

**PROCEEDINGS OF THE MAY, 1997, UNITED STATES CHESS FEDERATION
POLICY BOARD MEETING**

ACTIONS BETWEEN MEETINGS

The following motions were considered by objections procedure:

PB97-97(Eade) The Board moves that Joan DuBois is commended for her handling of the customer feedback portion of the USCF Website. She has been unfailingly helpful and customer focused during a difficult transition and has represented the USCF in a truly admirable manner. PASSED

PB 97-98 The office is authorized to extend an invitation to Yasser Seirawan to participate in the 1997 US Championship. PASSED

PB 97-99 (Lieberman): The Policy Board thanks and commends John MacArthur for re-organizing the online catalog to a presentable format. Although online shopping was not available, the redesigned catalog enabled a large number of visitors to the site to see USCF in a positive light. John MacArthur's long hours of work are greatly appreciated. Special thanks are also given to Helen Kyles and all other staff members who assisted.

Please note: This is the final wording of the motion. There was one objection (Tom Dorsch). The motion PASSED by acclamation during the meeting. (See PB 97-110)

PB 97-100 (Dorsch): In view of the fact that Jim Warren, Life Member, longtime Delegate from Illinois, and Voting Member has had recent surgery, the Policy Board extends its best wishes and will send him a "get well" sentiment. Another message extending our sympathies will be sent to his wife, former Policy Board member Helen Warren. PASSED

PROCEEDINGS OF THE 05/97 POLICY BOARD MEETING

The Policy Board met in New Windsor, New York, during the weekend of March 30 - June 1, 1997. The Board would like to express its appreciation to the guests who attended including, but not limited to, Denis Barry, Doris Barry, Paula Brown, Sharon Brunetti, Tony Cottell, Barbara DeMaro, Joan Du Bois, Tara Gardner, Lisa Graham, Eric Johnson, Gloria Johnson, Mary Johnson, Alan Kantor, Larry King, Helen Kyles, Traci Lee, Myron Lieberman, Sonia Lynch, Beatriz Marinello, Judy Misner, Jackie Mongelli, Glenn Petersen, Gary Prince, Theresa Ternay, Elliott Winslow, Carolyn Withgitt

The Policy Board expresses its appreciation to the Office for its outstanding hospitality.

Friday, May 30, 1997

Opening - President

The meeting was opened by President Donald Schultz at 9:07 AM. President Schultz appealed to the members of the Board for a constructive meeting with no personal insults.

Executive Director's Report

Executive Director Michael Cavallo stated that excellent progress has been made in reduction of the deficit. The current figure is \$120,000.00, down from \$400,000.00. This reduction has been accomplished by such means as cutting costs and operating understaffed. USCF currently has a staff of 38. Formerly there were 44 employees. Legal and professional fees have been cut.

The Executive Director proposed a \$2.00 increase in scholastic and annual dues and discounts for multi-year memberships. He also recommended that scholastic memberships be limited to individuals 15 years of age and under. He stressed that we need a growth strategy.

Several events have made the last six weeks a major period for chess. These include the National Open, the Super Nationals, the Kasparov vs. Deep Blue II match, and the CHESSathon. The Executive Director stated that he was actively involved with the media, including Voice Of America and NBC radio. USCF got mention and there was a good spillover effect in memberships and sales. In addition, Chess Jam 97, held in Baltimore, Maryland, was an outstanding opportunity for Grandmasters to interact with hundreds of people, many of them children.

A card will be sent out urging members to rejoin. In addition, a request for donations was sent to Life Members.

The phone and computer systems were discussed. Upgrades are needed and plans are to put them in place as soon as possible. Decisions regarding the new phone system will be made as early as next week. The target date for the new phone system is August, and for the new computer system November.

Executive Director Michael Cavallo is actively working with sponsors and pursuing new strategies to increase sales and promotion. Wizards of the Coast is a new sponsor. Interplay sponsorship will continue for the US Championship, the Women's Championship, and the US Junior. Scholastic chess programs are being developed. Scholastic Director Beatriz Marinello will give six workshops in the field, and develop a volunteer outreach corps. A holiday season scholastic catalog is planned.

