Call to Order: 1502 hrs
A quorum was established. Heather Wishart-Smith, SAME President and chair of the XC, called the meeting to order and began with the Pledge of Allegiance.

2021 Planning (Strategic Plan 2025 main effort for 2020)
Kathy Off gave a report on PLW, COI Work Plans and next steps (Encl 2). The National Office and RVPs will work with Posts on development of their 2021 plans. RVPs will give a summary of their 2021 plans at the Fall BOD Meeting. Vice Presidents will assist COIs in refining their Annual Work Plans. Additionally, COI Assessments will be completed in the fall. Vice Presidents will give a summary of work plan progress and COI health.

President’s Initiatives
Elected Director Commitments
Heather gave a summary of commitments from Elected Directors to support the Society and Strategic Plan (Encl 2). Upon taking office in May, she reached out to them individually and asked for their individual specific commitments as BOD members. They will provide progress reports in mid-October to the President.

Strategic Plan Alignment Initiative
Buddy Barnes, Immediate Past President, described the work underway with his group, including examining re-alignment of Posts and Regions to better support member participation and industry-government engagement. He described the COI assessments which will be summarized at the Fall BOD Meeting and the re-alignment of COIs as the next step for the group.

Key Leader Development Commission
Matt Altman provided a comprehensive look at the long-term work of his diverse group (Encl 2). The overall mission of the KLDC is to “provide transparency and clarity on the volunteer and leadership succession process, and promote development through one’s SAME “career,” thereby increasing the pool of available and qualified candidates.” They want to get our Society past “chance encounters” as the primary means of furthering one’s Society career path. Once they have developed key leader position information, anybody should be able to recruit. They will provide a long-term path for the KLDC in December 2020.
One idea that came from the discussion was a “public service announcement” that would come from the President on why one should strive towards leadership positions within SAME. This PSA could also be created for event participation and justification to organizations for employee attendance. Heather will pursue with Stephen Karl.

**Annual Governance & Management Review**

Joe Schroedel briefed the annual governance & management review (Encl 3). The focus this year is on the working relationship between the Society and the SAME Foundation, specifically the two areas of the Governance and Management Summary that pertain to the Foundation: fundraising and program support. He proposed the creation of a Task Force to assist in operationalizing the relationship between the Society and the Foundation (Encl 4). Hal Rosen, President of the Foundation, agreed with the concept. Clarification was made on the deliverables as a guide – they are not meant to be prescriptive. All agreed that it was the rational next step in the development of the Foundation. The XC voted to approve the creation of the Task Force to focus on the interfaces between the two organizations and ensure unity of effort. They also approved the guidance set forth in the proposal. Since this meeting was adjourned, the task force has been fully constructed:

<table>
<thead>
<tr>
<th>Foundation Members</th>
<th>Society Board Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dave Nash (co-chair)</td>
<td>Mark Handley (co-chair)</td>
</tr>
<tr>
<td>John Peabody</td>
<td>Mike Darrow</td>
</tr>
<tr>
<td>Tony Leketa</td>
<td>Chris Knutson</td>
</tr>
</tbody>
</table>

*Staff support coordination: Eddie Gonzalez*

**Financial Update**

Joe Schroedel and Will Hoffman gave a financial update (Encl 2). The Society has exceeded budgeted net revenue, mainly due to the lack of catering costs for events. It appears that we will close early on the Century House, eliminating 100K in expenses from the budget. Joe and Stephen Karl are working on communication of the sale to our members in the Nov/Dec issue of TME. Will is researching investment of the dividend from the sale of the Century House (2M). The National Office will have more to provide the XC at the December Budget Meeting on investment of the dividend and proposed investment of the principle. The Society budgeted 50K for requirements and search for a new Enterprise Management System; the RFP has gone out. This could potentially be a legitimate and worthy use of reserve funds. The National Office will come back to the XC with detailed analysis and recommendations on the disposition of sale proceeds and the management system.

