

Liberty for America

Journal of the Libertarian Political Movement

Volume 4 Number 10

March 2012

LNC To Charge Delegates to Vote!

The LNC has now voted on imposing a floor fee. Voting for zero floor fees were Doug Craig, Jim Lark, Mary Ruwart, Norm Olsen, and Vicki Kirkland. The rest voted for a \$94 per delegate fee to vote at NatCon. The Maryland LP convention passed a resolution in opposition to the floor fee. The Utah ExComm passed a resolution noting that “...Party bylaws do not authorize a floor fee for delegates...the imposition of any floor fee constitutes an unjustified interference in the right of the affiliate parties to select their own delegates to the national convention...” and condemned the fee. **Brad Ploeger’s Judicial Committee appeal needs signing at <https://www.change.org/petitions/jc-petition>**

The Secret Saratoga Project

Two months ago, state parties were sent a document on the Saratoga computer project, on which the LNC has appropriated \$50,000, and asked for comments: Comments on a 300 page document with 10 days. We now learn that the document was *not* the project specification. In the words of Stewart Flood, on IPR, that document is “...fluff user requirement promotional material ...” The real document has secret parts, parts so secret that they are being kept secret from some LNC members.

Writing on IPR, Flood reports on the project “...I was intentionally locked out of the process and have no knowledge regarding who was or was not consulted. I have not been permitted to even view the specification...The project is so secret that even those of us who have previously signed non-disclosures have no access to information. This appears to specifically apply to those that are believed to be supporters of Mr. Hinkle, as I previously outlined in a memo I wrote and sent on February 28...We might then [Ed: if the specifications are leaked] see what they think is so important that it has to be managed in this extremely authoritarian fashion...”

Oregon Lawsuit Funding

Mark Hinkle has circulated to the LNC an email he identifies as being from Aaron Starr to Tyler Smith, the LNC’s Oregon Attorneys, saying in its key part “...Mark Hinkle serves as the Chairman of the LNC and is authorizing me to act as his representative. I will be responsible for the payment of the fees for this engagement. Mark’s contact phone number is ...” Hinkle reportedly added, to the LNC: “...that’s why the FEC reports show a debt to the LNC from Aaron Starr. Aaron Starr initiated the contact with Tyler Smith and volunteered to pay for the legal research and then reneged on his promise to pay after I said I was no longer going to support any lawsuit(s) for or against any factions within the LPO. Aaron Starr owes us the money. I’ll work with staff to see what actions we can take to recoup those legal expenses.”



Sued for Fraud!

Libertarian Presidential candidate Gary Johnson and his campaign committee, not to mention Our American Initiative, NSOn, Daines Goodwin, Chet Goodwin, Ronald Nielson, and Kim Blanton, are being sued by former Johnson fund raiser Jonathan

Bydlak and his LLC Bydlak and Associates. Bydlak seeks damages for “fraud, unjust enrichment, breach of contract and breach of fiduciary duty.” Bydlak claims to be owed nearly \$100,000 by the Johnson campaign.

Bydlak is requesting that a constructive trust be placed on all funds received by Johnson 2012 and Our America Initiative. The rationale is Bydlak’s claim “OAI and GJ2012 are insolvent or in danger of becoming insolvent.” (See page 9 on Johnson)

Bydlak claims to have raised a half-million dollars for Johnson 2012, and over \$434,000 for OAI, on which he claims to be owed a 10% commission, and that he was never paid the bulk of the commissions to which he says he was entitled. Bydlak appears to be saying that he raised directly or indirectly most of the money generated by the Johnson campaign.

As of the end of the third quarter 2011, the Johnson campaign reported to the FEC debts of \$83,958 to NSOn, \$94,666 to EH2 consulting, \$8,666 to Hackstaff Law Group, and \$52,776 to Jonathan Bydlak, for a total of \$240,066.

Hinkle Defends Listing Republican Candidates on LP.org

During the last election cycle, your Editor discovered that several Republican Congressional candidates had managed to get themselves listed on the LP.org web pages, as though they were our candidates. I sent a note to the national party. The LNC response received from National Chair Hinkle was:

“George,

After Massachusetts has ballot access, you can start worrying about other states.

In the meantime, I suggest you start working on getting the Massachusetts big enough to get on the ballot.

If you need the LNC’s help to get ballot status, just let us know.

Otherwise, please fix your problems in your own home state before worrying about your neighbors.

Yours in liberty.....Mark Hinkle, LNC Chair”

As most readers know, Massachusetts has had Libertarian ballot access continuously for the past few decades.

That’s right — re-elect Hinkle! Keep helping Republicans.

