

Notes from West Regional Meeting 8/15/08, Los Angeles

Basic overview of status of organization (mostly laid out by Bertha with help of Karen Inman)

Bertha said that she was chosen for the job and that it was a hard one.

Dale Rathke stole 948 K that we know about. Anonymous donor bought the rest of the note...

Organization still leaking badly...causing a lot of problems for us particularly with NYT.

Funders are on our asses but most things they are asking for are things we need to fix. A few funders are particularly bad and seem to have a problem with Wade that they are taking out on us.

Rathke family paid up not Dale...some questions about robbing Peter to pay Paul here...

Most of this money was spent up on credit cards, not clear what it was all spent on but a lot of things like the concord, fancy meals and trips, also some money 600K or so that could not be accounted for at all.

Wade did not believe that the situation occurred when it was brought to his attention by Jamie Hansen. Wade was in denial for many months.

Issue was brought to the management council, only person with a major consistent vocal objection at the time was Amy Schur. It's not clear that Amy ever agreed to be part of this decision.

Others had misgivings about it. But for whatever reason chose to allow Wade to deal with the situation. He lied to them about the fact that he was dealing with corporate lawyers and the board. He never did so, only engaging Louie Rabin, a L100 lawyer for his own personal self-interest on an advisory basis and then did his own promissory note.

Wade never fully told anyone on the board. He allowed Dale to continue working for ACORN and despite his assurances to the management committee at the time allowed him to continue being involved with almost all finances.

Over 170 different corporations were created, many are defunct now. Wade and Dale put themselves on all the building corporations. Members and others who were appointed were not kept up to date on the status of these various corporations. This includes (7) building ownership corporations including Elysian Fields.

Other senior staff were not told at the time. Liz Wolff was put in charge of finances after the fact. Then we had several CCI directors including Sam Payne, the Faherty's and others.

Both the health fund and the pension fund are missing large amounts of contributions that should have been made (I was not clear on the entire explanation here but money was shifted from one health fund/pension fund to ACORN and may be entirely lost).

We have not kept adequate reserves in the health fund and pension funds. Statements were not accurate or timely. Taxes were not properly paid on several important corporations.

All of this is now being addressed.

The board took action following the disclosure that something had leaked to the Needmor foundation

The board made the decision to remove Wade and appointed the IMC committee. Everyone on the senior staff had to explain to the board why they should be kept...but in the end the board made Bertha the Chief and appointed three members to the IMC to work with this group of staff.

CCI has been remiss, has no errors or admissions insurance.

Beth Butler remains a regional director. Bertha had conversation with Beth where it did not go well...Beth is demanding that LA ACORN be allowed to work with Wade.

Negotiations with Wade did not go well at all...resulted in more lawyers and problems than anything. Wade refusing to cooperate hiring lawyers of his own to defend family etc.

Recommended that one read Gary Delgado's book...racial composition of staff still a major problem reflected there....also read George Wiley's book Passion for Equality...Wade was not the only "founder" of ACORN and the split between him and Delgado, although Gary remains sympathetic to Wade in some ways, probably damaged the organization.

A lot of questions to be examined...why are we doing certain programs and services that are either not really needed by our members as a major demand and which do not really build us membership. Politics and 3rd party politics remains important and is underestimated in Bertha's view.

Too much hustling for money and not enough organizing.

Too many HOs and other staff do not treat or respect members properly, poor training, and modeling of Wade's way of treating people poorly and in an abusive way, not respecting process or opinions.

Surprise of Bertha and most IMC members about how angry US Board members really have been...this more than anything is going to impact our future....we have a lot of work to do....

Almost all jobs will be posted.

Essentials for each office to be established...and ways for staff to have more input of ideas in the management structure beyond just size of office budget.

Several comments were made about nepotism and favoritism in the way jobs and employment policies were handed out, including non-posting of jobs, favoritism. Its not clear how to unravel this all.

Wade had two henchmen and women Zach and Helene and all decisions were being pushed through them complicating matters. Most of the other senior staff on the management council were diminished...particularly Steve Kest, Jon Kest, etc. This resulted in a bad relationship with Madeline Talbott and Mike Shea...much of which is still problematic and which we are still trying to solve (Bertha stressed there are no solutions yet as we are still trying to put our own house in order). Keith Kelleher had to leave because he would have ended up in serious legal trouble or jail with 880....other people left...many problems resulting here...

Wade has hired lawyers to go after staff persons who found out about this situation or who have brought other charges against his family. He has maintained that he is the head of ACORN International as well as a bunch of other entities. The Board has said it will disaffiliate with ACORN

International and that ACORN will sue for our name if Wade continues to be involved.

ACORN International seems to be described as both a C3 and an LLC...not sure what was the answer here....

Funding continues to remain a problem. Bertha has gone out and has secured both a large loan and a grant \$1.5 mil from Ratner to help with insurance, back IRS payements, tough times, etc.

Hard cuts will have to be made...a lot in recruiting, we were spending 45K a month in ads alone...not a good system at all...people in charge of department were equipped to design a solid program here etc.

We had discussion about whether to have an independent investigation...such as a Mitchell Commission, this thought is being currently considered and will be done in some form by IMC and board.

CCI is currently inadequate but is keeping us going day to day, they are not equipped for complex issues...Bertha has not been able to get Mike Jones to be cooperative on many issues and Mike signed contracts with Duplantier for more audits without consulting folks through 2008...causing major problems.