**Adjourn: 1700 hrs.**
## Enclosure 1: Agenda

<table>
<thead>
<tr>
<th>TIME</th>
<th>AGENDA</th>
<th>BRIEFER</th>
</tr>
</thead>
<tbody>
<tr>
<td>1500 - 1505</td>
<td>Welcome &amp; Call to Order</td>
<td>Heather Wishart-Smith</td>
</tr>
<tr>
<td>1505 - 1515</td>
<td>2021 Planning (PLW, COI Work Plans)</td>
<td>Kathy Off</td>
</tr>
<tr>
<td>1515 - 1530</td>
<td>FY 20-21 Initiatives – Updates</td>
<td>Heather Wishart-Smith, Buddy Barnes, Matt Altman</td>
</tr>
<tr>
<td></td>
<td>• Elected Director Involvement Initiative</td>
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<td></td>
<td>• Strategic Plan Alignment Initiative</td>
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</tr>
<tr>
<td></td>
<td>• Succession Planning and Key Leader Development Commission (KLDC)</td>
<td></td>
</tr>
<tr>
<td>1530 - 1615</td>
<td>Annual Governance &amp; Management Review (Operationalize Society-Foundation Relationship)</td>
<td>Joe Schroedel</td>
</tr>
<tr>
<td></td>
<td>• Task Force Recommendation (decision)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Review Task Force deliverables</td>
<td></td>
</tr>
<tr>
<td>1615 - 1640</td>
<td>Financial Update</td>
<td>Joe Schroedel/Will Hoffman</td>
</tr>
<tr>
<td></td>
<td>• FY 2020 (cash flow, balance sheet)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• FY 2021 Mock Budget (COVID)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Investments</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Disposition of Century House sale proceeds</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Reserve Management Plan</td>
<td></td>
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<tr>
<td></td>
<td>• Enterprise Management System</td>
<td></td>
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<tr>
<td></td>
<td>• RIF Plan</td>
<td></td>
</tr>
<tr>
<td>1640 - 1700</td>
<td>Discussion, Actions, Decisions, Adjourn</td>
<td>Heather Wishart-Smith</td>
</tr>
</tbody>
</table>
Welcome & Call to Order

Pledge

PLW Outcome Achieved: Posts have all the necessary tools to make 2021 plans to support the 2025 Strategic Plan.

• Posts understand that they were given extra time by the BOD to plan for 2021.
  • BOD intent is that plans are in place by Fall Board. RVPs will give summary of Post plans at the board.
  • Message: Membership requirements are nothing new, but we are ready to adjust course if needed.
  • Message: Quality vs Quantity, less prescriptive – allowing for more member engagement!
• Posts can learn from the virtual environment in order to improve future face to face events.
  • Message: National is ready to assist Post of every size with virtual platforms.
  • Message: Finding opportunities to network is important (meaningful conversations).
  • Message: The future consists of hybrid events.
• PLW encouraged Posts to reach out to COIs for programming and assistance.
  • COIs can also help facilitate relationships with Strategic Partners.

“One Society of vibrant Posts, relevant locally, while contributing to a common national direction.”

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COI work underway, much more work to be done.

- COI Work Plans: 100% complete and reviewed by VPs. Staff assessment - quality is at about 50%.
  - Need VPs to push COIs to improve quality by Fall Board.
  - Strat Plan Alignment TF should review 2020 Work Plans to identify gaps.

- COI Health Assessments: Will be complete and reported at Fall Board.

- COI Education Plan: Communication & Marketing plan to educate Post on value and capabilities of COIs.


Elected Director Commitments

Purpose: Work with our Elected Directors to deliver value and impact through meaningful engagements reflected in commitment statements that match their passion with SAME’s needs.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position/Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adam Boubede</td>
<td>KLDC</td>
</tr>
<tr>
<td>Sally Clark</td>
<td>SBC Exhibitor Advisory Council</td>
</tr>
<tr>
<td>Patrick Couihanan</td>
<td>Century Book &amp; History</td>
</tr>
<tr>
<td>Michael Darrow</td>
<td>LDP</td>
</tr>
<tr>
<td>Candis Hamilton</td>
<td>TBD/Awards or International</td>
</tr>
<tr>
<td>Richard Houghton</td>
<td>Health Eng TF w/IFSC, resilience/emerging tech</td>
</tr>
<tr>
<td>Elizabeth Parent</td>
<td>TBD/SBC</td>
</tr>
<tr>
<td>Robert Ruch</td>
<td>Roadmap for AD members while serving</td>
</tr>
<tr>
<td>Marc Snyder</td>
<td>COI Marketing Plan</td>
</tr>
<tr>
<td>J.J. Tang</td>
<td>AP COI: awards &amp; energy/sustainability coordination</td>
</tr>
<tr>
<td>Christine Tsai</td>
<td>Inclusion &amp; Diversity Working Group</td>
</tr>
<tr>
<td>Matthew Turner</td>
<td>Posts/Regions assessment/Strategic Plan Alignment Initiative (supporting Bob)</td>
</tr>
</tbody>
</table>
Strategic Plan Alignment Initiative

