

Proceedings of the May, 2007, USCF Executive Board Meeting, Stillwater, OK

These proceedings include the motions and action items from the meeting as well as a general description of the open sessions. The details and open session discussion can be found online at http://beta.uschess.org/frontend/section_107.php or www.uschess.org/org/govern/may07/2007-05-EBOK-1.m3u for the first file, -2 for the second, etc.

SATURDAY SESSION

President **Bill Goichberg** called the meeting to order at 9:04 AM on Saturday, May 19, 2007. Randy Hough had not yet arrived and Beatriz Marinello had not yet been connected by telephone. All other Board members were present. Bill Goichberg suggested that since **Jim Berry** was a candidate for the Executive Board he be allowed to be present during closed sessions. There was no objection. All Board members were present in person or by telephone by 9:15 AM and the meeting commenced at that time. Those present for at least part included, but were not necessarily limited to Frank Berry, Jim Berry, Harold Bogner, Brenda Goichberg, Jerry Hanken, Pat Knight, Myron and Rachel Lieberman, Daniel Lucas, Mike Nolan, Harry Payne, Luis Salinas, Chuck Unruh, and John Watson.

Joel Channing gave the report of the Vice President of Finance. Among the topics covered were: (1) Work was done in Crossville to prepare what appeared to be a balanced budget. An oversight discovered later, however, required further modification to be made. **Bill Hall** would address this at the budget presentation and discussion, scheduled for later in the day. (2) Frank Camaratta, Chuck Unruh, Joel Channing and Bill Hall created a proposal to build up the LMA over time based on a memorandum originally prepared by Mike Nolan. Joel Channing indicated that he would add a preamble (Action item 2007-05JC-01). This has been done and was included in the final motion, which would be considered later. The Board participated in an extensive discussion of this and other LMA issues with **Mike Nolan's** input. The LMA would also be considered during the budget discussion and is on the Sunday agenda. (3) **Donna Alarie** sent a message regarding the budget process and asking specific questions. These would also be addressed during the budget discussion.

Bill Goichberg gave the President's Report. He referred to the printed report in "CL" and asked for questions. **Sam Sloan** spoke critically of the selection of players for the US Championship. **Bill Goichberg** indicated that the office followed existing policy. The Board discussed a possible motion by **Joel Channing** to clarify of the roles of the Board and the Executive Director in determining the details of the US Championship. **Mike Nolan** provided input. **Myron Lieberman** read the applicable motions that were made at the previous meeting. Please note: These were motions EB07-066, 067, and 068, which can be found in the 2007 EB Motions file at <http://www.uschess.org/org/govern/2007USCFEBMotions.pdf>. Joel Channing asked Bill Hall to report to the Board on the financial impact of tournament proposals under consideration by the next meeting (Action Item 2007-05BH-01). Joel Channing then withdrew the motion under discussion, the wording of which had not yet been finalized. **Sam Sloan** reintroduced a similar motion.

EB07-089 - Sloan – Effective immediately, the Executive Director will provide the Board with a statement of the financial impact of any proposal and the Board will have the opportunity to pass or object to the proposal prior to any contract being signed. This shall be effective for the US Championship, the US Women's Championship, the US Open, the national High School, Junior High School, Elementary, and K-12, and International tournaments. **FAILED 2-4** with Sam Sloan and Beatriz Marinello in favor. Please note: Joel Channing pointed out that the reason he opposed the motion was that he had just asked the Executive Director to give a comprehensive report on the subject at the next meeting (August 2007).

Bill Hall gave the Executive Director's report. He noted that Joan DuBois' husband passed away. Joan has worked for the USCF for 36 years. Flowers were sent on behalf of the USCF office and the Executive Board (EB). **Sam Sloan** commended **Joan Dubois** and her sister **Judy Misner**. He also spoke negatively about other office employees, which prompted **Joel Channing** to talk to Sam Sloan about standards of conduct. This subject would be discussed again later in the meeting.

