

# Liberty for America

## Journal of the Libertarian Political Movement

Volume 6 Number 8

Crusading for Liberty Since 2008

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### Editorials

#### How a Libertarian Candidate Should Run

Lee Wrights on Running for Governor of Texas

Wright writes rightly:

I'm running for Governor as a Libertarian, but I don't want to run alone. I want you to run for office with me. Government is out of control at the federal, state and local levels. Run for Sheriff. Run for State Representative. Run for Congress.

We need an army of Libertarian candidates. Please join my campaign and help. But also consider amplifying your voice a thousand times by running for office with me. I'm seeking the Libertarian Party of Texas' nomination for Governor.

I hope I earn your support. But if you think you'll make a better gubernatorial candidate than me then by all means, run for Governor too! I am proud and honored to be a Texas Libertarian.

Whether or not I win the Libertarian Party's nomination in April, I intend for my campaign to help make the Libertarian Party stronger in Texas.

- Lee Wrights

#### Our Most Shameful War

Whenever anyone suggests that the War on Drugs is a failure and it is time to decriminalize most drugs, they are immediately accused of wanting to allow anyone, even "the children" to use and abuse drugs. The moral busybodies scream, "If we legalize drugs, people will drive while stoned, we'll have tens of thousand of addicts who'll become parasites on society, we'll have drug babies, and millions will die!" But that's what we have now—and the War on Drugs, not the drugs themselves are largely to blame.

This is a typical tactic used by those who have no sane, reasonable or factual argument to defend their view; when the facts aren't on your side, attack the other side, question their motives, demonize them, and never, ever admit they may hold sincere beliefs. Like most Americans, I believe the War on Drugs is a failure and should end. Do I want children to use drugs? Of course not; not my children, not anyone's children. Nor do I want anyone, especially children, to eat foods that are not good for them, to drive too fast, or to stand out in the cold until they come down with pneumonia. But I am not willing to use force to stop them, or throw them in jail if they persist in such behavior.

The surest way to pull the financial rug out from under the street gangs, international drug cartels and terrorist organizations, the only people who profit from the War on Drugs, is to legalize the product they sell so that no one would have to murder or steal to support a \$100 a day habit. If we are seri-

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### LNC Finances

The Libertarian National Committee met December 14 and 15 in Dallas, Texas. Its meeting was delayed a week by terrible winter weather in other parts of the country.

The major topic of discussion was the report of the LNC Audit Committee. That discussion was conducted during a secret meeting whose proceedings are not expected to be released. Major issues believed to have been discussed include:

- 1) Serious inaccuracies in LNC filings with the FEC.
- 2) Payments to former Executive Director Carla Howell for "moving expenses" that did not appear to be expenses associated with moving.
- 3) Large payments to LNC At-Large member Michael Cloud made with no contract, without consistent documentation, and at remarkably large rates.

The important topic of discussion was the LNC budget, which was passed with minor changes.

Omitted from discussion was apparently the remarkably large size of the 'moving expenses' payment to Howell; \$20,000 to move a household from near Boston to near D.C.

The LNC had had to cancel its anticipated December 7 meeting due to weather, but some LNC members reached Dallas rather than rescheduling their plane flights, the LNC agreed to cover parts of the December 7 travel expenses of members. When a mailing to members asking for support did not raise enough money, the LNC made the unprecedented decision to dip into party general funds to pay for some LNC member travel expenses.

The following articles sort out aspects of these issues. We are probably going to miss a few threads. In the following...

...LNC FEC Filings Were Wrong

...LNC Rejects Floor Fees

...LNC Passes Budget

...Where Your Money May Have Gone

#### LNC FEC Filings Were Wrong

We start with the secret part of the Audit Committee Second Interim Report, dealing with the LNC's filings with the Federal Election Commission. The filings were in part untrue.

The core issue is simple. If you are a Federal Party Committee, you must file monthly with the Federal Election Commission. You must tell them how you spent your money, and who received your money. You need a line entry for each person or entity that received \$200 or more, in

Cont. Page 3 Top Left

ous about saving “the children” from drive-by shootings and want to get drugs out of the schools, then the best way to do this is to slash the profits of drug pushers. The most effective and efficient way to change people’s behavior so that they avoid harmful drug use is through persuasion, not force, by treating drug abuse as a health problem, not a crime, and showing those caught in the drug trap a better way to live.

## Good Libertarian News From Across America

The Libertarian Party of Vermont satisfied the legal requirements for being a recognized political party in their state. The requirement involves organizing meetings in a certain number of towns across the state.

The Libertarian Party of Texas has extremely straightforward ballot access requirements, allowing them to field a vast number of candidates, including it appears candidates for every U.S. House Seat, in some cases with primaries.

The Texas Tribune has reported a three-way poll for Texas Governor, showing the Republican at 40%, the Democrat at 35%, and the Libertarian at 5%. Libertarians of New England ( Ultralibéraux de la Nouvelle Angleterre ) is now a facebook group. We read from Hamilton County Libertarians (IN) that heavily Republican town governments in Indiana are pushing for tax increases in the form of a food and beverage tax. Charlottesville Virginia Libertarians organized heavily for Bill of Rights Day celebrations.

Texas Libertarians now anticipate a contested race for their Gubernatorial nomination. In Texas, ballot access is not much more complicated than filing paperwork. Brandon de Hoyos is candidate for the Texas Lieutenant Governor slot. Ed Kless, who had planned to run for TX Lieutenant Governor, is instead running for their state chair position.

If you did not previously get word, an outcome of the 2012 election is that the Libertarian Party of West Virginia has gained political party status, and can nominate candidates by one of several straightforward routes.

The Libertarian Association of Massachusetts has set a 2014 target of running 34 candidates for State Representative. The Massachusetts State House has 160 members; 34 was chosen to be one larger than the current 33 seats in the State House held by Republicans. 34 is recognized as being a very ambitious target. The Association State Committee, after reviewing the many implications of Massachusetts’ quaint ballot access laws, asked any Libertarian running for statewide office to run on the “Liberty” line, and change their party registration appropriately. “Liberty” was the party line used a few years back by Joe Kennedy in his U.S. Senate race; the press covered Joe as the “Libertarian”. This peculiar arrangement, which would make no sense in many other states, is designed to avoid destruction of ballot access for other Libertarian candidates in 2016.

Ken Krawchuk of Pennsylvania has announced that he is seeking the LP of Pennsylvania's nomination for Governor.

Louisiana reports that they are 193 registered Libertarians away from our goal of 9000 registered Libertarians in the state by the end of the year.

LPN State Convention: The 2014 Libertarian Party of Nevada State Convention will be held on Saturday, February 8th, 2014 at El Cortez Hotel and Casino in Las Vegas, Nevada. 9:00am - 5:00pm , El Cortez Hotel and Casino, 600 E. Fremont Street, “Founder’s Room”, LAS VEGAS, NV 89101. They will be selecting Candidates to run for office in 2014, nominating delegates to the national convention, and reviewing/revising By-laws. To be credentialed as a Delegate, you must be a Member of the Libertarian Party of Nevada.

Clark Foundation Convention: The Libertarian Party of Nevada will be hosting the foundation Convention for the Clark County Affiliate on Saturday, January 25th, 2014 at El Cortez Hotel and Casino in Las Vegas, Nevada. 9:00am - 5:00pm, El Cortez Hotel and Casino, 600 E. Fremont Street, “Founder’s Room” Las Vegas, NV 89101 Bylaws will be approved from the floor at convention, election of officers to the county executive committee (to serve until the next convention which must take place before June 1 of 2014 (IV-Proviso)), election of precinct captains, and nominations to public office (for which boundaries completely lie within the county) will be taking place.

Nye Foundations Convention: The Libertarian Party of Nevada will be hosting the foundation Convention for the Nye County Affiliate on Friday, January 31st, 2014 at 110 Emery St., Pahrump, NV. 6:30 PM – 10:00 PM. Bylaws will be approved from the floor at convention, election of officers to the county executive committee (to serve until the next convention which must take place before June 1 of 2014 (IV-Proviso)), election of precinct captains, and nominations to public office (for which boundaries completely lie within the county) will be taking place.

We see mentions of Nationwide Rally to Restore the Constitution, Saturday, February 15, 2014, but cannot tell if it is more than a Facebook page.

The LP of Washington is using the tag-line “Open-Minded and Open to Business” used by the Sarvis campaign.

The LP of Virginia State Convention is Saturday, February 08, 2014 - 9:00 AM This is their our normal business convention. They emphasize that the agenda \*may\* include whether to formally endorse a Libertarian candidate for U.S. Senate. By report, their 2013 Gubernatorial candidate, Mr. Sarvis, is considering running for U.S. Senate. The convention will be held in Richmond, Virginia,. For information, contact Marc Montoni, Secretary, Secretary@LPVA.com.

**Liberty for America** is edited by George Phillis, 48 Hancock Hill Drive, Worcester MA 01609 (508 754 1859). To Subscribe, go to [LibertyForAmerica.com](http://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>.

**LNC Filings** total for the year to date. I've been a treasurer. I spent lots of time typing lines like \$37, stamps, and an address. The LNC files monthly reports, covered in our *Where Your Money Went* column.

We received—the LNC leaks like a sieve — the secret section of the LNC Audit Committee report, dealing with LNC FEC filings. It seems that the reports were not correct. We'll let readers speculate why. The expenditures did not match how the money was spent. For example:

“The FEC report for March 2012 discloses a payment of \$2,926.56 to Ms. Howell and an associated memo item to Helping Hands for \$2,926.56. However, there were 28 transactions to a variety of vendors making up this amount. Only \$500.00 of this amount was paid to Helping Hands. There was no disclosure for the payments to Marie Allen Properties, Virtually Nowhere and Bruce Simono, all of whom received more than \$200 during 2012.”

