The Policy Manual requires a Chair’s Report, but does not specify what it should contain. I do not find this situation helpful, since it leaves me to decide what I think is valuable or necessary. However, in the absence of concrete direction, I will write what I think may be additive. I also welcome any and all feedback, but will not necessarily take all feedback to heart, unless specifics are included in the Policy Manual.

As Chair, I perform a lot of functions that I do not record, or report, because they are so regular and ordinary. While there are some of you who would like to know everything I do, it is my opinion that the burden of documenting and reporting every activity is so onerous that it would dissuade me from engaging in many of these activities altogether. Therefore, I’d like to give you all some ideas of what I do with my time.

I receive a fair number of emails from members or inquiries. I attempt to answer them promptly with an appropriate diplomacy. Sometimes these emails are quite mundane, and I try to be helpful when it is not too onerous a task. Other times, I refer the email to the person I think is best suited to handle the inquiry or request. Sometimes I have to politely say I cannot help them. I have records of every email I’ve sent, but I see no value in reporting these too anyone. Given the dispute over “transparency”, I am unlikely to report any at all, unless the sender specifically grants me the authority to publish his email. After all, I think our members and the general public should have an expectation of privacy in their emails.

I do occasionally get requests from media, which I try to fulfill. I have been a guest on several radio shows. I have been a guest of Gary Johnson’s on an internet “town hall” meeting. I do get requests for “email” interviews, where I answer questions, and I attempt to answer these contemporaneously. However, I also get requests for interviews that are often so amateurish that they will ask me to be on a radio show at a certain time on a certain date, where neither the time zone nor specificity of morning or evening is referenced. Then I might never get a response, so I don’t call in.

I had the pleasure of being invited to address the LP Florida EC meeting, and quite enjoyed it. I used the time mostly for Q&A, and hope that I represented the LP appropriately. You might ask Vicki Kirkland, since she was on the call. I welcome any and all invitations from any LP affiliate, subject to my availability.

I have attended several local LP affiliate meetings, and welcome many more opportunities to do so in the future.

I have had contacts with three international libertarian parties: Spain, Russia and England. I was asked to be a guest speaker at the Second Annual Congress of the Partido de la Libertad Individual in Madrid, Spain. I was offered expenses excluding airfare, and decided that I could not afford the cost, but would have loved the opportunity. Instead, I prepared a greeting that was read at the event. I did ask if they would extend me an invitation for subsequent congresses. The Russian LP equivalent will have a member in Washington, DC in late July, and I welcomed them to visit our office. The English LP is actually headquartered about six miles from my parent’s house, and I have established a connection with them, since it would be very easy for me to meet with them in person should I make a visit to my parents.

I routinely interface with staff, mostly with Carla and Robert. Some of these relate to publications such as press releases, fundraising appeals, etc. Some revolve around policy implementation and perspectives related to policy. Some are minor details or clarifications. My philosophy of management is that I expect staff to have the policies and guidelines to restrain their activities, as well as the freedom to implement their duties with those same constraints. Translation? I am not a micro-manager.

I talk frequently with members of the LNC, related not just to their duties, but also to ideas and concepts for things we can and/or should do. If you are one of the LNC members I converse with regularly, you know what we’ve talked about. If not, you are welcome to call me, with one caveat. I respect and value the concept that people be able to talk things out before formal presentations of an idea are made. I’m happy that some of share your ideas and concerns with me. I welcome anyone else to do likewise. However, I am not signing up to be the “champion” for everyone’s ideas. I do urge, and will continue to urge, that each of you take the lead, or a major supporting role, in what we as a body do.

I also talk to other members of the party on an ongoing basis. Mark Hinkle is a very close friend of mine, and he has been very valuable in presenting his viewpoint of what has gone one. Please note that I said “his viewpoint”. Pat Dixon, Texas LP Chair, is another good friend that I talk to frequently, but much of these conversations revolve around LP Texas business, but he is also the Vice-Chair of the LSLA. In that regard, I’ve begun discussions on future relationships between the LNC and the LSLA, and how to optimize them.

I have had many conversations with Ron Nielson of the Gary Johnson campaign. Most conversations are simple “hand offs” or informational in nature, and would not be additive to be detailed. I feel our working relationship is cordial and productive, but maybe he thinks differently.

