

Date: Sunday December 1, 2019

D11 Attendance: Steve Moese, Tom Bishel, AJ Stephani (D11 Board of Directors (BoD)).

BOG (Board of Governors) meeting documents: <http://www.acbl.org/bog-meeting-docs>

D11 BoG Library: http://www.district11bridge.com/ACBL_board_reports.html

Meeting Video: <https://www.youtube.com/watch?v=l-O2hBk-s1w> advance to **6:42 minutes** manually for start.

Meeting Playlist (past videos): https://www.youtube.com/playlist?list=PLcAft4FoUHdTbWH2eG7XjDUD6cIO_TLLd

Executive Summary

- Reducing the BoD to 13 Regional Trustees failed by 2 votes. To be taken up in Columbus.
- **Governance Task Force** Approved to define committee structure for handling all non-core work currently owned by the Board of directors. This will allow the Board to focus on Strategy and Growth.
- Finances: 2019 projects +\$267K over budget. Expenses (Operations & IT) down sharply. \$3,5MM turnaround.
- **Membership Down – 162,825, Down 1%** vs Jan 1, 2019. 5679 New members is **7.1% below** last year.
- **Club Tables** Up +1.15% (Sept. vs year ago). Face to face tables **down 1.55%** and online tables up +7.04%.
- **Regional Tables Down -6%; Sectional Tables Down -2%; STaC Tables Down -6%** versus year ago through October.
- **Management Focus:** Upgrade IT, Improve operations, Work to grow bridge
- San Francisco NABC Table Count: 10,373.5.
- **CDR Changes** approved to support the focus on District led disciplinary processes.
- **ConferenceDirect** replaces OnPeak as the housing planner for NABC tournaments. Better service and major savings expected.
- ACBL considering Memphis for spring 2025 NABC. Kansas City and Louisville are possibilities for Spring 2024 and 2025. Dallas Houston and Oklahoma City are candidates for Spring 2025 as well.
- **Live4Clubs:** Technical readiness January 2020. Require all clubs to use by February 2020. 874 clubs in September to 1807 in October! Beta testing for Club Billing and Financial Reporting in December. Masterpoint Engine and work process is underway.
- Adopting **Square** to handle future credit card purchases at tournaments – All NABCs Regionals and most Sectionals. Technical data integration with HQ finance databases and Tourney Trax underway. Launches Jan 1, 2020.
- www.trybridge.org launched. Testing underway to optimize attracting players to the website.
- As of November 11, \$47,612 has been reimbursed to 107 clubs and teachers through the **Cooperative Advertising Program (CAP)**. Average reimbursement is \$299.45 per ad campaign.

BoG Motions (When passed, the Board of Directors will deliberate on them in the next NABC)

- [ByLaw Amends BoG Duties](#) to Include Communication – Passed 2nd time. On to Board for Adoption.
- [Teaching Club / Center Incentives](#) – Failed narrowly. Not want to help success.
- [Beginner Articles from the ACBL](#) – Adopted By Management
- [Teaching Clubs / Centers](#) - Passed
- [Unit and Club Teacher Recommendations](#) - Passed

Submitted Respectfully,

Stephen Moese, D11 2nd Alternate, K082411

Board of Governor's Meeting – Richard Popper

New BoG members introduced themselves.

The [minutes for the Las Vegas meeting](#) were approved.

President Report – Russ Jones

Board restructure motion – formed a Task Force under David Lodge. Chicago workshop weekend. Plan failed by 2 votes from the 17 needed for a bylaws change. Georgia Heth (2020 Board President) has Restructuring the Board of Directors as one of her top priorities. Will add a full day meeting to Columbus BoD meeting. The Transition Task Force motion has passed, and Russ will create a committee to offload all the non-core activities to committees. Members will come from the BoD, the BoG and Management.

David Lodge (D22), Chair of the Special Governance Task Force on the process. (Margo Hennings – Governance Chair, Joanne Glasson – Finance Chair, Jay Whipple – Past President). Primary purpose was not to get smaller, not to save money. The primary purpose was to get more efficient. Focused on most likely path to success. Skill based plan was seen as a non-starter for a number of members. Task force decided the plan to change would have to be geographically based. The proposal was considered most equitable. One of the issues with past efforts was trying to change the districts. Described transition proposal. The task force included a 3-year additional term for any BoD member. This 3 yr extension affected 17 of 25 people. The Board eliminated this 3 year extension prior to the final vote by amendment. Plan to get to a 5-4-4 election sequence.

