



# BOARD MEETING REPORT

Summer 2016  
Washington DC

A. Beth Reid, [District 1 director@acbl.org](mailto:District1director@acbl.org)



## CHEATERS EXPELLED

Fulvio Fantoni and Claudio Nunes of Italy and Lotan Fischer and Ron Schwartz of Israel were all found guilty of collusive cheating and permanently expelled from the ACBL. Both pairs lost all their masterpoints. In addition, partners and teammates the expelled pairs are subject to mandatory forfeiture of all masterpoints, titles and status ranks earned during the four years preceding the finding of guilt while playing with them.

As many of you know, the actions of these two pairs have rocked the bridge world. First publically accused by Boye Brogeland on Bridgewinners, the pairs were subjected to a massive investigation by the ACBL as well as other international bridge organizations. Countless hours of viewing video records by volunteers and ACBL employees enabled the ACBL, as charging and prosecuting party, to bring to the Ethical Oversight Committee a massive case.

ACBL President Ken Monzingo noted:

The results confirm that our members will never tolerate such behavior. The diligent EOC members gave many hours of their personal time, and ACBL management spent months compiling volumes of evidence, once again sending the message that our organization is serious in this matter. This is a refreshing new era of responsibility and accounting: ACBL will actively pursue and prosecute cheaters. It's a great new beginning, and I am confident that Management and the Board of Directors, with the help of these extraordinary volunteer members of the EOC, will continue to ensure the game of bridge is conducted on a level playing field, and that those who would connive to play otherwise will face the maximum penalties available.

These cases brought the ACBL the most national publicity it has had in decades---near simultaneous long articles in the *New Yorker*, *Vanity Fair* and *Rolling Stone* this Spring. Despite the bromide that there's no such thing as bad publicity and it WAS remarkable to see our game discussed at the national level, I hope these publications do follow-up stories to show how forcefully our League has dealt with the issue. Let's all be assured of a level playing field so that we may play the game we love as it was meant to be played.

I note that the prosecution of these cases was led by our retiring League Counsel Peter Rank. Peter is retiring at the end of July after 14 years of extraordinary service to the ACBL. I urge you all to read Peter's story in the Daily Bulletin of July 28<sup>th</sup>. Thank you Peter! <http://cdn.acbl.org/nabc/2016/02/bulletins/db7.pdf>

More about our NEW In-House Counsel below.

*The DC Committee, co-chaired by ACBL Board Member Margot Hennings and Susan Bowles and with a great team of local volunteers, put on a great NABC.*

*The weather was brutal but the temp at the tables was fine. ☺ My Dad and several other family members live in the area so I'm familiar with and love DC and was pleased to be able to visit. The first Saturday performance of the Capitol Steps was a true highlight...those people are totally hysterical—political laughs for those of every stripe. Congrats to all!*



## HARTMAN LANDS \$2M CONTRACT WITH BBO

Online bridge giant Bridge Base Online and the ACBL have contracted to take their partnership to new heights. In exchange for the BBO having the sole right to award ACBL Masterpoints in robot games for the next four years, they will pay us \$500K a year. That is in ADDITION to the sanction fees on those games that essentially equal a like amount. Other terms of the agreement include the two organizations expanding their cross-marketing to drive attendance to online and face-to-face games as well as conducting joint membership drives. Both parties agree that playing online does not supplant playing at clubs and tournaments but offers a stepping stone to face-to-face bridge and a means to stay connected to the game when there are no other alternatives. It's a good deal for both parties and \$2M in cash in our coffers. The Finance Committee at my suggestion agreed at this meeting to set a goal for our reserves of one-to-one with annual liquidation liabilities. (A VERY unlikely scenario assuming we go instantly out of business owing members prepaid dues). We are a couple of million short of this \$6M goal and, although we probably won't allocate all the new cash to one area, it is a BIG help. The budget meeting will be in Orlando and I'll keep you posted. For more info on the deal go to:

<http://www.acbl.org/bbo-and-acbl-extend-partnership/>



## BOARD ACTIONS

### 1 NT WITH SINGLETON

Effective August 1<sup>st</sup>, you and your partner may now have an agreement on natural 1NT openings as follows:

#### DEFINITIONS

...