Stock of "Informant"s will be increased. A discount will be offered. In addition, foreign markets will be explored as opportunities for revenue.

Book and equipment sales were discussed. The office will determine what clocks will be stocked.

A break was called at 10:50 AM and the meeting resumed at 11:08 AM.

The USCF Website was discussed extensively. John MacArthur is leaving USCF and the intent is to hire Jade River Designs (Duif Calvin) to serve as Webmaster. There was discussion about ways to make the website more responsive to our needs. Michael Cavallo stated that he is in talks with Interplay now regarding these issues. The Board established the following policy, proposed by President Donald Schultz:

PB 97-101 (Board): It is the policy of the USCF to maintain a website which provides chess information and a broad range of services second to none in quality and scope. **PASSED 7-0**

Editor Glenn Petersen discussed the fact that he is having a serious problem with the current pricing structure for TLAs. He stated that he cannot use a smaller font in the magazine, but has insufficient space to cover the need. In addition, there are postal requirements regarding free announcements vs. paid advertising.

The Board will place a motion on the agenda for the Delegates' meeting that will rescind DM 94-56 and prior motions involving TLAs and rating fees with the understanding that the Executive Director will develop a substitute fee structure.

The meeting went into closed session at 12:30 PM to discuss legal issues. No motions came from closed session.

Staff Presentations

The meeting resumed at 1:30 PM with staff presentations given by four members of the USCF staff. Beatriz Marinello, Scholastic Director, stated that she will be giving workshops in the field and has plans to attend teachers' conventions. Her goals include increased outreach and communication, as well as the establishment of a national training program. Joan DuBois, Correspondence Chess Director, handles e-mail and feedback on the USCF website. She has been actively involved in website maintenance. Sonia Lynch, Accountant, analyzes and reconciles accounts. Gloria Johnson, Manager of Sales and Membership Services, introduced her staff and each of their functions to the Board. They include Mary Johnson, Traci Lee, Vincent Klemm, Frieda Maniscalco, Nancy Evans, Paula Brown, Tara Gardner, Joy Fairweather, Theresa Ternay, Krista Bechtold, and Kathy O'Carroll. This department handles processing of sales, memberships, over the board activity, and many other functions. Thanks to all for a job well done.

A break was called at 3:45 PM. The meeting resumed at 4:00 PM.

Policy Board Member items for Discussion

Secretary Rachel Lieberman introduced the concept of listing Board e mail addresses on the masthead of Chess Life along with the existing Board information. The Board approved this idea.

It was made known that George Filippone's severance package had been finalized.

Member-At-Large Jim Eade introduced a list of annual review and performance criteria that he developed with the Executive Director:

1. Performance Expectation: Priority Items

Deficit reduction

Sponsorship enhancement

Marketing innovations

Dispute resolution

Systems modernization

Develop a first class website

2. Performance Expectations: Finance

Federation finances will be managed according to GAAP

Produce monthly variance report

Profit center accounting on an annual basis

Prepare regular cash flow forecasts

Keep the professional fees and services to a prudent minimum

Develop a multi-year business plan

3. Performance Expectations: Board Accountability

The Board will be provided with information in sufficient detail and with sufficient lead time for it to perform its oversight responsibilities, including a monthly Executive Director letter.

Multi-year contracts and contracts in excess of \$50,000.00 will be pre-approved by the Board, except employment and printing contracts.

Contracts (criteria to be determined) will be in writing.

4. Performance Expectation: Membership Services

Utilize the Internet to expand membership services

Online viewing and tutorial

Secure online transaction processing for members, affiliates, and customers.

Online catalog

Membership feedback facility

Regular news and information services

Online play (real time and correspondence)

Special event handling

Forums, etc.

Continuous improvement

Customer service

Backorders

Reminders

As it was 4:50 PM, the Board recessed but reconvened briefly to pass the following motion:

PB 97-102 (Goichberg): The Policy Board appoints Tom Dorsch as liaison to the Grants Committee, the US Chess Trust, the Life Membership Fund, and the Computer Rating Agency.

