisson and Donald Gallick on Region 3, Candi Copas on Region 4, Dan Karlan on Region 5, Mark Mark Tuniewicz on Region 6, Bob Franke on Region 7, and Geoff Neale on Region 8.

The proposed 1997 budget was discussed further.

Steve Givot moved to adopt the proposal as the 1997 budget. The motion passed. (Adjustments in the budget were made later in the meeting.)

Mark Tuniewicz said that in 1996 spending of some line items was more than 10 percent greater than the budget. Steve Dasbach acknowledged this. Hugh Butler said he took responsibility. Joe Dehn said what was needed were accurate financial records so the LNC Executive Committee could explicitly change the budget when necessary.

Sharon Ayres moved to approve the July 7 minutes of the LNC. The motion passed.

Dan Karlan reported on the Convention Oversight Committee. He distributed a written report from Don Ernsberger on the 1996 national convention.

Dan Karlan noted that the LNC had chosen to hold a national convention in 1998 in Atlanta, Georgia. Steve Dasbach said there were concerns about the facilities there. At the same time as the L.P. convention, a barbershop quartet convention was in town. Some meetings of the barbershop quartets were at the same hotel as the one chosen for the L.P. convention, the Hyatt.

Kris Williams described the arrangements he had made with the Atlanta Hyatt.

Perry Willis said he thought the 1998 convention should be in Washington, D.C., because it could attract

media attention and the national headquarters staff would not have to travel far.

Kris Williams described the facilities of the Washington Hilton.

Steve Winter and Bob Franke told of their experiences with staying in a hotel at the same time as a gathering of barbershop quartets, saying they were noisy.

Kris Williams said the dates for the 1998 convention were from Thursday through Sunday, July 2 through 5.

A straw poll was taken: 5 preferred Atlanta in 1998, 8 preferred Washington.

Steve Givot moved to grant authority to the LNC Executive Committee to choose the site for the 1998 national convention, either in Atlanta, Georgia, or Washington, D.C. The motion passed. Bob Franke asked that his vote be recorded as abstaining.

Steve Dasbach said that, for the committees for which he appoints the members, the current members would continue to serve until the next LNC meeting, except the Convention Oversight Committee. He said that because the national convention was to be managed by the party and not by an independent contractor, it was his intent to change the Convention Oversight Committee to the Convention Planning Committee and to appoint Steve Givot interim chair.

Joe Dehn said such a change in the committee should be made as an amendment to the LNC Policy Manual. Steve Givot said that, if he were the chair, he would appoint Geoff Neale, Dan Karlan, Sharon Ayres, and Candi Copas to the committee.

Steve Givot moved to amend the Policy Manual to change the Convention Oversight Committee to a Convention Planning Committee and to change the paragraph defining the committee to "The Convention Planning Committee shall assist the staff in planning the National Conventions." The motion to amend the Policy Manual passed.

Discussion the 1997 budget proposal resumed.

Bennett Rutledge moved to increase the "taxes, legal, regulatory, banking" expense by \$12,000 for an audit.

Candi Copas moved to increase the "ballot access" expense by \$20,000.

Steve Givot moved to reduce all expense items by 4 percent and add the amount cut to the "contingency fund" expense -- except to maintain the \$12,000 increase in "taxes, legal, regulatory, banking," the \$20,000 increase in the "ballot access" expense, and any other changes that were to be made.

Mark Tuniewicz moved to increase the "campaign funding" expense by \$20,000.

Hugh Butler moved to create a new line item, "staff development training" expense, and appropriate \$10,000 to it.

With the body's permission, Steve Dasbach spoke as part of the debate on the budget. He said "ballot access" expense should be increased \$10,000 instead of \$20,000.

Bennett Rutledge moved to designate several line items in the budget as "accordion items" with flexible

spending authority -- meaning that if the actual income were greater than the budgeted income, then the spending authority for the expense item could be increased by the amount of excess income.

The line items he moved to make "accordion items" were: "prospecting" income and "prospecting" expense; "inquiry response" income and "inquiries and 800 number" expense; "material sales" income and "materials sales development" expense; "campaign training fees" income and "campaigning training" expense; and "campaign fundraising" income and "campaign funding" expense.

The motion to designate the "accordion items" passed.

The motion to increase the "taxes, legal, regulatory, banking" expense by \$12,000 passed.

Candi Copas accepted as a friendly amendment Steve Dasbach's request to change the motion to increase the "ballot access" expense item from a \$20,000 increase to a \$10,000 increase. The motion to increase the "ballot access" expense by \$10,000 passed.

