

USCF Executive Board Motion by objections Procedure

The following motion was passed by the USCF Executive Board through objections procedure between meetings:

05 - 37- Beatriz Marinello - The Executive Board appoints Gerry Dullea as Acting Editor of "Chess Life" Magazine. This appointment is based on the fact that the current Editor, Glenn Petersen is recovering from a heart attack. Dr. Dullea will be reporting directly to the Executive Board. **PASSED** by objections procedure.

May, 2005, USCF Executive Board Meeting

The May, 2005, USCF Executive Board Meeting was called to order in closed session at 9:15 AM on Saturday, May 21, 2005, at the Minneapolis Convention Center.

The two finalists for the Executive Director position were interviewed during this session. All Board members were present in person except for Tim Hanke who participated via telephone.

SATURDAY OPEN SESSION -The open session for Saturday, May 21, 2005 was called to order at 2:37 PM.

Board members present were President Beatriz Marinello, Vice President Steve Shutt, Secretary Don Schultz, and Members at Large Randy Bauer and Elizabeth Shaughnessy.

Also present were Executive Assistant Pat Knight and Myron and Rachel Lieberman as assistants to the Secretary. Visitors included but were not limited to Stan Booz, Joel Channing, Joan DuBois, Frank Dixon, Bill Hall, Mike Nietman, Robert Tanner, and Hal Terrie

Nashville Super-Nationals: Mike Nietman provided a report. He indicated that the hotel in Nashville approached USCF and offered \$100,000 to host the tournament, but the proposed room rate was \$139/night. USCF asked for a lower room rate in exchange for foregoing the \$100,000. The \$100,000 was eliminated and the room rate was lowered to \$129/night. The net to USCF was over \$65,000 after a \$90,000 hotel bill. The turnout of over 5,200 was an increase over the combination of the three scholastic nationals last year. Over 800 turned out for the blitz event and over 700 for bughouse, which overflowed the room. Thanks to Mike Nolan for helping with the online registration.

The two award ceremonies went well, but the event was not rated until Wednesday although they were trying for Monday. The Scholastic Council presented seminars for coaches and parents, which were well received.

Crowding around posted pairings and noise levels (due to uncarpeted floors and low ceilings) were concerns. The point was also made that unrated players should play in their section. There should be FAQ sheets at "Chess Control" to minimize lines there, and those who staff "Chess Control" should have a good general knowledge.

As an action item, Steve Shutt suggested that the Scholastic Council should ask committee members and coaches how they feel about the Super Nationals. They should work with Jerry Nash.

Several motions were then introduced.

College Chess Committee – Don Schultz moved the committee chair’s recommendation.

05 – 38 - Don Schultz – The Executive Board appoints the following as the 2005 College Chess Committee

Allan Sherman
Ana DeMahy
Anish Das Sarma
Arthur Izak-Damiecki
Christopher Tam
Derek Thompson
Eugene Godoretskiy
James Stallings Co-Chair-faculty
Kathryn Au
Mikhail Korenman
Pawan Patel
Renee Garcia
Scott Caplan
Tim Redman
Tundi-Daro Mott
Sunthar Premakumar
Vyacheslav (Steve) Gorodetskiy
William Gallagher
Yining Ni
Zachary Cohn Co-chair

PASSED 5-0 with Tim Hanke not present.

FIDE Chess Instruction Titles

05 – 39 - Don Schultz and Steve Shutt – The Executive Board authorizes the American Chess University to conduct seminars leading to the three FIDE titles of Chess Instructor, Trainer, and Senior Trainer – **PASSED** – 4-0-1 Elizabeth Shaughnessy Abstained, Tim Hanke not present.

Proposed limits on authority of employees to contractually commit USCF resources

05 – 40 – Beatriz Marinello –The Executive Board mandates the following: Employees of the US Chess Federation, including the Executive Director and Director of Publications, cannot enter into contracts that are greater than \$10,000 or obligate either party for more than 12 months without Executive Board approval or written approval of the President.

Voting was deferred until the following day when a substitute motion was presented.

Beatriz Marinello indicated that the contract for the 2009 Super-Nationals in Nashville has been signed.

Communication of volunteer expenses and meeting records

It was reaffirmed that volunteer expenses will be published in the “Delegate’s Call” and not in each “Executive Board Newsletter” and that audio files of each meeting’s open sessions will be posted on the website.