- **Purpose:** Strengthen our Society and advance our 2025 Strategic Plan by reviewing the COIs and Regions to determine whether they are structured to best support our 2025 Strategic Plan, and make recommendations on how to restructure, as appropriate.
- Region/Post re-alignment underway to facilitate better member participation and industry-government engagement.
- COI assessments developed and delivered.
- COI Health reported at SBC.
- Next step – strategic re-alignment of COIs.

---

**KLDC Purpose**

- Increase the size and diversity of SAME Key Leader Position (KLP) candidates
  - KLPs include National President, Vice Presidents, Elected Directors, RVPs, and COIs
- Ensure consistent pipeline of interested, qualified candidates for SAME volunteer positions at the Regional and National levels
- Help members navigate their SAME “career” by gaining and applying diverse set of experiences
- Demystify KLP requirements, expectations and selection process
  - Formally dispel any perception of “smoke filled room” selections

*The KLDC is intended to provide transparency and clarity on the volunteer and leadership succession process, and promote development through one’s SAME “career,” thereby increasing the pool of available and qualified candidates.*
KLDC Contributors

- Col Matt Altman – Chair
- SMSgt Adam Boubede
- Capt Ryan Combest
- Jeff Davis
- Pete Delano
- Ann Ewy
- Suzanne Grix
- Sharon Krock
- Ben Matthews – Vice Chair
- Philip Mok
- Angela Nocera
- Col (Ret.) Sai Nadjomian – Senior Mentor
- Kathy Off – National Office Rep
- Lisa Thoole
- Carrie Ann Williams

Way Forward

- June – Build Commission team and lay out action plan
- July – Identify KLP descriptions and desired experience/capabilities
- August – Refine KLP information; develop smart info graphics
- September – Inform the recruiters and educate/inform posts; publicize KLP nomination process
- October – Engage/recruit potential KLP candidates through existing SAME structure (i.e. Fellows selection process, LD COI, LDP, RVPs, etc.)
- November – Develop succession knowledge transfer plans
  – Support National Leader Selection Committee, as needed
- December – Recommend way forward for long-term KLDC
Annual Governance & Management Review

- Task Force Recommendation (decision)
- Review Task Force Deliverables

FY 2020 Budget and EOY Forecast

**BOTTOM LINE:** Our COVID Financial Management Plan (March 2020, see back up slides) is working. **Projection:** cash positive at EOY with no staff or pay reductions.

**Revenue (leading indicators):**
- Advertising has stabilized since March and April when several companies pulled Ads.
- Membership appears to be stabilizing since membership push in June and July

**Comparisons:**

<table>
<thead>
<tr>
<th></th>
<th>Event</th>
<th>Budget</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td>CAP Wk</td>
<td>$110K</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>TW</td>
<td>$15K</td>
<td>$35K</td>
<td></td>
</tr>
<tr>
<td>MIFTC</td>
<td>$110k</td>
<td>$150k</td>
<td></td>
</tr>
<tr>
<td>VFMW</td>
<td>$25k</td>
<td>$35k</td>
<td></td>
</tr>
<tr>
<td>FLW</td>
<td>$105K</td>
<td>$4k</td>
<td></td>
</tr>
<tr>
<td>VSBC</td>
<td>$1,200k</td>
<td>$??</td>
<td></td>
</tr>
</tbody>
</table>

**PPP Loan:** Secured one-time, $357k loan (2.5 months staff salary – May-Jul) – working to have forgiven (file by 31 Oct 2020).