The Policy Board appoints Tom Dorsch to the following Board Subcommittees: Executive Compensation and Review, Scholastic, and Tournament Standards.

Reimbursement of PB expenses will be done as in the previous administration. The Treasurer shall review all expense requests (except his own) and report any he may find inappropriate to the Board. The President shall likewise review the Treasurer's expense requests. If any expense request is questioned, the Board will make the final decision. **PASSED 6-0-1** (Adams, Eade, Ferguson, Goichberg, Lieberman, Schultz in favor; Dorsch abstained)

The meeting recessed at 5:00 PM. The discussion of performance expectations continued in the Saturday morning Open Session.

Saturday, May 31, 1997

The meeting began in closed session at 9:00 AM. It was opened at 10:03 AM. The following awards were determined in closed session and confirmed in open session:

Distinguished Service - Tony Cottell and Frank Camaratta

Outstanding Career Achievement - J.C. Thompson, Leroy Dubeck, and Bill Snead

Special Services - Jim Pechac, Denis Barry, and John McCrary

Frank J. Marshall Ambassador Award - Maurice Ashley and John Donaldson

Meritorious Service - Alan Sherman, Randall Swanson, and Jim Warren

Grandmaster of the Year - Alexander Yermolinsky

Organizer of the Year - Jose Cuchi and Steve Doyle

Committee of the Year - Finance

City of the Year - Knoxville, Tennessee and Sioux Falls, South Dakota

The Koltanowski Awards and the Scholastic Awards are not determined by the Policy Board and will be announced at the Awards banquet.

Congratulations to all of the award winners.

Executive Director Michael Cavallo presented the following motion regarding the proposed dues increase:

PB 97-103 (Cavallo): Beginning January 1, 1998, one, two, and three year Scholastic dues should be raised from \$10.00 - \$20.00 - \$30.00 to \$12.00 - \$23.00 - \$34.00. Beginning January 1, 1998, one, two, and three year Youth dues should be raised from \$15.00 - \$30.00 - \$45.00 to \$17.00 - \$32.00 - \$47.00.

Beginning January 1, 1998, Scholastic memberships should be limited to people fifteen years of age and under. **PASSED 6-1** (Adams, Eade, Ferguson, Goichberg, Lieberman, Schultz in favor; Dorsch opposed.) This motion will be presented to the Delegates as a Board motion.

At 10:19 AM a second closed session was called in order to discuss personnel issues. The meeting was reopened at 10:38 AM. The following motion came from closed session:

PB 97-104 (Board): The Board approves the employment severance of George Filippone dated May 30, 1997, and the following shall be USCF policy:

Neither such Board nor its members or FEDERATION officers will make any derogatory statements regarding FILIPPONE whatsoever in their capacity as Board members or officers and further, such members and officers will not hold themselves out in any personal conversations as Board members or officials of the corporation in the event they elect to comment upon FILIPPONE or his performance as acting Executive Director of the FEDERATION. "Derogatory statements" regarding FILIPPONE shall not be deemed to include fair comment on the fiscal,

administrative and organizational performance of the FEDERATION during FILIPPONE's term of employment. **PASSED 7-0.**

Policy Board member items for discussion were continued. Member-At-Large Jim Eade continued the discussion on criteria for review of the Executive Director:

5. Performance Expectation: Office Management

Reduce inappropriate overtime

Provide timely employee reviews

Maintain an office environment free from any form of discrimination or harassment

Provide for an employee ombudsman

There was some discussion regarding an employee ombudsman. The following motion was proposed:

PB 97-105 (Board): Jim Eade is authorized to solicit the services of an office ombudsman.