Bill Hall noted that he was making headway in getting information together regarding the Profit Sharing plan and would keep the Board updated (Action Item 2007-05BH-02). He indicated that **Diane Reese** notified the office she was leaving a couple of months ago. **Pat Knight** took over Diane Reese's responsibilities in midstream and did a "fantastic" job with the National Scholastics, organizing 3 major events in 3 locations over 6 weeks. The combined turnouts totaled about 4,500 and all events went smoothly. Along with preparations for the US Championship and US Women's Championship, Bill Hall described it as "...an interesting few months." He asked that people take the time to thank Pat Knight, who received a round of applause. Bill Hall made the following motion:

EB07-090 – Hall – The Executive Board would like to commend Patricia Knight for her efforts above and beyond the call of duty in organizing the very successful spring National Scholastic events. **PASSED 6-0**.

Bill Hall mentioned that they are working on setting up an unsecured line of credit which would not affect the LMA. The details would be presented later. **Sam Sloan** expressed concern about the LMA funds. A discussion ensued regarding the location of LMA funds. There was disagreement about the position of the LMA Committee, which would be contacted.

Bill Hall expressed kudos to **Mike Nolan** for completion of the Correspondence Chess rating system enhancement, which is

now current. Bill Hall noted that there was a large increase in participation for e-mail correspondence events. **Don Schultz** inquired about Alex Dunne's role in Correspondence Chess. Bill Hall indicated that **Alex Dunne** was an outside contractor who is paid to keep track of correspondence events but has no rating responsibility. USCF gets the profit from the event. Bill Hall agreed to give Don Schultz a copy of the outsourcing contract for correspondence chess (Action Item 2007-05BH-03).

Bill Hall, with the assistance of **Mike Nolan**, then went over the April, 2007, Profit and Loss Statement, which had been distributed. He anticipated a bottom line of about break even for this year, which would be further discussed during the budget presentation. Among the topics of discussion were multi-year memberships, deferred revenue and expense, accrual vs. cash accounting and others. Details can be found online.

Sam Sloan sent an e-mail to the Board which contained a number of issues that he had with the Executive Director. He apparently blind copied a number of people on the message. **Bill Hall** pointed out that the use of blind copies on potentially sensitive material can be a real problem since some recipients do not know who has received the message. Someone can be attacked in a message but not be able to provide their side of the story to all who have seen the attack. **Bill Goichberg** sees no reason why the Board cannot see who else receives mail sent to the Board. Bill Hall read and replied to each point in the e-mail. Among the issues were: (1) The Executive Director was directed to perform six tasks in February. The message alleged none have been completed. Bill Hall provided a status report on these six action items. All but one (Establishing a committee to work on "Chess Life" ads) have been completed. (2) The message alleged that the Executive Director did not have the authority to award a life membership to Derek O'Dell for his heroism at Virginia Tech. Apparently the "New York Times" was copied on the message, which forced Bill Hall to award the life membership immediately as it would appear as news the following day. (3) The message alleged that Bill Hall had not responded to financial questions raised by **Steve Doyle** and **Tim Redman**. Bill Hall replied that he had responded to some of the questions and had others respond to other questions where appropriate. (4) The message claimed that the office was overstaffed and wanted a list of what each employee does and their pay. He also wanted to know which of them were close friends and associates of Bill Hall's. Bill Hall named all employees that were hired since he became ED and when they first met.

The Board recessed for a break at 11:44 AM and resumed, still in open session, at 12:04 PM for an extensive discussion of the budget. **Bill Hall** distributed a spreadsheet that included Joe Nanna's comments, a balance sheet, a statement of cash flow, and the budget forecast. **Joe Nanna** would be available by phone Sunday to answer any questions if needed. It was noted that there was a revision from the original budget proposed in Crossville due to factors not considered in Crossville that changed an expected \$2,000 surplus to an expected \$48,000 negative (\$106,000 by accrual). A substantial portion of the discrepancy was because the Art Director's salary was not included in personnel expenses originally due to a switch between employee and contractor status. The Financial Review Committee suggested that we do not fund a team to the Pan Am Youth this year and use a portion of what is saved for increasing the support for the World Youth. The expenses for sending players and coaches to the World Youth were extensively discussed as were expenses for the Final Four and other issues related to tournament expenses and revenue. A proposed 3.5% increase in salaries for personnel was discussed as was a Financial Review Committee suggestion to increase rating fees, and switching the "Executive News Quarterly" (ENQ) from hard copy distribution to online distribution. **Bill Goichberg** summarized a number of possible cuts that would produce a budgeted surplus of about \$50,000.

