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**SUBJECT: Minutes of the Executive Board Monthly Meeting, Tuesday, September 10, 2024**

1. **Purpose.** This document captures the minutes of the Executive Board (EB) Meeting held via Zoom on the subject date. All times listed are Eastern U.S.
2. **Call to Order and Roll Call.** President Kevin Pryor called the meeting to order at 8:05 PM. Executive Director Ranae Bartlett recorded the meeting using Zoom.
  - a. President Pryor called the roll and the following board members responded:
    - Kevin Pryor (FL), President
    - John Fernandez (MO), Vice President
    - Chuck Unruh (OK), Vice President (VP) for Finance (attended via Zoom)
    - Mike Hoffpauir (VA), Secretary
    - Randy Bauer (IA), Member-at-Large
    - David Hater (GA), Member-at-Large (attended via Zoom)
    - Lakshmana (Vish) Viswanath (TX), Member-at-Large
    - Leila D’Aquin (LA), Member-at-Large (attended via Zoom but had to depart about 9:20 PM due to preparations for Hurricane Francine)
    - Ranae Bartlett (AL), Executive Director
  - b. President Pryor asked the board members whether anyone has a new conflict of interest to disclose. There were none.
3. **Financial Update.** VP Finance Unruh began by commenting that US Chess is definitely feeling the impacts of the losses experienced as a result of the Pan Am Youth (PAY) this past July in Orlando, FL. US Chess’s August Financial Statement/Statement of Activities reflects Fallout from PAY continues. He referred EB members to the August 2024 statement of accounts, which reflects a loss of \$795,000 for July and August 2024, the first two months of US Chess’s new fiscal year. He noted that this was not a surprise and has caused US Chess to apply our Operational Reserves (see motion below). He added that the US Open added an additional \$30,000 in losses due to poor attendance and that membership revenue was about 7% lower in July-August. Chuck noted that US Chess currently has only 2 months of Operational Reserve remaining, making this report the worst report he has ever had to give to the Board and membership.

Executive Director (ED) Bartlett noted that membership is rebounding now that the school year has started.

VP Unruh ended his report by observing that we are ready to move forward, our investments are helping, and that we do not need to borrow any money.

Randy Bauer asked about our talks with Rosen Properties (where the PAY event was held) and whether a US Chess promise to hold future events there would be able to lower our current Rosen and that they have said they would consider some kind of assistance to US Chess in connection with forthcoming events, but that the current debt would not be reduced. Randy

also asked about the forthcoming dues increase. ED Bartlett remarked that she expects a jump in membership before Jan 1, 2025, as people purchase memberships before the price increase.

A relatively new financial concern is the way hotels are now addressing room cancellations. More specifically, if someone has reserved a room for a tournament, and then cancels the room, the hotel does not return that room to the block of rooms assigned to US Chess. Instead, the hotel classifies the cancellation as “attrition” and then resells the room at their normal rack rate while also charging US Chess for the cancellation. Leila D’Aquin noted that there is a “culture” in the scholastic community that drives some parties to book rooms “just in case” they decide to attend the tournament. Then, when those parents find out that they do not need all or any of the rooms they simply cancel them, which invokes the cancellation clause of the contract to the detriment of US Chess. VP John Fernandez noted that unless the burden is increased on the person who books the room and makes the tournament registration (e.g., stiffer cancellation penalties that the person would have to pay), then those people experience very little personal impact if they decide not to attend the tournament.

4. The Executive Board went into Closed Session at 8:24 PM and reconvened in Open Session at 9:56 PM. There were two motions that emerged from the closed meeting:
  - a. **EB25-012 – BOARD:** The Executive Board moves to approve the use of Rainy-Day funds, a sub fund of the Reserve Fund held in a Charles Schwab account, during the cash shortfall as presented to the Delegates and approved by the same Delegates in the budget for US Chess fiscal year 2024-25.  
**PASSED 7-0**, with EB Member Leila D’Aquin unavailable for the vote.
  - b. **EB25-013 – BOARD:** The Executive Board moves to approve the memberships for US Chess Executive Board-appointed committees as posted on the US Chess website.  
**PASSED 7-0**, with EB member Leila D’Aquin unavailable for the vote.
5. With no further business to conduct, the Executive Board moved to adjourn at 10:00 PM.

Prepared by: Mike Hoffpauir, EB Secretary