

Date: 22 NOV 2020

BOG (Board of Governors) meeting documents: <http://www.acbl.org/bog-meeting-docs>D11 BoG Library: http://www.district11bridge.com/ACBL_board_reports.htmlMeeting Playlist (past videos): https://www.youtube.com/playlist?list=PLcAft4FoUHdTbWH2eG7XjDUD6clO_TLLdZoom meeting URL pending. Audio file: <http://www.district11bridge.com/Monitors/20201122BoGMeetingAudio.MP3>**Executive Summary - Board of Governor's Meeting** - Video Conference. Here are the highlights:

1. **Membership** down 5788 year to date or -3.6%.
2. Tournaments cancelled through February 2021. No decision yet on future schedules.

Club Tables	July	August	September	October
Virtual Clubs	127,079	118,531	132,353	125,072
BBO Only	242,529	246,829	234,513	N/A
Total	369,608	365,360	366,866	N/A

3.

2020 Online Regionals	May	Jun	Aug	Oct	Dec	Total
Tables	5275	13000	12,939	9,911	TBD	41,125
Gross Revenue	\$230K	\$565K	\$582K	\$446K	TBD	\$1,823K

4. New NABC Tournament Chair Handbook due shortly.
5. ACBL has returned **over \$14MM to clubs** since March, about **\$2MM/month** of which \$100K is SYC funds.
6. **Finances:** YTD Gain of **\$2.1MM** exceeds Covid19 Forecast by **\$756K**, the pre-covid19 forecast by **\$2MM**, and last year by **\$1,1MM**
7. **Staffing:** HQ-55 full-time employees, Field – 18 full-time employees, 132 part time employees, and 8 furloughed employees.
8. **Guest Member** program rolled out on the new YourMembership® platform. Pending: join/renew functionality, integration with the ACBL website, and a “Refer a Friend” promotion. During the first 60 days of the program (November 6) 905 Guest Members have been registered (15/day).
9. **Recruiter bonuses** \$12,500 were distributed in April, July and October. Year-to-date bonuses total \$17,880 with \$9,060 waiting to be paid due to missing tax information.
10. **CAP reimbursements** through October 5, are \$21,810 to 57 clubs and teachers about 42% lower one year ago. The average 2020 reimbursement is \$335 per event.
11. **New Masterpoints® Engine** calculates awards for either face to face or online games. First Quarter 2021 sees masterpoint calculations for class I and 2 special games. ACBL-wide Overall Results, and Inter-club Championship Overall Results.
12. **Club payouts** (BBO to the ACBL) for online games are automated. Working with OnPay to make updates to accommodate club and payor issues, and to integrate Great Plains accounting software with YourMembership®.
13. Tableau workbooks depicting **ACBL membership trends, demographic and geographic distributions, and the locations of Regional tournaments** and the geographic distribution of attendees underway.
14. New **cyber-security platform**, Artic Wolf will improve system risk mitigation. Unified Communications Project: Microsoft Teams, integrate our phone system Unified Communications Project.

Submitted Respectfully,

Stephen Moese, D11 2nd Alternate, K082411

Chair Richard Popper called the meeting to order at 12:04 PM EST and asked for a moment of silence to commemorate our colleague players who have passed away.

Board of Governors Election

Candidates presented their case for election (<2 minutes each). Some technical difficulties blocked communication.

Chairman (2021-2022): **Doug Couchman D17** – 53% Barbara Heller 47%.

Vice Chair (2021-2020): **Steve Moese D11** – 54%, Barbara Doran 25%, Gary Hann 17% and Jerry Thorpe 4%

Congratulations to our new leaders.

Many offered congratulations to Barbara Heller for her service and contributions over the past years.

President Georgia Heth (by video) announced she will continue as president for 2021. Georgia credited the strongest Executive Team she has ever worked with for great success in face of the crisis. Profits from this year will be needed for next year. Next year they will be working on how to return to face-to-face bridge safely. She referenced major reorganization in governance, the reduction in Board size, the transition task force to transition work off the Board of Directors, the online bridge committee to define strategy for the future. She discussed the need for Board of Governors members to work on making the transition back to face to face bridge successful.

The minutes of the July meeting were approved unanimously as modified. A quorum was confirmed.

Management Report - Mr. Joe Jones, Executive Director, by video.

Joe acknowledged the effort and support of the Board of Directors and the Executive Team. ACBL is viable and stable in an online only environment. Forecasted Net Income of over **\$2MM**, almost **\$4MM** including 2019 gains. Future NABC Commitments are the largest financial risks. Commitments total **\$8MM**. Cost penalties likely if the ACBL cancels planned NABCs. If events occur prior to broad available vaccine, the NABC will become a super spreader event. Lack of in person play speeds decline of membership. Some 60% of members do not play. Those that don't play don't value their membership as highly.