**Expenses:** Controlled (see COVID Financial Mgt Plan).

**Risks:**
- VSBC Revenue
- Conference penalties: **Pending:** $175k (15 Dallas hotels); **Forgiven:** $396k (Cap Week, IETC, FMW, PLW, Dallas Conv Center)

**Risk Mitigation:** If close sale of Century House by Aug 31, avoid c. $100k facility expenses for 4th quarter.

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Reserves

**BOTTOM LINE:** Despite volatility and uncertainty in the market, reserves remain healthy and resilient.

**Investments (reserves):**
- Since the lows in March of 2020 we have seen impressive returns.
- The accounts are still negative for the year but investments nearing December 2015 values
- SAME Foundation has added a new post since May. Hampton Roads (check has not cleared), Huntsville Post (check has not cleared) and Tampa Bay (money deposited in June)

**Proceeds from sale of Century House (c. $2 million):**
- Bank advisors developing 3 options for secure investment vehicle
- RBC developing conservative investment options
- Principles:
  - Protect the principal for future XE investment decision (eg Foundation, etc)
  - If invest, keep separate from reserve and Foundation investments
  - Generate cash flow for national office revenue (through COVID; estimate 3 years, review annually)

---

**FY 2021 Budget Development**

**BOTTOM LINE:** Earlier budget development ongoing (mock 2021 budget) to apply 2020 COVID experience.

**Assumptions:**
- COVID restrictions will apply throughout 2021 (conservative view)
- Extend expense controls of 2020 COVID Financial Management Plan
- 30 day notice prior to any actions that adversely impact staff compensation or employment
- PPP (or other small business government assistance) not extended
- NSPE Lease executed as signed
- Sale of Century House closed (avoid 507 Prince Street facility expenses)
- Reserves not appropriate for operational shortcomings

**Planning Guidance:**
- Plan for in-person events; secure COVID escape clause for venues (some contracts already in place)
- Develop and implement alternative revenue streams (Advertorials, Webinars, etc) (beginning in 2020)
- Continue management system initiative (focus on membership); develop decision brief for XE (use reserves to invest in new system)
- Develop plan to invest proceeds of the sale of the Century House in FDIC secure financial vehicle to be used as national office staff revenue until COVID is over (will require XE approval)
- We have drafted FY 2021 National Office Priorities which will be used to guide the budget process

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Summary

- **FY2020 Budget Execution**: Our strong cash position in March enabled a smooth transition to the unexpected. Our COVID Response Financial Management Plan is working. We are aggressively managing cash flow and, assuming a successful SBC, we will achieve the budget that was approved by the XG in December 2019.

- **RESERVES**: SAME National Office and SAME Foundation reserves took hits initially but have rebounded; net loss less than 5%. Management firms aggressively managing uncertainty.

- **FY2021 Budget Development**:
  - Mock Budget developed early to learn from and apply COVID experience
  - Robust assumptions and planning guidance anticipate and accommodate uncertainty

- **Future XC Decisions**
  - Management System Investment (market research ongoing)
  - Disposition of sale of Century House proceeds (23 Aug is end of due diligence period)

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• Discussion
• Action
• Decisions
• Adjourn
# Enclosure 3: Governance & Management Review Matrix

## SAME National Governance Summary

**2020 Review**

<table>
<thead>
<tr>
<th>Governance Area</th>
<th>Decision Authority</th>
<th>Roles &amp; Responsibilities</th>
<th>Critical Responsibility</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constitution versus Bylaws</td>
<td>BOO President</td>
<td>Strategic &amp; Stakeholder Relations</td>
<td>Original Constitution remains unchanged to reflect our original society purpose. Maintain currency of bylaws to govern the society. (industry standard approach).</td>
<td>Cert. of Incorporation (not explicit) 12-5-1924 11-14-17</td>
</tr>
<tr>
<td>Governance vs. Management</td>
<td>BOO President</td>
<td>Executive Director</td>
<td>Ensure all society leadership is trained adheres to the letter and spirit of our Governance and Management standard.</td>
<td>Annual Gov and Mgt review with XC established Aug 2018</td>
</tr>
</tbody>
</table>