Bergland to Speak at NatCon

Former LNC Chair David Bergland will speak at the 2012 National Convention. A few readers will remember Bergland. He was the National Chair who ruled that it was totally appropriate to use Party funds to circulate copies of Harry Browne's book to LP donors...while Harry Browne actively running for our Party's Presidential nomination. He was also National Chair when the LNC sent \$20,000 to Massachusetts in support of the Senate campaign of...now LNC Executive Director Carla Howell, a favor bestowed on no other Senate candidates in that period. Then, of course, there was Project Archimedes, the membership expansion project that was to be launched in 1998 if Bergland became Chair. He became Chair. Soon thereafter, membership growth actually slackened. Fortunately, based on the most recent schedule I have seen, you only need to suffer through Bergland's speech if you attend the fundraising dinner.

As one usually-sensible LNC member said of the speaker's list: *"Plus, how are we ever going to attract younger members with a lineup of ancient relics like the published list of speakers?"*

Hinkle: LNCC Sent "Fraudulent" Letter

Hinkle's description is disputed by the Libertarian Congressional Committee Chair. What is the issue? In a letter apparently from Mark Hinkle, said to be sent first to the LNCC, then to the State Chairs list, and then more widely circulated, Hinkle said of the letter

"It has come to my attention that an email letter was recently (January 29, 2012) sent out on LNCC letterhead introducing its addressees to the LNCC.

The letter purports to be from me, but I did not write it nor authorize it."

and also

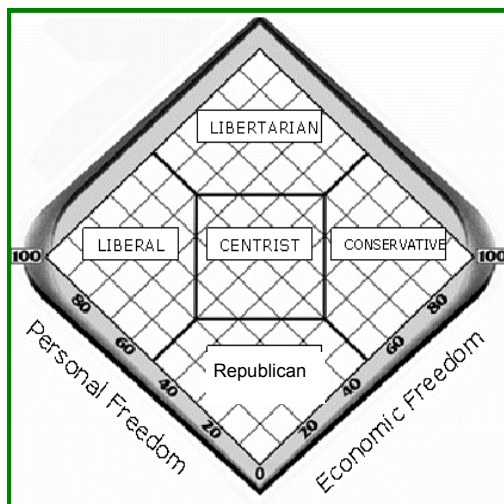
"This letter is a fraud.

"As I'm sure you and the other members of the LNCC board are aware, the preamble to the Libertarian Party Platform states our belief "that force and fraud must be banished from our relationships," and members of the Party pledge to forgo the use of force and fraud when they sign up as members of the Libertarian Party.

"In addition to being fraudulent, the letter undermines the integrity of the LNCC. I trust you will take appropriate steps to screen future LNCC correspondence before it is sent out.

"The letter above was sent from "notread@lncc.org", so I presume you were responsible for both this letter and the follow up letter from you. Both came from the same email address: notread@lncc.org.

"The second letter, also sent on January 29, 2012 had the subject line: Welcome from LNCC Chairman Wayne Root



A Redesigned Nolan Chart—matching contemporary American political reality.

"Please send me a written apology along with contact information for all the people to whom the letter was sent, so that I can inform them that I had nothing to do with it.

Mark Hinkle,
Ed:[Hinkle Signature GIF here]
LNC Chair
Tel: 408-779-7922

"P.S. I removed the personal information from the email note, but otherwise altered nothing.

"P.P.S. I have consulted with an attorney about possible additional legal action. Prompt attention to my requests above may forestall future legal action against you and the LNCC.

The text of the letter, according to Hinkle, follows. Your Editor believes he may have received the letter, but if so, he deleted it.

"From: Mark Hinkle
Date: January 29, 2012 8:33:10 PM EST
To: xxxxxx@xxxxxx.com
Subject: Welcome from Libertarian Party Chairman Mark Hinkle

"Dear Xxxxx Xxxxxx:

"My name is Mark Hinkle and I serve as the Chair of the Libertarian National Committee (LNC).

"As the Libertarian Party's first national committee, the LNC is organized to implement and give voice to the principles embodied in our Statement of Principles. We do this by:

Liberty for America is edited by George Phillis, 48 Hancock Hill Drive, Worcester MA 01609 (508 754 1859). To Subscribe, go to LibertyForAmerica.com and click on the 'subscribe' button. Subscriptions, sent by email to your computer, are free. Back issues of **Liberty for America** magazine are available on the web at <http://LibertyForAmerica.com/LFAMagazine.htm>.

“Chartering affiliate parties throughout the United States and promoting their growth and activities

“Nominating candidates for President and Vice President of the United States, and supporting candidates for political office, and

“Entering into public information activities.

“That’s a lot on our plate and with a committed board and dedicated staff we do it pretty well.

“I am writing you today as a Libertarian Party supporter to introduce you to our sister organization: the Libertarian National Congressional Committee (LNCC).

“Several years ago, the LNC created the LNCC as the Libertarian Party’s second national committee to focus primarily on raising money to train and support Libertarian candidates.

“During its first few years, the organization raised money and donated to a small number of promising candidates each year.

“Now the LNCC wants to take things to the next level -- supercharging its activity and the number of candidates it supports. It has expanded its mission to support Libertarian candidates from the halls of Congress to the smallest school districts.