Russ Jones – this will be brought to Columbus for first vote. There are 5 new BoD members incoming in 2020.

Joe Jones – Executive Director Report

Great year – Major projects complete – New ways to Market the game.

Financial Improvement

- **2019 Forecasted Gain - \$1.5MM**
– Reduced Operating Expenses - \$850K
- **2020 Budgeted Gain**
– Increased Marketing & IT

LIVE
ACBL Board of Governors Meeting
Fall NABC 2019

ACBL Board of Governors Meeting
Fall NABC 2019

Priorities:

- 1-Improving Foundational Elements
- 2-Solid Financial Performance
- 3-Strengthening IT Systems
- 4-Improving Operations

\$3.5 MM turnaround.

No significant nonoperational losses.

2020 positive gain with increasing investment in marketing and technology.

More structured approach to IT projects are

being delivered by IT department. Live for Clubs on time. IT under last year (\$300K lower). Live4Cubs 2 years development. Benefits include managing changes to masterpoint awards (e.g. upgraded club championships), display pending MPs daily, complete NAP and GNT Club Qualifying lists, and to process ACBL wide games much faster. Critical all clubs use L4C by February 2020. Every employee called all clubs and explain the new reporting process. AS a result 80 % of clubs were enrolled by October.

AS400 Migration will complete mid 2020. Tournament Masterpoints is a new tool to calculate MP awards. Tourney Trax will update or improve all work processes including sanctioning, scheduling, TD scheduling, and financials. IT team delivering on improved processes. SF will use new credit card system using SQUARE that integrates

Advancing Technology

- **AS400 Migration**
- **Tournament Masterpoints™**
- **TourneyTrax**
- **Cashless Tournament Entries**

ACBL Board of Governors Meeting
Fall NABC 2019

well with back-office data capabilities. (Though not mentioned, I understand tournament fees will increase 6% to cover costs).

Trybridge.org – testing complete at the end of 2019. New membership to introduce prospects to the ACBL. Marketing will nurture their relationship with the ACBL. The recruiters will get incentive payments. New member incentive payments (May – Sept) paid out \$14,000 so far this year. Next steps are to raise awareness and make enhancements.

Upgrade IT
Improve operations
Work to grow bridge

Questions

Steve Moese (D11)

To Russ Jones: Honolulu BoG discussion proposal was for a 9 member BoD. Will this be discussed in Columbus?

Not have enough traction when we chose to go to 9 and 50 (BoG).

This was a different proposal that did a better job of balancing members in equal population regions.

To Joe Jones: Where is the Tournament tables report? The link provided doesn't work here.

Joe promised to get the report to us (He emailed it to me within 5 minutes!).

Joanne Sprung (D17):

Any consideration for using Venmo (fee free for debit cards)?

Using Square because of back end integration. Ellen Kent D13 – Venmo collects what the charge is for.

Will have IT look at the option.

R. Popper confirmed a Quorum was established for this meeting.

Litigation Report Linda Dunn.

IN-HOUSE COUNSEL LITIGATION REPORT

PETER MARCUS, et al v. ACBL

On June 23, 2017, Peter Marcus, a former ACBL Tournament Director, filed suit on behalf of himself and similarly situated plaintiffs against the ACBL seeking overtime pay for full-time Tournament Directors, damages and attorneys' fees, later joined by ACBL Tournament Directors Matthew Koltnow and Dianne Barton-Paine. Sixteen additional Tournament Directors opted-into the lawsuit in 2019. Additionally, Marcus for himself alleges that the ACBL constructively discharged him in retaliation for his past complaints relating to Tournament Director pay. He seeks reinstatement, promotion, payment of lost wages, damages and costs. The ACBL denies all these allegations and intends to vigorously defend itself against them. The ACBL began covering the litigation defense expense in October 2019. Depositions of the three named Plaintiffs were taken in this matter during the first quarter of 2018. The parties engaged in a mediation of this matter in May 2018, but no agreement was able to be reached.