PASSED 7 0

Vice President Bill Goichberg reviewed the One Member One Vote proposal that will be submitted to the Delegates from the Policy Board. It was pointed out that Michael Cavallo will need to procure estimates for the cost of tabulating the ballots and printing in [Chess Life](#). The recommendations of the Bylaws Committee were also discussed. The proposed OMOV Bylaws revisions can be found in the agenda for the 1997 Delegates' Meeting included herein and are .posted at members.aol.com/secretary/omov.htm. They are linked to the current Bylaws for ease of comparison.

PB 97-106 (Goichberg): The OMOV proposal shall be put on the agenda **PASSED 6-0-1** (Adams, Eade, Ferguson, Goichberg, Lieberman, Schultz in favor; Dorsch abstained).

Other issues were discussed. Fan Adams and Harold Winston will prepare a summary of past Delegate motions, by category, which can impact or limit Office operations. When complete it will be posted on our website. Secretary Rachel Lieberman will ensure that meetings are widely publicized.

Question and Answer Forum

Guests were given the opportunity to provide feedback and ask questions. Executive Director Michael Cavallo stated that he is forecasting a 2% increase in membership due to promotion.

Myron Lieberman raised the issue of updating the ratings on the website. Websong volunteered to provide current ratings, searchable by state, with each player's rating history. They would put the ratings on their server so that Engage could link to the Websong server transparently and not need to maintain the ratings themselves. Websong created a list from the June/July ratings as a starting point. Engage would not link to the rating lists on the Websong server. There was discussion about the need to have control over our website. Michael Cavallo stated that he is in discussions with Interplay / Engage.

Gary Prince addressed the Board. He stated that two big concerns for the USCF should be effective use of the Internet and a better understanding of scholastic chess. It is hoped that an association with Jade River Designs and

productive discussions with Interplay will help to resolve these issues. Other options were also discussed. The biggest cost to maintaining an in-house website is the personnel cost for a Web Editor and Webmaster. Michael Cavallo agreed that getting ratings and TLAs up in a timely manner is a high priority.

As it was 1:00 PM, a break was called for lunch. The meeting was reconvened at 1:25 PM.

Petit Prix Proposal

Vice President Bill Goichberg reviewed his proposal for a Petit Prix. He offered the following description of the Petit Prix program:

"Petit Prix" is a probably temporary name for a second Grand Prix-like contest which would seek to involve all USCF rated tournaments, not just the larger ones.

The "Petit Prix" should be sponsored, in which case the sponsor would choose its name. Sponsorship should first be offered to Novag due to their support of the Grand Prix.

The objectives of the Petit Prix (PP) would be:

1. To involve all types of tournaments listed in Chess Life, not only Grand Prix tournaments, in raising money for the Professional Players' Health and Benefit fund (PPHBF).
2. To induce more Grand Prix tournaments to donate to the PPHBF by providing them with the additional benefits of the PP.
3. To encourage more frequent play by all classes of players.
4. To encourage players to complete tournaments rather than withdrawing.

How it would work:

1. All Grand Prix tournaments contributing \$1 per player to the PPHBF would automatically be part of the PP.
2. All other tournaments announced in Tournament Life could be part of the PP by contributing fifty cents per player to the PPHBF.
3. Each player who completes a PP tournament and makes a plus score would receive one PP point. Awards would be based on total points for the calendar year 1998.

Prizes

Prizes are obviously related to sponsorship. I would refer both to the Executive Director, but propose the following as a minimum:

The overall winner will be awarded an all expenses paid trip to the 1999 US Open, where he or she will be presented with the first place trophy.

Second through tenth places will receive trophies and merchandise prizes or free entries in national tournaments.

The top player in each state will receive a plaque. The top three players in each state will be listed in Chess Life.

If sponsorship is sufficient, the top places could receive prize money as well.

If no sponsorship is found, I suggest we go ahead anyway, as the total cost of prizes need not be more than \$3,000.00. If necessary, USCF could split the fifty cents per player collected with the PPHBF to help cover expenses.

The following motion was proposed:

PB 97-107 (Dorsch): The Petit Prix shall be adopted. **PASSED 7-0**

Bonus Points

Bill Goichberg gave a status report on ratings. Changes agreed upon earlier, including bonus points, are about to start.

