



Virtual Board Meeting Minutes

June 24, 2020

1000-1230 Eastern

ATTENDING		
Hal Rosen (Chair)	Tony Leketa (Vice-Chair)	Suzanne DiGeronimo
Gary Engle	Angie Goral	Gene Lupia
Dave Nash	John Peabody (Treasurer)	Jane Penny
Bob Schlesinger	Susan Thames	Roger Wozny** (invited)
Joe Schroedel (Executive Director)**	Heather Wishart-Smith (SAME President)** (invited, part time)	Mark Handley (SAME President-Elect)**(invited, part time)
Eddie Gonzalez (SAME staff)**	Will Hoffman (SAME staff)**	

**Non-voting

The meeting was called to order at 10:05 AM. The Agenda for the meeting is attached. Following the Pledge of Allegiance, roll was taken, and a quorum was in attendance.

Heather Wishart-Smith gave some opening comments about the Society and Foundation team and the effort ahead to develop the processes, communications and operating procedures between the Society and Foundation. Joe Schroedel then provided updates on the status of upcoming Society events, explaining that the Facilities Management Workshop, the Post Leaders Workshop, and the Small Business Conference were all converting to “virtual” due to the continuing COVID 19 pandemic.

In the absence of Tim Byers, Secretary, discussion, and approval of the Minutes of the previous Board meeting (May 26, 2020) were withheld.

Investment Update: Will Hoffman presented an overview of the investment portfolio and recent results. The Foundation has recouped its earlier losses that had resulted from the financial and economic downturn resulting from the COVID 19 pandemic. He further reported that all the Posts whose funds are invested through the Foundation have likewise recouped their earlier losses. All posts, he reported, are now in an overall gain position, the amount of gain depending on how long each post has invested through the Foundation.

Hal Rosen reminded the Board that it was determined that the Board should write to each Post a letter explaining the concerns and steps taken by the Foundation regarding the market downturn. In response to a question of the Chair, Will Hoffman reported that results for each Post through the second quarter (end of June) should be available around July 4. Gary Engle offered in the interim to draft a letter for John Peabody as Treasurer and Hal Rosen as Chair to review, with the letter going to each Post President with a copy to the Post Treasurer under the Chair’s signature. Eddie Gonzalez has provided Post contact information.

Financial Management Framework: John Peabody presented an outline of concepts for the Treasurer to maintain Foundation oversight of the finances of the Foundation. The framework he addressed considered (1) budget management, (2) funds management, and (3) funds growth. The concept was well received and it was agreed that more details should be developed to provide an implementable

framework by committee of Tony Leketa, Gary Engle (investment), Gene Lupia (stewardship), Jane Penny (marketing and communications) and Hal Rosen (fundraising).

There was also a budget discussion for the year 2020 only. The draft is essentially based on 2019 revenue primarily from the member fund drive and investment earnings and 2019 expenses, including underwriting efforts to the STEM camps (\$18,750), LDP (\$96,277) and a restricted gift calling for expenditure in support of “girls in STEM” (\$1,200). The 2020 budget shows a net bottom line of revenue over expenses of \$7,184. While there was no vote on the budget, given that half the year has already gone by, it was accepted by consensus of the Board members in attendance.

John Peabody explained that the intent of the overall financial framework is to lead to a 5-year budget plan. Dave Nash expressed that the Foundation must have input on fundraising expectations from those experienced in the field in order to have meaningful budget revenue projections resulting from the fundraising. At that point, the Board by motion approved the establishment of an ad hoc committee of those individuals identified to work on the detailed financial framework and to also include the chairs of the various fundraising subcommittees on the subject of fundraising goals.

Joe Schroedel reported that all Society hiring has been placed on a freeze due to the changes being brought about by the COVID-19 epidemic, the sale of the Century House and the upcoming headquarters office move. By necessity, Joe Schroedel reported that this includes a freeze on hiring a new staff member with fundraising experience. Hal Rosen asked for diligence in determining how to otherwise obtain fundraising assistance that might provide valuable comment on fundraising goals and fundraising plans.