Joel Channing addressed the status of the profit sharing plan. He noted that we are to receive a memorandum from attorney Craig Simon clarifying the status of the Profit Sharing Plan rules over time. Accounting issues are being reviewed with Spectrum and previous calculations are being re-checked. He believes that there is no indication of any wrongdoing.

The meeting recessed at 1:49 PM and resumed at 2:03 PM. The open session budget discussion continued.

Issues raised by **Donna Alarie** were discussed extensively. Those that were not addressed immediately were deferred until Sunday when **Joe Nanna** would be available. **Bill Hall** agreed to respond to Donna Alarie's letter with a copy to Joel Channing (Action Item 2007-05BH-04).

A brief discussion of the LMA took place. **Joel Channing** emphasized that the relationship between the LMA and Operations should not be considered adversarial. The LMA will be considered in depth on Sunday.

Executive Board Standards of Conduct were discussed. **Joel Channing** noted that there needs to be a penalty for violations of the Standards of Conduct. He pointed out that censure is useless and wants to present a motion to the Delegates. **Sam Sloan** argued that it could prevent Board members from taking action to stop what he considers to be major mistakes. Joel Channing made a motion to seek a recommendation from the Bylaws Committee. Beatriz Marinello's telephone connection was lost during the discussion.

EB07-091 – Channing – The Executive Board refers to the Bylaws Committee the subject of how to strengthen the Standards of Conduct for Executive Board members of the United States Chess Federation in a way to make them effective. **PASSED 4-1** with Sam Sloan opposed and Beatriz Marinello not present.

The Board recessed for a break at 2:48 PM and resumed in closed session at 2:58 PM to consider awards and to review the Editor. Two motions arising from the closed session discussions would be voted on in open session on Sunday.

The Board recessed at 5:04 PM.

SUNDAY SESSION

The Board convened in Open Session at 9:08 AM. The entire Board was present including Beatriz Marinello, who was connected by phone. Those present for at least part of the session included, but were not necessarily limited to, Michael Aigner, Harold Bogner, Bill Hall, Jerry Hanken, Pat Knight, Myron and Rachel Lieberman, Daniel Lucas, Mike Nolan, Harry Payne, Luis Salinas, Jennifer Shahade, and Jim Stallings. USCF Forum Oversight Committee chair Terry Winchester and committee member Louis Blair were connected through a conference call. The first topic to be considered was the USCF Forum Oversight Committee. Please note: Michael Aigner, a moderator, Jerry Hanken and Harry Payne (who each had messages deleted) actively participated in the discussion. The structure and appeals process were discussed. There are eight committee members and positions for five moderators (which have never been completely filled). The committee can overrule a moderator.

Michael Aigner pointed out that the moderators' job is difficult and noted some of the problems faced by moderators. Whenever he removed a post he provided a reason. He received hostile and often profane responses. A large number of posts are hostile to moderators. It is difficult for moderators to act objectively when they are attacked. People on the forum view this as a tactical game. When there are rules they will try to find ways to get around the rules. Currently the policy is in a state of flux. There has been no time to establish a policy.

Beatriz Marinello suggested that the Board move to thank the Forum Oversight Committee (FOC) and the moderators. Discussion continued. Bill Hall moved to add Ron Suarez to the Forum Oversight Committee (to fill the existing vacancy). Please note: A Board motion to thank the FOC and moderators was later passed (See motion EB07-100).

EB07-092 – Hall – Moved, that the Board add Ron Suarez to the Forum Oversight Committee. **PASSED 5-1** with Don Schultz opposed. Don Schultz stated for the record that he does not object to the individual but he feels that there are already too many people on the committee.