Here is the actual Part 6 of the Audit Committee report, the text section that we did not publish last month:

#### 6.0 ERRORS IN FEC REPORTS

*We compared the reimbursed expenses made to Ms. Howell with what was recorded on the FEC reports. When a filer reports a reimbursed expense to an individual, it is also required to disclose in a memo on the FEC report the identity of the ultimate recipients of the funds in cases where the ultimate recipient received more than \$200 during the year. This keeps vendor transactions from being essentially hidden from the public by having an individual pay for it and then be reimbursed.*

#### 6.1 BACKGROUND

*The FEC report for January 2012 discloses that the LNC made a payment of \$748.38 to Ms. Howell and an associated memo item to One Washington Circle Hotel for \$748.38. From our inquiries, however, we learned that there were 16 transactions to a variety of vendors that comprise the \$748.38.*

*The FEC report for March 2012 discloses a payment of \$2,926.56 to Ms. Howell and an associated memo item to Helping Hands for \$2,926.56. However, there were 28 transactions to a variety of vendors making up this amount. Only \$500.00 of this amount was paid to Helping Hands. There was no disclosure for the payments to Marie Allen Properties, Virtually Nowhere and Bruce Simono, all of whom received more than \$200 during 2012.*

*When we asked Mr. Kraus why the LNC was reporting this way to the FEC, he stated:*

*“In general we use to NOT report memo items. Now I report a summery (sic) of such. Rather than reporting 100 separate infinitesimal transactions for taxis, I roll things up to the largest expenses. Paula has not had an issue with this. In the future however, if you want these reported separately, I would encourage that all expenses, no matter how small, be done on the credit card for ease of tracking and reporting.”*

#### 6.2 ANALYSIS

*Perhaps the reason why Paula Edwards does not have an*

*issue with this is because she is unaware of it — only Mr. Kraus has visibility to these details, they are not in the general ledger. One can only discover them by conducting an audit of the paid invoices. Coincidentally, the Audit Committee Chair had a conversation with Paula Edwards on a related topic this past August. In her written reply, she informed him that ultimate vendors to whom payments of over \$200 yearly aggregate were made need to be disclosed in memo attachments in the FEC report. To do that one needs to keep track of the expenses by ultimate vendor so that one can make the aggregate calculation.*

#### 6.3 NATURE OF DEFICIENCY: POSSIBLE FEC FINE

*This is a serious matter. The LNC has been fined previously for errors in reporting. If memory serves correctly, the cost last time of reporting errors — including the cost of professional fees — was several tens of thousands of dollars, and it was the reason why we are now required to spend \$18,000 per year for an FEC consultant. If we were audited by the FEC and they saw these new issues, they would likely fine us. Incorrect reporting puts the organization, as well as the Treasurer personally, at risk of being charged with a crime. By discovering this ourselves and promptly correcting our reports, this risk to both the LNC and the Treasurer should be significantly, if not completely, obviated.*

#### 6.4 RECOMMENDATION

*The statute of limitations for correcting unintentional errors on FEC reports is three years after the due date or the filing date, whichever is later. Because the aggregate figures need to be calculated from the beginning of each year, it is likely that the expense reimbursements should be reviewed going back to the beginning of 2010.*

*We recommend that the Treasurer work with Mr. Kraus to review all expense reimbursements going back to the beginning of 2010 and amend the FEC reports before the end of this calendar year to report accurate disclosures.*

*Respectfully submitted:*

*Aaron Starr, Chairman*

*Joseph G. Buchman, PhD*

*Brett H. Pojunis*

Note the contrast between the statements in the report and the Bylaws Requirement “*The Treasurer shall receive, expend and account for the funds of the Party under the supervision and direction of the Chair and the National Committee. The Treasurer shall make an annual financial report to the National Committee and shall perform all duties required of the office by applicable federal and state law. The Treasurer is responsible for oversight of all financial functions, including, but not limited to receipts, disbursements, internal and external reporting.*”

Now we pose a riddle: How can the Treasurer propose to be doing his duties if only a staff member sees the invoices, as the Audit Committee reports? Alternatively, how can the Treasurer possibly be performing his duties, and fail to notice that the FEC reports and the party financial records do not match? We are talking about large-ticket items here. \$2,926.56 was one of the larger monthly expenditures. Comparison of the FEC report

with the invoices shows that the reported amount was wrong by almost a factor of six.

A situation in which only a staff member sees the invoices, and the party Treasurer and others only see aggregated numbers, those numbers being incorrectly assigned to "Helping Hands", is an open invitation to another set of helping hands, a set that transfers money from the Party treasury to private pockets. The current LNC and staff may be drawn from the company of the angels, but the opening for future mischief should be viewed as unacceptable.

## LNC Rejects Floor Fees

"Regarding the 2014 National Convention. Whereas, the cost of the hotel meeting rooms, plus the cost of the sound system and audio and visual system, plus the cost of room setup (chairs, table, water), plus the cost of delegate materials (tags), for three days at the 2014 Libertarian National Convention will be between \$40,000 and \$50,000; now, therefore be it Ordered, That these costs be paid for by adding them to the costs of paid attendees (Gold, Silver, and Bronze Packages) to pay for those who don't pay."

The motion passed, with 11 in favor and 5 against. Hagan, Johnson, Kirkland, Lark, Neale, Olsen, Redpath, Starchild, Tomasso, Vohra, and Wiener voted in favor. Cloud, Goldstein, Hinkle, Pojunis, and Visek voted against.

## LNC Motion on Payments to LNC At-Large Member Cloud

In our last issue, we reported the interim report of the LNC Audit Committee, which noted that LNC At-Large Member Michael Cloud had been paid \$38,800 for various writing and editing services, but that there were noteworthy features of the payment approval process and the invoices for those services. (There are now four overlapping invoices.) Discussion of this issue apparently filled a significant part of the LNCs secret sessions. The discussion finally led to a motion, written by Dianna Visek, but actually made by Michael Cloud.

"Motion to Pay Mr. Cloud a Fair Amount for his Fundraising Services.

Whereas, Mr. Cloud first disclosed to the National Committee on July 15, 2012 his intention to become a vendor to the Party; Whereas, in violation of LNC Policy no written agreement with Mr. Cloud was crafted, reviewed by General Counsel or signed by the Chairman detailing the terms and conditions of the vendor relationship between Mr. Cloud and the Party; Whereas, LNC Policy is that no LNC Member, Party officer or employee "shall transact business with the Party unless the transaction is fair and equitable to the Party;" Whereas, the Party desires to pay Mr. Cloud an amount that is fair and equitable to the Party; Whereas, the Party, in keeping with Mr. Cloud's commitment on July 15, 2012 to provide services at "Walmart rates, rather than Neiman Marcus" rates, finds it reasonable to set a rate of pay at the lower end of the range for a freelance writer; Whereas, Mr. Cloud's billings to the Party in the amount of \$38,800 for his services is not fair and equitable to the Party; now, therefore be it

Resolved, That the Libertarian National Committee finds that Mr. Cloud performed no more than 100 hours of work as a vendor at a fair rate of \$50 per hour (or \$5,000 total); Resolved, That Mr. Cloud owes the Libertarian National Committee \$33,800, and Resolved, That the Audit Committee is instructed to work with the Party's outside CPA firm to make appropriate adjustments to the 2012 financial statements to reflect this."

The motion was rejected: 4 Yes and 11 No. Goldstein, Lieberman, Starchild, and Visek voted Yes. Cloud, Hagan, Hinkle, Kirkland, Johnson, Lark, Olsen, Redpath, Tomasso, Vohra, and Wiener voted No.

The motion has some interesting features. In particular, with credit to Aaron Starr for noticing the issue, the original invoices indicated that paid work occurred May 15, 2012 through December 31, 2012, but that at the July LNC meeting Cloud referred to his work as a vendor in terms implying that the work had not yet been performed.

## LNC Budget Passes

*In our last issue, we published a draft budget from the LNC Executive Committee. It received discussion. We had some of that forwarded to us. Particularly insightful comments as reported to us were made by LNC non-members. Something fairly close to the original draft budget was actually passed.*

*Nick Sarwark is credited with having said:*

"Looking at the charts, I would note that the party gets approxi-

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Liberty for America will be performing political acts, and other activities that the Federal government calls "Federal Election Activity" and hence FEC-reportable. We must therefore funnel dues to our PAC, "Liberty for America". Dues will not be used to support candidates.

Your Donations are not tax deductible. Federal law requires us to request the occupation and employer of donors of \$200 or more in a year. Paid for by Liberty for America. Your donations may be used in relation to a Federal Election. We can only accept donations made by American citizens with their own money.

mately \$4 in dues for every \$1 of membership fundraising costs, but only \$2 in donations for every \$1 in fundraising costs. That said, I can't tell if those numbers are apples to apples or what costs are applicable to recurring gifts. I would also note that the proposed 2014 budget has some mighty big increases in some areas that are not (at least in this document) supported by evidence of how they are to happen. E.g. major donor solicitation is projected to bring in \$60K of revenue even though it's only brought in \$1K in 2012 and \$120 in 2013. 2010 numbers were \$94K, but unless we have a plan for how to get back to that performance from a standing start, budgeting for that revenue seems like magical thinking.

I also note with concern that in 2013 the party spent \$236K on fundraising expenses, compared to \$62K across all program expenses (outreach, ballot access, LP News, events, etc.), a 4:1 ratio. 2014 proposed is \$277K on fundraising, with \$188K on program expense, closer to 3:2, but \$123K is just for ballot access, which leaves just \$65K for all other program expenses. There's also a whopping \$0 budgeted for candidate support in an election year."