John Peabody and Will Hoffman informed the Board of the annual audit process. Will Hoffman reported that the annual audit is conducted by the outside auditors in conjunction with the Society audit, with the Foundation be addressed in effect as a subsidiary of the Society with its own complete audit report. Will Hoffman further reported that completion of the 2019 audit has been delayed on the auditor side by COVID-19 but that it should be completed shortly. Joe Schroedel reported that as of this time, there are no known audit questions involving either the Foundation or the Society.

Fundraising: Hal Rosen began the discussion by referencing the different types of fundraising available to the Foundation, including a membership drive to both individual members of the Society and to corporate sustaining member firms of the Society, and a broader corporate drive to those outside the Society such as those within the military-industrial complex that, like the Society, supports national defense.

Hal Rosen then reviewed a plan for the 2nd annual fund drive following the first such drive that was undertaken beginning July 2019. The plan that was presented followed the pattern of the successful fund drive formulated last year with the assistance of Impact Communications, a fundraising consultant retained for the Foundation by the Society. The plan is to be updated and implemented this year with similar extensive assistance provided last year by Society staff, and it was agreed to release this drive to Society individual members late summer, with much of the preparatory work being done in July. At the same time, the Board also decided that recognition of Founding Donors would extend to the end of the 2020 calendar year, rather than the earlier intended week after the Society’s 2020 Joint Engineering Training Conference that had been converted to “virtual” due to the pandemic with the loss of the in-person platform to promote the fundraiser live at JETC.

Next, Suzanne DiGeronimo presented a plan for “planned-giving.” She explained that broadly defined, planned-giving includes any major gift made during a donor’s lifetime or at death as part of a donor’s overall financial strategy, including gifts of equity such as a stock, life insurance, real estate or personal property. She then went on to explain a tiered 3-year program approach to promoting planned giving to Society membership, with a first year to those showing an inclination of interest from previous donations to the Foundation, the second year inviting posts that have shown an inclination of added support to the Foundation through their participation in the Foundation’s post funds policy to assist with post members who likewise have shown an inclination to support the Foundation, and the third year extending that support through all Society posts, recognizing that all posts have members that would like to provide planned giving support to the purposes of the Foundation in support of the Society. Joe Schroedel informed the Board of the Society’s affinity arrangement with a lawyer that specializes in financial planning and wills and estates who would make himself available for no-cost guidance to individuals. The plan presented by Ms. DiGeronimo was well received by the Board, and she was asked to put additional detail into the plan and to ask other Board members to assist.

Following the planned giving discussion, Hal Rosen presented a concept of corporate fundraising from prospective donors outside the SAME sustaining corporate member “family.” The concept focused on the “military-industrial complex” that support and are supported by the Department of Defense. The concept broke the military-industrial complex into 20 industry segments, ranging from aircraft manufacture, ship construction, systems, vehicles, logistics, and technology to food supply sources. The largest recipients by revenue from DoD and various component agencies were identified. The thrust of the concept was to approach only one corporate entity within each industry segment to be a “partner” donor with the Foundation as part of a Centennial Partnership Campaign. The concept was well-received, but it was also recognized that implementation would require support from recognized professionals in the major donor corporate fundraising world.

The next fundraising topic was corporate donors beyond the military-industrial complex. Two categories of such donors include sustaining member firms of the Society and large corporate entities in the A/E/C communities not substantially active within the Society. Sustaining member firms of the Society may be prime candidates with long term investment in the Foundation as donors to the Foundation “endowment” (with preserved capital and expenditure of investment earnings annually only). A program for an endowment campaign could be implemented. At the same time, large corporations outside the Society “family” may have a similar long-term interest or a willingness to support the operating costs of programs underwritten by the Foundation. The Board recognized that more planning is needed under the guidance of professional fundraisers in the corporate fundraising world.