Sam Sloan noted that **Terry Winchester** has resigned twice but the resignations were not accepted by the Board. Terry Winchester subsequently changed his mind and is still serving as committee chair. A discussion followed re: the need to accept resignations. **Mike Nolan** pointed out that “Robert's Rules” considers the need for acceptance of a resignation proper. Sam Sloan then made the following motion:

EB07-093 – Sloan – Anybody who resigns from any committee has their resignation accepted effective immediately. **FAILED 2-4** with Sam Sloan and Beatriz Marinello in favor.

Sam Sloan then moved to accept the resignation of Terry Winchester from the Forum Oversight Committee.

EB07-094 – Sloan – The Board accepts with thanks the resignation of Terry Winchester from the Forum Oversight Committee. **FAILED 1-5** with Sam Sloan in favor.

Bill Hall brought up the request of five members of the Forum Oversight Committee that David Quinn be removed from the committee for leaking confidential information. David Quinn submitted a report to the Board regarding his side of the story. This led to a discussion of confidentiality on the committee. **Bill Goichberg** pointed out that the Committee does not and should not have confidential information. The discussion also raised the question of whether this issue constitutes a personnel matter that should not be discussed in open session. Extensive debate took place.

EB07-095 - Hall – The Executive Board removes David Quinn from the Forum Oversight Committee. **FAILED 0-6.**

Discussion continued. **Joel Channing** suggested that the Forum Oversight Committee develop its own confidentiality guidelines. **Bill Goichberg** noted that reluctance to remove someone from the committee does not mean endorsement of the individual's actions. Bill Goichberg offered the following motion, which was suggested by **Mike Nolan**: The Board recognizes the need for non-disclosure of some Forum Oversight Committee deliberations and requests the FOC to develop appropriate guidelines. This was not voted. Don Schultz offered a substitute which was not accepted and failed to pass by a 2-3 vote. Substitute – The Forum Oversight Committee is free to have confidential discussions among themselves. Don Schultz and Sam Sloan favored that wording. Joel Channing, Bill Goichberg, and Randy Hough opposed it. Bill Goichberg then accepted the following substitute offered by **Beatriz Marinello** with the final sentence added by **Joel Channing**. The telephone connection with the FOC members was lost at about this time and it was determined that the discussion had been completed and it was not necessary to continue the conference call. The connection with Beatriz Marinello was also lost briefly, but contact was reestablished quickly.

EB07-096 – Goichberg/Marinello - The Board recognizes the need for non-disclosure of some Forum Oversight Committee deliberations and suggests that the FOC develop appropriate guidelines. All committee votes should be made public. **PASSED 5-1** with Sam Sloan opposed.

Two motions that arose from Closed Session discussions were voted next.

EB07-097 – Board – The Executive Board gives the following awards for 2007. **PASSED 6-0**.

Distinguished Service Award – Fred Gruenberg
Tournament Director of the Year – Mike Atkins
Special Service Award – Steve Doyle, Ernie Schlich
Gold Koltanowski Medal – Frank K. Berry
Chess City of the Year – Stillwater, OK
Grandmaster of the Year – Gata Kamsky
Frank J. Marshall Ambassador Award – Gregory Kaidanov
Organizer of the Year – Sevan Muradian
Meritorious Service Award – Richard Shorman, John Hilbert, Dan Heisman, Grant Perks
Outstanding Career Achievement – Fred and Carol Kleist, Gordon Barrett, Stephen Dann
Committee of the Year – 2007 Financial Review Committee
Society of Chess Mates – Donna Gruenberg, Jan Rogers
Friend of the USCF – Garry Kasparov
Scholastic Services Award – Susan Polgar, Brownsville, TX School District

Please note that two additional awards were made on subsequent motions. These were the Chess Club of the Year (See motion EB07-107) and the Chess College of the Year (See e-mail motion EB07-112 on the motions list). Both were added to the list that appears in the motions file so all awards can be found in the same place.

Although the following motion was a Board motion that arose from closed session discussion, the precise wording was determined in open session before the vote. The final wording was:

EB07-098 – Board – The Executive Board has reviewed the performance of Editor Daniel Lucas, commends him on his performance, and asks the Executive Director to determine appropriate compensation consistent with the approved budget. **PASSED 5-0-1** with Beatriz Marinello abstaining.