“And to better reflect its expanded mission, the LNCC has adopted a trade name: Libertarian National Campaign Committee.

“To get the job done, the members of the LNCC elected Wayne Root, our 2008 Libertarian Party Vice Presidential Nominee, to be its chairman. Wayne is literally building the organization from the ground up and has recruited a number of successful people to serve on its board.

“I proudly serve with Wayne as a fellow member of the LNCC board and know he is working overtime on this.

“During the coming days and weeks ahead expect to hear

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more from the LNCC.

“Please regularly check out the website (www.lncc.org) and watch our development.

“Yours in Liberty,

[Ed: Hinkle Signature Appears Here]

“Mark Hinkle

“Chairman

“Libertarian National Committee”

and was claimed to be from

“Paid for by the Libertarian National Congressional Committee and not authorized by any candidate or candidate’s committee. www.LNCC.org”

Root Apparently Responds to Hinkle

In a letter forwarded to us, and said to be sent to the State Chairs list, a writer saying he is Root responded:

Mark,

Alicia answered. There was obviously no reason for me to get involved. There is too much rancor in this party. I was trying to avoid further embarrassment to you. In short, I was trying to be nice. I was actually worried about you. I mentioned to numerous LP friends that there had to be a medical reason for your letter. No one forgets that they approved a letter. You gave full 100% approval for the letter. You saw every word and signed off. You even asked for Robert Krauss to send us your digital signature to place at the bottom of the letter. We have email proof of this. Alicia told you that in her email response on Saturday. Case was closed.

And yet you've pushed again? It wasn't enough for you to know that you gave us approval and we have emails with chain of the back and forth? You wanted to embarrass your self further?

You've made unfounded allegations...and you didn't even have the common sense to make them privately. You never even made a phone call to me? You never sent a private email asking me what happened, before making libelous charges? You've not only embarrassed yourself, and libeled me, you've put yourself in public legal jeopardy by hurling complete fabrications on a public email list. What kind of leader makes libelous charges publicly before having a private discussion? This is such reckless behavior it boggles my mind. Which is why it also worries me about your medical situation or stability at this point in time. Something is clearly wrong. Please have yourself checked out by medical professionals. Please.

But the irony is that Alicia settled the argument. I had no need to weigh in. I wanted to save you further embarrassment. I was counseled by multiple members of the LNC to just leave it alone- despite you libeling my reputation. We all agreed something must be wrong with you- perhaps medical, perhaps problems causing you mental stress. Perhaps you are overwhelmed by work or personal issues. Please get yourself checked out.

No one forgets giving full approval to a letter and then wanting their signature on it when it goes out. That's just not a normal mistake. And then when told by Alicia that you did all this...and we have written proof of it...no one follows up with more public libel against an innocent man...and sets yourself up for public ridicule and legal jeopardy.

So again, I beg you to see a medical professional. There must be memory issues going on right now. I actually am worried about you.. I'm not a medical professional, so I do not want to suggest the problem. But you need to get a full checkup immediately. Please Mark.

Other than that, I'm out of this discussion. I want no further involvement in this issue that clearly does not exist. You can take it up with Aaron Starr and Alicia. You dealt one-on-one with Aaron from the start to end of the approval process. Aaron and Alicia have all the proof that you approved. I was never involved in the process except to be told we had obtained your full 100% approval to send the letter out. You can take it up with them for the details.

I'm too busy doing what I do best- making media appearances that spread a Libertarian message. I do 20 to 30 per week. And I'm exhausted. I have no time to do as many as 30 media appearances per week...plus run multiple businesses...conduct LNC and LNCC business, run a family of 6 including young children...and deal with you making unfounded...libelous...off the wall remarks. There isn't the time in the day to deal with something as ridiculous and wacky as this.

Take notes Mark. The LP needs thousands of members putting in long hours to promote the party- as I am. We cannot afford distractions and in-fighting. We haven't a moment to spare when facing brutal, well-funded opponents like the 2-party system. LPers hurling untrue charges against one another only sets our party back by miles. Sad.

Best Wishes,

Wayne

Root then apparently further wrote (in part)

This goes far beyond 'he said, she said.'

First, this should have been a friendly private conversation where questions were asked and answered. No one who heads a political party is reckless enough to throw charges like this around publicly...let alone without a single conversation with the parties involved.

Second, there is no 'he said, she said.' Because I said nothing. Only one person made false charges ...and worse...libelous charges. This is the centerpiece of the LP credo of no force perpetrated on another. I've instructed Aaron and Alicia to release the emails immediately.

But third, perhaps the LNC does not get the gravity of the situation... My name has never and will NEVER be associated with the word "fraud." Not in 30 years in business. So in fact there is

Welcome to Liberty for America!

A magazine. A web site. An organization. **Liberty for America** has had several inquiries on launching **Liberty for America** Chapters across America. A draft set of state/regional By-Laws appears on the **LibertyforAmerica.Com** web site.

a big legal issue here.