Procedural Posture. Document discovery requests have been completed and depositions of other parties are currently in progress. At the appropriate time, the ACBL plans to move for summary judgment on all claims. No trial date has yet been set.

Respectfully submitted,



Peter Markus et al.

19 Tournament Directors claim ACBL did not pay overtime properly. About to conclude the discovery. Plan to file a summary judgment motion in Q1 2020. If we lose the summary judgment, we go to trial in the 2nd or 3rd Q 2020. Litigation is very slow. Will vigorously defend this case because the ACBL believes we pay the Directors properly.

Reminder: ACBL players required to arbitrate grievances. New entry slips carry the notice. Asks BoG members to share the arbitration requirement with all members we represent.

Plea to BoG Members – If there is a reconsideration motion, the reason for reconsideration should be provided to the Board. Include the argument with the reconsideration prior to the next book.

R. Popper – Disagree the reason for reconsideration action is required – the bylaws do not require a reason – however we will ask the motion maker to provide a rationale.

Financial Report

Year-to-Date thru Oct 31st

- Revenues
 - Up \$267K versus budget
 - Regional table count 2.6% under budget and two fewer tournaments
 - TD Session and Tournament Sanction Fees in line with budget



Financial Director - Peyton Dodson.

Operations Year to Date:

Revenues up \$267K vs Budget:

\$112K NABC

\$90 Bulletin Advertising

\$22K regional at sea

\$20K Education Programs

Regional Table Count -2.6% under budget and 2 fewer tournaments. Total tournaments up 52 but 56 less sessions. TD Session & tournament Sanction Fees in line with budget.

2019 Operations Year-to-Date thru Oct 31st

- Expenses
 - \$150K under budget
 - Lower IT costs (\$207K)
 - Meeting Services \$113K over budget
 - Includes \$44K in NABC Memphis expenses and \$50K in Las Vegas expenses
 - Field Operations \$104K over budget

Expenses \$150K under budget (\$207K IT Costs – lower overtime but moving initiatives forward). Meeting services \$113K over budget Memphis and LV.

Net Assets increased \$955K due to higher revenue and lower cost \$417 better than budget.

2019 projects \$294K over budget. NABC events and Bulletin Ads. Membership revenue flat.

2019 Projections

- Expenses from operations
 - \$33K over budget
 - Field operations over \$130K
 - Tournament directors majority of overage
 - Continued lower IT costs (\$145K under)

2019 Operations Year-to-Date as of Oct 31st

- Net Assets
 - Slightly higher revenues offset by slightly lower expenses
 - \$955K positive change, \$417K better than budgeted

2019 Projections

- Net Assets
 - Projected income from operations of \$947K
 - 42% more than budgeted

2019 Capital Expenditures

- \$242K total expenditures
 - \$6K spent for computer hardware
 - \$73K website costs for marketing
 - \$89K Bridgemates purchase
 - \$35K data analysis software (12/19)
 - \$18K Tourney Trax improvements
 - \$10K new marketing email server

2019 Capital Expenditures

- \$242K total expenditures
 - \$6K spent for computer hardware
 - \$73K website costs for marketing
 - \$89K Bridgemates purchase
 - \$35K data analysis software (12/19)
 - \$18K Tourney Trax improvements
 - \$10K new marketing email server

Balance Sheet at Oct 31st

- Combined Cash and Investments totaled \$8.3MM, in-line with 2018
- Net Assets increased \$1.5MM since 12/31/2018

Questions:

Jerry Thorpe (D19):

Q – Why should there be a service charge for members for the financial statements?

A – Standard information. Should have been in the Management Report. We will provide it.

Q – What was the exact loss in 2018 for Honolulu NABC?

A – Covered in the [Spring Report](#) in Memphis.

Q – What was the exact 2018 loss for the CRM investment?

A – Covered in the [Spring Report](#) in Memphis.

Q – What was the direct expenditure for the ACBL to send teams to Wuhan China, including the total cost for the ACBL to select all teams.

A – No expense to the ACBL other than what we contribute to the International Fund. The ACBL makes money from director fees paid by the USBF and CBF.

Q – Are the answers to these questions in the reports available online?