Quick Ratings

The Board noted with concern the problem that many improving players have quick ratings far below regular ratings and referred this problem to the Ratings Committee. The following motion was proposed for inclusion on the agenda for the Delegates' Meeting:

PB 97-108 (Board): The K factor of Quick Chess will go to 1.0 if not otherwise mandated by the Delegates and if the Chairman of the Ratings Committee approves. **PASSED 7-0**

Life Ratings

The following proposals regarding Life Ratings were submitted by Bill Goichberg:

PB 97-109 (Goichberg) Moved, that the Policy Board place the following motions on the agenda for the Delegates Meeting: **PASSED 7-0**

PB 97-109A (Goichberg): The system of Life Titles based on norms will be abolished. It may be continued temporarily to allow an equitable transition to a Life Rating system, if the latter is under consideration.

PB 97-109B (Goichberg): The Delegates endorse in principle the creation of a system of Life Ratings to reward lifetime achievement and replace the Life Titles based on norms. These Life Ratings will not measure current strength and will not be intended to determine section or prize eligibility. The Delegates refer the following proposal to the Ratings Committee and ask that Committee to evaluate it, revise it if appropriate, and report to the Policy Board, which will have the power to implement.

- 1) Each established player has a current rating and a life rating. The current rating measures present ability; the life rating reflects lifetime achievement.
- 2) Each player is assigned his or her current rating, rounded up to the next highest number which ends in zero, as an initial life rating.
- 3) If the Executive Director believes it feasible, a player's highest rating ever, or highest rating during a recent period, may be used in place of the current rating for players requesting this or for all players.

4) Life titles based on norms are no longer tabulated. Players obtain credit towards initial life ratings as follows: Counting norm points as 10 points each, each title is translated into an equivalent number (Life 2000 with 7 norm points equals 2070, etc.) If the equivalent number is above the current rating, the initial life rating is the average of the current rating and the equivalent number, rounded up to the next higher number which ends in zero.

5) Each time a tournament of at least four games is rated, two calculations are made for each player. One is the current rating, calculated as at present. The other is the life rating calculated identically, except 1) using the player's old life rating as the pre-tournament rating and 2) without bonus points.

6) All life ratings end in zero. If the life rating calculation results in a number ending in another digit, that digit is lowered to a zero.

7) Life ratings never drop. If the life rating calculation shows a decrease, the life rating is unchanged.

8) Although the life rating will usually be the higher of the two, it is possible for the current rating to be above the life rating. This could occur due to A) events of under 4 rounds, B) bonus points, or C) rounding down. If the life rating becomes 30 or more points below the current rating, it shall be raised to the current rating minus 20, with the last digit rounded down to zero. 9) To avoid confusion between current and life ratings and to save space on labels and in rating supplements, the zero at the end of each life rating can be dropped. For instance, a player with current 1657, life 1820 would look like this on the rating supplement: 1657*182.

NOTE A: This proposal creates a series of plateaus, such as 1800, 1810, 1820 (or 180, 181, 182), etc. These are designed to make life points harder to earn.

NOTE B: Life points are not available in events of under four games for the same reason- to avoid having them too easy to earn. For instance, it would be undesirable if a player needed only to win in a one round team match to gain life points.

NOTE C: This proposal has a major advantage over simply recording each player's highest current rating ever achieved. With the latter system, a player who is below lifetime peak strength due to advancing age has virtually no chance to achieve a new peak, but would still have a real chance to improve a life rating.

Districts

Vice President Bill Goichberg discussed the concept of dividing the country into districts based on zip code. He stated that this is a way to track activity in all areas of the country. It was determined that metro districts can be a tool, however, this project would be best accomplished with a Club Director in the office to act as office liaison. This project will be put on hold for now.

National Chess League

Vice President Bill Goichberg stated that there are problems due to the cost of multiple monitors.

Deep Blue Coverage

Gary Prince addressed the Board on the coverage of the Deep Blue match.

