

1st Vice President Report to the Board

January 2024

I've been the 1st VP for four years now, and a Vice-Director for twenty-three years before that – a quarter century in all. The truth of the matter is that for me the last four years have been quiet. COVID has had a lot to do with this – hamfests and similar gatherings are only now coming back into fashion. This inactivity has been a bit disappointing, but reality is what it is. In any case, this could well be my last 1st VP report, so I thought I would take up a few more pages than usual to lay out my thoughts, and to get some discussion going that might, in the long run, help lead the Board in some more fruitful directions.

I have several concerns, all of them centering on matters of ethics and fairness. These are:

- What is a not-for-profit and what does that mean for the way we conduct our affairs
- The highly unethical nature of the “Shadow Board”
- The meaning and importance of Board transparency
- Equal representation for our members
- Restructuring the Ethics and Election Committee

I have also included some hints as to how these problems might be remedied.

I. What it Means to be Not-for-profit

We are **NOT** a for-profit organization, though considerations of long-term financial viability are hugely important. I applaud those who have been focusing on our finance-related problems and applying their substantial business experience. However, I repeat, we are **NOT** a for-profit organization.

This difference between for-profit and not-for-profit organizations rests in the goals. To be for-profit defines the primary goal as optimizing financial payoff to stakeholders. There may be other goals, but they are secondary to generating ROI. In contrast, to be not-for-profit defines the primary goal as promoting a particular and generally non-monetary cause. Financial optimization is an important secondary goal, but it is only secondary.

What does this mean for the League? It means that our primary focus is promoting Amateur Radio, the people who practice it, and above all, our members. Increasing interest in the hobby is something we all strive for, and I personally think we can make progress, even against the demographic tide that our ageing membership presents. But, contrary to the tenor of much Board conversation over the last few years, a shrinking membership will not kill the League. Membership has varied at different times in our history. It started at zero when the League was founded and has generally, though not universally, grown over the years. At every step, the League has adjusted to serve the membership it had. Shrinking membership is only an existential threat if we fail to manage the organization's size and scope appropriately.

So, let's bring the panic level down a few notches. Let's continue to try to grow the hobby, and thereby League membership, but let's acknowledge that if we can't grow the membership, we can simply scale down a bit. The ROI in financial terms will be smaller, but that is secondary. The ROI in terms of supporting our members and our hobby will remain sound.

II. The "Shadow Board" and its Ethical Ramifications

As all of you are aware, we have, over the last two years or so, developed what I call a "Shadow Board." Those on the Shadow Board, roughly 10 Directors, apparently meet periodically to discuss Board matters, including proposed motions and actions. The remaining Directors are excluded along with the other Board officers. To the best of my knowledge, no formal reports or minutes of these meetings have been prepared, and certainly not shared with the rest of the Board.

This is highly unethical, and highly damaging to the Board and to the League. Let me give some background information, then I will describe why this is unethical.

First, I should describe my own board experience, which will give you an idea of where my views originate. I have been on several small and modest sized not-for-profit boards, including everything from the local radio club and a large charter school to the organization, FEMARA, that runs the New England Convention. I have also been on numerous municipal boards, both elected and appointed. A number of the League's Board members, past and present, have had similar experiences, and I believe some number of you also have experience on for-profit boards.

I am most familiar with the municipal realm in Massachusetts, though I can assure you that the ethical and legal considerations are identical, or nearly so, in every state of the Union. Look up “Open Meeting Laws”. In the government regulatory sphere there are **very** strong ethical and legal requirements surrounding the holding of unannounced or covert board meetings. In this context “meeting” generally means any gathering, physical or virtual (including some serial conversations), of a quorum of a board. If a town board were to be caught having shadow meetings such as our Board is doing, the participants would find themselves before a superior court judge and in very hot water within days and would be the subjects of state ethics commission investigations.

So, what does this have to do with the board of a not-for-profit? First, let’s consider why the rules for municipal boards are what they are. There is in the public sphere a general public right to know what the leaders are doing. This is critical if the public is to reasonably and rationally select, by election or through appointment by elected officials, those who would govern them. It is this purpose that leads to the demand for transparency, which I discuss later in this report. So how does this rationale apply to other boards, not-for-profit or otherwise? That depends on the nature of the board.

For many not-for-profit organizations, perhaps it does not. Many, the majority I believe, of not-for-profit boards are self-selecting. The board members choose their peers and successors, often based on how deep their pockets are. There is no “public” in the same sense as the term applies to governmental boards. While in these cases cutting some board members out of board discussions may not be the best of governance practices, it does not necessarily damage the process by which the board is selected. This rationale applies as well to for-profit organizations with private or closed boards.

The League does NOT have this kind of board. Directors are periodically elected by members based on geographic areas. Our model is very much like that of a governmental unit, a town, state, or country. Our members pay for their vote with their dues. And the geographic aspect makes it even more important to include every Board member fully in the decision-making process. Exclusion of any Director from discussions is, in effect, disenfranchising the members of their division.

