

LNC Executive Committee Meeting

Teleconference February 13, 2001

Present: Jim Lark, Chair
Dan Fylstra, Vice-Chair
Mark Tuniewicz, Treasurer
Steve Givot, Secretary
Ken Bisson (IN), At Large Representative
Joe Dehn (CA), Region 2 Representative
Michael "MG" Gilson de Lemos (FL), Region 4 Representative

Also present: Lorenzo Gaztanaga (MD), At Large Representative
Ben Scherrey (GA), Region 4 Alternate (joined during Chair's Report)

Staff: Steve Dasbach, National Director

Lark called the meeting to order at 8:34 PM EST.

Item: Chair's Report

Lark thanked all of the participants, LNC staff, and others who participated in the February LNC-SPT meeting in Indianapolis.

Lark advised the Committee that he has met with Dasbach to conduct a performance review. He said that he found it very helpful and constructive. He thanked Dasbach and Committee members for their participation in planning and holding the meeting.

Tuniewicz asked whether any written document will be prepared to memorialize the meeting.

Lark said that he had made some notes, but that there will be no formal document coming out of the meeting. He said that he does not plan to share his notes.

MG asked whether contracts between LNC, Inc. and staff are available to LNC members for inspection. He suggested that providing these on request and continuing any discussion offline with Dasbach would be a good way to proceed.

Lark said that would be fine.

Dehn said that he recalls that Dasbach's contract - in its entirety - was provided to the LNC.

Dasbach said that he recalls that there was discussion of the terms of his contract, but that he does not believe that the text of the contract was provided to the LNC.

Dehn said that he believes that contracts of employees should be available for review.

Dasbach said that he believes that this is a matter for the LNC to determine.

Tuniewicz asked whether the contracts for Crickenberger and Winter were signed by the LNC Chair.

Dasbach said that Crickenberger and Winter have letter agreements, not contracts. He said that he signed the letter agreements.

Dehn asked Dasbach his perception of the difference between a contract and a letter agreement.

A discussion ensued on the perceived differences between the two types of documents.

Dasbach said that it is clear to him that any staff member can be terminated at any time by either the National Director or the LNC Chair.

Fylstra said that it is his experience that an employment agreement is generally a lengthy contract, usually prepared by an attorney, which covers many points including severance arrangements. It is usually written only for the top officer or a very few top officers. Most employees, even at a senior level, receive a written offer letter, prepared by the hiring manager or HR department, that outlines basic terms of employment such as duties, salaries and benefits, which they sign to accept the offer. This is much less extensive than an employment contract.

Lark said that he would like to see the minutes of the meeting at which Dasbach's employment was approved by the LNC before proceeding.

Item: National Director's Report

Dasbach said that he is just starting to get enough data to do a comparison on the latest portion of the annual report mailing. He said that, thus far, the response to this mailing is in line with the budget.

Dasbach reported that he has received a confidential memo from Bill Hall indicating that the default judgment in the Edison McDaniels' lawsuit has been set aside.

MG asked who the of the lawsuit are.

Dasbach said that the Libertarian Party, LNC Inc., and he personally are the defendants on the LNC side.

Dasbach reported that the FEC has mandated electronic reporting. He said that the FEC site to test electronic filings is not yet up and running. He said that Dunbar, Tuniewicz, and he have agreed that - for 2001 only - it would be best to become "quarterly filers" instead of "monthly filers." He said that in odd- numbered years, the FEC actually requires "quarterly filers" to file semi-annually.

Dehn expressed concern that this decision will "reduce the amount of reporting" made.

Dasbach said that the only difference is that the frequency of reporting is less frequent.

Dehn suggested that, although Dasbach is not confident that the FEC will accept monthly reports, that monthly reports should be run anyway and kept in the event that someone requests them. He said that he believes that LNC should determine what it believes it should be reporting to members - as distinct from FEC reporting requirements. He said that, although the LNC had not explicitly acted to set independent standards in this area, the existing FEC reporting schedule had established expectations and that this change seemed to move us in a direction away from "openness".

Givot said that he believes that FEC reporting requirements meet or exceed what LNC should be reporting to its members on a routine basis. He said that the only issue here is the timing of making this information available. He said that in light of the fact that no internal elections will occur during 2001, there is no immediate use for this information by any member. He said that the exact, same information will be available to all members well before any membership decisions (e.g., election of new LNC members and officers) will be made. He said that he sees no issue resulting from the timing of filing FEC reports as proposed by Dasbach, Tuniewicz, and Dunbar.

MG said he would expect that the old practice be restored if there were complaints.

Tuniewicz said that - while he agrees with the decision that was made - he was not contacted regarding this decision until about one month after the FEC was told that the decision had been made.

Fylstra asked if the requests for reimbursements for the Indianapolis meeting are in line with budgeted expenses.

Dasbach said that there will be no budget overrun regarding the State Chair's conference portion of the Indianapolis meeting. He said that he has yet to determine if there is any budgetary issue arising from reimbursements for the LNC-SPT meeting in Indianapolis.

Item: Annual Report

Lark asked for an update on the Annual Report to be included in the March issue of LP News.

Dasbach said that Winter anticipates that the final layout will be done this week.

Lark said that he hopes that this will become an annual feature of LP News.

MG suggested that the LP's Mission Statement be regularly featured in LP News, perhaps above the Chair's remarks. He said that this would be a good practice for future issues of LP News.