3 Objective for Membership in 2021:

- **Improving Member Recruitment**
- **Increasing Member Retention**
- **Increasing Value of Membership in the ACBL**

Guest Membership underway – 4 months free access to ACBL experience (online Bulletin only).

Expect a 2021 redesign of Bridge Bulletin, and a 2021 redesign of website focuses on improving usability. Will include integration with new membership management software. IT is now able to return to longer term priorities deferred while bridge moved online. Masterpoint engine is up and running. YourMembership® implemented and will automate member enrollment and dues payments. Data Management efforts to standardize data for dashboards is underway. Later in 2021 will update Tourney Trax, and how to replace ACBL Score.

Current Priority is to maximize online play until Face to Face Bridge can return.

Financial Update – Peyton Dodson, Director of Finance by Video

2020 Operations Year-to-Date thru Sept 30th

- Revenues
 - Up \$956K versus forecast
 - Online Tournament Revenue \$674K over forecast
 - Online club games \$277K over forecast



2020

2020 Operations Year-to-Date as of Sept 30th

- Net Assets
 - Gain from operations of \$2.1MM
 - \$756K better than forecast



2020

2020 Forecast vs Budget

- Expenses from operations
 - \$5.4MM under budget
 - No NABCs - \$2.6MM
 - Field operations decrease of \$1MM
 - Reduction in staffing costs due to no face to face
 - Marketing cuts of \$700K
 - Other cuts across all departments



2020

Board expenses down \$342K due to no face to face NABCs.

2020 Operations Year-to-Date thru Sept 30th

- Expenses
 - \$200K over forecast
 - Unforecasted BBO fees of \$204K included in Field Operations
 - \$30K in referral fees in Human Resources
 - Remainder of expense variances not significant



2020

2020 Forecast vs Budget

- Revenues from Operations
 - \$3MM below budget
 - No NABC events – (\$3MM)
 - Tournament director fees – (\$2.6MM)
 - Offset w/ Online Club Sanction Fees & Tournament Fees - \$2.4MM
 - Employee Retention Credit - \$400K
 - Continued flat Membership



2020

2020 Forecast vs Budget

- Net Assets
 - Forecasted income from operations of \$2.6MM
 - 88% more than budgeted
 - \$1MM reserve for potential 2021 NABC cancellation liability



2020

2020 Capital Expenditures

- \$216K approved budget
 - \$18K Tourney Trax investment
 - \$73K website costs for marketing
 - \$35K data analysis software
 - \$70K Replace ½ of HQ Roof
 - \$10K Allowance for maintenance

Balance Sheet at Sept 30th

- Combined Cash and Investments totaled \$11.6MM
 - \$1.2MM Restricted cash
- Net Assets increased \$2.4MM since 12/31/2019



2020



2020

Data Analysis completed and below \$35K shown.

Litigation Report - Linda Dunn

Linda gave an update on the suit Peter Markus et al. v. ACBL. Both sides have moved for summary judgment. Oral arguments heard in Sept. 2020. One member died and papers weren't filed correctly so this person is dropped.

Questions for Management

Peter Markus – Mr. Jones – What do I have to do if I have a question to the ACBL since you do not want me contacting ACBL employees directly. Mr. Jones asked that the email be resent and mentioned that they have taken steps about the email scams that are happening.

Steve Moese D11 – 2 sets of questions

Thank you for the monthly online table count data. Could you please publish the counts broken down by the following categories:

- 1) VACB
- 2) SYC
- 3) Sectionals
- 4) Regionals
- 5) Slowball and Fastball Pairs
- 6) Robot Games

Mr Jones agreed to get back to us with that detail.

I want to congratulate you, the executive team, and Greg Coles for the fabulous result: I understand that about \$14.5MM has been returned to clubs from VACB games.

Does this include SYC games too?

Please tell us how pooled clubs versus un-pooled clubs are doing with VACB earnings.

Do earnings correlate with the size of an individual club customer pool from 2019?

Mr. Jones answered that there is a remit to clubs of \$2MM per month of which about \$100K is from SYC.

Mr. Jones will look into remit correlation by club customer pool from 2019.

Gary Hann – Regarding rampant cheating, Can we come up with some absolute requirement to have members to affirm a statement that I will not cheat, and if I do cheat, I have no legal redress for cheating. Mr Jones mentioned that they are considering some affirmation by members to avoid cheating. Linda Dunn pointed out that we can't ask anyone to sign away their due-process rights.

Walter Mitchell – Thanks for all you’ve done and for this technology that allows us to meet. Unit 120 NE PA, people are not participating in Regional Events online because they are too expensive. Is there any flexibility to lower price? Mr. Jones allowed that \$15 per session was similar to what clubs and Districts are charging. The price is not set in stone. Will take input and discuss what could be done. Could increase the number of boards to session. Still working to figure out what the market wants and can bear. W. M – adding boards (22-24) would be more attractive. JJ – Total costs are much lower for people who would travel to regionals.