Our Chairman- acting as a leader of the LP and LNC- has decided to make public charges against someone, who has 100% proof those charges are false. This entire organization has now been exposed to legal jeopardy and liability. Publicly. Not once, but twice.

Any intelligent CEO of any organization would have sought counsel before doing something like that. I know- I'm a CEO of multiple companies and serve on multiple boards. I've never in my life publicly accused a fellow member of fraud- even if it was true! Let alone if the other party had proof that the charges are false.

This is a very serious legal issue now. You cannot make charges like that in public.

Wayne

Mattson Claims Hinkle Approved Letter

A message to the LNC said to be from Alicia Mattson claims that Mark Hinkle did approve the letter. The correspondence claimed (this newspaper is not convinced) to approve the letter reads:

"From: Aaron Starr
Sent: Monday, June 06, 2011 10:04 PM
To: 'Mark Hinkle'
Subject: Letter from Mark Hinkle
Hello Mark,
I'm trying to refine the attached.
Do you have any thoughts on how to improve this or should we just go with what we've got?
Aaron Starr, Treasurer
Libertarian National Congressional Committee, Inc."

followed by

"From: Aaron Starr
To: 'Robert Kraus'
CC: 'Mark Hinkle'
Hello Robert,

It appears Mark Hinkle and I have come to a basic agreement on the wording of an e-mail appeal signed by him from the LNCC.

Can you please send to me a graphic image of his signature?

Thanks.

Aaron Starr, Treasurer

and

Robert,

OK to send digital signature to Aaron Starr.

FYI.....Mark Hinkle, LNC Chair

said to be passing from Hinkle to Robert Krauss, was forwarded to the LNC.

The highly sensible response to this exchange, said to be from LNC member Stewart Flood, as forwarded to us, reads

“Interesting.

So a draft was discussed last June. The chair indicated at that time that his electronic signature should be forwarded, but the message does not specifically approve a draft. We also have messages from Mr. Starr asking for approval, as well as a comment from him, again back in June, saying that it "appears" there is agreement on the content. That is certainly possible, and probably likely since they probably passed several messages back and forth or talked on the phone.

But where is the actual approval from Mr. Hinkle prior to the letter being sent out?

This letter was not sent until more than six months after the messages that we've been shown. We all know the history of the delays, as well as the motions that the LNC passed directing the chair to take actions he believed were not in the best interests of the party. The messages we see are from a period before the relationship between the chair of the LNC and the LNCC board became strained. Personally, I would have expected Mr. Hinkle's opinion regarding use of his name to have changed since last June. Mr. Starr should have also. Any rational person would.

Common sense would indicate that at least some form of message would have been sent to Mr. Hinkle telling him that the LNCC was finally going to be sending a letter and asking if there were any changes needed since it had been more than six months since it had last been discussed. Unless we're shown something a lot newer than June, I am going to accept Mr. Hinkle's statement that he did not approve the letter that was sent out.

My guess (and this is based only on having known him for six years) is that this is a case of Mr. Starr saying "damn the torpedoes, full speed ahead!"

It looks like Mr. Starr needs to answer a few questions.”

LP-Illinois Chair Critiques LNC

In a widely circulated letter, Illinois Libertarian State Chair Lupe Diaz presented a detailed critique of the Party National Committee:

Liberty for America

Observations of the status of our Party

I have been talking to quite a few party members, and outside people throughout the states. I am hearing quite a bit of concern about the future of our party. Here is what I have concluded by reading the State Chair emails for the last month.

The IT Project the LSLA was planning is now on hold because, in spite of the LNC voting for it, the National Chair is refusing to release the funds needed to move the project forward. The LNC Convention will not be having workshops sponsored by the LSLA and the LNCC. This is because the delegates are only coming to Las Vegas to do party business relating to the By-laws and the Presidential nominations. The thought is that they don't have time to spend on training that will help the party push their candidates further into the mainstream.

Given these conclusions, it seems to me that the LNC Chair and the Executive Director are afraid that the LSLA and LNCC will make this party successful. The LNC has had 40 years to make us successful and have yet to make this happen. One can conclude that the LNC Chair and the Executive Director want to keep us at the 1% mark and a small tent party.

That said; does it really matter who gets the nomination for President?

It is time to practice what we preach. As a political party we should focus on voter numbers, not membership numbers. If the party can not support new initiatives that help us take advantage of ballot access, like the LSLA IT project, I question the need to push for ballot access at all.

The only thing that really matters is who becomes our next National Chair. As we all can see, the National Chair controls the direction this political party organization takes into the future. If we don't change the current Chair, I predict the end is near for our party.

If Mark Hinkle is re-elected, I will be leaving the Libertarian Party once my term ends in September as State Chair of Illinois.

Lupe Diaz, State Chair
Libertarian Party of Illinois”

Other anonymous sources report that Diaz has also critiqued the Presidential campaigns, by report saying that:

‘I have actually heard rumors that our Presidential Candidates are making deals to pay off their opponents for endorsements later on.’