2. *A notrump opening or overcall is natural if, by agreement, it contains no void, at most one singleton which must be the A, K or Q and no more than two doubletons. If the hand contains a singleton it may have no doubleton.*

The motion was brought to the Board by the Competitions and Conventions Committee. The Bridge Committee added the restriction that a singleton had could have no doubletons to avoid bizarre patterns like 8-2-2-1.

### DISTRICT-WIDE VOTING

Prior to this Spring, the voting results by Unit in District-wide race have always been made available to the BOD as well as the candidates. At the last meeting in Reno, Management, based on some complaints from some small Units that this essentially violated individual voters' right to a secret ballot, presented a motion to stop providing this information, which was passed. The Board of Governors, as is their right, sent the motion back to the BOD for reconsideration. This time, those who believe that the right of a candidate to see the results of the vote should take precedence won the day and the original practice was restored. Both sides had excellent points and Board Members were cautioned to treat this information confidentially.

AND...the BOG was ecstatic that it got an action reversed---a rare event indeed! ☺

### MORE ACTION ON CHEATING

As part of our effort to deal more effectively with ethical violations, some changes were made to the Recorder Regulations, the most significant of which is guaranteeing Reporter confidentiality as described below. We anticipate that this will greatly reduce the reluctance of players to make reports due to fears of harassment and pressure from others.

*A. The Recorder must make his best effort to maintain the confidentiality of the Player Memos. Unless confidentiality is waived by the Reporter, the Recorder should maintain, as confidential, the identity of the Reporter, even if this precludes speaking with the Subject of the report. Such information may be revealed only when necessary to the investigation and in maintaining files and records. Violating the confidentiality of the process is a basis for removal from office. This responsibility is of the highest priority and must continue even after his duties have ended.*

This privacy protection will not abrogate the Subject's right to cross-examination should the investigation produce charges at which the Reporter testifies. The Reporter may always decline to testify.

In addition, several changes were made to Appendix G of the Conditions of Contest dealing with screens in order to address issues raised by the recent cheating cases.

### NEW MASTERPOINT LIMITS

In order to be consistent with the recent changes in masterpoint limits for the GNTs, the limits on the "undercards" at the Summer NABCs were changed to raise the Bruce LM Pairs and Mini-Spungold to 0-6K (from 5K) and the Young LM Pairs and "Micro"-Spungold to 0-2500K (from 1500K). Also, in order to make it possible for folks to play in both the 0-10K Pairs and

the lower Spungolds, the starts of the 0-6K and 0-2500K Spungolds were moved to Tuesday. The length of the events will not change.

### ELIGIBILITY FOR OVERALL KO AWARDS

Effective 1/1/17, for any given overall award, a player must play at least 50% of each of a KO (excluding 1st round) and 50% of the total boards played by the team. No contestant may play any match after it has become mathematically impossible for him to play at least 50% of the boards (excluding play-off boards) played by his team OR failed to play in at least half of each match other than the first.

### OTHER ACTIONS

A \$5 Junior Membership is now available to all players under 26.

Motions from the BOG to allow High School Championships to count as Limited Sectionals or Regionals were defeated ONLY because THEY ARE ALREADY LEGAL. If you're interested in running one of these, please contact the Tournaments dept. at the ACBL and they'll be happy to get you set up.

The College Bowl C of C were tweaked to make participation easier and the prize money was spread to lower finishers based on private donations.

### AMERICAN BRIDGE ASSOC

ABA President Hank Irwin spoke to our Board about future cooperation between our organizations and his remarks were enthusiastically received. Nice to have an insider in our new Counsel! We also passed a motion waiving the non-member entry surcharge for ABA members until 1/1/18.

## NEW IN-HOUSE COUNSEL



This Spring I served as the Board representative on the search committee for a new counsel. The demands of the job have changed so drastically, that both Management and the Board believed that on-site full-time Counsel was needed to succeed Peter Rank's outside consulting role. I am thrilled to report that an extraordinary candidate has accepted the position. Linda Dunn is a "triple Crimson"—Harvard undergrad, MBA and Law degrees and a wealth of experience in both corporate and nonprofit law. She is a member of both the ACBL and the American Bridge Association and indeed has served as the Midwest Unit President of the ABA. Linda is excited to be able to combine her love of bridge with her love of problem solving and the law. The ACBL is sure to meet her needs for both! I urge you to learn more about Linda in the Daily Bulletin of July 24<sup>th</sup>, available on ACBL Live.