Fylstra said that he believes that it would be inadvisable to include the LP's mission statement prominently on the LP web site's home page as some have suggested.

Dehn expressed concern that no one person currently knows all of what may be included in the Annual Report.

Dasbach said that everything that was submitted for inclusion will be included.

Dehn said that he believes that this report should be from the Executive Committee on behalf of the LNC. He said that it should be a coherent report and just having separate sections written by different people without anybody on the LNC having a chance to review the report as a whole would not necessarily achieve this.

MG noted he was not copied on Treasurer's portion of report and needed a copy.

Tuniewicz said that having this report come from three different individuals will help provide a greater level of comfort among those reading it that it is not just the point of view of one person.

MG said that we are trying to show that more is being done in a team spirit. He said that working together to present such reports as a team is a work in process. He said

that this is probably as good as can be expected for this first attempt at this sort of collaborative effort to product an Annual Report for LP News.

Tuniewicz said that he agrees with Lark's sentiment that an Annual Report should be presented each year in LP News.

Dehn said that the report - as a whole - should be the work of the LNC, not the staff.

Dasbach said that, other than his portion of the Annual Report, it is the work of certain LNC members, not staff.

Lark said that he would like to see the report prior to its publication.

Dasbach said that he would relay Lark's request to Bill Winter. He asked Lark to provide information as to how this might be arranged.

Item: Discussion of Routine Reporting by Staff

Givot said that he would like to see monthly financial reports providing monthly and year-to-date information showing aggregated results for major revenue and expense line items. He said that trigger points should be set highlighting exceptions based on either dollar or percentage variances. He said that he would like to see footnotes by the National Director explaining the variance so that lengthy verbal explanations at meetings can be avoided.

Givot said that his would enable him to fulfill his oversight responsibility by pointing him directly to those areas of potential concern. He said that the footnotes would, hopefully, provide explanations for the variances. He said that this would make his job easier and would document these matters in writing.

Givot said that he would like this information as well as the regular financial reports on a scheduled basis rather than receiving them on an ad hoc basis when they were finished by staff. He said that he would much prefer scheduling them for distribution at a certain time each month - even if it meant receiving them later in the month - than continuing the practice of having no scheduled delivery date.

Tuniewicz said that he supports Givot's proposal. He said that he is also interested in an aging of accounts payable items.

Dasbach asked for clarification regarding the aging information desired.

Tuniewicz said that Dunbar has been providing him with an accounts payable aging by vendor.

MG stated for the record that he is completely supportive of this process as a big step forward. He said that he supports Givot's and Tuniewicz's suggestions.

Dehn asked if a trigger point should be set for reporting detailed accounts payable that are due for more than a certain time period.

Givot asked whether payables are often unpaid after 30 days.

Dasbach said that most payables are paid within 30 days of billing.

Givot suggested that a month end report showing details of accounts payable more than 30 days would satisfy his needs to determine the extent to which the LP was asking its vendors to extend credit beyond normal terms.

Lark asked Dehn what reporting might help meet Dehn's concerns about regular reporting to LP members as discussed earlier in the meeting.

Dehn said that he would like to see dissemination of information routinely.

Tuniewicz said that rather than filing monthly FEC reports - and perhaps having them available online - that a reasonable substitute might be to return to the former practice of sending monthly revenue and expense information - and perhaps balance sheet information - to state chairs and LNC members.

Givot said that there are two issues here - providing general financial statements and providing the details of individual transactions. He said that he feels that there is no problem in providing general financial statements - balance sheets, income statements, etc. - on a routine basis, since these are already being prepared for internal management reasons. He said that he has no interest in publishing details of individual transactions beyond what the FEC requires because this requires additional work which does not move the LP any closer to achieving its mission.

Dasbach said that there has been absolutely no interest shown by state chairs or anyone else in receiving regular general financial statements. He said that when distribution of such reports to state chairs was stopped, he received no negative feedback.

Dasbach said that regarding detailed transaction statements, the only purpose that some people seem to have in receiving this information is trying to dig up some sort

of claimed "dirt." He said that he sees no reason to provide more than what the FEC requires given the LP Platform's position that the reporting requirements should not be imposed by the government.

Dehn said that the change in policy in reporting less frequently to the FEC will have the effect of reducing available information.

Bisson said that filing FEC reports less frequently does not reduce the amount of information available, only the timing of release of that information.

Dehn said that it will not include detailed donor information, for example.

Givot said that Dehn is incorrect. He said that when quarterly or semi-annual FEC reports are filed, the same detailed donor information will be available. He said that it is only a matter of the timing of making that information available.

Lark suggested that Executive Committee members write up their specific proposals for consideration at the next Executive Committee meeting.

Item: Remarks for the Good of the Party

MG noted that he has been participating in email discussions about the need for the leadership to make recommendations to the membership or make clear statements regarding registration, discouragement of factionalism, having nothing to do with terrorists, and other matters. He asked Executive Committee members to continue to discuss such matters.

Tuniewicz advised the Committee members that he is seeking public office in his local town.

Lark complimented Givot on his work as facilitator of LNC-SPT over the past weekend. He thanked Givot for his efforts.

Item: Setting of Next Meeting

The Committee agreed to schedule meetings on successive, alternating Tuesdays at 8:30 PM EST. The next meeting will be held on February 27, 2001.

The meeting was adjourned at 10:00 PM EST.