Hal Bogner presented a status report of progress on the website with the assistance of **Jennifer Shahade** and **Mike Nolan**. It was well received. They covered the status of the old site, the current site (the Freeset site), and the new site which is being described and is expected to be launched in late June, 2007. Mike Nolan indicated that the new site cannot be launched until the current site is replaced. **Beatriz Marinello** left the meeting. **Joel Channing** moved to thank those who have worked on the website.

EB07-099 – Channing – The Executive Board commends Hal Bogner, Jennifer Shahade, Mike Nolan, Marty Hirsch, Francesca Butler, and Arlan Robins for outstanding work on the website. **PASSED 5-0** with Beatriz Marinello not present.

Bill Goichberg read a Board motion that **Beatriz Marinello** requested during the FOC discussion earlier.

EB07-100 – Board – The Board recognizes the effort of the members of the Forum Oversight Committee and the Forum moderators. We thank you for your tireless work in a difficult task. **PASSED 5-0** with Beatriz Marinello not present. Please note that since Beatriz Marinello requested the motion it can be assumed that she would have voted in favor if she were present.

The meeting recessed for a break at 12:34 PM and resumed, still in Open Session, at 12:45 PM. The 2008 US Championship was the first item of discussion. AF4C has until July 23, 2007, to put in a bid. **Bill Goichberg** has also spoken to **Frank Berry**. The first priority is to contact AF4C. **Joel Channing** will be the liaison with **Erik Andersen** and will decide, if AF4C declines for 2008, if or when it would be appropriate to post on our website that bids are being accepted.

It was verified that the ballots would be distributed with the June, 2007, issue of “Chess Life”. **Mike Nolan** pointed out that a supplemental mailing would be made in early June to those who do not receive a copy of “Chess Life” with the ballot cover. Those who joined USCF after May 31, those who get no “CL” (such as additional family members), etc. Mike Nolan pointed out that voters must be at least 16 years old as of June 30, 2007 to receive a ballot.

Discussion turned to the US Internet Championship. **Bill Hall** suggested we first contact ICC to determine their intentions. It was noted that ICC has purchased the World Chess Network and Chess Live servers and plans to combine the two to form a new server called World Chess Live. The new server would be owned by ICC but it would operate independently. This could change some provisions of our existing agreements with Chess Live (Games Parlor). Mike Nolan suggested, for example, that PIN numbers be eliminated from Chess Live.

Joel Channing wanted to discuss our long term Internet strategy. Bill Hall noted that he was preparing a 5-year Internet strategy report for the Delegates.

Next to be discussed was the ballot count. After discussion the Board named a chief teller for this year.

EB07-101 – Board - Frank Camaratta is named chief teller for the 2007 USCF Election. **PASSED 4-1** with Sam Sloan opposed.

The circumstances under which games played at non-quick time controls on the Internet could be rated under the regular rating system was the next item of discussion. A handout from the Rules Committee on the subject was handed out. **Bill Goichberg** noted a number of issues that needed to be clarified. Can games be played from home? How many TDs should be required per player and per location? **Bill Goichberg** indicates that online games by individual players (as opposed to tournaments, team matches, club events, etc.) not be ratable. He advocates that we announce the availability of regular rated online play asap but the details do not have to be decided here. He suggests the Rules Committee should be asked to draw up rules. The TDCC could also be a resource for TD requirements. **Bill Hall** noted that our revenue from rating fees was \$98,000 last year. He accepted action item 2007-05-BH-05 to contact the Rules Committee to clarify points on online events.

Joel Channing added a preamble and additional wording to his LMA proposal, which will be included with the LMA presentation later in the meeting. A brief discussion followed.

Next to be discussed was the awarding of Life Memberships. The Executive Director had awarded **Derek O'Dell**, President of the Virginia Tech Chess Club a Life membership for his heroism during the Virginia Tech shooting. The award was covered in the national press. **Sam Sloan** raised an objection to the Executive Director awarding Life Memberships. He offered the following motion, which the chair ruled was moot as the ED had already done it. The proposed motion was:

.....
The Executive Board hereby awards a Life Membership to Derek O'Dell in recognition of his acts of heroism in saving himself and three other members of his class in the Virginia Tech shooting in which 24 other class members were shot and killed, in view of the fact that Derek O'Dell was President of the Virginia Tech Chess Club.
.....