**PLEASE FEEL FREE TO EMAIL ME AT THE ADDRESS ABOVE WITH ANY QUESTIONS OR CONCERNS OR SUGGESTIONS OR HEYHOWAREYAS YOU WISH AND I'LL DO MY BEST TO RESPOND PROMPTLY! SEE YOU DAYTON!**  
*BETH*

## Other News

### **MEMBERSHIP**

I am pleased to report the membership total continues to rise. After the first six months, we stand at 168,742. This reflects an increase of 986 from this time last year. These positive numbers, well worth celebrating, have come about through the collective energies of all of our employees, volunteers, club managers, teachers and directors. Full membership statistics can be found at:

[Active Membership Statistics062016.pdf](#)

Face-to-face club table count is up 1.23% as compared to May 2015. Total table count through May 2016 is 1,357,569 of which 437,296 are from online games. The full report can be found at:

[Club Tbls Report 06-29-16.pdf](#)

### **2016 Tournaments**

Average Regional table count per tournament was down 1.9% (1385.6 v.1411.9). Five fewer Regionals were held to date as compared to last year. This has resulted in total table count being down 9.2%.

Average Sectional table count was down 1% (159.8 v. 161.5).

Four fewer Sectionals were held to date as compared to last year. This has resulted in total table count being down 1.9%.

Average STaC table count is down 1% (1338.6 v. 1352).

Two additional STaC were held to date as compared to last year. This has resulted in total table count increasing by 4%.

Total tournament tables decreased by 3.5% (8,065 tables) with seven fewer tournaments being held. [2016TC06.pdf](#)

### **FINANCE**

In addition to the decision to set a specific goal for our reserve account, the Finance Committee spent a significant amount of time

discussing our Investment Policy. We made a change several years ago to pull out of 100% CDs and put our funds in a managed account with a 75/25 fixed/equity split and that has done very well for us. The Committee now believes a shift to near 100% fixed would be more advisable. The full Board agreed with our recommendations on both these matters and Management will bring an implementation plan to Orlando. As to the operating budget we're doing very well. Total forecasted operating revenues are 0.7% better than budget and total forecasted operating expenses are 2.0% better than budget for a net forecasted increase in net assets \$477,899 better than budget. The Capital Budget forecast is also way down on the expense side, but we approved some increases largely to fund the construction of berms around our building (a good thing) for a net increase of approximately \$25K.

### **STRATEGIC PLAN**

The Board continued, as it should, to spend significant time discussing strategic goals and progress on tactics thereunder. We now, thanks to Jay Whipple, have a nifty metrics analysis of these projects we can all visit to assess our progress. Go to: <http://web2.acbl.org/documentLibrary/about/strategiac2016.pdf>

<http://web2.acbl.org/documentLibrary/about/MetricsScorecard.pdf>

### **FUTURE OF BRIDGE EDUCATION**

As many of you know, I served for six years as a trustee of the ACBL Educational Foundation. Although the trustees are a hard-working group of volunteers, they have simply never had the time

or resources under the structure of the Foundation to do more than make smallish grants to the few members who apply for them. Now, the Boards of both the ACBL and the Ed Foundation (whose members are the ACBL Board), as well as Management, are launching an effort to reorganize the EF as a totally free-standing entity with a professional staff devoted to raising serious money for bridge education and eventually taking on those areas now in the ACBL budget devoted to education. The first step is reorganizing the EF through bylaw changes and EF President Barbara Heller promises action by Orlando. This is truly the right path and I am excited to see us start down it.

### **BOARD COMPOSITION**

We received our first report of the Board Composition Committee, formed this year to address issues of Board functionality and costs. The "9" are 3 members of the BOD, 3 of the BOG and 3 at large. They have also called in some consulting opinions (such as mine on nonprofit governance). The CO9 is looking at Board size, the interaction of the BOD and the BOG, how we select our members and many other issues. They brought some interesting proposals to the Board and have taken our feedback to refine them and address concerns. The Committee is doing a great job and spending significant amounts of volunteer time identifying and addressing our problems and, contrary to some expectations, the BOD is receptive. I will also be proposing motions to the Governance Committee in Orlando to deal with those problems, such as frequency of meetings, structure of Committees, etc., that can be dealt with independent of major restructuring. I hope the time is right to achieve some of the changes I have long advocated to our operations.