One major problem is that Whitney Bank allows us to overdraw and be unrealistic in financial management and planning, creating some major discrepancies between what is in accounts and what we have in reality.

Bank reconciliations are often not up to date and/or CCI is slow at doing them

401 K money seems to be ok...non pension contributions...

Plans for a larger DC program need to be considered as well as greater decentralization...more regionalized HQ things such as this....

Las Cruces and several other offices expressed major problems with political operations and relationship to HOs...a good discussion that was non-personal ensued...

Need to evaluate other related operations...people wanted to talk more on this but we were heading into next phase.

Structures and orgs to be reduced to needed levels.

YEYB will be in NOLA...its important the new leadership establish that the event can be held in NOLA without Wade.

Bertha's 5 Points:

- * *"Perfect" can be the enemy of "good".*
- * *Speak plainly.*
- * *Respect others and oneself.*
- * *Ask "is the money worth it?"*
- * *Remember: Consensus works!*

*** Values/Principles that Make ACORN Great ***

- * Multi-issue
- * Crosses racial/cultural/age barriers.
- * Survives haters.
- * Autonomy/Freedom to try new approaches.
- * The organization is national and international.
- * Gets members into positions of power.
- * Integrity.
- * Board structure...at least it being low and moderate income run
- * Few barriers to collaboration.
- * Numbers count (organizers not advocates)
- * Members speak for themselves.
- * Flexibility in the model.
- * Member-run
- * Caucus of Color (Retains staff of color)
- * Flexibility in direct action (Quick hits)
- * Empowerment (staff + leaders)
- * Longevity
- * Faith in people speaking for themselves.
- * Navision.
- * Brand recognition.
- * Database.
- * Gives organizers a chance.
- * Inter-office coordination.
- * Coordinated campaigns.
- * Develops community relationships.
- * We built it ourselves.
- * Some Voter Reg. operations do develop great staff from scratch.
- * Involving members in voter reg. helps with integration.
- * There are real efforts to get Political Operations staff and Head Organizers to work out their differences.
- * Voter Reg. delivers.
- * Principals guide the work.
- * There are high expectations for results.
- * Political Operations staff are not looking to take over.

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*** What things about ACORN need to change? ***

- * Current culture makes staff feel stupid. (The intimidation keeps people from wanting to be H.O.s)
- * There has been infighting
- * Big budgets should not be the only source of power.
- * How do we make sure ACORN culture pervades our affiliates?
- * Do need to vent, but also need to be constructive.
- * No trashing/bashing.
- * No door matting.
- * Need a culture of openness
- * ACORN/AHC needs to work (special committee).

- * National office should be luxury not burden.
- * Need culture of peace.

*** Brainstorming Session ***

- * We need an HR department within ACORN. (EEOC, benefits,grievances, hiring)
- * Regional offices for Admin support.
- * Move some national functions out of NOLA. (DC some other key location?)
- * Smarter, more selective hiring (Aimee Olin agreed to work on this)

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*** Staff Process Ideas ***

1. Train all members and staff in organizing.
2. Hiring and recruitment and recruiting staff of color.
3. Evaluation.
4. Retention.
5. Interrelationship between organizations.
6. Head Organizer/Manager Development.
7. Clear job descriptions (national and local.)
8. Comprehensive office planning (Ending Culture of Chaos)
9. Problem resolution/grievance policy.
10. Planning roles in an office.
11. National staff decision-making structure. (Role of individual managers.)
12. Relationship between national and local functions.
13. Wages/salaries, need to be addressed geographically.
14. Affirmative action (program to increase number of senior staff of color.) This needs to be addressed for real beyond reports and numbers...we need to look at our culture.
15. Promotion policy and the need for listing job openings.
16. Interaction between ACORN and AHC need improvement, many fights are not real or important.
17. Staff support structure...evaluation of this piece and what is effective....

*** Sustainability ***

- Sustainability is the key to organizing.
- Taking money means a relationship with funders.
- -Need not take money for work we won't do or can't do.
- Sustainability must be made integral.
- -should be made part of training for ALL staff.
- -Need sufficient diversification.

- -Need sufficient infrastructure/technology.
- Need to develop process for email blasts to reach a broader constituency.
- Other donations (beyond money.)
- -Smaller asks to larger ones.
- Performance-based model for promotion and advancement...regular and timely.
- Sustainability.
- -Benchmarks.
- -Budget to do work.
- -Orgs.raise own budget.
- -Traditional model.
- Friday canvassing.
- Email blasts/follow-up.
- Business canvassing 1- 1.5 hrs/day.
- Agreements with unions
- -Joint membership actions.
- -Unions paying dues to ACORN.
- Paycheck to paycheck a problem.
- No formal training.
- -Implement from the beginning with ALL STAFF
- -Budget.
- -How to sustain an organization
- -Fundraising.
- -model already exists.
- -3 months in advance.
- -with board

- -Paul Satriano as resource.
- Clear communication and process to get money from national fundraisers.
- -Shouldn't have to lobby.
- -More cheerleading. (Regular email blasts.)
- -More members taking responsibility for budget/fundraising work.

At end of meeting, serious talk about need for reconciliation among staff and future cooperation...in the face of these issues...we can be stronger.