

MINUTES OF THE MAY, 07-08, 2006, USCF EXECUTIVE BOARD MEETING, BOCA RATON, FL

Sunday, May 7

The meeting was called to order at 1:30 PM on Sunday, May 7, 2006. All Board members were present except Beatriz Marinello who arrived shortly thereafter. Joel Berez, Executive Director Bill Hall, Jerry Hanken, Jon and Jeff Haskel, Executive Assistant Pat Knight, Mikhail Korenman, Secretarial Assistants Myron and Rachel Lieberman, Publications Director Dan Lucas, IT consultant Mike Nolan, Tim Redman, Marvin Rogan, and Harold Winston attended for at least part of the meeting.

VP of Finance Report – VP of Finance Joel Channing mentioned that cash flow is now being tracked monthly, after which he presented a review of the budget. The latest cash flow projection update indicates that we're close to a break-even result for the year and that there has been no negative cash flow. The budget was discussed. Among the income items explored were the building and mortgage, tournament income (including a \$30K redirection of Super Nationals income and the comment that tournament income was down \$20K), and sponsorships. Among expenses discussed were promotional expenses (Up \$3K due to fundraising expenses), personnel, tournament expenses (FIDE events were a significant expense this year), building expenses (including insurance), moving and consolidation expenses (including the cost impact of consolidation of data and telephone communication).

It was noted that some book and equipment inventory remains.

There was a concern about safety for the World Youth, which is scheduled to be played in Georgia. Beatriz Marinello indicated that the venue would be changed, however Don Schultz pointed out that FIDE has announced it will be there and suggests that we should protest that it is an unsafe location. Harold Winston mentioned that the Trust has budgeted \$7K to \$9K for the World Youth, which counts as a sponsorship toward the \$50K budgeted for 22 players for the event. There was concern that \$50K was too high. Beatriz Marinello indicated that budgeting a maximum of 10 players and up to 5 to go with them should be sufficient. Joel Channing asked Bill Hall to confirm details for the \$50K amount and other budget items that have been addressed prior to the continuation of the budget discussion on Monday.

Joel Channing suggested that everyone should be willing to go online to obtain rating supplements. Those few people who want a printed copy should be charged a small fee to cover the cost of printing small quantities of the supplements. Things should be done online whenever possible. He expressed the need for a solid CFO, which would impact the personnel budget. He pointed out that there are problems with meeting deadlines and communication. He is committed to work with Bill Hall to identify dates and items as he asks for them so that deadlines can be met. He mentioned that Bill Hall is putting in a lot of extra time that he shouldn't need to do. He believes that a strong CFO could alleviate these problems.

Mike Nolan did a lot of work to track memberships and he provided the information. Multi-year members were at 10% in 1999, now they constitute over 15%. Mike indicated that the distribution of revenue from multi-year memberships was about right and that he is working with Bill Hall to revise the chart of accounts to easily track multi-year memberships.

President's Report – President Bill Goichberg mentioned that We are looking forward to the new look of "Chess Life" and the website. The new website is due June 15.

Executive Director's Report – Executive Director Bill Hall announced that we are now in the new building in Crossville.

Membership dropped by 1800 last month, which was a smaller drop than experienced last year.

Status of previous action items:

Bill Hall asked Myron Lieberman to look into what was needed for a microphone for recording meetings. After studying the problem areas and requirements, Myron Lieberman indicated that there were three options. They included: (1) Obtain a specialized microphone that could be used with recorders or computers. He tested two such microphones at the meeting; (2) Obtain a recording system that includes hardware and software designed for recording meetings on computers. Information on such a system was provided to the office; and (3) Use a simple PA system to amplify the sound in the room and record normally. This has the added advantage of allowing everyone in the room to hear clearer but portability must be considered. Feedback would also be an issue. He mentioned that the details on each option were available on request.

Harry Sabine's letter has been circulated. Joel Channing pointed out that the building would be hard to sell because zoning limits it to industrial use or for a national membership organization.