A – The link to the audited financials and tax returns are on acbl.org.

See: <https://www.acbl.org/about-acbl/administration/financial-information/>

Board of Governor's Chairman's Report - Richard Popper

http://www.district11bridge.com/Monitors/2019-Las-Vegas_BoG_Excerpts.docx

| Motion | Topic | Action |
|--------|--|---------------------|
| 193-02 | Recorder Forms Shared with Home Districts – Instead: Disciplinary Chairs to Contact National Recorder for files. | 0-8 in Committee |
| 193-03 | CDR – Eliminate Tournament Disciplinary Committee. Effective Jan 1, 2020 <i>Eliminated at local and sectional level.</i> | Passed 24-0-1 |
| 193-04 | CDR – Advocate. Effective Jan 1, 2020 <i>Aligns to District Disciplinary Responsibility.</i> | Passed 24-0-1 |
| 193-05 | CDR – Direct Complaints. Effective Jan 1, 2020 <i>Eliminates direct complaint. All complaints go through the player memo. Aligns to District Disciplinary Responsibility.</i> | Passed 24-0-1 |
| 193-06 | Trophy Assignment Policy <i>Awards received consequent to 1st or 2nd place finishes ultimately vacated or relinquished be stricken.</i> | Passed 24-0-1 |
| 193-07 | Club Sanctioned Games <i>Matters that could involve Ethical Violations such as cheating should be referred to the ACBL National Recorder for evaluation.</i> | Passed 24-0-1 |
| 193-08 | Transcript. Effective immediately. <i>The Disciplinary Body who heard either the original matter or the intermediate appeal of the matter may have access to such record.</i> | Passed 24-0-1 |

| | | |
|--------|---|----------------------|
| 193-09 | Disciplinary Information Sharing <i>Ethical violations shared with the NABF.</i> | Passed 24-0-1 |
| 193-15 | By Law Change – Executive Director <i>Adds “Executive Director” to the bylaws.</i> | Deferred Columbus |
| 193-20 | Senior Players <i>Whenever the age limit changes, all currently eligible players remain eligible going forward.</i> | Carried 22-3-1 |
| 193-22 | Award for Round Robin Qualifying Reduces MPs for Mini-Soloway KO events of 5-6 team brackets and allows a 4 team bracket 2-session event with only one place awarded MPs. Effective Jan 1, 2020. | Passed 22-3-0 |
| 193-23 | Appendix Seeing Points. Effective Jan 1, 2020 | Passed 25-0 |
| 193-24 | All Team Events except Knockout and Board-a-Match | Deferred Columbus |
| 193-25 | Grass Roots Fund Month <i>Adds permitted uses of funds and clarifies fund allocation by district.</i> | Passed 25-0 |
| 193-26 | Non-Conforming Events Must get permission for events not conforming to normal tournament practice. | Passed 25-0 |
| 193-27 | North American Pairs Invitational Club Invitational Clubs may qualify NAP players. | Passed 25-0 |
| 193-28 | Vanderbilt/Spingold CoC | Passed 25-0 |
| 193-29 | CoC Soloway Teams | Passed 25-0 |
| 193-30 | Bracketed Teams CoC | Passed 25-0 |
| 193-32 | Club Appreciation Games Can play Oct through Nov 15. | Passed 24-0-1 |
| 193-35 | Volunteer Dinners at NABCs \$7500 Stipend given in lieu of volunteer dinner. | Passed 14-11 |
| 193-36 | NABC Regional and Single Session Event Entry Fees BoD sets a range to be used by District as appropriate. | Failed 3-20-2 |
| 193-38 | 2019 Operating and Capital Budget | Passed 25-0 |
| 193-40 | Management Control of Pricing <i>Establish price of all ACBL products and services</i> | Passed 22-2-1 |
| 193-41 | Executive Committee (First Reading) <i>Size & composition determined by the Board. Requires 17 votes to pass (amendment).</i> | Failed 16-9 |
| 193-43 | Transfer from Unit 231 District 6 to Unit 169 District 7 | Passed 25-0 |
| 193-44 | Non-Agenda Items <i>Any motion with financial impact \$10K or more must be approved by executive committee or 2/3 of the Board after a minimum of 3 day’s notice.</i> | Passed 23-2 |
| 193-45 | Consent Calendar <i>The Board of Directors will use a consent calendar.</i> | Passed 24-1 |
| 193-46 | Codification 401(k) Trustee <i>2 persons elected in the fall to 4 year terms</i> | Passed 25-0 |
| 193-48 | Codification Changes to Align Zone 2 with NABF Bylaws | Passed 24-1 |