Crossville Move – Beatriz Marinello provided a progress report on the Crossville move. Expenses included \$35,700 for Salary and Training of personnel (plus \$3,570 in payroll taxes and \$2,900 in employee benefits for a total of \$42,170 in personnel expenses) in addition to \$47,200 for relocation of personnel, \$3,500 for travel and administration, \$7,200 for repairs and maintenance, and \$700 in miscellaneous expenses for a total of \$100,770. The office is now operating efficiently in Crossville, except for Publications, which will move when the new building is ready. Publications will not move to the temporary location.

Planning Budget for Fiscal Year 2005-2006

Randy Bauer introduced Beatriz Marinello’s planning budget proposal, which was then reviewed line by line and discussed. It was noted that the first year of outsourcing book and equipment sales resulted in a loss for Chess Café and they still owe USCF over \$170,000. A conference call will be placed to Hanon Russell on Sunday to discuss this. Beatriz Marinello cautioned against USCF spending money it doesn’t have.

No action was taken at this time. The discussion would continue the following day. It is intended that an updated copy of the budget will be appended to these minutes as Appendix A. Don Schultz left the meeting at 4:21 PM due to a medical problem. **(Randy or Beatriz, Please provide a machine readable copy of the most current version of the budget so that it can be appended.)**

Frank Dixon expressed greetings from the Chess Federation of Canada.

The meeting was recessed at 4:51 PM until 9:03 AM on Sunday, May 22, 2005, at which time the meeting was called to order in closed session to call Hanon Russell regarding the Chess Café outsourcing contract and to finalize the Executive Director selection.

Sunday – Open Session 1 - The meeting went into open session at 10:30 AM at which time the following motion, which arose from closed session, was presented:

05 – 41 – Marinello, Shutt, Hanke, Bauer, and Shaughnessy – The Executive Board approves the hiring of Bill Hall, Jr. as Executive Director of the USCF for a period of two years pending satisfactory resolution of negotiations on salary and benefits. **PASSED** 5 – 1 with Don Schultz opposed.

Don Schultz asked each Board member to make a public statement of the rationale for his or her vote and that Mr. Hall’s resume be made a public record. It is appended as Appendix B to these minutes.

Randy Bauer indicated that Mr. Hall can grow into the position and that we need to move forward. He has no reservations with Mr. Hall’s resume. He felt that Mr. Hall did not have sufficient overall management experience but might turn out to be very good.

Steve Shutt and Elizabeth Shaughnessy expressed strong support as did Beatriz Marinello.

Beatriz Marinello pointed out that USCF is back on track financially and that the hiring of Mr. Hall is one more improvement. She indicated that we should expect good results.

Tim Hanke indicated that he would provide support for Mr. Hall and that the new Executive Director will grow on the job.

Don Schultz said that Mr. Hall is smart and knows chess, but in his opinion Mr. Hall is unqualified at this time. He felt it would be more prudent to wait.

Tim Hanke disconnected at 10:42 AM. After a break, the meeting resumed in closed session at 11:03 AM and an offer was made to Mr. Hall. Please note: Mr. Hall has subsequently accepted the position. A final motion was made by Objections Procedure on May 25 which documented that he would start on June 8. The motion follows these minutes.

Sunday – Open Session 2 - The meeting recessed for lunch at 1:38 PM and resumed in open session at 2:42 PM. Please note that an effort to resume at 2:35 PM failed due to lack of a quorum after Beatriz Marinello made an unsuccessful attempt to reach Tim Hanke by phone and two other Board members were also absent. Don Schultz arrived but Steve Shutt had not yet returned and Tim Hanke had not yet re-connected by the time the meeting was called to order.

Others present or visiting the open session included but were not limited to: Harold Bogner, Stan Booz, Joel Channing, Anna Maria De Mahy, Frank Dixon, Joan DuBois, Bill Hall, Pat Knight, Stephen Lampkin, Myron and Rachel Lieberman, Thomas Magar, Mike Nietman, Tony Pabon, Eric Schiller, and Hal Terrie.

