Foundation Board Meeting

Thursday, April 28, 2016 – Teleconference

Attendance

Attending
National Officers
Jane Penny (President)  Harold Rosen (Counsel)  Joe Schroedel (XD)

Founding Board Members
Robert Van Antwerp LTG, USA (Ret)
Mike Loose VADM, USN (Ret)
Roger Wozny

Del Eulberg MG USAF (Ret)

SAME Staff (non-voting)
Dana Bach (Admin)  Marc Bialek (Membership)  Allison Ingram (Finance)

Not Attending
Founding Board Members
Bud Griffis

Call to Order
The Executive Director (XD) called the meeting to order at 2:00 PM and indicated that there was a quorum.

Mr. Eulberg commented that he is excited to be a part of the team and he was impressed by the fast start the Foundation team had achieved.
Agenda (Outcomes)

1. Update Board on IRS status
2. Approve Rollout Plan (JETC)
3. Approve Foundation Logo
4. Approve Foundation TME Ad
5. Approve National Scholarship Concept
6. Review Milestones

Update on IRS Status
The XD turned the presentation over to Mr. Rosen to update the IRS filing status. Mr. Rosen stated that the draft IRS 2023 was forwarded to the counsel we hired for review. He also stated that filing with the IRS will occur by 6 May in accordance with the milestones.

Approval of Foundation Logo
The XD briefed the Founding Board on the foundation logo which will be the base SAME logo with a ribbon bearing the word “Foundation” underneath it.

➢ The Board approved the Foundation Logo as proposed

Approval of TME Ad
The XD then briefed the Board on the TME Ad for the Foundation that would run in every issue of TME. The ad will appear in the same place in the magazine for continuity and recognition.

Robert Van Antwerp suggested changing the wording from “The history is rooted in our Foundation” to “The Foundation is rooted in our history.” All agreed.

Roger Wozny suggested that “heritage” be used instead of history, referring to SAME Past President Major General Robbins’ motto for the society “Proud Heritage and Promising Future.”

➢ Board approves TME Ad with changes

Approval of National Scholarship Concept
The XD then briefed the Founding Board on the recent meeting of the SAME Investment Committee (Rich Khalil (SAME Treasurer), RADM (Ret) Mark Handley, and Heather Wishart-Smith). The XD
expressed his confidence in the ability of the committee to continue to manage the Foundation funds due to their individual and collective experience and wisdom. The impact of this confidence check is that the Foundation Council of Trustees can be focused more on fund raising and not overseeing investment activities.

The XD further informed the Board that Allison Ingram had asked Baird, the management firm managing the SAME E&M Fund, to conduct a long term analysis on how much could be distributed annually assuming fund principal grows to $5,000,000 by 2020. Baird presented their analysis to the investment committee on 26 April, concluding that the Foundation could distribute $100,000 per year indefinitely without depleting the capital of the fund and without adding to the principal of the fund.

The XD also represented the investment committee suggestion that the word “scholarship” would limit the flexibility of the distribution of the funds. They suggested that wording be chosen that is self-explanatory, reduces confusion and affords maximum flexibility to the Board with respect to how the funds are distributed. The committee emphasized that a key purpose of the Foundation be sustaining the member base by contributing to the value proposition that will attract members.

The XD added that SAME has obtained approval from two partner organizations so far, CMAA and APPA, to significantly reduce the cost of professional development (certification or licensure prep) course offerings for SAME members (on the order of 70% discount). The Foundation would then underwrite or subsidize the balance.

The XD suggested that the term “Professional Development Program” be considered. After some discussion, the Board agreed to the title Professional Development Scholarship Program.

The XD further suggested that the initial program would be established in honor of Vietnam Veterans and linked to the Vietnam Commemorative Edition of TME which is scheduled for publication late this summer as the initial fund raising activity of the Foundation.

➢ The Founding Board approved “Professional Development Scholarship Program”.

Approval of Foundation Rollout Plan
The XD then briefed the Rollout Plan which will take place at JETC in Phoenix on 24 May 2016 at the opening general session. After remarks by the keynote speaker (Navy Captain Mark Kelly, a retired astronaut) the SAME National President, Jane Penny will announce the establishment of the SAME National Foundation and ask CAPT Kelly to assist in unveiling a large replica of the TME Foundation advertisement page. The Foundation Logo will appear on the screens and patriotic music begins playing. Jane will announce that the initial fund raising efforts will be for the new Professional Development Scholarship Program in Honor of Vietnam Veterans.

➢ Founding Board approved the Foundation Rollout Plan.
Review Milestones

The XD then reviewed key milestones:

1. 6 May 2016: Submission of the 2023 to the IRS.
2. 13 May: Board members provide any feedback on Nominating procedures to the XD.
3. 23 May 2016: update the SAME National Board of Direction; obtain approval of the Foundation Board Nominating Procedures.
4. 24 May 2016: Foundation Rollout at JETC.
5. 1 Sept 2016: Foundation Board nominations close.
6. 1 Oct 2016: Nomination slate goes to SAME National Board of Direction.
7. 15 Dec 2016: Foundation website activated.

Review Next Steps

The XD stated that the next critical task for the Founding Board is to help establish the Council of Trustees. Mr. Rosen led a short discussion regarding qualifications for trustees:

1. Philanthropic experience
2. Military experience (highly considered)
3. Industry experience (suggested by Mr. Eulberg)

Mr. Rosen stressed that we are not looking for financial advisors, but people who would be able to donate, be able to find others to donate to the Foundation and lead fundraising efforts. Mr. Rosen suggested possibly Fred Malek and David Rubenstein as two potential Trustees.

Mr. Loose felt that we needed to be marketing directly to the Trustees and make a compelling case to them to ensure that they don’t say no.

Mr. Eulberg suggested advertising in other publications. The XD stated that with our new partnership agreements with other societies, we are getting advertising in kind. With our CMAA partnership, we got a full page ad in their program for JETC at a recent event at no cost.

- National Office will flesh out criteria for Trustees
- National Office will develop a targeted marketing plan for Trustees
Closing
The only closing comments from the Founding Board were a question from Mr. Loose about when the next meeting would be. The XD responded that it would be sometime in the summer, after JETC and after the rollout, and that it would be only as need to respect the Founding Board member’s time.

The President Jane Penny commented that she was sincerely excited to be a part of this Foundation and is truly thankful for the Founding Board’s leadership.

Meeting was closed at 2:40 PM

Immediately After the Meeting
The XD spoke to Mr. Bud Griffis and briefed him on all topics covered by the Founding Board. Mr. Griffis concurred with the decisions of the Board. The XD also reminded Mr. Griffis of a key role he will play in assisting in the development of policy and procedures for SAME posts to utilize the National Foundation for the investment of their scholarship funds, while retaining full control of the disbursement of those funds.