Marty Hirschman – Thanks for all the effort in the past year – ACBL is doing a terrific job. What are the risks for the upcoming NABCs?

Mr Jones – Penalties are in the millions of dollars. Not looking to unilaterally cancel any events. We will hold them if possible.

MH – Is there any effort to improve bidding of Robots at high levels?

Mr Jones said he is unaware and will look into it.

Joann Sprung D17 – Congratulations and well done. Contracts with BBO – and Known security flaws identified by USBF, Bridge House and a number of other organizations have raised them with BBO and BBO has refused to correct them. Is there a performance contract with BBO that would require them to correct security flaws and improve their service (Players dropped, can’t log on, etc.)

Mr. Jones said there is no performance clause. If Linda sends a letter outlining the issues Mr. Jones can pursue the matter with them.

JS – I raise a concern that Linda Dunn said we cannot know if people are cheating. Using statistical analysis, we can achieve reasonable doubt proof. We cannot say we cannot KNOW people are cheating.

Mr. Jones allowed that his involvement in prosecuting cheaters has been an education. ACBL will not stop until we root out everyone who is cheating. Linda Dunn – beyond a reasonable doubt is not “knowing” – Knowing is 100% certainty. Our disciplinary process uses comfortable satisfaction which is something below “knowing”. Having players or new members sign away their due process rights is not commercially viable.

Don Mamula – Stated he was close to appalled at what was just said. When an official of our league who is directly involved in disciplinary proceedings says an effort to stanch cheating is commercially unviable, that’s not the way to do this. There’s an integrity issue that we need to address. Knowing 100% is very rare. Foisting such a standard into this discussion is wrong. Predecessor to Linda was very litigation averse. It appears that you follow the same.

Mr Jones thanked Don for his opinion.

End Questions for Management

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

Motion	Topic	Action
	August 17, 2020 Zoom BoD Special Meeting 20S3	
20S3-04	Ruy Marques appointed to ACBL Laws Commission to vacated term ending Spring 2022	25-0-0
20S3-05	Melody Bi appointed to ACBL Disciplinary Committee for vacated term ending Spring 2022	25-0-0
20S3-06	Report on Hearings (Ethical Violations)	Information
20S3-01	Appendix O – Conditions of Contest for Online Play (Codification)	25-0-0
20S3-02	Reducing MP awards to reflect non=Face-to-Face play (80% of face to face awards). <i>Needs a second reading at Special December Meeting</i>	24-1-0
	September 17, 2020 Zoom BoD Special Meeting 20S4	
20S4-01	Report on Hearings (Ethics Violations).	Information
20S4-02	CBF Mixed Team Awards – OA and Match awards	25-0-0

20S4-03	Session Award Threshold Clarification – set to two contestants	25-0-0
	October 20, 2020 Zoom BoD Special Meeting 20S5	
	Marketing Report,	
Exec Com.	Bob Glasson approved to Online Ethical Oversight Committee	25-0-0
20S5-01	Report on Hearings (Ethical Violations)	
	November 22, 2020 Zoom BoD Meeting 203	
203-02	CDR Revisions	24-0-1
	Special Events Calendar Approved as amended. GNT/NAP Schedule Approved	25-0-0
203-05	Platinum Events – require accumulation from 9 most recent in-person NABCs meant to keep f2f platinum record alive since people cant win Platinum Points right now.	25-0-0
203-06	Unit and Club Teacher Recommendations – BoG Reconsideration motion	Failed
203-07	Teaching Clubs and Teaching Centers – BoG Reconsideration motion	Failed
203-08	Alert Chart	25-0-0
203-10	2021 operating and Capital Budget	25-0-0
203-11	US Currency for Membership Dues Transactions	24-1-0
203-12	Budget Calendar – Budget for next year by Nov1, and ratification by Board by year end.	25-0-0
203-15	Establish a Framework for Operating Guidelines – Move delegations to new Appendix D of Codification.	25-0-0
203-16	Overall Operating Guidelines	25-0-0
203-17	Operating Guidelines for NABC Site Selection	24-1-0
203-18	Operating Guidelines for NABC Review	25-0-0
203-14	ACBL Logo – Management may update with Board approval	20-4-1
203-20	Teaching Clubs / Centers Incentives – 1 st year membership discount vis Teachers or Clubs	Failed
203-21	Teaching Clubs / Centers Incentives – Additional Club Championship Games for top clubs	Failed
203-22	Teaching Clubs / Centers Incentives – Feature in ACBL advertising to prospects and new members	Failed
203-23	Teaching Clubs / Centers Incentives – Extra CAP monies for top recruiters	Failed

There is a special meeting in December. R. Popper will attend as BoG Chair, and Doug Couchman Chair-elect, is invited to attend. Richard reported that Ms Georgia Heth has been reelected President of the ACBL.