The following motion arose from closed session:

05 – 42 – Board - The Executive Board is pleased to authorize the following awards for 2005:

Distinguished Service Award – Shane Samole

Outstanding Career Achievement Award - Ralph Bowman

Meritorious Service Award – Herman Drenth

Special Services Award – Neil Falconer

Chess College of the Year – U Cal at Berkeley

Chess City of the Year – Minneapolis, MN

Chess Club of the Year – Mechanic’s Institute and East Bay Chess Club

Organizer of the Year – Maurice Ashley

Scholastic Organizer of the Year – Elizabeth Tejada

Committee of the Year – Finance Committee

Gold Koltanowski Medal – Al Blowers (from HB Foundation)

Frank J. Marshall Ambassador Award – Igor Ivanov

Grandmaster of the Year – Hikaru Nakamura

Honorary Chess Mates – Doris Barry, Carol Winston, and Phyllis Benjamin

Tournament Director of the Year – Steve Immitt

PASSED 4-0 with Tim Hanke and Steve Shutt not present.

Mike Nietman indicated that Cindy Hawkinson and Aviv Friedman continue on the Scholastic Council, but there are three open positions. An election was held to fill these positions. The top five candidates, in order of finish, were Robert Tanner, Michael Nietman, Steve Shutt, Mikhail Korenman, and John Haskell. Two of the top three are also candidates for USCF Executive Board. If either or both are elected to the Executive Board, the Scholastic Council position will be filled by the candidate next in line from the ordered list.

Beatriz Marinello announced that as of May 31 she will step down as COO and remain as USCF President. She thanked the Senior Staff for their assistance during the period in which she served as COO.

The following revised wording for motion 05 - 40 was then introduced.

05 – 40 – Beatriz Marinello - The Executive Board mandates the following: Employees of the US Chess Federation, including the Executive Director and Director of Publications, cannot enter into contracts that are greater than \$10,000 or obligate either party for more than 12 months without Executive Board approval or written approval of the President. If greater than \$30,000, the approval of the Executive Board is required. If this motion is passed, this policy must be printed in “Chess Life” magazine in every issue and on the USCF website.

PASSED 3-0-1 with Beatriz Marinello abstaining and Tim Hanke and Steve Shutt not present. Steve Shutt arrived at 2:54 PM.

Beatriz Marinello presented the schedule for workshops at the US Open for discussion. She agreed to publicize it on the website and in “Chess Life”. Such publicity would include a contact number. No motion was necessary.

Elizabeth Shaughnessy then presented a report on the status of the building project in Crossville. She said that the architect was competent and easy to work with, and that the preliminary drawings for the building were complete. The first cost estimate was high due to the discovery of solid rock close to the surface, which will make digging difficult. Changes were made to cut costs, which included reducing the number of parking places to 24. Roughly \$89,000 was saved. She noted that we should anticipate a 5% increase in costs as unforeseen factors almost always arise in building projects of this nature. The final estimate was \$561,000 for building and land work. Three or four bids will be sought for construction of the building. The timetable has been updated as of May 27 and should be included in the “Delegates’ Call” and on the website. The anticipated groundbreaking date of August, 2005, and the completion date of March, 2006, were reaffirmed. Please note: The floor plan has been published on the website, in “Chess Life” and in the minutes to the previous meeting.

Tim Hanke joined by telephone at 3:05 PM.

05 – 43 - Steve Shutt – Elizabeth Shaughnessy is the official Executive Board liaison to the architect for construction of the building in Crossville. **PASSED** 5-0-1 with Elizabeth Shaughnessy abstaining. Please note that Elizabeth Shaughnessy reviewed her architectural qualifications at the meeting. Her statement of qualifications is included as Appendix C.

Randy Bauer described the differences in written proposals regarding loans from Progressive Bank and Cumberland County Bank. Essentially Progressive was willing to cover the full amount of the construction cost while Cumberland County Bank placed a \$500,000 cap on the amount of the loan. The interest rates differed slightly for the first three years, after which time we can decide which way we want to go for a 15 year loan at 7.25% with no points (same for both). He favored the Progressive proposal as being best for USCF. Joel Channing, who has extensive expertise in this area, does not mind the 7.25% but suggested that an attorney is needed to do the title work. He indicated that the permanent loan is the key and offered his help if asked.

Beatriz Marinello indicated that it was the sense of the Board that Randy Bauer will negotiate with the bank and that Joel Channing will assist in the process.