*Norm Olsen reportedly advised on the budget:* "... I believe the proposed budget to be in the red by about \$1110,000. I suspect that this is caused by the assumption that saving produced by buying a building will pay for our new position of Political Director. However, I don't see that in the budget.

What I do see is a revenue amount of \$138,300 which shows up in the front page summary as revenue, but shows up in the detail supporting documents (i.e., page two) as Building Fund donations. If this revenue is truly derived from building fund appeals, it cannot be spent on "Program Expenses". Thus, the projected \$25,000 surplus appears to me to be in actuality a \$110,000 deficit. Whatever, no one seems to be concerned. I guess we'll have to haggle it out in Dallas. I hope and pray that the Audit Committee report can indeed be dealt with in 60 minutes."

*We are advised that Aaron Starr warned the LNC:*

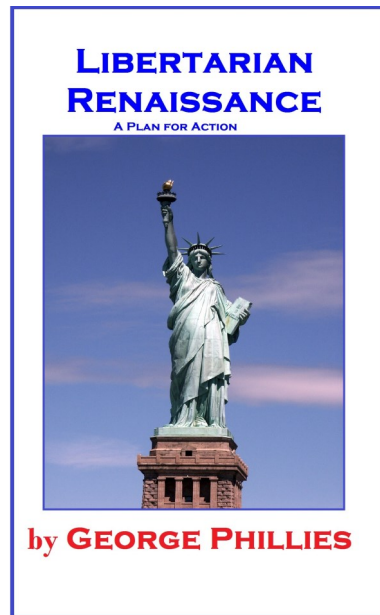
Colleagues,

"Every two years we run a convention. The average revenues for a convention are about \$175K. The only way this policy can be complied with is to not budget our conventions. If we drop convention revenues from the proposed budget, it would probably be in compliance." – Geoff Neale

Or we could not budget for building fund revenues, which is the way we handled the 2013 budget, and use a less ambitious figure for board solicitation major gifts.

I hope the policy ("No budget shall be submitted to the LNC for approval that exceeds 110% of the actual revenue over the immediate past 12 months prior to the date of the budget approval") will remain unchanged.

The policy is useful in that it forces the EC to take a very disciplined approach to crafting a budget for the LNC's consideration. There is nothing that prevents the LNC from modifying the EC submitted budget (or even having members of the EC



## Libertarian Renaissance

George Phillies has created and published a new edition of the New Path Plan for saving our party.

*Libertarian Renaissance* is an update of the 2010 edition with new information.

The volume is available on

Amazon Kindle  
[amazon.com/Libertarian-Renaissance-Essays-Liberty-ebook/dp/B00E1SVGAK](http://amazon.com/Libertarian-Renaissance-Essays-Liberty-ebook/dp/B00E1SVGAK) and

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for ninety-nine cents.

recommend changes to the EC submitted budget). The problem with breaking the 110% rule is that it puts the LNC in the awkward position of having to figure out on-the-fly where to cut the higher expense levels that inevitably are presented with optimistic revenue projections. This is especially a challenge because LNC members will not be able to see all the details (e.g. staff salaries) and question in a deliberative manner the assumptions that make up the budget until the day of the meeting.

Conservative budget estimates for revenues are important because they force hard decisions to be made concerning priorities in spending. Without this discipline in place, we will find ourselves in a position where we cannot reverse spending that has already taken place, if optimistic revenue projections are not met.

You may recall the concerns I expressed during the last budget meeting. I stated that revenues historically drop 30% on average from the year after a Presidential election, ranging from a 9% decrease to 42% decrease. The budget adopted, the revenues of which were very close to what was proposed, anticipated \$1,163,000 of unrestricted revenues (i.e. excluding money raised for the building fund). Of 2013's projected \$1,270,000 in revenues, the unrestricted revenues are on target to reach only \$1,000,000. We have not seen a revenue number that low in nominal dollars since 1994; inflation adjusted dollars are much worse. While it's difficult to determine the extent to which the extrapolated \$270,000 in building fund revenues are cannibalizing 2013 operating revenues, it is clearly not insignificant.

We should not assume that 2014 revenues will be better than 2013 just because we are going into an election year. The off-cycle election-year revenue change from the previous year is historically all over the map, averaging only a 6% increase and ranging from a 38% decrease to a 37% increase.

1994 13% Increase in revenues

1998 22% Increase in revenues  
2002 38% Decrease in revenues  
2006 06% Decrease in revenues  
2010 37% Increase in revenues

Given the history, budgeting for a 19% increase in revenues for 2014 seems imprudent.

For your review I am including a chart of annual revenues from 1992 to 2014 (using the EC's estimate for 2013 and the EC's budget proposal for 2014).

I urge the LNC to be fiscally conservative in its revenue projections. There is no harm to doing so. We always have the option to spend more money if we are surprised by having more revenues than anticipated. “

Starr also warned the LNC that there was a conflict between the draft budget and restrictions placed by LNC rules, notably that the draft budget was too large. Of considerably more than technical interest, he was also quoted as writing:

“...Finally, I assume that the Project Program Revenue of \$135,300 is money raised for the building fund. Because these are restricted funds, it would be misleading to show that this money as part of the year's Net Operating Surplus. To make this clearer to the reader, other organizations will have separate columns for restricted and unrestricted funds. You may also want to increase by a like amount the capital expenditures line - or include an additional line at the bottom for debt repayment, if that is what the \$135,300 will be used for -- to make it abundantly clear that this budget is cash-flow negative for the year. I apologize for not noticing these issues earlier, as I was only recently provided with the EC's budget submission. If I am correct, can the Executive Committee please resubmit a budget such that it corrects the mathematical errors and is in line with the Policy Manual? If I can be of further assistance, please let me know. Thank you. “

As Starr correctly points out, the \$135,300 apparently to be raised for the building should either go to paying down the mortgage on a building (an expense) or should be going into the building fund (meaning it should show as a surplus). It does neither; instead, it appears to be shown as being spent to cover operating expenses. Readers with us back in 2002 will recall a similar accounting arrangement getting the LNC into significant financial difficulties at that time. Making this correction, the proposed budget runs a \$111,000 deficit.

## Motions on Payments to Carla Howell

Ms. Visek gave us three motions on Carla Howell's moving expenses:

#1) Motion Addressing Ms. Howell's Moving & Commuting Expenses -- Rental Deposits and Friend's Airfare.  
Whereas, payments for rent security deposits for Ms. Howell in the amount of \$3,550 and airfare for her friend Leslie Fish in the amount of \$173.40 were made, but not authorized by Ms.

Howell's employment agreement (as detailed in an exhibit in the Audit Committee's Second Interim Report);  
Whereas, LNC Policy requires that the Chair or Treasurer approve (and evidence by signing or initialing) all expenses and expense account reimbursements more than \$200 made to the Executive Director or other officers prior to payment, and such approval was not obtained; and Whereas, Ms. Howell has only repaid \$1,800 of this amount to the Libertarian National Committee; now, therefore be it  
Ordered, That Ms. Howell is obligated to promptly repay the balance of \$1,923.40 to the Libertarian National Committee; and

Ordered, that Robert Kraus and the Audit Committee be notified of this decision so that appropriate adjustments be made to the 2012 financial statements.

The motion passed, 13 - Yes and 2 - No. Cloud, Goldstein, Hagan, Johnson, Kirkland, Lark, Lieberman, Olsen, Redpath, Starchild, Tomasso, Visek, and Wiener voted Yes. Hinkle and Vohra voted No.

#2) (With an amendment by Rich Tomasso) : Motion Addressing Ms. Howell's Moving & Commuting Expenses -- Expenses without Receipts.

Whereas, the Party reimbursed Ms. Howell \$1,118.00 for expenses and Ms. Howell directed the Party to pay \$1,422.84 directly to vendors for expenses, all of a nature allowed by her employment agreement, but without receipts (as detailed in an exhibit in the Audit Committee's Second Interim Report);  
Whereas, the Party also paid \$565.40 for airfare that Ms. Howell states is not related to the commuting and moving expenses of her employment agreement, but that she may be able to substantiate as being employment related by presenting receipts, along with other supporting documentation; and  
Whereas, LNC Policy requires that the Chair or Treasurer approve (and evidence by signing or initialing) all expenses and expense account reimbursements more than \$200 made to the Executive Director or other officers prior to payment, and such approval was not obtained; now, therefore be it  
Ordered, that Ms. Howell promptly repay \$3,106.24 to the Libertarian National Committee, but allow her to reduce that amount by providing receipts and other documentation to the Audit Committee by December 31, 2013 to substantiate those expenses as employment related, provided the Chair or Treasurer also approve (and evidence by signing or initialing) such expenses; and  
Ordered, that Robert Kraus and the Audit Committee be notified of this decision so that appropriate adjustments be made to the 2012 financial statements.

The amended motion passed, with 14 Yes and 1 No Cloud, Goldstein, Hagan, Hinkle, Johnson, Kirkland, Lark, Lieberman, Olsen, Redpath, Starchild, Tomasso, Visek, and Wiener voted Yes. Vohra voted No.

#3) Motion Regarding Shipping Expenses.  
Whereas, the Audit Committee found general ledger records stating that UPS and Fedex Kinko's transactions in the amount of \$956.30 were incurred for Ms. Howell's move in March and April of 2013 (more than one year after she moved); and

Whereas, Mr. Kraus did not provide the Audit Committee copies of those records supporting those transactions; now, therefore be it

Ordered, Mr. Kraus shall provide to the Audit Committee receipts or statements from UPS and FedEx Kinko's supporting the \$956.30 in incurred expenses; and

Ordered, if complete records do not exist at headquarters, Mr. Kraus shall within the next seven days contact the vendors to obtain copies of those records.

