

2011 NASS Winter Conference
NASS Executive Board
Friday, February 11, 2011
JW Marriott
Washington, DC
11:30 AM – 1:45 PM

Members Present:

Hon. Mark Ritchie, MN – NASS President
Hon. Beth Chapman, AL
Hon. Ross Miller, NV
Hon. Kate Brown, OR
Hon. A. Ralph Mollis, RI (by proxy)
Hon. Tre Hargett, TN
Hon. Robin Carnahan, MO
Hon. Ben Ysursa, ID
Hon. John Gale, NE
Hon. John McDonough, MD

NASS Staff Present:

Ms. Leslie Reynolds, NASS Executive Director
Ms. Kay Stimson, NASS Director of Communications & Special Projects

Secretary Ritchie welcomed everyone and called roll.

NASS Mid-Year Budget/Financial

Secretary Ritchie asked Paul Caranci, representing Secretary Mollis, to go through the 2010 NASS Summer Conference financials. Mr. Caranci said that Secretary Mollis was delayed from arriving at the conference until Sunday. He expressed the Secretary's overall sense of pride in being able to put on a great conference while dealing with a short lead time and a difficult economy. They were able to return the \$40,000 in NASS seed money, which was something that was very important to Secretary Mollis. Rhode Island generated \$242,316.99 in revenue and had \$201,101.11 expenses. Mr. Caranci explained that their office has had some staff turnover, and pulling together some of this financial information was difficult. Anthony Worch (NASS CPA) and Leslie Reynolds said they were actually going to address ways to make the summer conference accounting easier during the annual audit report.

Secretary Ritchie thanked Rhode Island for putting on such a wonderful conference. Secretary Ritchie and Secretary Miller were discussing ways to make the corporate affiliate program more robust. Secretary Ritchie said that there was a spot on the agenda where they would go into more detail shortly.

Secretary Miller asked Mr. Anthony Worch of Lively, Ostrye and Worch to review the June 30 audited financial statements. Mr. Worch reported that the auditor issued an unqualified opinion letter that says NASS finances are in order. He also reported that the auditor issued an additional letter stating that NASS staff should handle the accounting for the summer conference. In addition to a burden on state staff that is organizing the conference, by the time the auditor reviews those financials (six months after the conference) staff turnover and administration changes make it difficult. The Executive Board agreed

that it would be a good practice to pull back the accounting responsibility from the host state and make that part of the NASS conference responsibility – to begin with the next conference. He then reviewed the statements and answered questions from the Board. He next went through the December 30, 2010, financials, which are the most recent financials available. Because of the \$40,000 returned by the summer conference host and some cost cutting, NASS has a net income of \$39,000 through December 30. However, it should be noted that we were budgeted to have a net loss of \$14,000. Secretary Ritchie called for a motion to approve the NASS financial reports.

ACTION ITEM:

A motion was made by Secretary Kate Brown to approve the June 30, 2010 NASS Audited Financials, the NASS December 31, 2010 Financials, and the Aged Receivables. The motion was seconded by Secretary Ben Ysursa. The vote was unanimous.

Action Items, Major Projects and Reports

Secretary Ritchie reported that while the Immediate Past President position on the Board will remain vacant with the resignation of former Kentucky Secretary Trey Grayson (who left office to serve as Executive Director of Harvard's Institute of Politics), Missouri Secretary Robin Carnahan has agreed to fill the vacancy he created as Midwestern Vice-President.

Secretary Ritchie then asked Secretary Miller to discuss his ideas about a more robust corporate affiliate recruiting program. Secretary Brown asked for Ms. Reynolds to bring to the Board two to three proposals that they could consider. Secretary Chapman made a pledge to raise \$10,000. Secretary Ritchie and Secretary Miller also pledged to raise \$10,000 each. The Board members also agreed to reach out to two to three companies within their state.

West Virginia Secretary Natalie Tennant came in to talk to the membership about progress toward planning for the 2011 Summer Conference. She reported that the hotel room rate at Glade Springs is \$159. She reviewed some of the transportation options and some of the evening events.