So how did this “shadow board” come to be? An underlying current has been the allegation of serious breaches of board confidentiality on the part of several Directors in the “out” group, and this has been given, implicitly and explicitly, as a reason for excluding some people. I have heard similar allegations aimed at Directors in the “in” group. But when I’ve asked those involved on either side to give me real

details I must say, with perhaps one notable exception, that very little has been presented that would convince me we have a problem.

Furthermore, to the extent that there have been breaches, how severe have they been? There are, to be sure, topics that demand Board confidentiality; personnel matters and certain business negotiations being at the top of the list, but the vast bulk of what we do is rather mundane, and assigning undue importance to confidentiality in these areas is largely an exercise in exaggerated self-importance.

Our “shadow board” involves Directors elected by roughly two thirds of our membership. Conducting business as it does deprive one third of our membership of effective representation. Perhaps this is not illegal, although I’m sure that an enterprising attorney could construct a civil case that would at least get through the courthouse door. But it utterly fails the “smell test.” It is wrong, it is unethical, it is harmful to the League and its membership, and it needs to stop. **NOW.**

How might we protect the league from things like this in the future and make clear to our members that we take representing them seriously? I would propose something like this in the standing orders:

“Whenever a quorum of the Directors meets, in person, virtually, or mixed, the meeting shall be announced to the entire Board and access to the meeting shall be given to all Directors, Vice-Directors, and Officers.”

This is clear and concise but is far less onerous than the rules that apply to governmental entities.

III. The Nature of Board Transparency

One can and should infer from the previous sections that Board transparency is necessary for a healthy Board elected by the membership. It is, perhaps, not the kind of transparency that some critics of the League have called for, such as live broadcasts of Board meetings, though this argument could certainly be made.

The point of transparency is that both League members and Board members should have sufficient information to carry out their roles. I see two areas in which our Board is lacking.

First, our reporting of major actions is weak. The Board minutes that we feed to our membership seem designed to minimize disclosure to a fairly superficial level. Over the years we have intentionally avoided or minimized details of our deliberations; we have had specific discussion on this topic at Board

meetings. Furthermore, we have been less than diligent in distributing what information we do reveal to our members in a timely fashion. In addition, we don't, as a matter of course, report who voted and how, unless someone requests a roll call, and when several Directors did start exercising this power more frequently, the Board voted to change the rules to make roll call votes more difficult. The rational as I understand it was that the roll calls were taking too much time. This is as specious an excuse as one could muster. In fact, why not record votes on every motion? The technology exists to do this easily and quickly, or it could simply be done by the Secretary. Reticence to record votes has far more to do with avoiding embarrassment on the part of the Directors than with saving time at the meetings.

Can we do anything about this? Of course, and easily. I would propose adding something like the following to the Standing Orders:

"All votes of the Board shall be recorded, including who voted and how, and, except in the case of votes made during executive sessions, immediately reported."

This brings me back to the topic of Board confidentiality, already mentioned above in the previous section. Yes, there are certain things that should not be publicly disclosed, or should be disclosed only at a high level: personnel matters, legislative negotiation strategies, and certain sensitive business negotiations. There is good reason to be careful in these areas. However, such matters are generally easy to discern. Few of the cases of alleged breach of confidentiality that have come to my attention have had much impact in these arenas.

So, what is the real reason for the Board's obsession with secrecy and confidentiality? As mentioned above, it is clearly the desire to avoid embarrassment (and perhaps even accountability?). This raises a **HUGE RED FLAG**. We've all experienced embarrassment and it isn't pleasant, but fear of embarrassment is also a very important signal that warns us when we are on a path that is ill advised, unethical, or worse, and that requires some serious rethinking.

IV. Equal representation for all members

We are a membership organization with an elected board. As such, each member's vote should be counted roughly equally. Sadly, and as we all know, this is far from the case. The following chart reveals the numbers of full members in each division as of last November with the relative value of a single

member's vote in each division. The disparity is appalling. The vote of a member in the Southeastern division is worth one-fifth of that of a member in the Dakota division:

Division	Full Members	Vote Value Relative to Average
Atlantic	11464	0.8
Central	9306	1.0
Dakota	3052	3.0
Delta	6676	1.4
Great Lakes	11037	0.8
Hudson	4857	1.9
Midwest	5991	1.5
New England	8236	1.1
Northwest	11317	0.8
Pacific	8872	1.0
Roanoke	11693	0.8
Rocky Mountain	6990	1.3
Southeastern	14101	0.6
Southwestern	10655	0.8
West Gulf	11043	0.8

total full members 135290

average division 9019

There will never be perfection, as division membership numbers change over time. Nonetheless, considerations of fundamental fairness dictate that the League do something to level the playing field. Our members all pay the same dues; they deserve the same rights. The status quo is simply not defensible on ethical grounds.