The motion passed, with 11 Yes and 4 No. Goldstein, Hagan, Johnson, Kirkland, Lark, Pojunis, Redpath, Starchild, Tomasso, Visek, and Wiener voted Yes. Cloud, Hinkle, Olsen, and Vohra voted No.

A discussion of this exchange was offered by Joe Buchman. In response to a question if Howell had already agreed to repay, and an LNC Alternate saying that she had agreed, Buchman wrote:

"For what it's worth, I did not see such an agreement, nor the repayment. That could have occurred after I resigned from the Audit Committee in late October.

"That said, I was left with the impression (could be false) that as of the December LNC meeting only one of the two rental security deposits had been repaid, and that several of the other issues remained uncertain (in the search, for example, for receipts to document moving expenses).

"So Paulie, it'd be useful to know which question you just answered. Did she agree to pay back all? or agree to pay back most?

"Again this appears to be, IMO, the natural symptom of a "culture of dishonesty" — and by that I mean to say one where such unconscious, sloppy bookkeeping is taken as normal — one where the motive or intent is difficult to discern because "not-being-one-with-what-is" is "normal."

"Note that I've not called it a "culture of fraud" or "culture of ill-intent." But, I can say it's impossible to do an accurate audit in a timely fashion inside a culture of dishonesty/lost records/hand-shake deals/missing or never-sent invoices/low review and oversight by management, etc.

"What is utterly inappropriate though, IMO, is to mischaracterize attempts to point that out, or correct it, or offer recommendations for correction as politically motivated or a "witch hunt."

"Only when there is a clean, honest system in place can one clearly discern if a "witch hunt" took place, or unfair/politically motivated actions by the auditors took place. When it's a mess, those accusations, IMO, just don't carry merit"

## The Cloud Receipts

Fortunately, as sent to the LNC and supplied to us, Aaron Starr

has given us an incisive analysis of the six invoices, in four attachments, that the LNC or the Audit Committee was given, corresponding to the \$38,800 that the LNC paid At-Large member Aaron Starr for his editing, writing, and related assistance. Starr refers to multiple attachments. These invoices as supplied to us have been included with the electronic edition of this newspaper.

Aaron Starr wrote:

I am aware that on December 6, 2013, Michael Cloud sent the LNC (but not the Audit Committee) a newly revised version of his detailed invoice of his work. I thank the member of the LNC who thought it appropriate that the Audit Committee also be provided with this information.

To give you some context, I believe the LNC ought to be provided with all other previous versions of Mr. Cloud's invoices.

The first attachment ("Michael Cloud Invoices.pdf") (GP: pp. 17-19 of our electronic edition) is comprised of the three invoices that were presented by Mr. Cloud for payment in late 2012, and Ms. Howell approved payment based on these invoices. Note the complete lack of details.

The first invoice presented in October 2012 for \$13,500 covering services rendered between May 15 and September 30, 2012 (which includes the period prior to July 15, 2012, when he first indicated to the LNC his intention to become a vendor). No details are provided of the work done. The invoice includes a promise by Mr. Cloud to provide "a completely itemized and documented bill for my fundraising and writing services during this time frame – with prices and royalties." The check paying this invoice is dated October 25, 2012.

The second invoice presented in October 2012 for \$20,000 covering services rendered through October 31, 2012. No details are provided of the work done. The invoice includes the statement, "I will piece together an itemized and documented bill for all my fundraising and writing services during this time frame – with prices and royalties – before the end of this month." The check paying this invoice is dated October 31, 2012.

The third invoice presented in December 2012 for \$5,400 covering services rendered through December 31, 2012. No details are provided of the work done. No promise was made to provide details of the work performed. The check paying this invoice is dated December 31, 2012.

The second attachment ("Michael Cloud Detailed Invoice Created 2013-07.pdf") (GP: electronic edition, pp 20,21) is the invoice that was created in late July 2013 and which staff scanned and emailed to the Audit Committee on August 2, 2013. This detailed invoice purports to provide after-the-fact details to support what was already paid.

We make reference to this invoice on page 4 of the Audit Committee's Second Interim report, where we wrote:

The Audit Committee noted that a July 29, 2013 email Mr. Kraus forwarded to us from Carla Howell made reference to an invoice Mr. Cloud turned in a week prior (“Everything else needed should be on the invoice Michael turned in a week Ago.”), so we then requested and received a copy of that invoice. This new invoice from Mr. Cloud included a detailed breakdown of the items produced by him, along with the money raised. This invoice was the first time a formula purportedly used for calculating Mr. Cloud’s compensation was provided to the committee, despite several prior requests.

We thought that we were close to wrapping up our work, but then an examination of the metadata of some of Mr. Cloud’s work product that Mr. Kraus provided to us revealed that some work product for which Mr. Cloud had been paid was recorded as having been authored by then Executive Director Howell. We realized that we could not rely on Staff assertions about the documents alone to substantiate what Mr. Cloud wrote, so we requested that we be forwarded emails showing that Mr. Cloud had indeed sent the 37 documents for which he had received payment.

During the extended time that staff compiled the supporting emails, they found it necessary to present the Audit Committee with a revised invoice that Mr. Cloud created on or about September 2, 2013 to provide after-the-fact details to support what was already paid. I have attached this invoice (“MC Invoice to LP 2012 9-2-13.doc”) (GP: In Our Electronic Edition, pp.22,23) for your review. The fact that a new revision of the invoice was created in September 2013 suggests that the evidence in the emails did not sufficiently line up with what was in the detailed invoice created in July 2013.

We make reference to this September 2013 revised invoice on page 7 of the Second Interim report, where we wrote about the differences between the July and September reconstructed invoices:

A comparison revealed a number of differences between this new invoice and the one previously provided to us.

- Some items formerly attributed to Mr. Cloud on the previous invoice had been deemed not to have been written by him at all, and were either removed from the new invoice or amended to award only partial commission from a collaborative writing, or co-authorship, with Ms. Howell.
- New items were listed that were not on the previous invoice.
- One item was re-classified into a different type of work, which then impacted the amount of the calculated fee.
- The new invoice included items Mr. Cloud had previously agreed to do for free before he became a paid vendor. These were related to promotion for the 2012 national convention, and the new invoice suggests he was owed for these under the terms and payment rates of his post-convention vendor agreement, but suggests that Mr. Cloud simply chose not to bill for them and showed them as a “discount”.

Additionally, the metadata of this new invoice indicated that it had not been solely prepared by Mr. Cloud, as it was also edited by Ms. Howell.

After we shared with you the audio from the July 15, 2012 LNC meeting when Mr. Cloud indicated he was not yet a vendor, now we have a fourth attachment (“Michael Cloud Invoice May-Dec 2012.doc”): (GP: In our Electronic edition, pp. 24-26) the invoice that Mr. Cloud revised yet again on or about December 6, 2013 to provide after-the-fact details to support what was already paid. The itemized details on this invoice are different in a few places from the two previous versions we received.

Rather than amending his invoice to reflect only the work that was produced subsequent to July 15, 2012, Mr. Cloud doubled down by extending his period of work to include even the promotion efforts for the 2012 convention, taking personal credit for substantially all of the convention revenues as though few would have bothered to attend the convention were it not for him.

Perhaps even Mr. Cloud has realized that the \$38,800 he charged was not in line with his July 15, 2012 statement to the LNC that the question simply won’t arise as to “whether or not you’re getting value for your dollar.” Perhaps he hopes that the LNC ought to conclude that he deserves compensation for all the time he spent as a volunteer, rather than focusing only on the value provided during the time he was a vendor.

Like many other volunteers who worked for free to plan and promote our convention, Mr. Cloud deserves our thanks for the time he served as a volunteer. He also deserves to be fairly compensated in line with his promise to provide his “services at WalMart rates” for the copywriting work performed as a vendor. The LNC needs to determine when Mr. Cloud’s vendor relationship began and what amount of compensation is fair.

I request that Chairman Neale direct staff to include copies of this email and the attached invoices in the binders for the re-scheduled LNC meeting in Dallas.

So wrote Aaron Starr.

## Where Your Money May Have Gone

In light of revelations that LNC filings with the FEC have been inaccurate, so that groups of expenditures on all different things were lumped together and assigned incorrectly to a single vendor, we are renaming this column “Where Your Money May Have Gone”. Parts of the following report may be true.

National party membership at the end of December was 13670, down 79 from a year ago. A few states have increased their membership a great deal over the past year, notably Ohio, which went from 665 in September to 1065 in November and is the now second largest state party by national membership count. Without Ohio’s increase, Party membership would be at 13270, the bottom for the year. Income for the month of November was \$94,116, leading to a year total of \$1,198,373. Extrapolation suggests a year total of 1.3 million dollars.

We will return to Johnson Campaign spending in next month’s issue.



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activist volunteer

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### Editorials

How a Libertarian Candidate Should Run — Our Most Shameful War  
Good Libertarian News from Across America

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Libertarian National Committee, Inc.