California ExComm on Johnson

One of our California sources, who was present at the California Excomm meeting after their state convention, writes “Rich Vanier made a motion for the state ExComm to endorse Johnson, and was quite surprised at the number of people on the committee who had no interest in doing such a thing. They felt that it was way too early to endorse someone, and that they weren't sure it would be Johnson if they did endorse someone.”

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LSLA Rejects Listing State Chairs

Despite the clear and unambiguous finding of the LNC Judicial Committee as to who is the State Chair of the Libertarian Party of Oregon, the Libertarian State Leadership Alliance continues to refuse to add LP-Oregon State Chair Wes Wagner to their membership list.

LNC Keeps Two Sets of Books

to quote from the recent LNC meeting documents *“We continue to file accurate FEC reports and use Paula Edwards to complete the FEC Filing Process on a monthly basis and handle our amendments. The reconciliation and audit steps to this process continue to work to assure that these reports are correct prior to filing, and to insure that the disbursements and contributions match to our cash accounting records.*

As a reminder, the FEC reports are done on a cash basis while our financial reports are done on an accrual basis as required by our bylaws which require adherence to GAAP. Therefore, our Statement of Operations will not always look the same as what is reported on the summary page of our FEC Filings.”

In the United States, it is generally accepted that you keep only one set of books. (With computers, these are not physical books, but instead are financial reports.) GAAP indicates that if you report to a government agency (this is generally the IRS), your financial reports must be consistent with the agency’s reporting rules, because otherwise the books and the filing reports are not readily reconciled.

However, the LNC does not report to the IRS, it reports to the FEC, and the FEC requires keeping and reporting on a cash basis, so as correctly described in the first paragraph quoted above, the disbursements and contributions can be matched against the cash accounting records. The LNC financial reports therefore do not appear to comply with what GAAP appears — in a fairly obscure section of very long rules — to say about people in our peculiar circumstances. Your mileage may vary.

Also, most LNC members come from rather different backgrounds, and, — having done the experiment — find direct cash analysis with subaccounts to be much more transparent.

Finally, neither of these sets of books is the Convention budget, which (as of early March) had not been received by the LNC.

Platform Committee Survey Altered

It seems that the LNC Platform Committee survey was altered prior to being circulated to Party members. The complaint was from Platform Committee chair Alicia Mattson. The alterations were — we have received what appears to be an admission — made by Executive Director Carla Howell.

LNC In Action

The LNC appointed Norm Olsen as chair of the Affiliate Support Committee. There were 14 votes in favor (Eshelman, Kirkland, Knedler, Lark, Lieberman, Mattson, Ploeger, Root,

Rutherford, Ruwart, Sink-Burris, Visek, Wiener, and Wolf) and one opposed (Hinkle).

The LNC elected Root supporter Brett Pojunis as At-Large member to replace resigning Randy Eshelman.

LNC Votes to Fund Saratoga Project? Or perhaps not.

The front end of this, as reported to us, was a message from Randy Eshelman:

“I think I need to add to what Dianna [Ed: Visek] articulated just as a reminder as to what was presented and approved in December:

1) The LSLA IT Project (Saratoga 1.0) is a State-level capability that was/is strongly supported by a large number of State Chairs (the specific number alludes me however, I believe I can say that every State that responded to the LSLA's presentation was in favor—I seem to remember that number was between 25-30 in all).

2) Brett specifically stated in Las Vegas that the intent of this project was to be bottom-up versus top-down, a point several State Chairs were adamant about.

3) Many States are currently spending limited funds on IT infrastructure/capabilities and this project is intended to not only provide a level of relief, it will also provide a scalable solution for those States that opt-in.

4) Brett also stated that this IT solution was not going to be connected to national, not housed at national, and not administered by national staff. This doesn't necessarily prohibit future interoperability however, that's an entirely different effort.

5) This project is on an extremely tight schedule if it is to be available for our State leaders at the May convention--which was and is the intent. The money has to be sent to the LSLA so that they can send out an RFP, pick a contractor, and that contractor can begin development. Again, the start-up cash the LNC agreed to provide is crucial and so is the timing of receipt of that funding.

6) The wording of the approved motion was specific in that: "Upon written confirmation by the LSLA IT Committee, 2/3 of the funds shall be paid upon completion of the comprehensive technical specification..." The LSLA IT committee, through me (I'm a member of the LSLA IT Committee and appointed liaison between the LSLA and LNC) has provided that written confirmation via my memo of February 7th.

7) There was never an intent to socialize the tech spec beyond the LSLA IT Committee. The tech spec is considered confidential as it lays out the LSLA's IT infrastructure specifications, deployment capabilities and technologies to be leveraged. The tech spec is not something that should find its way to IPR.

I hope this clears up any confusion and I urge that the funds are made available to the LSLA first thing Monday morning so they can get to work on this valuable resource for our affiliates.