**Fiduciary Responsibility**

<table>
<thead>
<tr>
<th>Fiduciary Responsibility</th>
<th>Decision Authority</th>
<th>Roles &amp; Responsibilities</th>
<th>Critical Responsibility</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net’s Office Budget</td>
<td>XC President</td>
<td>Dir. Ops &amp; Finance</td>
<td>Sustain financial health of the organization.</td>
<td>Bylaws IX.1.a.ii 11-14-17**</td>
</tr>
<tr>
<td>Annual Audit</td>
<td>Treasurer President</td>
<td>Dir. Ops &amp; Finance</td>
<td>Confirm financial health independently.</td>
<td>Bylaws VI.5 11-14-17**</td>
</tr>
<tr>
<td>Annual Report to Membership</td>
<td>Executive Director</td>
<td>Communications &amp; TNM Editor</td>
<td>Posts see direct connection from the work they accomplish to national goals.</td>
<td>Bylaws IX.1.a.iii 11-14-17</td>
</tr>
<tr>
<td>Financial Reserve Management</td>
<td>Treasurer President</td>
<td>Dir. Ops &amp; Finance</td>
<td>Ensure that Society can function in the face of negative circumstances.</td>
<td>Bylaws IX.2.ii (not explicit) 11-14-17**</td>
</tr>
<tr>
<td>National Foundation Fundraising</td>
<td>Foundation BOO President</td>
<td>Executive Director</td>
<td>Grow financial resources to underwrite the Foundation purpose and related Society philanthropic goals. Leverage the current availability of resources.</td>
<td>No policy yet</td>
</tr>
<tr>
<td>Investment Committee</td>
<td>XC President</td>
<td>Dir. Ops &amp; Finance</td>
<td>Sustain long-term financial growth of the Society.</td>
<td>Bylaws IX.1.a.ii (not explicit) 11-14-17**</td>
</tr>
<tr>
<td>Grants</td>
<td>BOO President</td>
<td>Executive Director</td>
<td>Diversify revenue national streams by developing the Society’s ability to win and manage grants in order to expand investments in strategic plan goals while balancing volunteer capacity.</td>
<td>Bylaws IX.1 (Propose creation of policy) 11-14-17**</td>
</tr>
</tbody>
</table>

## National Strategic Plan

<table>
<thead>
<tr>
<th>National Strategic Plan</th>
<th>Decision Authority</th>
<th>Roles &amp; Responsibilities</th>
<th>Critical Responsibility</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOO Responsibility</td>
<td>BOO President</td>
<td>Executive Director</td>
<td>Ensure Strategic Plan drives the organization and is the basis for all decisions. Assess progress annually - determine corrective actions.</td>
<td>National Strategic Plan Bylaws V:1 Jan, 2016</td>
</tr>
<tr>
<td>Development and implementation of plan</td>
<td>Posts President</td>
<td>Executive Director</td>
<td>Posts participate in formation of plan and are ultimately responsible for executing the plan.</td>
<td>Bylaws IX.1 (not explicit) 11-14-17**</td>
</tr>
<tr>
<td>Metrics &amp; Evaluation of Progress</td>
<td>National Office President</td>
<td>Executive Director</td>
<td>Progress can be measured and tracked.</td>
<td>Bylaws IX (not explicit) 11-14-17**</td>
</tr>
<tr>
<td>National Governance Cycle</td>
<td>BOD</td>
<td>President</td>
<td>Executive Director</td>
<td>Minimize time and energy required of volunteer leaders while maximizing (max of strategic direction at the national and post level. Ensure predictability for volunteer leaders.</td>
</tr>
<tr>
<td>--------------------------</td>
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<td>--------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Membership</td>
<td>BOD</td>
<td>President</td>
<td>Dir. Membership &amp; Programs</td>
<td>SAME is a membership organization. Manage members in a manner that serves member needs and informs Society leadership of member needs to support decision making. Implement the most efficient and effective means of managing members (database) at national and post levels.</td>
</tr>
<tr>
<td>Events</td>
<td>NC</td>
<td>President</td>
<td>Dir. Marketing &amp; Events/ Dir. Membership &amp; Programs</td>
<td>Leverage the opportunities for face to face meetings to maximize value to members and grow revenue so support National Office and investments in strategic plan activities. Support post events with expertise to help manage risk to members.</td>
</tr>
<tr>
<td>National Strategic Partnerships</td>
<td>Executive Director</td>
<td>President</td>
<td>Strategic &amp; Stakeholder Relations</td>
<td>Establish national partnerships in order to create opportunities for expanded relationships at all levels that contribute to the SAME Strategic Plan.</td>
</tr>
<tr>
<td>National Foundation</td>
<td>BOD</td>
<td>Foundation President</td>
<td>Executive Director/ Dir. Ops &amp; finance</td>
<td>Leads all efforts to resource philanthropic objectives of the Society in order to foster investment in SAME while keeping the operational side of the SAME National Office separate.</td>
</tr>
<tr>
<td>National Leadership</td>
<td>Terms &amp; Qualifications</td>
<td>BOD</td>
<td>President</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Nat’l Officer Selection</td>
<td>Members</td>
<td>President</td>
<td>Executive Director</td>
<td>Recruiting (succession) – all national leaders actively encourage qualified candidates seek nomination.</td>
</tr>
<tr>
<td>Voting Procedures</td>
<td>National Office</td>
<td>President</td>
<td>Executive Director</td>
<td>Elections are fair, transparent, and reflect the needs of members.</td>
</tr>
<tr>
<td>Nat’l Officer Synch Matrix</td>
<td>President</td>
<td>President</td>
<td>Executive Director</td>
<td>Ensure immediate effectiveness of National Leadership Team after installation at ITG</td>
</tr>
<tr>
<td>Academy of Fellows</td>
<td>BOD</td>
<td>President</td>
<td>Executive Director/ AOF Staff Liaison</td>
<td>Leverage and fully integrate all Fellows (Fellow, Distinguished, Emeritus) energies and support the Society’s strategic plan.</td>
</tr>
</tbody>
</table>