Statement of Operations - 2014 Budget

DRAFT # 4 - CONFIDENTIAL - NOT FOR PUBLIC DISSEMINATION

	Jan - Dec 10	Jan - Dec 12	TOTAL 2013 YTD	2014 BUDGET (w-Ext at Watergate)	\$ Difference 14 v 10	% Difference 14 v 10	\$ Difference 14 v 12	% Difference 14 v 12
<b>Support and Revenue</b>								
20-Membership Dues	532,493.82	458,287.82	442,144.58	505,800.00	(26,693.82)	95%	47,512.18	110%
21-Donations	302,257.67	319,089.01	170,940.08	294,900.00	(7,357.67)	98%	(24,189.01)	92%
22-Recurring Gifts	351,243.39	331,287.82	344,238.19	341,300.00	(9,943.39)	97%	10,012.18	103%
23-Board Solicitation Major Gifts	94,387.70	1,000.00	120.00	60,000.00	(34,387.70)	64%	59,000.00	6000%
24-Convention Revenue *	108,362.06	147,152.20	0.00	132,500.00	24,137.94	90%	(14,652.20)	90%
25-Project Program Revenue	5,000.00	(6,321.26)	270,508.72	135,300.00	130,300.00	2706%	141,621.26	-2140%
26-Brand / Promotional Materials	28,994.00	690.00	2,748.00	2,800.00	(26,194.00)	10%	2,110.00	406%
27-Ballot/Access Donations	32,052.03	231,877.45	39,368.65	32,100.00	47.97	100%	(199,777.45)	14%
28-Publications Materials Other	24,427.10	1,645.00	1,200.00	7,900.00	(16,527.10)	32%	6,255.00	480%
29-Other Revenue & Offsets	2,870.63	141.51	0.00	0.00	(2,870.63)	0%	(141.51)	0%
<b>Total Support and Revenue</b>	<b>1,482,088.40</b>	<b>1,484,849.55</b>	<b>1,271,268.23</b>	<b>1,512,600.00</b>	<b>30,511.60</b>	<b>102%</b>	<b>27,750.45</b>	<b>102%</b>
<b>Cost of Support and Revenue</b>								
32-Fundraising Costs	126,335.04	163,930.02	107,546.42	141,600.00	15,264.96	112%	(22,330.02)	86%
33-Membership Fundraising Costs	121,164.78	77,689.90	86,628.12	120,700.00	(464.78)	100%	43,010.10	155%
35-Convention	102,895.71	161,911.70	0.00	132,500.00	29,604.29	82%	(29,411.70)	82%
36-Ballot/Access Fundraising Exp	4,282.91	16,824.79	13,994.46	4,300.00	17.09	100%	(12,524.79)	26%
<b>Total Cost of Support and Revenue</b>	<b>354,678.44</b>	<b>420,356.41</b>	<b>208,159.01</b>	<b>399,100.00</b>	<b>44,421.56</b>	<b>113%</b>	<b>(21,256.41)</b>	<b>95%</b>
<b>Net Support Available for Programs</b>	<b>1,127,409.96</b>	<b>1,064,493.14</b>	<b>1,063,109.22</b>	<b>1,113,500.00</b>	<b>(13,909.96)</b>	<b>100%</b>	<b>49,006.86</b>	<b>105%</b>
<b>Program Expense</b>								
40-Administrative Costs	356,133.40	358,570.37	334,086.11	355,437.00	(696.40)	100%	(3,133.37)	99%
45-Compensation	375,988.31	405,745.94	442,690.10	518,700.00	142,711.69	138%	112,954.06	128%
50-Affiliate Support	0.00	4,816.10	6,484.73	6,500.00	6,500.00	0%	1,683.90	135%
55-Brand Development	51,878.72	2,747.85	2,890.04	2,900.00	(48,978.72)	6%	152.15	106%
58-Campus Outreach	60.00	0.00	0.00	0.00	(60.00)	0%	0.00	0%
60-Candidate, Campaign & Initiatives	25,048.11	4,463.63	0.00	0.00	(25,048.11)	0%	(4,463.63)	0%
70-Ballot/Access Petitioning Related Exp	128,352.00	382,460.58	19,514.54	123,400.00	(4,952.00)	96%	(259,060.58)	32%
75-Litigation	552.03	23,258.97	7,084.69	7,100.00	6,547.97	1286%	(16,158.97)	31%
80-Media	1,250.00	0.00	11.94	0.00	(1,250.00)	0%	0.00	0%
85-Member Communication and Materials	34,016.19	38,451.75	29,364.28	48,000.00	13,983.81	141%	9,548.25	125%
88-Outreach	8,392.15	4,315.49	7,867.43	10,000.00	1,607.85	119%	5,684.51	232%
90-Project Program Other	0.00	0.00	33,849.31	16,950.00	16,950.00	0%	16,950.00	0%
<b>Total Program Expense</b>	<b>981,670.91</b>	<b>1,224,830.68</b>	<b>883,843.18</b>	<b>1,088,987.00</b>	<b>107,316.09</b>	<b>111%</b>	<b>(135,843.68)</b>	<b>89%</b>
<b>Net Operating Surplus (or Deficit)</b>	<b>145,739.05</b>	<b>(160,337.54)</b>	<b>179,266.04</b>	<b>24,513.00</b>	<b>(121,226.05)</b>	<b>17%</b>	<b>184,850.54</b>	<b>-15%</b>
			Capital Expd.	\$5,000.00				

## LNC Motions on Financial Supervision

E-Mail Ballot 2013-11: July 30 to August 20. Passed, with 13 in favor and 3 against. Blau, Goldstein, Hagan, Kirkland, Lark, Neale, Olsen, Pojunis, Redpath, Starchild, Tomasso, Visek, and Wiener voted in favor. Cloud, Johnson, and Wrights against. (Alternate Lieberman voted in favor but was superseded.)

Insert in the Policy Manual,  
"Section 3.03.3: SPECIFIC STAFF RESPONSIBILITIES:  
Accounting Policies and Procedures Manual  
The Operations Director in consultation with the Treasurer and the Audit Committee shall review the Accounting Policies and Procedures Manual at least annually and update as needed."

E-Mail Ballot 2013-12: July 30 to August 20. Passed, with 12 in favor and 6 against. Blau, Goldstein, Hagan, Kirkland, Neale, Olsen, Pojunis, Redpath, Starchild, Tomasso, Visek, and Wiener voted in favor. Cloud, Hinkle, Johnson, Lark, Vohra, and Wrights voted against. (Alternate Lieberman voted in favor but was superseded.)

Delete from the Policy Manual,  
"Section 2.03.5: Financial Matters: Expense Reimbursements  
The Chair or Treasurer shall be required to approve (and evidence by signing or initialing) all expenses and expense account reimbursements more than \$200 made to the Executive Director or other officers prior to payment. No officer shall approve his or her own expenses. To avoid possible hardship due to delays in such approvals, the Chair or the Treasurer may at his or her discretion authorize a permanent expense advance of up to \$200 per individual, which shall be considered a draw against any reimbursable expenses incurred but not yet reimbursed. Any such advances so made shall be fully reflected on the Party financial statements and shall be repayable in full by the individual immediately upon termination of employment or ceasing to hold LNC office for any reason. Any exception to this policy must be approved in writing by the Chair. Travel expenses incurred by officers for the explicit purpose of conducting Party business (excluding those incurred for the purpose of attending LNC meetings) may be reimbursed. Business travel expenses not pre-authorized by the LNC must be deemed necessary and approved in writing by the Chair to qualify for reimbursement. All travel expense reports are to be audited by the Treasurer, and approved by the Treasurer and the Chair."

Insert in the Policy Manual,  
"Section 2.03.5: Financial Matters: Credit Cards and Expense Reimbursements All expenditures shall be evidenced by receipts. The Chair or Treasurer shall be required to approve (and evidence by signing or initialing) all expenses and expense account reimbursements in excess of \$200 made to the Executive Director or LNC members prior to payment or within thirty days of payment if the expenditure is incurred with a Party issued credit card. No advance shall be made. No officer shall approve his or her own expenses. Travel expenses incurred by officers for the explicit purpose of conducting Party business

(excluding those incurred for the purpose of attending LNC meetings) may be reimbursed. Business travel expenses not pre-authorized by the LNC must be deemed necessary and approved in writing by the Chair to qualify for reimbursement. All travel expense reports are to be audited by the Treasurer, and approved by the Treasurer and the Chair."

E-Mail Ballot 2013-13: July 30 to August 20. Passed, with 11 in favor and 5 against. Blau, Goldstein, Kirkland, Lark, Neale, Olsen, Pojunis, Redpath, Starchild, Visek, and Wiener voted in favor. Cloud, Hinkle, Johnson, Vohra, and Wrights voted against. (Alternate Lieberman voted in favor but was superseded.)

Insert in the Policy Manual, "Insert Section 2.03.6: FINANCIAL MATTERS: Fixed Assets Staff shall maintain a listing of fixed assets and update it monthly to record any additions or disposals. Depreciation shall be recorded monthly on a straight-line basis over the estimated useful lives of the related assets."

E-Mail Ballot 2013-14: July 30 to August 20. Passed, with 11 in favor and 6 against. Blau, Goldstein, Kirkland, Lark, Neale, Olsen, Pojunis, Redpath, Starchild, Visek, and Wiener voted in favor. Cloud, Hagan, Hinkle, Johnson, Vohra, and Wrights voted against. (Alternate Lieberman voted in favor but was superseded.)

Insert in the Policy Manual,  
"Section 2.03.7: FINANCIAL MATTERS: Time Sheets and Expense Allocation Each employee shall submit a timesheet at least once per pay period to reflect the number of hours worked, allocating such time to corresponding categories specified in the annual budget. Time sheets shall be reviewed and approved prior to employee time being entered in the payroll system. Payroll costs for each employee shall be allocated to expense categories in proportion with approved time. Separate general ledger accounts shall be used for allocated payroll costs. Where appropriate, an expense shall be allocated to one category. Expenses that benefit more Libertarian National than one category or that are general administrative in nature shall be allocated to a general administrative account in the general ledger. Those expenses shall then be allocated on a monthly basis to expense categories in proportion to the allocation of payroll costs. Separate general ledger accounts shall be used for allocated general administrative costs. Monthly financial statements shall separately report allocations of payroll and overhead to corresponding categories."

E-Mail Ballot 2013-15: July 30 to August 20. Passed, with 13 in favor and 5 against. Blau, Goldstein, Hagan, Kirkland, Lark, Neale, Olsen, Pojunis, Redpath, Starchild, Tomasso, Visek, and Wiener voted in favor. Cloud, Hinkle, Johnson, Vohra, and Wrights voted against. (Alternate Lieberman voted in favor but was superseded.)

