

Snell & Wilmer
L.L.P.
OFFICE MEMORANDUM

TO: Rob Anderson

FROM: Stewart O. Peay

DATE: December 4, 2017

RE: Lisa Shepherd Investigation

As per our conversations and my conversation with Joni Crane, I provide to you my findings regarding the Lisa Shepherd investigation.

Findings

Lisa Shepherd, at all times relevant to the inquiry was the Secretary for the State Republican Party. Ms. Shepherd admits that she intentionally made changes to State Party Bylaws (“Bylaws”). She claims and provides support for the proposition that she was given permission to do this by former Party Chairman James Evans and that he had knowledge of her activities. There appears to have been one accidental “return” that caused problems in the numbering of the Bylaws. Ms. Shepherd was responsible for this error.

The State Party Constitution (“Constitution”) nor the Bylaws grant to the State Party Secretary nor the State Party Chairman the unilateral authority to change the Bylaws, including changes limited to formatting and capitalization. The Constitution states with respect to the duties of the State Secretary that “The Secretary shall provide required notice, minutes and attendance records of the State Central Committee, State Executive Committee, and the State Convention.” Constitution at Art. III B.3. Similarly, the duties of the State Party Chair do not mention changing the Bylaws. See Constitution at Art. III B.1.

The Constitution and Bylaws Committee (“C&B”) is responsible for the maintenance of the Bylaws. The Constitution grants the C&B the duty to “propose changes to the Party Constitution and Bylaws.” Constitution at Art. IV B.3. The Bylaws state that the C&B “is the guardian of the Party Constitution and Bylaws.... The [C&B] is responsible for reviewing the Party Constitution and Bylaws and making the recommendations to the State Central Committee for changes as the need arises.” Bylaws 1.3. B-C.

Early in 2017, Ms. Shepherd appears to have concluded that there were certain formatting and capitalization issues with the Bylaws. It appears that she then asked Mr. Evans if she could make changes in the formatting and capitalization, which she did. She presents evidence that she reported her activities to various other Party officers and at various Party meetings around this time.

In the Spring of 2017, Peter Greathouse, then the chairman of the C&B requested from Ms. Shepherd information clarifying the actions that she had taken with respect to the Bylaws. On May 2, 2017, Ms. Shepherd sent Mr. Greathouse an email explaining the changes that she made. According to the May 2 email as well as comparison of the document that I ran on the two versions of the Bylaws, she appears to have made changes to the following Bylaws: 3, 7, 8 and 9. For a full explanation of the changes made, see Exhibit 1 hereto which is a comparison between the two versions of the Bylaws. It does not appear to me that any of the changes were material in nature.

There is evidence that Ms. Shepherd accessed the copy of the Bylaws numerous times between January and May 2017. It does not appear that there is any basis for her accessing these documents during this time. The only time that they would need to be accessed is if the SCC or the Delegates made a change per the requirements of Article II of the Constitution.

At the September 2017 State Executive Committee Meeting there was confusion over whether or not a quorum could include those on the phones. At this time it was discovered that there is an apparent conflict between Bylaw 1.0.A .and Bylaw 3.O.E.

Conclusions

1. Ms. Shepherd's changes to the Bylaws, albeit immaterial were not within her purview as Secretary. Nor did the then Chairman of the Party have the authority to allow her to make such changes.

2. Any change made to the Constitution or Bylaws of the Party must be made the through the proper procedures enumerated in Article II of the Constitution.

3. Ms. Shepherd argues that the changes that she made are consistent with what Robert's Rules of Order traditionally allow a secretary to do. While that may be true, Bylaw 11.0 states that Robert's Rules will govern "except to the extent they are inconsistent with the Constitution and Bylaws and any special rules of order the Party may adopt." Here, the Bylaws make clear that the C&B is responsible for the Bylaws and therefore this issues is not governed by Robert's Rules.

4. There is an apparent conflict between Bylaw 1.0.A. and 3.E.

Recommendations

1. The C&B Chair should present the version of the Bylaws that was valid on September 19, 2015 before Ms. Shepherd made her unilateral and unauthorized changes to the Bylaws to the State Central Committee and ask for ratification of those Bylaws. If there have

been any approved amendments, per the procedures contained in Article II of the Constitution, to the Bylaws since that time, they should also be included in the version to be ratified.

2. The C&B should make a recommendation to the State Central Committee regarding the conflict between Bylaw 1.0.A. and 3.E.

3. The C&B should make a recommendation to the State Central Committee about how to best maintain the “operative” version of the Bylaws. I would suggest that this includes keeping a “wet signature” copy of the Bylaws in a safe at the Party Headquarters. The signatures on the Bylaws should include the signature of the C&B Chair and Secretary. There should be a log kept that includes any and all amendments or changes to the Bylaws. This log should be the responsibility of both the B&C Chair and the Secretary.

4. The State Central Committee should censure Ms. Shepherd for acting beyond the duties outlined for her office.

5. Only paid staffers should have access to the online copies of the Bylaws.