Players at their floor who play in a match are now identified monthly. There were no players that would have qualified in April. Thirteen players have been identified over the past several months. They were notified of the change in the rules that might enable them to request a lowering of their floor. Two of them responded with a protest about the rules change. Four were Original Life Masters.

Mike Nolan addressed the issue of the backup plan. He indicated that people are being trained in Tennessee. There are onsite and offsite backups in New Windsor and Tennessee. Progress is being made on documentation.

Bill Hall wants to do a survey in several issues of "Chess Life" and on the web as well as to conduct online polls.

Rating of variations was reviewed. Bughouse may be ratable under a separate rating system soon. Mike Nolan is in favor and indicates it would not be a problem but the Ratings Committee isn't interested. Rating Fischer Random was also considered but it would create other difficulties and its popularity isn't high enough to justify action at this time.

Joel Channing asked about the yields on our accounts. Bill Hall will get back to him with the specific yield information. He also asked about signatories. Bill Hall indicated that the banks did not have a problem with the CFO being a signatory, but agreed that it may be reasonable to not have the CFO as a signatory on our accounts.

In response to a question from Joel Channing regarding military chess, Bill Hall said that military status tracking requires staff time, and information is hard to obtain. He proposes that an e-mail list be maintained and military personnel can volunteer to let us communicate with them. Mike Nolan suggested that affinity groups be set up on the web. This would not only enable communication with military personnel but also with others interested in military chess issues. This information is not on any forums. We need to look at how to collect and update data as well as what to do with it. Jon Haskel suggested that if we charge military members \$1 less you will find out who they are.

Myron Lieberman supported Mike Nolan's idea of affinity (special interest) groups and pointed out that computer user groups have had a much of their success with "SIGs". When someone joins or renews it would be a good opportunity to ask their interests by having them check off some major interest categories and have an "other" choice where the member can state any interest that isn't on the list. It should be noted that many national professional organizations routinely do this. Perhaps we can learn of some new areas where there is significant interest. Such information can also be obtained through the polls that Bill Hall mentioned.

Mike Nolan announced that the online BINFO system is up and running. He has received two complaints. One was someone who had difficulty with an attachment and the other was a complaint about the number of confidential BINFOs.

Joel Channing mentioned that the retreat was even better than he expected and suggested that Casey Steinbacher, who was the facilitator for the retreat, might be able to come to Chicago and work with the state representatives.

Bill Hall went to three banks as well as looking at other options for the building loan. His recommendation was to go with the Sun Trust Bank. They require a \$150K line of credit which drops \$10K/year. The total amount of the loan would be \$561K, which includes the line of credit with its favorable interest rate and the conventional loan of \$410K at 6.8%. The conventional loan is paid off in the 12th year. Only the line of credit would be secured by the LMA. The following motion was made by Bill Hall with amended wording by Joel Channing:

EB06-066 – Hall/Channing – The Executive Board authorizes the Executive Director to enter into, contingent on LMA approval, the agreement for a permanent loan with Sun Trust Bank with a base amount of \$410K, and the understanding that no more than \$150K of LMA assets would be encumbered. However, if the LMA is not in agreement, the Executive Board authorizes the Executive Director to enter into an agreement with the same bank for a 20 year amortized loan of \$561K at a rate of 6.8% **PASSED 5-0.**

The Board recessed at 3:43 PM and resumed in closed session at 4:09 PM. No motions arose from closed session and the meeting recessed at 6:08 PM.

Monday, May 8

President Bill Goichberg called the meeting to order in closed session at 9:21 AM on Monday, May 8. No motions arose from closed session and the meeting resumed in open session at 1:13 PM.

Among those present were the Board, Bill Hall, Jerry Hanken, Jon Haskel, Pat Knight, Myron and Rachel Lieberman, Dan Lucas, and Marvin Rogan.

Bill Goichberg indicated that a dues reduction is a central way to promote membership. Discussion was deferred. He mentioned that they were still working on the budget.

Bill Goichberg then brought up the subject of the FIDE election and his e-mail motion that was deferred to this meeting. Rachel Lieberman read motion 06-065, after which extensive discussion followed. The discussion will be appended to these minutes.