The budget discussion then resumed. Beatriz Marinello indicated that the auditor would be visiting the office on June 21. There was no vote taken to adopt the budget, which is appended to these minutes as Appendix A. The Board will complete its budget discussion by conference call.

Eric Schiller then addressed the Board. He indicated that he represented a group of authors, including Arnold Denker, Larry Evans, Ray Keene, Danny Kopec, Tigran Petrosian, Eric Schiller, Robert Snyder, John Watson, and others whose books are not available through Chess Café even though Chess Café is the official USCF store. Eric believes that Chess Café is boycotting publishers and thereby is harming those authors who want their works available through USCF. Eric Schiller indicated that this group is ready to boycott USCF concessions at national events unless they are given consideration, such as free advertising in “Chess Life”. Elizabeth Shaughnessy read a segment of the outsourcing contract which indicated that USCF has a say in what materials should be available to its members. After extensive discussion, the Board agreed that as an action item Steve Shutt will investigate the allegations and report back to the Board. There was no other action on this issue at this time. As the outsourcing contract is due to be renegotiated, the new contract could clarify this if necessary.

Randy Bauer expressed appreciation to Maurice Ashley for organizing the HB Global Challenge tournament, which he described as a first class tournament. The Board unanimously passed the following motion, which included the sponsors as well.

05 – 44 – Board – The Executive Board expresses appreciation to the organizers, including Maurice Ashley, the HB Foundation and Al Blowers for their leadership and excellence in hosting the HB Global Challenge, and looks forward to working with them in future events. PASSED 6-0.

APPENDIX A – PLANNING BUDGET (Randy or Beatriz, please include the most current version with your comments)

APPENDIX B – EXECUTIVE DIRECTOR RESUME

EXPERIENCE

August, 2002 - Present Cumberland County High School Crossville, TN
Teacher
Summer 2004 Uplands Retirement Village Pleasant Hill, TN
Computer Consultant
Feb. 1995 - Sept. 2001 Nikken Independent Distributor Crossville, TN
Spring & Summer 2001 Roane State Community College Crossville, TN
MS Access Instructor
Summer 2001 Staples, Inc. Crossville, TN
Electronics Lead and Computer Technician
Jan. 1996 - Dec. 1999 Keck Masonry Alpharetta, GA
Accounting Consultant
Feb. 1996 - Dec. 1996 Ted's Country Diner Crossville, TN
Accounting Consultant
Sept. 1993- Jan. 1995 Vector Marketing Charleston, SC
District Manager

EDUCATION

Tennessee Technological University Cookeville, TN
Currently on schedule to receive a Master's in Education in December 2005

Massachusetts Institute of Technology, September, 2002 Cambridge, MA
Bachelor's of Science in Mathematics
Cumberland Co. High School, June 1988 Crossville, TN
Salutatorian of a class of 350

APPENDIX C – ELIZABETH SHAUGHNESSY ARCHITECTURAL QUALIFICATIONS

I qualified as an architect after finishing the 6 year course of study at The National University of Ireland, University College Dublin. I immediately went to Belgrade, Yugoslavia, where I worked for a year with other young graduates from around the globe on the design of New Belgrade. Then I worked for a year in London. After that I worked for a year in the US (Oxnard, California). My father became ill and I returned to Dublin where I worked with an architectural firm and after a few years with that firm I became a junior partner. We specialized in schools and hospitals. In 1970 I met my now husband and he invited me to come to Berkeley. I continued to work in the Bay Area as an architect until the birth of our first child. With my husband (an attorney) we bought, refurbished and sold "period" houses. I was the overseer of the refurbishing and did all the drawings, working from home. As our children got older I became involved in education and chess in schools. During my eight years on the Berkeley School board I was liaison with many architects to coordinate the multi million dollar project to retrofit, upgrade or rebuild Berkeley's schools. As recently as 2002 I designed my daughter's summer house in Bali Indonesia on her husband's family compound. I am quite confident that I can work with the architects in Crossville to produce the best building for the buck.

USCF Executive Board Motion passed by objections Procedure

05 – 45 - Board: The Executive Board ratifies the appointment of William Hall as the new USCF Executive Director. Mr. Hall is expected to begin working for the US Chess Federation on June 8, 2005. **PASSED** by objections procedure.