Web Coverage of the US Championship

Myron Lieberman addressed the Board regarding the level of web coverage to be afforded to the US Championship. If the tournament is to be highlighted as a special event it should get feature level web coverage. The office has committed to live coverage of one game per day, at least for the semifinals and finals, on the web with Grandmaster analysis. This coverage is to be actively promoted on the Internet.

Regions and States Concerns

Secretary Rachel Lieberman reported that Bob Smith, Chairman of the Regions and States Committee, has expressed concern over the Blue Ribbon Panel's proposal to merge the Regions and States Committee and the Bylaws Committee. Bylaws Chairman Harold Winston has expressed similar concerns.

Tournament Administrator

Myron Lieberman addressed the Board regarding the Computer/Internet Committee's suggestions re: upgrading the Tournament Administrator program (TA). The committee evaluated two approaches. The first was to have a contest for volunteers programmers who would like to create versions of TA for DOS, Windows, and Macintosh platforms and possibly others. Calls for volunteers were published and posted and several volunteers were interested. The other approach was the more basic question of whether USCF should be in the software production business. Rather than choose an "official" TA program, why not certify third party software that provides the same function. The committee suggested that the contest idea has some negatives. First, there is no prize other than pride for the winner. Next, there could be negative feelings from the authors of software that did not win, yet their efforts may have been as great or greater than the winner's. The committee suggested, and the sense of the Board was to agree, that the certification plan was superior. The USCF will offer at no charge an upgraded version prepared by a volunteer, but any software package that can meet the output requirements can be certified and the authors will retain full control of the rights to the software. Myron also suggested that the USCF should consider offering tournament management programs in the catalog.

Commendation

The following motion passed by acclamation:

PB 97-110 (Lieberman): The Policy Board thanks and commends John MacArthur for re-organizing the online catalog to a presentable format. Although online shopping was not available, the redesigned catalog enabled a large number of visitors to the site to see USCF in a positive light. John MacArthur's long hours of work are greatly appreciated. Special thanks are also given to Helen Kyles and all other staff members who assisted. **PASSED by acclamation**

Board/ Committee Communications

Policy Board liaisons are responsible for communication to their committees.

Scholastic Concerns

Member-At-Large Robert Ferguson asked that a copy of the Chess Trust budget be made available.

Chess in Education workshops were discussed. Workshops are planned for Orlando, Florida, and Peoria, Illinois.

As Michael Cavallo had a previous engagement, the meeting recessed at 2:50 PM.

Sunday, June 1, 1997

The meeting opened at 9:00 AM. Member-At-Large Jim Eade was ill and unable to attend the Sunday session. The Board expressed its best wishes to him. His votes were taken after the fact.

Action Items

Board and office action items were reviewed. Votes will be taken as needed on action items.

DATE	ITEM	STATUS	TARGET
8/96	Chess columns should be placed in <u>Modern Maturity</u>	An exploratory letter has been sent to <u>Modern Maturity</u>	Ongoing
11/96	An All Star University chess team will be named by the College Chess Committee		This item was removed as an action item at this time.
11/96	11/96 The Scholastic Committee will arrange an event for the children at Meadows School in Nevada	Jim Eade is working with Carla Hummel	8/97
3/97	3/97 Goals for the Board will be discussed	Board members have submitted lists of goals to Jim Eade	8/97
3/97	3/97 Jim Eade will be Board Liaison to the 1999 US Open	Jim Eade and Eric Johnson will work together. Ongoing	Ongoing
3/97	3/97 Bill Goichberg will examine Quick Chess Grand Prix points	Discussion took place in May. Will be on August agenda	8/97
3/97	3/97 A proposal re the Nat'l Chess League will be prepared	N/A due to expense of multiple monitors.	Item to be removed for now.
3/97	3/97 The OMOV proposal given to the Blue Ribbon Committee was referred to Bylaws Completed.	A version was prepared and discussed at the May meeting. Will be on August agenda.	Completed
3/97	3/97 Bill Goichberg will prepare a proposal for dividing the country into districts	Bill will talk to Mike Cavallo about the use of districts	Completed
3/97	3/97 Rachel Lieberman and Mike Cavallo will work together to develop leads from the Centers For Disease Control (CDC)	Volunteers have been solicited. The CDC and other agencies referred by the CDC will be at the CHESSathon, participate in a workshop, and visit active school programs. Other leads are also being developed.	Ongoing
3/97	3/97 Bob Ferguson and Mike Cavallo will develop NEA leads Costs of ads in <u>NEA Today</u> were examined.	Names and addresses of leads were retained for further development.	Ongoing
3/97	3/97 Bob Ferguson and Mike Cavallo will look at Internet Yellow pages	The goal would be to place an ad.	8/97