There are two specifications out there, a 300 pager on which State Chair comments were invited, and a likely much shorter secret document that is the 'tech spec'. The LNC is voting money for a document that it has not seen.

We then had leaked to us a confidential memo from Carla Howell critiquing the project. The editor has had direct contact with Howell's supervision of software projects, namely that at times while she was on my state party's ExComm, the state organization wrote checks paying for the URL LPMA.org, but did not nail down ownership, as a result of which the URL LPMA.org is now owned by a New Hampshire Republican. There was also a web site, for which it was not established that the site was a work for hire, as a result of which when we went to change web site management we discovered we did not own either the code or the logo. Nonetheless, many of her observations are extremely cogent. Howell we are told said:

Hi all,

I write to you in my capacity as ED and to offer of my advice based on my experience both in software development, as a former LP state Chair, and over 15 years of political activism. It is my desire to serve the Libertarian Party as best I can as well as to fulfill my fiduciary responsibility to act in the party's best interest.

As a result of expressing my concerns to Bill Redpath (who voted for the motion to fund this project), he suggested I speak with Kevin Knedler. Mark Hinkle concurred.

So Kevin and I had a conversation a few days ago, where we both agreed that we should have a conference call with Brett Pojunis, Jillian Mack of LPO and Shane Cory, former LP Executive Director and software developer. Brett subsequently asked that Randy E be added to the call. I noted that I would also like to add Robert Kraus to the call, but I thought for this initial call it would be more productive to keep it to 5 people. I think this was a good call in that we took more time than any of us had and didn't cover all the issues I would have liked to cover.

At the end of the call, Kevin urged Brett to get some competitive bids for this project. I agree this is necessary.

Let me give you some background.

Both Shane Cory and I have extensive political and software experience. Shane Cory has developed very similar systems for other political groups - ones that are substantially better funded, larger, and better organized than the LP. I have designed, developed and made use of technology tools over 15 years of campaigning, ballot initiatives and party organizing. I have over 25 years in software development and management. In particular, I oversaw the writing of requirements documents, writing of specifications, software development and deployment of hundreds of software projects. Both Shane and I have intimate knowledge of campaigning and the relative importance of IT tools in political campaigns and parties.

That said, we both independently arrived at the same opinion regarding this project.

First, we both favor tools that work, that are cost-effective and that serve to empower campaigns and affiliate organizations at all levels.

Regarding the current project named Saratoga, after reviewing the requirements that Brett sent me a few days ago, we both are of the opinion that the project as currently conceived is rather massive overkill for the needs of the party at its current level.

Two examples of features that appear to be overly ambitious and unnecessary are media contacts and voter registration lists. Media contacts can be obtained from many sources and need not be integrated with a campaign or party database. Only a small handful of libertarians today make use of voter registration lists. For those who do, a simple call and filing of a form with the relevant election authority is usually all that is needed to obtain a voter list for walking a district. They rarely have a use beyond that because they often prove to be poor for prospecting. That could change as we grow and are better-funded. But a payback from this feature today at our current size seems very unlikely.

Here's a summary of some key issues that I see need to be addressed:

1. Most fundamentally, the Libertarian Party is still very small and relatively inactive compared to the Ds and Rs, what this system appears to be designed for. A good number of state parties, not to mention local affiliates, are effectively dormant. Only a handful are very active, which has been typical for much of the party's history. No software system in the world will turn an inactive party into an active one. At the same time, a state party or a local affiliates can thrive with no more technology than spreadsheets and a mail app - as many have in the party's history. That's not to say that a good database isn't desired. It's just not what is most needed.

2. A fundamental principle of designing software that works is to design it for the level of activity that an organization is currently engaged in or can be reasonably expected to engage in, in the near future. Right now we're waiting for candidates to throw their hats in the ring for 2012, and so far, very few have. Outside the presidential race, there's not a lot going on. I sincerely hope that changes soon.

3. A fundamental principle of building anything is to have those who benefit from it pay for it. This is why government doesn't work and why subsidizing state parties and local affiliates with an expensive software package could easily turn into a solution that collects dust. The proposed project has required nothing of the state parties other than to say, "sure, I'd love to have it."

It is analogous to my experience building software for commercial companies who were desperately trying to solve a problem (and paying directly for the solution) versus working for government contractors who were notorious for overbuilding projects. There is no end to the amount of money an organization can waste on software when they don't have to pay for it themselves. They will almost always overbuild. Nay, they ALWAYS overbuild. I have never seen an exception to this principle. Which is why both Shane Cory and I feel strongly that a project like this should be developed in phases rather than attempting to develop and deploy every desired feature from the

start.

4. The major needs that this project attempts to address can be solved with existing tools or with much lower-cost solutions. For example, a web site template already exists that the LNC has offered to affiliates (which only a few have used). I understand that Alicia Mattson had developed a database solution that several state affiliates are using successfully and that she has generously offered free of charge.