Secretary Ritchie then introduced Sean Keefer with the Indiana Secretary of State's office. Sean presented a bid to host the 2013 NASS Summer Conference on behalf of Indiana Secretary Charlie White. He said that there are five hotels that are interested in hosting the meeting and they have all agreed to the government per diem rate which is currently \$91.00/night. He reviewed some of the attractions of Indianapolis and explained that the airport was a short 15 miles from downtown and a \$7.00 cab ride. Secretary Ritchie called for a motion to recommend that the NASS 2013 Summer Conference take place in Indianapolis.

ACTION ITEM:

A motion was made by John Gale that the NASS Executive Board recommends that the NASS 2013 Summer Conference take place in Indianapolis, Indiana. The motion was seconded by Secretary Hargett. The vote was unanimous.

Secretary Ritchie then asked Leslie Reynolds to review the VoterNetwork program with Tangent Media. Ms. Reynolds reported she reached out to Tangent in mid-December because she had not heard from them following the November 2010 election to report on the VoterNetwork program. A conference call with NASS staff was scheduled for the first week in January. During that call, Tangent said they would

not be able to attend the winter conference but would submit a written report. Ms. Reynolds asked them to provide audited financials for the year, as called for in the contract. She also asked for the income statement that was supposed to accompany the \$4,400 check received in July 2010 that outlines the revenue collected and the share that NASS would receive, which is also required within the contract. She reiterated that she had made this request in August 2010 and had still not received anything.

Tangent also said on that call that there would not be any revenue share distribution in December, as the program did not make any money. They explained to Ms. Reynolds that there is no pre-determined audience or mailing list anymore, as there was with a mailing. While they have the digital program established, people have to sign up for it and they haven't been able to generate much traffic to the site. They said that while there are approximately five thousand people signed up for VoterNetwork, it needs millions to be successful. They have been talking to cellular and Internet providers to talk to them about accessing their customer list. They also said they had been talking to advocacy groups about using their membership databases. Ms. Reynolds said that she had reminded them that any discussions with other organizations needs to be discussed with NASS first. She also reported that she asked for the audited financial statement as called for in the agreement. Tangent said they would get all the financial information to her, but she noted that when the financial statement arrived, it was not done by an independent auditor (as required by the agreement).

Secretary Gale and Secretary Miller offered to work with Ms. Reynolds to prepare a letter to Tangent calling on them to comply with the terms of the agreement and to provide an audited financial statement, as well as income share statements for their July 2010 payment. Meanwhile, Tangent said there wouldn't be any revenue to share for the December, but sent a check for \$1,267.63 along with the financial statements they did send. Secretary Ritchie asked for a motion.

ACTION ITEM:

A motion was made by Secretary Chapman that Secretaries Gale and Miller work with NASS staff to immediately prepare a letter to Tangent Media LLC stating that they must provide audited financial statements within 30 days. The motion was seconded by Secretary Gale and the vote was unanimous.

Secretary Ritchie then asked Secretaries Gale and McDonough to give the ACR and NPA reports. Secretary Gale said that ACR was meeting via webcast due to the challenging economic circumstances facing many states. However, he noted that they are preparing a robust agenda for the summer conference and have prepared a program with a budget of \$8,000. They have excellent speakers, expert panels, roundtable discussions, and website and electronic rule publishing demonstrations. Secretary Hargett said that a staff member he sent to last summer's meeting reaped tremendous benefit.

Secretary McDonough said that NPA will meet this summer as well, and requested that they cover the foreclosure issue. He said they will also discuss RULONA, apostille standards, and electronic apostilles. Secretary McDonough reported that NPA is concerned about the turnover in membership and would like help in promoting NPA to new Secretaries who may have new staff in this area. Secretary McDonough explained that he wouldn't be present for the Business Meeting on Monday and asked that Secretary Gale deliver his report. Secretary Ritchie asked that those Secretaries on the Board who have had very positive experiences like Secretary Hargett speak up at the Business meeting.

The Board then went into Executive Session to review NASS Executive Director. The meeting adjourned at 1:45 PM.