The motion to increase the "campaign funding" expense by \$20,000 passed.

The motion to create the line item for "staff development training" expense and appropriate \$10,000 to it passed.

Steve Givot said he wanted to make his motion: to reduce all expense items -- except "taxes, legal, regulatory, banking," "ballot access," "campaign funding," and "staff development training" -- by 5 percent (instead of 4 percent) and add the amount cut to the "contingency fund" expense. The motion passed.

The adoption of the 1997 passed.

The scope of the financial audit was discussed.

Dan Karlan moved to "authorize \$12,000 to conduct a Certified Audit of the Libertarian Party office. The audit should provide opinions from the examiner as well as recommendations for improvement. The auditor should be instructed to identify goods and services provided by our vendors and consultants. The auditor selected must have no prior personal relationship with any member of the LNC or the national office staff." After some discussion, he withdrew the motion.

The meeting recessed from 3:40 p.m. to 3:55.

Hugh Butler moved "Resolved, that an Audit Committee be created composed of 3 LNC members (or alternates), who are not officers, and that this Audit Committee commission a certified financial audit of the LNC, Incorporated, in 1997."

The motion passed.

Mark Tuniewicz nominated Steve Winter for the Audit Committee. Dan Karlan nominated Bob Franke. Steve Givot nominated Geoff Neale. Dan Karlan nominated Tim Moir.

Steve Winter withdrew. Bob Franke, Geoff Neale, and Tim Moir were elected.

Steve Dasbach said it was his preference to appoint Bill Redpath as the internal auditor. The appointment is

made with the advice and consent of the LNC. Joe Dehn moved to consent to the appointment and the motion passed.

Joe Dehn moved:

"Resolution concerning L.P. News

"Whereas, the Party's monthly newspaper is both one of the most important communications resources of the Party and one of the most important benefits provided to its members;

"Whereas, significant changes in editorial policy may affect the attractiveness of L.P. News as an element of the total package of benefits provided through our affiliates, as well as impact the operations of our affiliates' newsletters;

"Whereas, such considerations have been the subject of past deliberations by the LNC, resulting in the adoption of standing policies which may require review;

"Whereas, it has been suggested that moving the L.P. News operation to the national office may provide an opportunity for quality improvements and cost savings;

"Whereas, other factors may weigh in favor of the current arrangement;

"Whereas, a change of this magnitude is best accomplished with as much support as possible from our members and affiliates after full review;

"Therefore, the LNC directs the Chair to investigate the advantages and disadvantages of these alternative arrangements, and to report these findings at the next meeting for our consideration before any change is made."

Sharon Ayres moved to delete the "whereas" clauses and have the LNC only vote on the last paragraph. The motion to amend the motion passed.

The amended motion passed.

It was agreed to hold the next LNC meeting on April 5 and 6 in the city chosen for the 1998 national convention, Atlanta or Washington, D.C.

Steve Givot moved:

"Whereas, Perry Willis and his staff have done an excellent job professionalizing the national office and in advancing the mission of the Libertarian Party with vigor, honor, integrity, and excellence;

"Therefore, the LNC expresses its gratitude to Perry Willis and his staff for a job well done.

"And whereas, Harry Browne and Jo Jorgensen represented the Libertarian Party as candidates with vigor, honesty, integrity, and excellence;

"And whereas, the Browne/Jorgensen campaign and its staff performed with vigor, honesty,

integrity, and excellence,

"Therefore, the LNC expresses its gratitude to Harry Browne, Jo Jorgensen, Sharon Ayres, and the campaign staff for their excellent efforts to advance the cause of liberty."

The motion passed unanimously.

Ron Crickenberger moved:

"Whereas, it has been demonstrated that our members believe 50 state ballot status is the one of the most important tasks that the Libertarian National Committee should perform;

"And whereas, the successful achievement of 50 state ballot status requires extraordinarily diligent planning and herculean efforts;

"And whereas, in 1996 the Libertarian Party became the first third party in American history to qualify for all 50 state ballots two Presidential elections in a row,

"The Libertarian Party hereby expresses its heartfelt thanks and immense gratitude to:

"Bill Redpath, Ballot Access Chair, and architect of this project, and to

"Kris Williams, Libertarian Party Projects Manager, who implemented and managed this enormous task to successful completion."

The motion passed unanimously.

A meetings of the LNC was set for August 16-17, 1997, and a meeting in Washington, D.C., was set for December 13-14, 1997.

Mark Tuniewicz moved to adjourn. The motion passed. The meeting ended at 4:30 p.m.

Respectfully submitted, Gary E. Johnson, secretary.