5. The project has not yet been bid out. You cannot know the cost of a project before you bid it out. The Saratoga project was assumed to be a certain cost - devoid of any bids.

6. Shane Cory felt strongly that Droopla is the preferred platform to Joomla, the decided-upon platform for this project. Jillian and Brett expressed reasons for choosing Joomla. It may be that this decision should be revisited.

7. Shane Cory has stated that he can develop the software for \$6-12k. This is a fraction of the \$35k that is assumed to be the price tag for this project. Brett claims that \$35k is the minimum it will cost. I'm sure one can find bids of \$35k for this project, but we know of at least one that is far less.

The LNC voted to fund only this project, not for other activities of the LSLA. No amount over what is needed for this project should therefore be transferred.

8. Shane Cory has also stated that the hosting cost should be no more than \$350-500 per month and that there is no need to pay for a year of hosting in advance. This is also a fraction of the \$15k up front that is now being requested for the current plan.

9. The ownership of this project and responsibility for its ongoing success is very unclear. The LSLA does not exist as a legal entity other than as a DBA of Brett Pojunis for which the bank account is backed by his personal social security number. Whereas the LSLA has an EIN number (which can be obtained by merely filling out a form at the IRS web site), it is not a corporation nor an LLC nor a non-profit. As such, the officers of the LSLA have no real fiduciary responsibility and cannot be held responsible for misuse of funds. The LSLA has no liability insurance or D&O coverage. So, in effect, we would be writing the check to an individual, which would require us to obtain a W-9 from Brett Pojunis. Robert Kraus suggested to Brett that the LSLA use the services of the LNC's counsel to establish the LSLA as a non-profit, but no action was taken to my knowledge.

These means that if the software does not perform or get used as planned, there is potentially no one to sue for non-performance or for overbuilding a project for which the real world needs were far less.

There are additional serious legal and financial concerns of a sensitive nature that I will not articulate here but which should be addressed by the EC. An EC call may be scheduled for later in the week to address them.

10. The idea that anyone would hesitate to make the software and requirements specs readily available to the LNC is another concern.

11. There have been suggestions that LSLA may expect the LNC to hand over more money for future hosting costs as well as add on development projects. So the cost could escalate to over \$50k.

In short, the LNC has voted to hand over \$50k, and may seek more, with a \$35k installment, to a legal non-entity for a pro-

ject that has not been bid out and for which a very seasoned and experienced software developer and former ED, who takes the party's best interest to heart, says can be done for \$10-17k, with an installment of \$7k.

I reiterate that there are additional significant legal and financial concerns that need to be addressed. They are serious enough that Robert Kraus has refused to cut the check or enter the expense in Quickbooks as he would consider it a personal liability to do so.

Now, if you were the Executive Director of the LP with over 20 years of software development and management experience, would you consider it remiss NOT to speak up and say something about the issues surrounding this project?

I understand that a lot of work has been put into the project so far by a lot of hard-working, skilled, enthusiastic and dedicated people. I commend their efforts, and I do not wish to discourage those who have worked so hard towards bringing needed solutions to the state parties.

However, it is my strong recommendation that the LNC reconsider this project. These are the specific steps that I recommend:

1. Restructure the payment of this project to put more of the burden on those who will actually use the software. This will have the immediate effect of bringing the requirements in line with real world needs. This could cost as little as \$500 per affiliate - or even much less.

2. Establish clear ownership and legal accountability for the project's success.

3. Plan for a phased implementation so that each module can be proven effective before investing in subsequent phases. Perhaps it should initially be designed and deployed for one state such as Ohio to benchmark.

4. As Kevin Knedler suggests, get bids! I recommend putting no price tag on this project until the above is in place and until a revamped requirements document has been written and bid on by at least 3 unaffiliated parties.

The above can all be done before the convention in May if the will to do so exists.

If the LNC chooses instead to insist that we proceed as planned and cut a check for \$35k, then my question is:

1. who is responsible for the project's success?
2. what will be the specific consequences if the project does not succeed or if it turns out to be vastly underutilized? For example, if it is determined that a \$10k solution would have worked just as well, who will be liable for the \$40k wasted - or is no one liable?

3. who wants to come to headquarters and take personal responsibility for writing a check that has potential legal liabilities?

I hope instead you chose to follow the 4 steps outlined above.

Thus end Howell's remarks on the project.

The motion was

“RESOLVED, that if the LNC Chair or Staff have not yet sent funds to the LSLA for the first payment for the LSLA IT project as specified in the 2012 budget adopted by the LNC at the December, 2011 meeting in Las Vegas, then the Treasurer is instructed to do so immediately. If the Treasurer does not comply within 48 hours of the adoption of this motion, then the Vice Chair is instructed to do so immediately. Any travel or extraordinary expenses necessary to effect the purpose of this resolution shall be paid by the LNC.”