Discussion continued. **Sam Sloan** continued to object to the ED's right to award a Life Membership. There was some sentiment to limit the number of Life Memberships that could be awarded by the ED without Board approval. **Don Schultz** offered a motion, the final wording of which was:

EB07-102 – Schultz – The Executive Director is authorized to give no more than two life memberships in any calendar year outside of existing provisions consistent with the budget. **PASSED 4-1** with Sam Sloan opposed.

LMA investments were discussed. One issue with the LMA was how much in assets should be held in a single institution. **Bill Hall** pointed out that we currently have a \$100,000 line of credit secured by the building. He wanted to establish a \$150,000 unsecured line of credit and pay off the old LOC to eliminate any encumbrance on LMA assets.

EB07-103 – Hall – Effective immediately the Executive Board of the United States of America Chess Federation authorizes the Executive Director to establish an unsecured Line of Credit with Cumberland County Bank in Crossville, TN, in the amount of \$150,000. **PASSED 4-1** with Sam Sloan opposed. This was documented as a resolution.

The budget was then discussed. It was noted that Joe Nanna has a pre-audit meeting with the auditors next week. The audit will start in July. Joel Channing's OLMA motion, as revised, is included in the budget. The final wording was:

.....
Premise:

Due to severe depletion of the LMA funds in the early 2000s, costs of LMA obligations have been paid from current funds in recent years, rather than covered from transfers from LMA as was customary in the past. This proposal is intended to build up the LMA over time so that it can once again function as it was originally intended.

Proposal:

Effective no later than July 01, 2007, the USCF shall create a separate interest bearing account for Life and Sustaining membership payments received, called the Operations/LMA Fund (OLMA). All Life and Sustaining Member dues received in the 2006 – 2007 fiscal year, less and except a yearly Operations Service Charge (OSC) in the amount of \$13.50 per each new Life and Sustaining membership subscribed in the 2006 – 2007 fiscal year will be deposited in the OLMA. This will continue in subsequent years with the proviso that the OSC will be indexed in accordance with increases in the price of regular adult memberships. Operations' sole right to use OLMA monies is strictly limited to temporary withdrawal as certified necessary by the ED to cover any operational shortfalls, and said withdrawals must be replaced within the fiscal year in which they are withdrawn. After the initial deposit, the OLMA funds will be deposited monthly as they are received.

Within 30 days of the end of the next fiscal year, and every year thereafter, OLMA account deposits attributable to the previous year and all of the interest earned on the account shall be transferred in favor of the LMA long term asset accounts and managed under the procedures already established by the LMA Management Committee and approved Delegate motions. The USCF goal is to create a fund corpus equal to 50% to 100% of annual gross revenues. Except as described above, there will be no borrowing from OLMA except as may be approved by the LMA Management Committee. A full accounting of OLMA, including a schedule of deposits, interest earned, and transfers to operations shall be published at least annually in the report of the LMA Management Committee.

EB07-104 – Channing – The 2007-8 USCF Budget is approved. **PASSED 4-1** with Sam Sloan opposed.

The Profit Sharing plan was discussed next. **Joel Channing** said **Bill Hall** is working with Spectrum to assure that the accounting is correct. They have completed 2000, 2001, and 2002 as of the meeting date. He wants to locate the controlling documents and check for faulty documentation. **Donna Alarie** is taking the lead in this effort. A list of questions that she prepared was distributed to the Board. Bill Hall indicated that the plan was put in place appropriately. We should be getting a report from Spectrum soon. Joel Channing asked that staff not spend time on this until the report is received.