Insert in the Policy Manual, "Section 2.03.8: FINANCIAL MATTERS: Inventories Staff shall maintain an inventory listing of promotional and other inventoried items, costing units on a first-in, first-out basis. The list shall be updated periodically and an inventory count shall at a minimum be conduct-

ed annually at year-end. The results of each count shall be reconciled to the general ledger and accounting entries shall be made to ensure accurate presentation of ending inventory on the financial statements."

E-Mail Ballot 2013-16: July 30 to August 20. Passed, with 13 in favor and 5 against. Blau, Goldstein, Hagan, Kirkland, Lark, Neale, Olsen, Pojunis, Redpath, Starchild, Tomasso, Visek, and Wiener voted in favor. Cloud, Hinkle, Johnson, Vohra, and Wrights voted against. (Alternate Lieberman voted in favor but was superseded.)

Delete from the Policy Manual,  
"2.04.3: Legal Matters: Contracts and Contract Approval  
All contracts or modifications thereto shall be in writing. The Chair shall approve any contract in excess of \$7,500. All contracts of more than one year in duration or for more than \$25,000 shall be reviewed and approved by General Counsel prior to signing by the Chair. Independent contractors doing business with the LNC are required to sign formal contracts that clearly set forth the parties' intention that they be treated as independent contractors. Each contract for director-level employment must be circulated to the LNC on a strictly confidential basis after it has been reviewed by Counsel and the EPCC."

Insert in the Policy Manual,  
"2.04.3: Legal Matters: Contracts and Contract Approval  
All contracts or modifications thereto shall be in writing and shall document the nature of the products or services to be provided and the terms and conditions with respect to the amount of compensation/reimbursement or other consideration to be paid. The Chair shall approve any contract in excess of \$7,500. All contracts of more than one year in duration or for more than \$25,000 shall be reviewed and approved by General Counsel prior to signing by the Chair. No agreement involving a financial transaction with a related party shall be executed unless first approved by the LNC. Any such agreement shall be disclosed in a conflict of interest statement. Independent contractors doing business with the LNC are required to sign formal contracts that clearly set forth the parties' intention that they be treated as independent contractors. Each contract for director-level employment must be circulated to the LNC on a strictly confidential basis after it has been reviewed by Counsel and the EPCC."

E-Mail Ballot 2013-17: July 30 to August 20. Passed, with 12 in favor and 5 against. Blau, Goldstein, Hagan, Kirkland, Lark, Neale, Olsen, Pojunis, Redpath, Starchild, Visek, and Wiener voted in favor. Cloud, Hinkle, Johnson, Vohra, and Wrights voted against. Tomasso did not vote. (Alternate Lieberman voted in favor but was superseded.)

Insert in the Policy Manual,  
"Section 2.03.9: FINANCIAL MATTERS: Related Party Reporting For each related party engaging in one or more financial transactions with the Party, all interim financial statements shall include a report of the status, nature and current and year-to-date amounts with respect to such transactions, including contributions, expenses, loans, commitments, guarantees or any other transaction."

E-Mail Ballot 2013-18: September 6 to September 18. Passed, with 15 in favor, 1 against, and 1 abstaining. Cloud, Goldstein, Hagan, Hinkle, Johnson, Kirkland, Lark, Lieberman, Neale, Redpath, Tomasso, Visek, Vohra, Wiener, and Wrights voted in favor. Olsen voted against. Blau abstained. Starchild did not vote.

"To increase budget authority for legal expense in the 2013 LNC budget by \$3,500 to fund the costs of an appeal, to the Supreme Court of the United States, of the decision that kept the Libertarian Party presidential ticket from appearing on the ballot in Michigan in 2012."

## Moulton Opposes Floor Fees, Shows They Violate Roberts'

Libertarian National Committee,

I strongly object to a mandatory floor fee for delegates and urge the full LNC not to impose such a fee for the 2014 convention.

I have already written about this issue extensively. Rather than rehash my points in a long email, I will simply link to my past writings and add one additional point that recently surfaced.

First, I sent the LNC a letter in March of 2012 urging it to overturn the floor fee imposed by the convention committee for the 2012 national convention. In that letter I discussed the floor fee as relates to bylaws, Robert's Rules, a poll tax, subsidization, and the cost of conventions. I stand by all of these points.

Moulton open letter to the LNC (re-posted in its entirety on Independent Political Report): [independentpoliticalreport.com/2012/03/moulton-open-letter-to-lnc-regarding-floor-fees/](http://independentpoliticalreport.com/2012/03/moulton-open-letter-to-lnc-regarding-floor-fees/)

Second, I sent a brief to the judicial committee in June of 2012 on the floor fee issue. In my brief I responded point by point to briefs from the convention oversight committee and from Thomas Balch, which were so riddled with non sequiturs I had to chime in. Seeing as floor fee proponents persist in making many of those same points, this brief endures as a useful refutation thereof.

Moulton judicial committee brief (re-posted on pages 11-23 of George Phillip's Liberty for America newsletter): <http://www.independentpoliticalreport.com/wp-content/uploads/2012/06/May-June-Liberty-for-America-2012.pdf>

The judicial committee upheld the LNC's 2012 registration fee, which I believe was a grave mistake. I find the minority opinion much more compelling than the majority opinion.

Judicial committee opinion: <http://marketliberal.org/LP/JudCom/2012Ploeger/Opinions.pdf>

Third, at the 2012 convention a majority (but less than 2/3) of delegates voted to prohibit future floor fees ? specifically, 165

delegates voted in favor of prohibiting floor fees; 112 voted against prohibiting floor fees. That same amendment was in the 2010 bylaws committee survey, with 85.8% of 592 survey respondents who were LP members in favor. The will of both convention delegates and LP members on this matter is quite clear. Registration fee bylaws amendment proposed by Lark (page 12 of the 2012 Libertarian Party convention minutes): <https://www.lp.org/files/2012%20Libertarian%20Party%20Convention%20Minutes.pdf>

Fourth, a bit of new information: Many proponents of a floor fee argued that Robert's Rules of Order supports such a fee. However, the bylaws committee of the National Association of Parliamentarians recently weighed in on the matter, writing "Members should not have to pay to vote." in urging members to defeat a bylaws proposal moving from conventions to mail voting and imposing a fee for such voting (Balch was on that committee). The amendment was not adopted in convention.

NAP bylaws committee recommendations (page 25 of Notice of Amendments to NAP Governing Documents for the 2013 Convention): <http://63.247.128.171/getdocument.php?id=1979>

For the reasons above, I strongly oppose imposition of a mandatory floor fee for delegates.

If anyone would like to discuss the floor fee issue with me further, I am available by email or by phone at 215-768-6812.  
Chuck Moulton  
Interim Chair, 2014 LP Bylaws Committee  
Chair, Libertarian Party of Virginia

P.S. I speak only for myself here, not for the 2014 LP Bylaws Committee or for the Libertarian Party of Virginia.

## Vohra Attacks LNC Executive Session

As it appeared on the LNC-Discuss list, LNC Member Arvin Vohra took exception to the Executive Session and the Audit Committee vote, writing:

Yes, can we seriously declassify some of this so that those of us who want to explain to members what is going on can do so?

Without violating the rules of executive session, let me say this:

This whole thing seems to have no other purpose than to attempt to create a scandal, when there is none to be found. Minor oversights that All Parties agreed to pass as formal motions? What purpose did that serve, other than attempting to make someone look bad to people with incomplete information?

When Brett returned the Saratoga money, did the LNC then pass a motion telling Brett to return the money? No, because that would have been idiotic. He had agreed to do so, and pursue Saratoga privately.

LNC meetings are often inefficient, but it's impossible for me to imagine a bigger waste of time than this year's audit committee report. In all frankness, I only stayed for the duration of that since I figured out rightaway that the whole thing was designed as some pathetic attempt at a smear campaign, and thought it best to stick around to prevent it from getting more out of hand than usual.

Aaron Starr: Hundreds of our candidates, who are working hard to cut government, don't have campaign treasurers anywhere near your caliber. Imagine the real good someone like you could do either serving as treasurer for multiple campaigns, or as a trainer of campaign treasurers?

-Arvin

P.S.: Let's just suppose the point of this was to make the LNC and current staff look bad, so that Aaron could introduce/support another Wayne Root type, at the next convention. In one masterful move, he managed to:

1. Trick the LNC into an EIGHT HOUR executive session, during which Aaron himself spoke for like 7.5 hours. That makes our criticisms of past LNC 6 hour executive sessions seem hypocritical.
2. Dupe the LNC into passing, or even considering, FORMAL, ON THE RECORD motions that can easily be taken out of context to make staff look bad to those who both lack relevant information or a near-Vulcan dedication to pure logic.
3. Make it seem like the LNC had to force the ED to repay money, when that was clearly not the case.

## Starchild Disagrees

Arvin,

I'm totally with you on making all the Audit Committee materials and discussion public now, except for the second part of the committee report on FEC matters that can wait until those have been addressed.

As to the merits of the report however, I'm afraid we see that very differently. Don't forget all the reforms recommended by the auditing firm and written up by the committee that we previously voted on and adopted back in -- October, was it? You voted for some of those, didn't you? I think the Audit Committee has performed a real service, and I expect it to have a salutary effect in terms of making staff more careful with party funds going forward. How is that a bad thing? If the facts make people look bad -- well, that kind of speaks for itself. Some disagreed with the committee's conclusions, but I don't recall the committee being accused of making anything up. Context can always be supplied -- but I don't think most ordinary LP members are likely to find that context particularly exculpatory.