I made a site visit to the Rosen Centre in order to familiarize myself with the hotel, its facilities, and staff. Since I will be signing the contract, I want to feel very comfortable with doing so. I will be happy to provide a verbal report during the CoC Report, if requested.

I am sure there are things I have left out, and I apologize for my oversight, but I struggle with exactly what the majority of the LNC expects in this report.

My nomination and election was unplanned. As such, I never had an opportunity to state my perspectives, positions, goals, objectives, etc. I think it is important for me to do so.

**Governance, not Government:**

I have already stated that I believe in governance, not government. This is a pretty broad statement, and I will focus this message further.

I believe that the LNC is a governing board, and should confine its role to governance wherever possible. This especially applies to the relationship between the LNC and staff. It also applies to relationships between the LNC and affiliates, campaigns, etc. Governance involves clear statements of policy, establishment of objectives, and oversight.

Our job is not to manage staff. The Chair’s job is to be the primary oversight with staff, through the ED. Wherever possible, I expect the ED to be free to manage staff within the constraints of policy, objectives and budget. For the most part, our Bylaws and Policy Manual support this viewpoint.

However, I am concerned that some of our Policy Manual appears to blur this distinction. Specifically, I think the EPCC, the “New Visions” Committee and to some degree the IT Committee stray from a governance model. I might also add that I feel these committees provide opportunities for LNC members to focus on activities that have not been demonstrated to serve the mission statement, but I will argue that later.

I welcome discussion regarding my position, but it is obvious to me that if we do not agree on the entire perspective of governance versus government as it relates to the LNC, we’re always going to be prone to acting inconsistently. Also, I do not see the value in having staff feel that it is subject to the whims of the LNC, rather than serving the best interests of the LP as stated by LNC Policy.

I know for a fact that past LNC’s (and I’m not addressing any one LNC in particular) have passed requirements for voluminous and detailed reports that virtually no one reads and are not used to drive decisions of the LNC. I also know that many of these were instituted to “punish” ED’s for transgressions – real or imagined. Sometimes these requests were ignored, and sometimes they were fulfilled, but the mere fact that data was required that was not utilized was a failure of the relationship between the LNC and staff. Most often, I think this happened because of the unwillingness of the LNC to replace the ED that they felt was not serving the LP well enough, yet the LNC did not have the courage to direct the Chair to replace the ED.

It is very important for the LNC and staff to build and maintain a productive relationship. Establishment of clear policy, objectives and budgets is the best way to do so. However, these three must be supportive of each other. We cannot give staff a $50,000 budget and demand they elect four people to Congress. We must be reasonable.

**Positions versus Roles:**

I read a communication from the “New Visions” Committee that stated how staff should be structured. It outlined a certain number of positions that were required. I found the recommendation to be sound, except that the model it was based upon was what I would call “corporate”.

A very large corporation would normally have departments, perhaps even divisions, in order to accomplish the various efforts necessary to its operation, and staff or outsource accordingly. A startup, or a small company, would define roles to accomplish the various efforts to its operations, and staff or outsource accordingly. The difference? One person can and should fill multiple roles in a small company. So should we.

As an IT professional, it shocked me to see that there was a recommendation to hire an IT resource. This is just about the same as saying we need a “plane” person because we fly. That single person would have to be able to fly, navigate, maintain, fuel, serve passengers, handle baggage, etc. IT is no different. There are a vast number of skill sets that might be needed in our office. To think that we can find one person that fills all of these needs is unreasonable. Certain skills are quite valuable, and we’d have to pay the person for their highest valued skill. However, a skilled IT expert, say in database administration, would be very unlikely to want a job that mostly involved mundane stuff normally done by a tech support staffer. There are organizations that can offer every skill we need in an outsourced relationship. Additionally, many mundane IT tasks can readily be filled by other people who are not IT professionals. Do we need an expert to hook up a new computer to our network?

So what we really need is to have roles filled, not positions filled. Whenever possible, it makes sense to hire individuals who have multiple overlapping skills, so the required roles can be filled by multiple individuals.

Who should determine this? The ED. Not the LNC. We set the policy, objectives and budget, and the ED implements accordingly.

 **Inwards versus Outwards:**

What is our perspective? Where do we spend our time on the LNC? Where should we spend our time on the LNC?

As a Policy and Oversight board, we must look inwards. This is our primary role, but we will never get kudos for doing so. It is the job part of our job. As such, I urge us to spend as little time doing so as possible.