Voting in favor were Blau, Eshelman, Knedler, Lieberman, Mattson, Olsen, Root, Rutherford, Sink-Burris, Visek, and Wolf. Voting against were Craig, Flood, Lark, and Ruwart. Abstaining were Karlan and Redpath.

The peculiar parliamentary history of this was that the National Chair had previously ruled the motion out of order, saying *“This motion is out of order. The Vice Chair has no signature authority on any bank account and thus cannot carry out the intent of this motion.”*

However, as correctly noted by Alicia Mattson, the LNC appoints the signatories, and the current LNC policy is *“Persons permitted to sign will include only the officers, the Executive Director, and those LPHQ staff members to be agreed upon by the joint decision of the Chair and the Treasurer.”*, so the officers should be signatories.

There was then a back and forth by the LNC, leading to the statement by Treasurer Bill Redpath *“Brett: I have been told by the Chairman and the Executive Director that the Chairman has directed the Executive Director to bring a check for this to Orlando. Since that appears to be OK with you, and given that we will all be staring at each other's beautiful/handsome mugs in less than sixty hours, let's proceed with that plan. Thanks, Bill Redpath”*

Chair Mark Hinkle apparently contradicted his own Treasurer, reportedly writing

“Sorry, but you are mistaken. The question of who's Social Security number that's attached to the LSLA bank account hasn't been resolved. Nor has the potential FEC legal issues been dealt with. Nor, have I received a copy of the specification document that is to be used to gather competitive bids. Plus there are other issues that have been enumerated, but not addressed by the proponents of the project. All of these issues need to be discussed, in person, this weekend before we proceed.”

BTW, I did rule that motion out of order. If that was in dispute, the proper thing would be to appeal the ruling of the Chair. No one chose to do so, so my ruling stands.”

The Parliamentarians are thus hoist by their own petard.

NatCon Organizer Disses MA Party

In the midst of the 2010 national convention, 2012 National Convention co-organizer Nancy Neale distributed a flier to all delegates, claiming

but the LPMA seems to no longer exist. On the LPMA.US (the one you end up at from LP.org) the header has Libertarian Party"but the About"page calls themselves the Libertarian Association of Massachusetts"and is merely an organization dedicated to personal and economic freedom"and supporting candidates. What happened to the LPMA? They no longer have ballot-qualified status; it would've been difficult, but not impossible, to reclaim it.”

Neale's claims about Massachusetts ballot access are entirely false. If you move to Massachusetts, you can register Libertarian right now. You can run for office as a Libertarian, right now. That's been true all the time for several decades, Nancy Neale notwithstanding.

Johnson Fundraising Implodes

We have heard a great deal about Gary Johnson fundraising and how it will bring vast sums of money into the party. Of course, we also heard these things about Bob Barr (30 or 40 million, anyone?), not to mention Harry Browne and his financial newsletter contacts.

However, Johnson has been in the race of a bit, long enough to file financial disclosures with the FEC. His campaign debts, while shrinking, are by Libertarian standards massive:

Debt, end of third quarter: \$240,066.88
Debt, end of fourth quarter: \$203,761.01
Debt, end of January: \$150,792.60

You can't date every donation, but you can date every donation that took its donor above \$200 in total donations. The following are the Johnson donations from identified donors for the stated time periods. "identified" requires a single donation of more than \$200, or total donations to date of more than \$200. The total donations part means that the fraction of all donations, that are identified, increases as you move ahead in time. These numbers do not include the small donations from non-identified donors, those who have never given as much as \$200.

Observe that Johnson donations for January, week over week, just keep shrinking, with two \$1000 end-of-January donations saving things for the final few-day period.

All of October \$32780
All of November \$40015
First 27 days of December \$14025

---Johnson Switches Parties---

Last four days of December \$18225
First week of January \$29190
---And now, implosion!

Second Week of January \$6555
Third Week of January \$3370
Fourth Week of January \$1895
Last three Days of January \$2837 (boost by two \$1000 donors)

Liberty for America

Liberty for America is not currently a political party.

But we would be much less than astonished if this changed.

But you can join—\$15 per year — Memberships are not subscriptions

To subscribe: <http://LibertyForAmerica.com>

Liberty for America has a Federal PAC —we actually support
real Libertarians when they run for Federal office.

In this issue:

LNC To Charge Delegates to Vote! — The Secret Saratoga Project

Oregon Lawsuits Advance

Johnson Sued for Fraud — Hinkle Supports Listing Republican Candidates on LP.org

Bergland to Speak at NatCon — Hinkle: LNCC Sent 'Fraudulent' Letter

Root Apparently Responds to Hinkle — Mattson Claims Hinkle Approved Letter

LP-Illinois Chair Critiques LNC — California ExComm on Johnson

LSLA Rejects Listing State Chairs — LNC Keeps Two Sets of Books

Platform Survey Committee Altered — LNC In Action

LNC Votes to Fund Saratoga Project? Or Perhaps Not

NatCon Organizer Disses MA Party

Johnson Fundraising Implodes

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