Regarding the 8-hour secret meeting, I agree it was a travesty, although I don't know that anyone was "tricked" or "duped" into it, and I don't recall Aaron Starr telling us we had to have that whole discussion in secret. Why didn't you join me in voting against convening a secret meeting on such vague grounds? If we had identified very clearly and narrowly what needed to be discussed in secret -- if anything -- and limited the discussion accordingly, I'll bet it could have been done a \*lot\* quicker.

As far as forcing the former executive director to repay money, perhaps a formal motion was unnecessary -- but given that the money could have been repaid voluntarily months ago, putting it on the record seemed like a reasonable precautionary step. Perhaps staff were waiting for just such a clear signal of the LNC's intentions.

I am very sorry that we effectively failed to address what I see as the biggest single scandal uncovered by the Audit Committee, the highly questionable payments of \$38,800 to Michael Cloud. One lesson I see here is that when it comes to taking action to address apparent financial improprieties involving fellow LNC members, the LNC is not necessarily going to be very effective. Might a Bylaws change putting such matters in the hands of the Judicial Committee be a solution?

The danger of people like Wayne Allyn Root getting into our leadership is an ongoing concern. Especially since many members of the current LNC never gave any indication of having a problem with his being on the committee, and thus the possibility of someone with similar views being appointed to fill a vacancy cannot be ruled out. And yes, we should view any Starr-backed candidates for LNC with a good degree of skepticism. But failing to operate in a manner that is above ethical reproach is not going to lessen this danger, but increase it. Just because a messenger who brings valid issues to our attention also has his own agenda is not a good enough reason to shoot him.

Love & Liberty,

(( ( starchild )))



# Partial Billing to the Libertarian Party for Fundraising and Writing Services

Michael Cloud  
7854 E. 3<sup>rd</sup> Street  
Tucson, AZ 85710  
Ph 520-886-6881

From May 15, 2012 through September 30, 2012

To: Carla Howell

Could you please send me a payment of \$13,500.00 (Thirteen Thousand Five Hundred Dollars) in partial payment for the fundraising and writing services I provided to the Libertarian National Committee, Inc. from May 15, 2012 through September 30, 2012?

- |  |      |      |      |      |
|--|------|------|------|------|
| 1. Direct Mail Fundraising – long-form & Urgent-o-Gram | 2700 | →    | 5400 |      |
| 2. Email Fundraising                                   | 2700 | —    |      |      |
| 3. Personal Solicitation Fundraising                   | 2700 | →    |      |      |
| 4. News Release Writing                                | →    | 2700 | →    | 5400 |
| 5. Targeted Message Writing                            |      |      |      |      |

Next week, I will provide you a completely itemized and documented bill for all my fundraising and writing services during this time frame – with prices and royalties.

Could you write and mail me this \$13,500 partial payment check today? Thank you.

Small government is possible,

Michael Cloud

Cloud, Michael

## 2<sup>nd</sup> Partial Billing to the Libertarian Party for Fundraising and Writing Services

Michael Cloud  
7854 E. 3<sup>rd</sup> Street  
Tucson, AZ 85710  
Ph 520-886-6881

From May 15, 2012 through **October 31, 2012**

To: Carla Howell

Could you please send me a payment of \$20,000 (Twenty Thousand Dollars Exactly) in partial payment for fundraising and writing services I provided to the Libertarian National Committee, Inc. from May 15, 2012 through **October 31, 2012**?

1. Direct Mail Fundraising – long-form & Urgent-o-Gram
2. Email Fundraising
3. Personal Solicitation Fundraising
4. News Release Writing
5. Targeted Message Writing

I will piece together an itemized and documented bill for all my fundraising and writing services during this time frame – with prices and royalties – before the end of this month.

Could you write and mail me this \$20,000 payment check today?  
Thank you.

Small government is possible,

Michael Cloud

## 3<sup>rd</sup> & Final Billing to the Libertarian Party for 2012 Fundraising and Writing Services

Michael Cloud  
7854 E. 3<sup>rd</sup> Street  
Tucson, AZ 85710  
Ph 520-886-6881

From November 1, 2012 through **December 31, 2012**

To: Carla Howell

Could you please send me a final 2012 payment of \$5,300 (Five Thousand Three Hundred Dollars Exactly) for fundraising and writing services I provided to the Libertarian National Committee, Inc. from November 1, 2012 through **December 31, 2012**?

1. Direct Mail Fundraising – long-form & Urgent-o-Gram 25% air mail
2. Email Fundraising 25% wa
3. News Release Writing
4. Targeted Message Writing > 50% ADMIN

Could you write and mail me this final 2012 payment check of \$5,300 today? Thank you.

Small government is possible,

Michael Cloud

*P.S. Happy New Year's to you and your LP Headquarters Team!*

✓ # 10159

## Michael Cloud Invoice May-Dec 2012

### Libertarian Party Fundraising Letters

Appeal	Drop Date	Description	Gross Revenue
1206 HO	06/20/12	ARF - BA Alert	\$ 15,124.00
1206 RE	07/02/12	Renewal Letter	\$ 13,195.00
1207 HO	08/06/12	Don't let this hold back..	\$ 33,261.00
1209 HO	09/13/12	Urgent Libertarian Message	\$ 19,684.00
1210 HO	10/04/12	If all americans knew	\$ 16,646.00
1210-2 HO	10/30/12	Is this the ..Good News..?	\$ 11,461.00
1211 HO	11/26/12	foot stompin, smil making..	\$ 12,079.00
1212 HO	12/31/12	You gotta see this: can't fail	\$ 16,595.00
			\$ 138,045.00
			\$ (8,000.00)
			= \$ 130,045.00
Commission =		x	15%
\$1000/letter +		=	\$ 19,506.75
(Net-1000)*15%		=	\$ 8,000.00
			= \$ 27,506.75

### News Releases

Topic	Post Date	
Why No True L Would Vote for Romney	31-Oct-12	\$500
Is Prevail Against 9-Week GOP Attack on BA in PA	12-Oct-12	\$500
An Open Letter to the Commission on Presidential Debates	01-Oct-12	\$500
Gov. Johnson could cost Romney 5 states	13-Aug-12	\$500
ObamaCare ruling	28-Jun-12	\$500
Rand Paul Betrays His Father's Principles	08-Jun-12	\$500
		<b>\$ 3,000.00</b>

### LP News Review & Editorial Services

Issues II, III, and IV – 3 issues @ \$500 ea. = \$1,500

### Fundraising Emails

Topic	Email Date	Revenue
✓ Hope and Possibility for Liberty – A Christmas Message to You	17-Dec-12	\$570
✓ Was 2012 the best year ever for our Libertarian party candidates?	07-Dec-12	\$365
✓ A Whole Lotta Shakin Goin On	29-Nov-12	\$16
✓ Only 24 Hours Left for You to Help GOTV	05-Nov-12	\$2,231
✓ Vote LP or Please don't vote	05-Nov-12	\$0
✓ Last 4 Days 'til Election	01-Nov-12	\$1,730
✓ Urgent Libertarian message- last 7 days election	29-Oct-12	\$2,690

Day			
✓	Breaking News LP Candidates + New Polls Reveal + What Rs Are Saying Privately	12-Oct-12	\$5,159
✓	Libertarian Party Fights Back Against NEW Republican Party Attacks	09-Oct-12	\$1,695
✓	Amazing impact of petition to include gov. GJ in debates	02-Oct-12	\$8,530
✓	The LP strikes back	28-Sep-12	\$17,272
✓	Ron Paul's race is over - but his mission lives on! - Tom P's Paul Fest list	25-Sep-12	\$3,313
✓	I've got to get this off my chest before I explode	07-Sep-12	\$7,430
✓	We're fighting for our lives to keep Johnson/Gray on the ballot in PA - PA list	31-Aug-12	\$12,003
✓	Republicans trying to knock GJ off ballot in PA	21-Aug-12	\$7,973
✓	Last call to get LP in on Tampa Ron Paul festivals. Need your help now!	20-Jul-12	\$6,610
✓	Your golden opportunity NOW to bring Ron Paul supporters into the LP	18-Jul-12	\$7,570
✓	Matching phone solicitation		\$10,000
✓	Follow up to BA Matching email of 6/25	27-Jun-12	\$13,052
✓	Ballot Access ALERT: Libertarian Votes On the Line	18-May-12	\$11,157
			<b>\$119,366</b>
			10%
			<b>\$11,936.60</b>

### ***Fees and Charges for 2012***

House	\$27,507	
News Releases	\$3,000	
LP News review & editorial services	\$1,500	
Emails	\$11,937	
	<b>\$43,944</b>	
	-\$5,144	negotiated discount
<b>Total</b>	<b>\$38,800</b>	

## Updated/Revised Michael Cloud Invoice May-Dec 2012

Libertarian Party Fundraising Letters

Appeal	Drop Date	Description	Gross Revenue
		ARF BA Alert	
1206 HO	6/20/12	Collaboratn w/ CH=.5x\$15,124	\$ 7,562.00
1206 LA	07/02/12	Lapsed Letter	\$ 2,330.00
1207 HO	08/06/12	Don't let this hold back..	\$ 33,261.00
1209 HO	09/13/12	Urgent Libertarian Message	\$ 19,684.00
1210 HO	10/04/12	If all americans knew	\$ 16,646.00
1210-2 HO	10/30/12	Is this the ..Good News..?	\$ 11,461.00
1211 HO	11/26/12	foot stompin, smil making..	\$ 12,079.00
1212 HO	12/31/12	You gotta see this: can't fail	\$ 16,595.00
		FUNDS RAISED	\$ 119,618.00
			\$ (7,500.00)
		=	\$ 112,118.00
Commission =		x	15%
\$1000/letter +		=	\$ 16,817.00
(Net-1000)*15%		=	\$ 7,500.00
		=	<b>\$ 24,317.80</b>