**Board of Direction**

- **Board of Direction Member Selection & Election**
  - VP/V: President | Executive Director | Board is composed of individuals that understand their role, responsibilities, accountability, terms and authority and can translate the National Direction into action. **BIFlaws V:3, V:7** | 11-14-17**

- **Executive Committee Membership**
  - President | President | Executive Director | AS is composed of strategic representatives from the Board that can make critical decisions and diffuse decisions for the BOD consideration. **BIFlaws VIII:1** | 11-14-17**

- **Committee & Council Support and Management**
  - BOD | VP, CBO | Designated National Office staff | Committees & Councils support national office support by providing operational, technical or mission support. **BIFlaws VIII:5** | Propose creation of Ops Manual | 8-22-18 |

- **RVP Support and Management**
  - BOD | VP, RVP | Dir. Membership & Programs | RVPs translate National Direction to Posts and report post contributions to national. Provide accountability of Post legal compliance. **BIFlaws X** | 9-20-18 | 11-14-17**

- **Director Support and Management**
  - BOD | President | Executive Director | Elected and Appointed Directors expand on Society initiatives that are gaining or need extra attention. **BIFlaws V:3** | Post explicit | 9-20-18 | 11-14-17**

- **Service Liaison Officers**
  - BOD | President | Strategic & Stakeholder Relations | SDS convey Society direction to services and communicate service needs to Society. **BIFlaws V:2, V:4** | 2011 change - included in BIFlaws, 11-14-17 |

- **Terms & Qualifications**
  - BOD | President | Executive Director | BOD is qualified to lead the Society. Terms ensure that members do not become stagnant and that all members have an opportunity to lead. Early Termination for those not meeting requirements. **BIFlaws V:3** | 11-14-17**

- **Management of Executive Director Selection**
  - BOD | President | NA | Ensure National Office can manage Society at the highest level of competence, efficiency, and professionalism. **BIFlaws IX** | 11-14-17**

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*The Executive Director is the final authority on all National Office Actions and Responsibilities.

**Governance has not changed since at least 2014, but was clarified or re-worded to be more clear. In some cases, governance was partially in Constitution and partially in Bylaws before adopting the original Constitution.*
TO: SAME Executive Committee
SAME Foundation Board of Directors

SUBJECT: 2020 SAME Governance and Management Review
Operationalizing the Relationship (Society and the SAME Foundation)

1. **General.** The focus of this year's annual SAME Governance and Management Review is "operationalizing the relationship between the SAME BOD and the SAME Foundation." This paper proposes the approach and scope of work to achieve that end.

2. **Operating Principles.** These principles underscore the fundamental importance of *unity of effort* between the Society and its Foundation.

   - The Society is the primary benefactor of the Foundation.
   - The Foundation was created by the Society to encourage philanthropy in support of the SAME Strategic Plan.
   - The Foundation's Compelling Purpose statement, "Fostering engineering leadership for the nation," further focuses the outcomes of the Foundation's efforts in support of the SAME Strategic Plan.
   - The Society exercises appointment authority over the Foundation Board Directors (type I supported organization; see IRS Schedule D, form 1023).
   - The Foundation Board manages the Foundation.
   - The Society BOD decides program support requirements on behalf of the Society; individual requests from members are not communicated directly to the Foundation.
   - The Foundation is accountable to donors; the Society with its Posts is the largest donor.