EB06-65 - Goichberg - Whereas:

1. The USCF Executive Board unanimously endorsed the candidacy of Bessel Kok for FIDE President, and we feel that his election is very important for the promotion of chess in the USA and the world,
2. The Executive Board subsequently, at its February meeting, endorsed the candidacy of Beatriz Marinello for FIDE General Secretary of the Americas,
3. Beatriz Marinello had voted for the Board endorsement of Bessel Kok. However, on April 4, she wrote to the Board about the FIDE election, "I will remain neutral and willing to work with the administration that wins." On April 6, she wrote, "I view my position as someone who is acting in the best interest of the organization. Maintaining a neutral position, in my opinion does not affect the votes of other federations." On April 9 she wrote, "I do not believe that the USCF position is to obligate people to actively campaign for a particular candidate."
4. USCF policy, as recently reaffirmed by the Executive Board, is that our FIDE representatives are required to support USCF positions on FIDE issues.
5. We believe that in a democracy, supporting the best qualified candidate in an election is appropriate and does not constitute a refusal or inability to work with a different candidate, should the one we are supporting fail to be elected.
6. We believe that to have a USCF representative advocating a neutral position in discussions with representatives of other federations will undermine our support for the candidacy of Bessel Kok.

Therefore, we ask Beatriz Marinello to consider accepting one of the following two positions:

A) She agrees to affirmatively advocate the candidacy of Bessel Kok, to the best of her ability, in any election discussions she may have with the representatives of other federations.

B) She withdraws her offer to represent USCF at the upcoming Turin FIDE meeting and her candidacy for General Secretary of the Americas. In the event she chooses not to attend these meetings, USCF will reimburse her for any nonrefundable travel expenses.

If Beatriz does not endorse one of these positions within three days of the passage of this motion, the USCF endorsement of her candidacy for General Secretary of the Americas is hereby rescinded, and FIDE shall be notified that we oppose her nomination. **PASSED 3-0-2** with Beatriz Marinello and Robert Tanner abstaining. Please note: This motion was introduced by e-mail prior to the meeting and retains its e-mail motion number. Highlights of the discussion follow.

After the vote, the Board took a 4 minute break at 2:05 PM and resumed at 2:09 PM. Beatriz Marinello returned at 2:21 PM.

The recent US Championship was then discussed.

Complaints were received about obscene language being used in Internet posts by USCF committee members. Bill Goichberg indicated that committee members are representatives of USCF and they should adhere to standards. Joel Channing suggested that these situations can be handled on an individual basis without creating rules and forms. He said that common sense is good enough and any further discussion should be in closed session.

Review of recent USCF actions:

Life Titles are on Mike Nolan's list of things to do.

Bill Hall indicated that some savings were achieved through Glenn Petersen's review of "Chess Life" postage.

Bill Hall said that he would give Susan Polgar ½ page in "Chess Life" for her girls' team as a one time deal. He has an e-mail but no written agreement. Joel Channing asked what if she claims it is permanent. Without a signed agreement we're in court. Bill Hall will make sure there is a signed contract. Joel Channing emphasized that this must be done.

Bill Goichberg said that we should go back to the old system of rating foreign FIDE events.

It was noted that organizers pay a flat fee of \$35 for registration for every FIDE event.

Bill Goichberg reviewed the system of identifying players at their floor who haven't had good results lately and notifying them that they can request that their floor be lowered if they so choose.

Joel Channing has communicated with Hal Terrie re: the Ethics Committee. He received a corrected document from Hal Terrie regarding Ethics Committee procedures and indicated that he believes it is correct.

Don Schultz moved to refer the following motion to the Ratings Committee:

EB06-067 – Schultz – Players age 60 years and older who have not played in a (USCF Rated) tournament in at least three years will not lose rating points in their next two events. **REFERRED TO RATINGS COMMITTEE 5-0.**

Jerry Hanken presented two motions recommended by the US Open Committee. Committee liaison Bill Goichberg sponsored the motions, which were worded:

EB06-068 - Goichberg – Effective as soon as feasible, USCF shall solicit and consider bids for future US Opens. The Executive Director may, at his or her sole discretion, decline all bids in any year and have the event organized internally. **PASSED 5-0.**

EB06-069 - Goichberg The previous practice of recognizing five years or more of playing in the US Open shall be resumed. **PASSED 5-0.**

EB06-070 – Schultz - Robert Tanner is appointed FIDE Zonal President. **PASSED 4-0-1** with Robert Tanner abstaining.