Libertarian Party Fundraising Emails

Topic	Email Date	Revenue
Hope and Possibility for Liberty – A Christmas Message to You	17-Dec-12	\$570
Was 2012 the best year ever for our Libertarian party candidates?	07-Dec-12	\$365
A Whole Lotta Shakin Goin On	29-Nov-12	\$16
Only 24 Hours Left for You to Help GOTV	05-Nov-12	\$2,231
Last 4 Days 'til Election	01-Nov-12	\$1,730
Urgent Libertarian message- last 7 days election Day	29-Oct-12	\$2,690
Breaking News LP Candidates + New Polls Reveal + What Rs Are Saying Privately	12-Oct-12	\$5,159
Libertarian Party Fights Back Against NEW Republican Party Attacks	09-Oct-12	\$1,695
Amazing impact of petition to include gov. GJ in debates	02-Oct-12	\$8,530
The LP strikes back	28-Sep-12	\$17,272
Ron Paul's race is over - but his mission lives on! - Tom P's Paul Fest list	25-Sep-12	\$3,313
I've got to get this off my chest before I explode	07-Sep-12	\$7,430
Republicans trying to knock GJ off ballot in PA	21-Aug-12	\$7,973
Last call to get LP in on Tampa Ron Paul festivals. Need your help now! Half Michael/Half Carla	20-Jul-12	\$3,305
Matching phone solicitation		\$10,000
Follow up to BA Matching email of 6/25	27-Jun-12	\$13,052
Ballot Access ALERT: Libertarian Votes On the Line	18-May-12	\$11,157
Corrected FUNDS RAISED		<b>\$96,488</b>
News Releases		10%
CORRECTED COMMISSION		<b>\$9,649</b>

Topic	Post Date	
1,139,562 Votes for Gov. Gary Johnson. Record-Setting L...	07-Nov-12	\$500
A Vote you'll never regret	06-Nov-12	\$500
Vote LP or Please don't vote	05-Nov-12	\$500
Why No True Libertarian Vote Romney	12-Oct-31	\$500
An Open Letter to the Commission on Presidential Debates	01-Oct-12	\$500
Gov. Johnson could cost Romney 5 states	13-Aug-12	\$500
ObamaCare ruling	28-Jun-12	\$500
Rand Paul Betrays His Father's Principles Half MC Half CH	08-Jun-12	\$250
		<b>\$3,750</b>

LP News Review & Editorial Services

Issues II, III, and IV – 3 issues @ \$500 ea. = **\$1,500**

Miscellaneous Services and Charges

Item	Post Date	
Ron Paul Festival Flier/Email Half Carla/Half Michael	15-Aug-12	\$250
		<b>\$250</b>

LP National Convention Promos, Marketing, & Sales Emails

Topic	Post Date	
Libertarian Party's National Convention May 3-6 in Las Vegas	30-April-12	\$750
Gold Packages sold out; 22 Silver Package left; More LP...	27-April-12	\$750
Libertarian Party's National Convention this May in Las Vegas	13-April-12	\$750
How Many LP Candidates do You Want to Elect?	19-April-12	\$750
Mark Hinkle, LP National Chair, 4 Reasons Why to Attend	29-Mar-12	\$750
Ruth Bennett, Convention Chair, Invitation to Attend	21-Mar-12	\$750
David Bergland Wants You to Come to the LP Convention	15-Mar-12	\$750
"9 Reasons Why Libertarians Like You Are Going,,,"	8-Mar-12	\$750
"Why Is This Year's 40th Anniversary Libertarian National Convention Unlike Any Other In LP History?"	28-Feb-12	\$750
Why Haven't You Been Told These Things About the Libertarian National Convention this May 2-6?"	22-Feb-12	\$750
"Why you? Why are you getting this first?" - Libertarian Party	14-Feb-12	\$750
	<b>Total</b>	<b>\$8,250.00</b>

Fees and Charges for 2012

Billraising the Libertarian Party	\$19,618	\$24,318	
Fundraised Emails RAISED	\$96,488	\$9,649	
LP News review & editorial services		\$1,500	
News Releases		\$3,750	
Misc.		<b>\$500</b>	
	<b>Total</b>	<b>\$39,467</b>	
	<b>Billed For</b>		<b>\$38,800</b>

# Michael Cloud Invoice May-Dec 2012

## Libertarian Party Fundraising Letters

Appeal	Drop Date	Description	Gross Revenue
1206 RE	07/02/12	Renewal Letter	\$ 13,195.00
1207 HO	08/06/12	Don't let this hold back..	\$ 33,261.00
1209 HO	09/13/12	Urgent Libertarian Message	\$ 19,684.00
1210 HO	10/04/12	If all americans knew	\$ 16,646.00
1210-2 HO	10/30/12	Is this the ..Good News..?	\$ 11,461.00
1211 HO	11/26/12	foot stompin, smil making..	\$ 12,079.00
1212 HO	12/31/12	You gotta see this: can't fail	\$ 16,595.00
		<b>FUNDS RAISED</b>	<b>\$ 122,921</b>
			<b>\$ (7,000.00)</b>
		=	<b>\$ 115,921.00</b>
Commission =		x	15%
\$1000/letter +		=	\$ 17,388.00
(Net-1000)*15%		=	\$ 7,000.00
		=	<b>\$ 24,388.00</b>

## Libertarian Party Fundraising Emails

Topic	Email Date	Revenue
Hope and Possibility for Liberty – A Christmas Message to You	17-Dec-12	\$570
Was 2012 the best year ever for our Libertarian party candidates?	07-Dec-12	\$365
A Whole Lotta Shakin Goin On	29-Nov-12	\$16
Only 24 Hours Left for You to Help GOTV	05-Nov-12	\$2,231
Last 4 Days 'til Election	01-Nov-12	\$1,730
Urgent Libertarian message- last 7 days election Day	29-Oct-12	\$2,690
Breaking News LP Candidates + New Polls Reveal + What Rs Are Saying Privately	12-Oct-12	\$5,159
Libertarian Party Fights Back Against NEW Republican Party Attacks	09-Oct-12	\$1,695
Amazing impact of petition to include gov. GJ in debates	02-Oct-12	\$8,530
The LP strikes back	28-Sep-12	\$17,272
Ron Paul's race is over - but his mission lives on! - Tom P's Paul Fest list	25-Sep-12	\$3,313
I've got to get this off my chest before I explode	07-Sep-12	\$7,430
Republicans trying to knock GJ off ballot in PA	21-Aug-12	\$7,973
Last call to get LP in on Tampa Ron Paul festivals. Need your help now! Half Michael/Half Carla	20-Jul-12	\$3,305
Matching phone solicitation		\$10,000
Follow up to BA Matching email of 6/25	27-Jun-12	\$13,052
Ballot Access ALERT: Libertarian Votes On the Line	18-May-12	\$11,157
<b>FUNDS RAISED</b>		<b>\$96,488</b>
		10%
News Releases	COMMISSION	<b>\$9,649</b>



Topic	Post Date	
1,139,562 Votes for Gov. Gary Johnson. Record-Setting L...	07-Nov-12	\$500
A Vote you'll never regret	06-Nov-12	\$500
Vote LP or Please don't vote	05-Nov-12	\$500
Why No True Libertarian Vote Romney	12-Oct-31	\$500
An Open Letter to the Commission on Presidential Debates	01-Oct-12	\$500
Gov. Johnson could cost Romney 5 states	13-Aug-12	\$500
ObamaCare ruling	28-Jun-12	\$500
Rand Paul Betrays His Father's Principles Half Michael Half Carla	08-Jun-12	\$250
LP News Review & Editorial Services		<b>\$3,750.00</b>

Issues II, III, and IV – 3 issues @ \$500 ea. = **\$1,500**  
 Miscellaneous Services and Charges

Item	Post Date	
Editing for H1206 ARF - BA Alert	20-Jun-12	\$250
Ron Paul Festival Flier/Email Half Carla/Half Michael	15-Aug-12	\$250
		<b>\$500</b>

LP National Convention Promos, Marketing, & Sales Emails

Topic	Post Date	
Libertarian Party's National Convention May 3-6 in Las Vegas	30-April-12	\$750
Gold Packages sold out; 22 Silver Package left; More LP...	27-April-12	\$750
Libertarian Party's National Convention this May in Las Vegas	13-April-12	\$750
How Many LP Candidates do You Want to Elect?	19-April-12	\$750
Mark Hinkle, LP National Chair, 4 Reasons Why to Attend	29-Mar-12	\$750
Ruth Bennett, Convention Chair, Invitation to Attend	21-Mar-12	\$750
David Bergland Wants You to Come to the LP Convention	15-Mar-12	\$750
"9 Reasons Why Libertarians Like You Are Going,,,"	8-Mar-12	\$750
"Why Is This Year's 40th Anniversary Libertarian National Convention Unlike Any Other In LP History?"	28-Feb-12	\$750
Why Haven't You Been Told These Things About the Libertarian National Convention this May 2-6?"	22-Feb-12	\$750
"Why you? Why are you getting this first?" - Libertarian Party	14-Feb-12	\$750

Total Generated **\$170,846**

Billed to the Libertarian Party in Paid Convention Packages **Zero - \$0.00**

Fundraising Letters RAISED \$122,921	\$24,388
Fundraised Emails RAISED \$107,363	\$9,649
LP News review & editorial services	\$1,500
News Releases	\$3,750
Misc.	<b>\$500</b>
<b>Total</b>	<b>\$39,787</b>
Billed For	\$38,800

+++++

Between February 14 and May 7, 2012 Michael Cloud generated over **\$170,514** in LP National Convention Revenue.

From May 8 to December 31, 2012, Michael Cloud Fund-raised over **\$230,284** for the LP.

**Total: \$400,798 for the Libertarian Party.**

+++