George Blakely asked for the vote and who ran for the President of the Board. Richard was not allowed to reveal the vote. The other candidate was Kevin Lane D21.

Ron Carriere – About cheating and integrity. Was there a motion on the cheating? RP – No motion so the question is out of order.

R Popper recognized AJ Stephani to discuss regions 2, 4, 11 picked at random to start with 4 year terms for the new regional director. Final step in the restructuring process. Terms for all regional Directors are staggered as per NY law. AJ will forward a chart showing the transition plan and elections to Mr. Jones for publishing on the website. 2021 is when the first Regional Director elections occur. Richard confirmed Region 2 is D24 & D25, Region 4 is D 5 & D6, and Region 11 is D22 & 23.

Motions for Reconsideration

None

New Business

Bob Heller – Reviewed Sub committee on the Future of the Board of Governors. Progress report sent to BoG along with an update after MGMT review. One motion: 3rd or 4th weekend in January 2021 to be called by Doug Couchman. We intend to add a second meeting 6-7 weeks in advance of an NABC where we can plan the agenda for the next meeting.

New BOG Motions (Votes: Aye-Nay **Failed Passed**)

203-BG000	BOG – Extend the Charter of the BoG Teachers & Club Managers Committee for 2 years Action to be taken by the new chair.	91% approved
203-BG001	MakeNABCandRegionalTournamentsInvitational as amended (G. Hann). Seconded Larry Sealy. Betty Starzec – what qualifies anyone for an invitation. SM – left to leadership to make a determination. Cited a CAS/FIGB example. G Hann – make every ACBL event invitational J Sprung – won't avoid lawsuits – invitational events are being sued for excluding certain pairs. Steve shared WBF examples including issues with spotty adjudication by NBOs. Peter Markus – Suggests private entities can do this anyway. This sends a bad message to members who are used to events being open.	29-24-20
203-BG002	Communication Among Boards (1) Bill Cook Seconded. Linda Dunn objected because last year's changes were based on outside experts. She also does not want ad hoc changes to the Privacy policy that would break the integrity of the policy. She also mentioned that Units and Districts can communicate but the Management wants to understand broadcast messages. Units should submit reason for communication so the ACBL could provide a heads up that the communication is coming. Other Units don't want to be involved in unnecessary emails. Steve asked if MGMT would accept a forum for Unit and District communications? How to unite Units and Districts to work together against common goals. Mr Jones reluctantly suggested that while there isn't capability today, there is a possibility such capability might exist in the future.	WITHDRAWN so MGMT can assess feasibility of forums.
203-BG003	MGMT Masterpoint Parity – Online and Face to Face	Large Majority Passed to MGMT K. McNabb seconded
203-BG004	MGMT Pooling Table Count – VGC and Face to Face Games Run Simultaneously	
203-BG005	MGMT Low Cost Ads for Clubs and Teachers in the Virtual ACBL Bulletin (1)	
203-BG006	MGMT ACBL Bulletin Board-Calendar for Bridge Teachers and Clubs (1)	
203-BG007	MGMT Option for Members to Take Virtual Bulletin Only (1)	
203-BG008	Prospect Contact Information to Clubs and Teachers (1) changed to Management Proposal - K McNabb D1 seconded	
203-BG009	MGMT Prospect ACBL Member Number Shared with Sponsor Kevin Wilson seconded	
203-BG010	MGMT Regional Profit Sharing With Clubs	Defer to March
203-BG011	ClubMattersDelegatedtoBOGCommittee	Defer to March
203-BG012	Online Regionals After Face to Face Clubs Reopen	Defer to March

Motions from the Floor

G. Hann	Move to Create BoG Committee for combatting cheating. David Sizemore seconded.	44-15-8 Passed
G. Hann	Move Board of Directors should hire outside counsel by ACBL to determine what to do about cheating. Ron Lien seconded. P. Marcus asserted that MGMT's opinion on this motion is out of order. RP – indicated that BoD must approve this motion because counsel is not free.	37-25-3 Passed

Discussion

Richard Popper - thanked the Board of Governors for the privilege of having served as Chair for the past 2 two-year terms. Richard thanked all BoG members for their work, and recognized all the MGMT team and to Kelley Trejo in particular for all the support and effort on our behalf.

Doug Couchman – Will be talking to everyone about what to do going forward. Recognize Richard and Barbara for the work they've done. We are a volunteer organization and e need to recognize when people who work so hard for us.

Sandy DeMartino – Moved that all members who have achieved life master status be designated Life Masters. She reminded us to be friendly and thanked Richard for all his effort.

Motion to adjourn received and seconded. Adjourned at 2:17 PM EST.

END

11/22/2020