3/97	3/97 Bob Ferguson and Mike Cavallo will examine Chess Trust issues.	Tom Dorsch and Mike Cavallo will work together	8/97
3/97	3/97 The history of the CRA will be examined.		Completed
3/97	Jim Eade and Mike Cavallo will develop a list of ED objectives	The list was presented at the May meeting	Completed

Quick Chess Grand Prix

The following motion will be put on the agenda for the Delegates' meeting:

PB 97-111 (Goichberg): Quick Chess Grand Prix points are to be calculated in the same manner as any other Grand Prix points. **PASSED 6-0-1** (Adams, Dorsch, Ferguson, Goichberg, Lieberman, Schultz in favor; Eade abstained)

Budget Discussions

Bill Goichberg introduced the following motion:

PB 97-112 (Goichberg): Foreign International Masters (including Women's International Masters) are not required to be USCF members to play in USCF tournaments. This policy continues in force for Grandmasters and Women's Grandmasters. **PASSED 6-0-1** (Adams, Dorsch, Ferguson, Goichberg, Lieberman, Schultz in favor; Eade abstained)

Focus groups for Chess Life were discussed. Don Schultz, Fan Adams, and Bob Ferguson will conduct pilot focus groups of Chess Life readership. The target date for report back to the Board is August.

Depreciation was discussed. Treasurer Tom Dorsch will talk to Jim Pechac about depreciation of items that have been written off. The state of the building is another issue. The roof needs repairs. Tom Dorsch will talk to Steve Doyle about the LMA share to Operations.

It was pointed out that credit card sales are up. This trend is expected to continue, especially when online ordering is established.

The governance line was discussed. Going forward, PBN postage and PBN printing will be listed as two separate line items.

There was continued discussion of sponsorships. Tournament expenses were reviewed. Chess Life printing is projected to be down. Postage costs are projected to rise. The catalog mailing and the scholastic promotion expense lines were increased.

The following motion was proposed:

97-113 (Board): The Policy Board accepts the budget and recommends it for approval by the Delegates. **PASSED 6-0-1** (Adams, Dorsch, Ferguson, Goichberg, Lieberman, Schultz in favor; Eade abstained)

Exceptions for closed events were discussed. It was determined that these must be considered on a case by case basis, and that the player who misses participation in the US Championship due to including Yasser Seirawan receive some other form of compensation. Bill Goichberg recommended that the Board consider the concept of allowing a player who does not meet the activity requirement to participate, however, for invitational purposes, his/her rating would be considered fifty points less.

Support for Garry Kasparov

President Donald Schultz offered the following motion:

PB 97-114 (Schultz): The US Chess Federation supports the challenge of World Champion Garry Kasparov for a return match with Deeper Blue. **PASSED 6-0-1** (Adams, Dorsch, Ferguson, Goichberg, Lieberman, Schultz in favor; Eade abstained)

Confidential Information

Don Schultz stated that classified materials should include a date for de-classification. The Board passed the following motion:

PB 97-115 (Schultz): Any Board member submitting a Board document to be classified "confidential" should include an expiration date for that confidential status. **PASSED 6-0-1** (Adams, Dorsch, Ferguson, Goichberg, Lieberman, Schultz in favor; Eade abstained)

The meeting was adjourned at 11:45 AM. The next meeting of the Policy Board will be held on Thursday, August 7, 1997, at the site of the US Open in Orlando, Florida. We hope to see you there.