There are multiple possible solutions to this problem, all easy to describe but politically difficult to implement. But the problem must be solved. A good start would be to define boundary goals. Perhaps we should add something like this to our bylaws:

“The number of members entitled to vote in each division shall be between 80% and 120% of the number in an average sized division.”

By this standard, only four divisions currently pass muster – Central, New England, Pacific, and Southwestern.

V. The Ethics and Elections Committee

The Board has for many years relied on an Ethics and Elections committee as a mechanism for managing questions of ethics and propriety. Any objective analysis of its efficacy would conclude that the results have been mixed at best. On smaller details having to do with the conduct of elections, the committee has mostly been able to bring order when needed. But on some of the truly important matters, the Committee has failed, leading to accusations of weaponization, arbitrariness, and bias. I will note three situations that have arisen in recent years to illustrate this.

In one, a Director was censured for activities characterized as breach of confidentiality when, in fact, the underlying “offense” was an encounter between the Director and a Board Officer at a Board meeting, one that some Board members found to be unacceptable. The result has fueled anti-League rhetoric and damaged the reputation and stature of the Board.

In another, a Vice-Director was denied the right to run based on an interpretation of conflict of interest that can, at best, be characterized as convoluted and tortured. Much to his credit, that Vice-Director took the long view and has since returned to the Board as an elected Director. An interesting side note is that a few years later, a Director candidate found himself in a very similar situation, and there was no action by the E&E. Inconsistent results like this damage the League.

In the most recent, a Director proposed to publish a book that was in violation of any reasonable interpretation of conflict of interest. The E&E gave an initial OK, a decision that in itself was impossible to justify, then backtracked on that approval claiming that important information had been withheld, though the proposed publication would have been, with or without the withheld information and beyond any doubt whatever, a violation of conflict of interest. The result was a kerfuffle that cast the League in a most unfavorable light, and which gave the Director plenty of ammunition to criticize the Board.

In summary, on big issues our Ethics and Elections committee has been an almost total flop. While it might be tempting to criticize the individual Directors on that committee, in fact, each of the three E&E committees involved in the cases above had a different membership. The problem would seem to have less to do with individuals than with a flawed process. One important flaw is that the committee makeup changes frequently due to our rules about who may serve on it. The short terms served on the committee have led to inconsistency from year to year, inconsistency that from the outside is perceived as arbitrariness. Another is that information and history do not seem to pass easily from one E&E to another. We keep trying to reinvent the wheel.

One thing that is not a flaw is the various pieces of Board policy and Connecticut law that together form our code of conduct. While it is always a good idea to periodically review and update the code of conduct, the periodic attempts to “fix” the codification of the code amount to no more than rearranging the deck chairs on the Titanic, and doing so will not fix the problems with the E&E. Recent history shows that our problems lie not in the details of that code, but rather in the inconsistency of its application.

Many boards of all sorts now call upon third-party organizations to vet ethical issues. We might be well advised to do this, as has been discussed several times in Board meetings. The following, framed as a bylaw change, is one way to proceed:

“The President, or a committee appointed by the President, shall find and recommend an outside firm to investigate and adjudicate matters of Board ethics and election conduct.”

Another approach might be to enlist past Directors, Vice-Directors, and Officers, now presumably detached from the Board nitty-gritty but still familiar with the general operations, to take on this role. This would be less expensive and arguably would lead to an E&E better informed about board and election operation.

“The Board shall elect an Ethics and Elections committee made up of 3 individuals who have served, but are not currently serving, as Director, Vice-Director, or Board Officer.”

VI. Summary

In the previous sections I’ve laid out what I believe to be some of the most pressing issues challenging the Board today. To reiterate:

- Balancing our not-for-profit character with the need for sound business management
- The threat posed by the “Shadow Board”
- Living up to our duty of transparency
- Equal representation for our members
- Fixing the Ethics and Election Committee process

These are challenges not to the body of the League, but to its soul. Things like cash flow, building up an endowment, or increasing the membership are more practical problems, and we have on the Board and at the helm of the League people who are willing, able, and eager to tackle them.

I’ve also sketched out possible solutions to the problems I’ve described. These would, of course, need to be fleshed out and made into motions, but that shouldn’t be too hard to do. I would be happy to assist.

VII. And Now for a Final

It’s time to wrap things up. I’ve been on this Board for 25 years now. It’s been quite a ride. I’ve served under five presidents, survived no-code licensing, battled for antenna rights in the courts, fought in the “Vice-Director War”, and gotten to know some very fine people in the process, many still with us, a few, sadly, no longer. I could try to name you all, but the list would be long, and I would no doubt omit someone important. But I will call out one old friend, no longer with us, whom I sorely miss. That would be Pacific Division Director Jim Tiemstra. Those who knew him may recognize some of his ideas in the preceding pages.

I am not yet done with League service, but I may be entering something of a hiatus. For now, I’ll be building up the veggie farm, finally putting my antenna farm back together, busying myself with town politics, sliding into professional retirement, and generally looking for new ways to get into trouble.

73,

Mike Raisbeck, K1TWF

1st Vice President