

Report of the Verification Commission for the year 2008

The commission met in Athens on June 12th and 13th. Present were Lakhdar Mazouz (chairman), Beatriz Marinello and Torstein Bae.

1. Follow up on Verification Commission's recommendations for 2007 (see 2006 VC report)

1.1 Staff contracts

A contract has now been signed with the Executive Director, but not with the other employees. As noted in the VC reports for 2006 and 2007, the commission urges FIDE to establish contracts with all employees as soon as possible.

1.2 PR and Marketing

This matter has been previously addressed by the Commission in the last two years. As a consequence the GA in Dresden decided that the PB should address the matter in their second meeting of 2009. The Commission still recommends that no further payment is made until a proper contract is signed.

2. External Auditor's Report

In the absence of the external auditor's report, the VC examined the accounts made available by the treasurer. In the future, the external auditor's report should be ready before the VC's meeting. In order for the Commission to prepare its report for the GA in due time, the Commission recommends that the auditor's report is ready by 31st of May.

3. Global Chess

Global Chess has not fulfilled its obligations, as the minimum sum stated in the contract (250 000 euro) has not been paid to FIDE. Considering the lack of fulfillment, the Commission recommends that the contract with Global Chess be terminated.

4. Mind Sports Olympiad 2008

The Mind Sports Olympiad, held in China in October 2008, was not budgeted. Nevertheless this event cost FIDE more than 100 000 euro. Promises were made by a third party to cover these costs, but this has not yet materialized. The Commission is of the opinion that it is very important that FIDE in the future has clear and enforceable contracts with organisers. This is especially important when the event is not in the budget.

5. Bank Guarantees from Organisers

In general, bank guarantees are not received on time. In the view of the Commission, FIDE should be stricter in the enforcement of contract conditions and bank guarantees in particular.

6. Commissions

There is a recurring problem that money being paid out to some commissions are not properly accounted for. There is a need for better methods and procedures of allocating resources to commissions. There is also a need for improved reporting with regard to the utilization of the allocated resources.