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| | <i>Softens restriction on players with ethical violations, eliminates ACBL accreditation role, eliminates opposition to bylaws changes that reduce decision making power of Zone 2 in the WBF, Funds a WBF Management Meeting in SF.</i> | |
| 193-49 | Zone 2 Representative and NABF Board Members | Passed 24-1 |
| 193-50 | Unfair Incentives <i>ACBL tournaments (not including STaCs) may not offer discounts, perks or amenities to players classified by affiliation with a particular District, Unit, or club to attend that tournament instead of a contemporaneous tournament or club-sponsored event without written permission of the District President or Unit President or Club Manager affected.</i> | Passed 21-3-1 |
| 193-16/51 | ACBL Board Reorganization (By Law change requires 17 votes to pass). <i>Defines 13 regions and transition plan to 13 BoD trustees.</i> | Failed 15-10 |
| 193-60 | NABC Child Care Permits qualified 3 rd party providers. ACBL not responsible. | Passed 25-0 |
| 193-61 | Revised Schedule to Selected NABC Events 2023 Fall NABC Atlanta only | Passed 21-4 |
| 193-64 | Hand Records Make all pairs events in a given sessions use the same hand record. | Failed 2-23 |

Questions

Mike Cassel D14 – Special Events Task Force asked that Profit from NAP tables be added to GRFs. 100,000 Tables is about \$500K. What are Districts doing to use the GRFs? What mechanism is there for resource sharing and best practices? Districts would have to report their use of funds to HQ. ACBL does not have that information. Joe Jones to ask Districts to provide that information.

193-61 10 and 3 game times – how are we to go to meetings? Need to make a motion for reconsideration.

Old Business

Present the second reading of the By Law Amendment to amend the duties of the Board of Governors.

Steve Moese - This amendment proposal takes the BoG responsibilities and adds a matching duty for us to communicate with our Districts. Requires a 2/3 vote. **Passes 33-4**

Motions for Reconsideration

| BoG Motion | Topic | BoG Decision |
|------------|---|-----------------|
| 193-36 | (Peter Clark) – Allow flexibility in Regional NABC costs. No reason for the District to subsidize the ACBL. Intelligent pricing makes sense. | Failed 21-23 |
| 193-16/51 | Reorganization of the Board of Directors. Allow BoG Chair to make appropriate changes to update the text to deal with many technical changes, and possibly substantive changes to allow passage. | Passed 34-9 |
| 193-61 | Revised Schedule to Selected NABC Events | Passed |
| 193-26 | Non-Conforming Events | Failed |

New Business

| BoG Motion | Topic | BoG Decision |
|------------|---|----------------------|
| 193-01BG | Recommendation modifying the reorganization plan | W/D |
| 193-02BG | (Steve Moese D11) Teaching Club / Center Incentives | Failed 16-22 |
| 193-03BG | (Steve Moese D11) Beginner Articles from the ACBL | Accepted by Mgmt. |
| 193-04BG | (Steve Moese D11) Teaching Clubs / Centers | Passed |
| 193-05BG | (Steve Moese D11) Unit and Club Teacher Recommendations | Passed |

| | | |
|----------|--|--------|
| 193-06BG | (Peter Marcus D25) – ACBL Members ACBL Territories | W/D |
| 193-07BG | (Peter Marcus D25) - STaC Tournaments | W/D |
| Floor | Authority to make changes to 193-16/51 by Chair or BoD | Passed |

Barbara Heller – Military Program is underway – lots of interest generated. 40 different locations including Canada. Ed Foundation going great. 2 new trustees.

Linda – BoG Forum List update Jan1, 2020.

Sandy DiMartino - New Life Masters were approved by the BoG. Thanks for the D21 volunteers and the host hotels. Meeting adjourned 12:00 Noon.

END