EB06-070 – Tanner – Bill Kelleher is renamed FIDE Delegate. **PASSED 5-0.**

Possible appointments to various FIDE Commissions and other assignments was discussed. A complete list was not finalized at this time.

FIDE Priorities include the Argentina bid for the 2010 Olympiad and retention of zones in the FIDE structure.

Outreach Committee Chair Myron Lieberman noted two new Outreach developments.

Outreach Committee member Fernando Moreno announced that the National Teacher of the Year award was presented to Kimberly Oliver, a colleague of his at Broad Acres Elementary School in Montgomery County, MD. She is a Kindergarten teacher and Fernando Moreno is working with her to include chess in her presentations to education teachers throughout the US. He is looking for helpful resources. We suggested the A&E film "Knights of the South Bronx", but it is not yet available for sale by A&E, so we suggested that he contact David McEnulty. Alexey Root suggested that Leslie and Steve Lipschultz, who produce David McEnulty's software, might help. They not only provided the movie but also offered to help the effort with other resources. Thanks, Alexey and special thanks to Leslie and Steve Lipschultz. Please note: Anyone who can offer helpful Chess in Education resources for Fernando Moreno and Kimberly Oliver, should contact Fernando or the Outreach Committee.

After two unsuccessful attempts to get past the screeners at the National Stamp Advisory Council, we have received notification that our third try has passed the screening phase and will be considered by the Council. They are currently working on issues for 2009.

Joel Berez indicated that there was a demand for play on the web using regular USCF ratings.

Bill Goichberg said that this should be referred to the Ratings Committee, and also moved to have the Rules Committee develop rules that will assure safeguards.

EB06-071 – Goichberg – We ask the Rules Committee to consider developing a set of rules for regular rated online play which will assure necessary safeguards. **PASSED 5-0.**

The meeting went into closed session and resumed in open session at 4:55 PM. The following motions came out of closed session.

EB06-072 – Marinello – In view of the Board passing a motion withdrawing its support of my nomination for General Secretary of the Americas, I move to reconsider the endorsement of Bessel Kok. **FAILED 1-4.**

A proposal for providing office furniture for the Crossville office was received from Ivan Allen Workspace and distributed to the Board. It illustrated the furniture involved and included quotations for both the furniture and financing.

EB06-073 – Channing – Move to accept the proposal for office furniture from Ivan Allen Workspace with five year financing as presented by the Executive Director. **PASSED 4-0** with Beatriz Marinello not present.

EB06-074 – Board – The Board authorizes the following awards:

Award	Recipient(s)
Chess City of the Year	Crossville, TN, Palm Beach Gardens, FL
Chess Club of the Year	St. George UT Chess Club
Chess College of the Year	U of CT. School of Engineering, Texas Tech
Committee of the Year	International Affairs
Distinguished Service Award	Mike Nolan
Frank J. Marshall Ambassador	Shaun Alexander
Grandmaster of the Year	Ildar Ibragimov, Anna Zatonskih
Honorary Chess Mates	Jim Warren, Delores Wagner, Elizabeth Tanner
Gold Koltanowski Medal	America’s Foundation for chess (AF4C)
Meritorious Service	Jim Brotsos, Jon Haskel, Wilder Wadford, Jon & Barbara Fortune
Organizer of the Year	Cris Collinsworth Pro Scan Foundation
Outstanding Career Achievement	Gus Gosselin, Fred Goldhirsch/Doug Bellizzi, David MacEnulty, Jerry Weikel
Scholastic Service	Tim Redman
Special Services	Kim Cramer, John Donaldson, Mikhail Korenman, Greg Shahade
Tournament Director of the Year	Walter Brown
Special Friend of USCF	Phil Haley

The meeting was adjourned at 4:59 PM.