Jim Stallings, Chair of the College Chess Committee, provided a four-page report with the committee recommendations. It included suggestions intended to increase attendance in the Pan Am. He also is interested in obtaining corporate sponsorship for the Pan Am. A motion to change Pan Am Intercollegiate rule 1. The motion contained a section which defined new Division winners. After discussion, Jim Stallings agreed to rework that section. The following motion was then voted:

EB07-105 – Board on behalf of College Chess Committee – Rule 1 of the Pan American Intercollegiate rules is amended to read as follows:

International Masters, International Grandmasters, International Woman Masters, and International Woman Grandmasters will be eligible to play for college and university teams only if they are less than 26 years old as undergraduate students, or under 30 years old as graduate students, as of September 1 of the academic year in which the tournament is taking place. This age restriction does not apply to these titled players who, prior to 2004, were enrolled in colleges and universities and who met the other eligibility requirements in effect then, and who also maintained their eligibility status with not more than one semester break in such status. **PASSED 5-0.**

The report also included a number of technical motions that were strongly approved by the committee. It was determined that most could be adopted without a Board motion. The Committee also asked for more money to promote the Pan Am. **Bill Hall** noted that scholarships are a win-win proposition and supported promotional scholarships. **Jim Stallings** and the Board extensively discussed many possible options to promote and otherwise help College Chess, including the Final 4 and “Chess Life” coverage. **Bill Hall** accepted action item 2007-05BH-06 to write a formal USCF policy for College Chess.

Joel Channing brought up the Crossville move and objected to the way the deal was negotiated and the covenant requirements. He does not want to leave Crossville but he wants the covenant to be changed. Not only should sale for any office purpose be allowed, but the time restriction for sale should be no longer than five years, not fifteen.

Joel Channing then asked about the LMA information that **Bill Hall** agreed to send him. Bill Hall accepted action item 2007-05BH-07 to send the LMA documentation to Joel Channing. **Don Schultz** pointed out that a 1998 Delegate motion requires the LMA Management Committee to submit an annual report that includes transactions, goals, and risk assessment for the year. He asked that this be added to Delegate Motions of Continuing Interest. **Bill Hall** and **Mike Nolan** agreed to follow this up with Harold Winston (Action item 2007-05BH-08). Joel Channing also wants to make the Financial Review Committee permanent to annually spend one day in Crossville to help with the budget preparation. Bill Hall accepted action item 2007-05BH-09 to establish office policy to make the financial review committee annual and to put it on the agenda for the next meeting. Joel Channing wants to commission a time and motion study as part of a cost cutting effort. He indicated that he was willing to raise funds to help pay for the study.

Joel Channing indicated that he had previously prepared a set of acceptable use guidelines for the forum and has made some modifications. He wants it to be on the agenda for the next meeting. Bill Hall accepted Action item 2007-05BH-10 to do that.

The meeting took a break at 3:43 PM and resumed in closed session at 3:57 PM. The closed session ended at 4:42 PM and the Board reconvened in open session to vote on the motions that emerged from the closed session. They were:

EB07-106 – Board – The Chess Club of the Year is the Atlanta Chess Center. **PASSED 5-0.**

EB07-107 – Sloan – Moved, that the resignation of Grant Perks from the Audit Committee is accepted. **FAILED 1-4** with Sam Sloan in favor.

The meeting was adjourned at 4:45 PM.

ACTION ITEMS

<i>NUMBER</i>	<i>PERSON</i>	<i>ACTION</i>
2007-05JC-01	Joel Channing	Will add a preamble to the LMA recommendation (done)
2007-05BH-01	Bill Hall	Provide a financial impact statement for upcoming events at next meeting
2007-05BH-02	Bill Hall	Keep Board informed of progress regarding Profit Sharing Fund
2007-05BH-03	Bill Hall	Provide a copy of the Correspondence Chess outsourcing contract to Don Schultz
2007-05BH-04	Bill Hall	Respond to Donna Alarie's letter and copy Joel Channing
2007-05BH-05	Bill Hall	Contact Rules Committee to clarify points on online events
2007-05BH-06	Bill Hall	Write a policy for College Chess
2007-05BH-07	Bill Hall	Will send documentation to Joel Channing regarding the LMA
2007-05BH-08	Bill Hall and Mike Nolan	Follow up with Harold Winston re: a yearly report on the transactions, goals, and risk assessment of the LMA being an action of continuing interest.
2007-05BH-09	Bill Hall	Establish office policy to make the financial review committee annual. Put on the agenda for the next meeting.
2007-05BH-10	Bill Hall	Put acceptable use guidelines on the agenda for the next meeting