I think the EPCC, “New Visions” Committee and IT Committee are three examples of inward vision that may serve some oversight capabilities, but also give reasons (excuses) for LNC members to avoid doing uncomfortable things.

We must adopt the most outward perspective we can. We must de-emphasize inward perspectives and emphasize outward perspectives. Simple translation? Outward perspectives support our mission statement; inward perspectives support our board duties.

We need more members, more donors, more candidates, more media exposure, more election victories, more legal victories, more successful affiliates, more allies, more . . .

I challenge each and every one of you to sign up for doing the things you are uncomfortable with. I call this leadership, and you are all leaders.

**General Fundraising versus Targeted Fundraising**

There was a time on the LNC where much of the work accomplished was funded by targeted fundraising. Committees were identified as “self-funded action committees”. It was felt that it if the donors supported an activity, it should be done. If it was not supported by donors, it should not.

The best example we have of this is Ballot Access, which is funded heavily by targeted donations. In GAAP parlance, this is known as a temporarily restricted fund. Money that is raised for a purpose can only be used for that purpose. Many people have argued over the years that it is a waste of money to support Ballot Access in so many states. These people rarely give to Ballot Access. Those that think it is a worthwhile endeavor do give to Ballot Access in sufficient numbers and dollars to make it happen. While the debates as to its value continue, the fact that so much of the funding comes from targeted fundraising diminishes arguments over whether or not we should be pursuing it.

On the other hand, we had two $50K expenditures on the last term (Saratoga and Ed Coleman) that came from general fundraising. This comment is not an opinion on whether or not these expenditures were worthwhile or not, but on the fact that every donor’s general fundraising money went to both of these targeted activities, so the number of people who are “stakeholders” in the opinion of whether the funds were well used is huge. If both of these projects were funded from targeted fundraising, there would have been far less political risk for the LNC.

I strongly favor using targeted fundraising whenever possible. The political ramifications I stated above are one, but they are not my primary reasons. The first reason is that targeted fundraising is easier to accomplish than general. The second is that the feedback to the donor that they gave, and we succeeded at what we did, reinforces the willingness to donate more money more often in the future. The third reason is that the marketplace will tell you where you do NOT have support from the donors. If we don’t raise the money, we don’t do the activity. The fourth reason is that you cannot interject a sense of immediacy into a general fundraising appeal, unless you’re in trouble (give us money now or the doors will close), whereas a targeted fund will have deadlines and imperatives. The fifth is that the metrics of support for specific projects will allow you to better target future fundraising efforts, and reduce the costs of doing so. The sixth reason is that targeted fundraising communicates that we are doing specific things. Please feel free to add more.

We will always need general fundraising appeals, and a large chunk of donors like the “United Way” option of just giving money and letting the LNC manage their donations, but we’re missing a lot of money by NOT leveraging the targeted fundraising opportunities.

**Board Training**

Could we use board training? Absolutely. My challenge to you is to pursue it. If you want a structured and sponsored approach, bring it up in the LNC meeting.

**Fundraising in General – some thoughts**

Could we all use training in how to fundraise better? Absolutely.

Here’s some of my feedback to all of you. My source? Dozens of non-profit fundraising experts and the Leadership Institute.

First, let’s start with destroying one myth in particular – the “limited pie theory” - donors only have a small discretionary budget, and we’re competing with each other (LNC versus state versus candidate versus Cato versus whomever). Fundraising experts will tell you this is not true. The only ones who give until it hurts are those with no discretionary income at all, and these are probably our activists, who never will give beyond their labor (which is of significant value, nonetheless). Most donors give what they want to, and our job is to make them want to give more.

Some lessons (sourced from the Leadership Institute):

General fundraising – here’s what we’ve done – help us keep on doing it. Not the best yield, but usually successful if you’re doing things.

General fundraising – we’re in bad shape – please send us money or we’ll have to close the doors. Often a very good yield, since donors will feel they’re losing something if they don’t give. However, it’s like crying wolf – you cannot do this very often, and always risk donors giving up, and never giving again. Use this only when absolutely necessary.

Targeted fundraising – give us money so we can do this. Good yields, so long as you maintain a reasonable result rate, and don’t pursue things that are unsupported.

Capital Campaigns – give us money so we can buy something real (bricks & mortar). Always the highest yield of any class of fundraising.