3. **Approach.** Form a small, joint SAME BOD-SAME Foundation Board Task Force that will develop the operational procedures; format to be determined by the Task Force. Task Force members will be appointed by the Presidents of both organizations and co-chaired by individuals designated by the Presidents. The Task Force will commence when directed by the XC and conclude NLT the fall BOD.

4. **Scope.** The task force scope of work is:

   **Task:** Deliver a concise document to guide the operational relationship between the SAME BOD, SAME National Office and the SAME Foundation Board over the course of a typical fiscal year. Focus is on the interfaces between the two organizations and ensuring unity of effort.

   **Purpose:** Significantly enhance collaboration between the Society and the Foundation in order to increase the lasting impact of the Foundation (specific, measurable contributions to the SAME Strategic Plan) and increase fundraising to provide the long term means to support the Society's program requests.
Deliverables: Address interfaces, but not limited to those listed here.

(a) Proactive Support Between Society and Foundation: Define means of enhancing pro-active support of the Foundation by the Society and vice versa.

(b) Communications: (i) Consider the full range of communications between Foundation and the Society; suggest improvements. (ii) Define the content of Foundation Board reports to the Society BOD and XC such as status and forecasts of funding for Society programs, status of the endowment, investment account corpus and projected growth, status of Post Funds Policy, fundraising campaign plans (status, support required, etc.) (iii) Define content of Society reports to the Foundation Board. As a minimum consider return on the investment in Society programs (this in turn will be used by the Foundation to support fundraising efforts). (iv) Define the process for Foundation webpage updates, modifications and corrections. (v) Suggest methods of routinely educating members and stakeholders on the Foundation (assess the effectiveness of the Foundation documents archived on the web site).

(c) Program Underwriting: (i) Define how the Society communicates program underwriting requests to the Foundation (outcomes, link to strategic plan, funding, duration, etc.). (ii) Define how the Foundation Board develops and communicates to the Society its responses to and plans for program underwriting requests from the Society. (iii) Identify internal (to the BOD or Foundation Board) required supporting processes (eg, how are requests consolidated, assessed and decided by the BOD prior to transmittal to the Foundation, etc.).

(d) Fundraising Support: (i) Define the process for Foundation communication to Society of its Fundraising Strategic Plan and status. (ii) Define the process for Society buy-in of the Foundation’s Fundraising Strategic Plan. (iii) Define how the Society (National Leadership Team, Board of Direction, Executive Committee, Posts, Regions, Academy of Fellows, members) can best be utilized to support the fundraising efforts in support of the Strategic Plan. (iv) Define how the Foundation’s fundraising efforts access SAME members.

(e) Finance and Accounting and Record Keeping: (i) Define how and when the Foundation’s annual budget is presented to the Society (one option is to brief the XC with the National Office in December during the period that the National Office Staff is providing pro bono staff support). (ii) Define record keeping needs and responsibilities to support donations and donor data recording and stewardship. (iii) Review the current integrated (Society and Foundation) financial management arrangement (record keeping, audit and tax reporting, Post Funds Management, Joint Investment Committee, etc.) and recommend changes if any. (iv) Define a standard for (% of funds raised contributed to the endowment) to support the development of the Foundation endowment (retained permanent funds with only earnings used for program underwritings vs spending donations).

(f) Foundation Board Member Selection (succession planning): Review the SAME Foundation Board Member Selection Procedure (dated 4 Aug 2020) to assess its effectiveness as a tool to foster collaboration between the Society and the Foundation.

(g) Society Staff: (i) Define the process for Foundation requests of Society staff and Society staff response to Foundation requests. (ii) Provide a process and timing for hiring support staff for the Foundation, particularly with fundraising experience.

(h) Governance Documents: (i) Recommend bylaw changes (Society or Foundation) if appropriate or necessary to implement the TF recommendations. (ii) Update the "SAME Governance Cycle" with Foundation interface milestones (eg. Annual Report, Annual Audit, Program and Fundraising Reports to the BOD, Reports to the Foundation, etc).

5. References. All Foundation related documentation since the inception of the concept of a Foundation is readily available on the SAME web. The Task Force should consider examples of successful collaboration between an existing Foundation and its benefactor organization such as the National Park Service and the National Park Foundation.

6. National Office Staff Support for this effort will be coordinated by Mr. Eddie Gonzalez, Foundation Program Manager.

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