Stewardship Committee Update: Gene Lupia, chair of the stewardship group, informed that John Peabody was welcomed as a member of the Stewardship Committee. He confirmed that it is his intention to update the Board at its upcoming August meeting on any prospective changes to the Stewardship Policy with the intent to hold discussion at that time and then to present for Board approval final proposed changes at the November Board meeting.

Governance Update: Hal Rosen opened discussion on the subject of Board vacancies. The Foundation bylaws provide for a Board of up to 15 members, and the Board currently has 12. Tony Leketa suggested that the Board should be expanded to include the full 15 permitted. In addition, with the Board previously operating with voluntary closure terms in order to get some sort of staggering of terms, Hal Rosen asked that any Board member past his first full 3-year term should notify Eddie

Gonzalez of an intent to close out their term at the end of the year so that the Board will know of any additional vacancies. Dave Nash, as Chair of the Governance Committee, offered that between now and the next Board meeting, he would develop a process for setting criteria, identifying prospects for Board membership and establishing an application and review process. John Peabody and Angie Goral, both of whom served with the previous review process, offered to assist as called upon by Dave Nash.

Related to governance, the Board gave unanimous consent to the latest revisions to the position description for the Secretary, closing that matter. On the Treasurer position description, it was noted that some changes were made from the previous draft to accommodate thinking and expectations arising from development of the financial operating framework for the Foundation to be overseen by the Treasurer. John Peabody was in full agreement with the changes and offered that if the position description is later found to need revision, it could later be revised. With John Peabody's request, the latest draft of the Treasurer position description was unanimously approved.

Action Items: Eddie Gonzalez reported that the list of Founding Donors for publication in the Society's magazine TME has been prepared. It was agreed that the posting should proceed as an initial listing in recognition that the end-date for Founding Donors was now being extended to the end of December, after which a further list would be published.

The publication of the names of the Founding Donors would be accomplished by category recognition. The flyer that was used with the fundraiser listed 3 such categories whereas the Stewardship Policy recognizes an added 3 additional categories above the highest listed in the flyer. This raised a question about the various donor levels to be recognized, and it was agreed that this would be addressed by the Stewardship chair and the Marketing and Communications chair before the Founding Donors list would be published.

On the Founding Donor pins, Eddie Gonzalez reported that they were on order and that there would be a mailing to all Founding Donors accompanied by a further thank you note to the contributors.

Further Business: President-Elect of the Society, Mark Handley, offered some closing comments. He offered that he was pleased with the meeting for the part he was able to attend. He looked forward to the intended upcoming operationalization between the Society and the Foundation particularly regarding new efforts that might be underwritten by the Foundation.

No other new business was presented to the Board, and the meeting was adjourned at 12:29 PM eastern time.



1 Aug 20

Date: _____

Timothy Byers, Secretary

Action Tracker

Meeting	Action	Responsible	Estimated Completion
Mar 11, 2019	Develop external fundraising flyer/communication piece based on the internal piece – produced internally.	Jane	
Mar 11, 2019	Consider how LDP 2020 class will present their experience to FDN BOD. LDP TF to provide assessment of program to Foundation.	Eddie	PLW (August 10, 2020)
Nov. 20, 2019	Establish a Foundation budget with expenses and fundraising targets	Board	Ongoing
Nov. 20, 2019	Aggregate fundraising ideas/options into a single fundraising plan.	Hal; Board	Ongoing
Nov. 20, 2019	Add a Foundation briefing to a future RVP call. Arrange with Mark Handley.	Eddie; Jill; Hal	TBD
Jan 30, 2020	Finalize Develop Manager position description	Eddie; Hal; Joe	
Jan 30, 2020	Finalize position descriptions for Treasurer and Secretary	Eddie; Will; Hal; Joe	
May 26, 2020	Add Post Funds program communication to PLW agenda	Eddie, Jill	
May 26, 2020	Contemplate a way to showcase LDP projects.	Eddie, Angie, Susan	
May 26, 2020	Follow-up discussion between SAME BOD and Foundation BOD regarding mutual linkage.	Hal, Joe, Heather	
May 26, 2020	Set up a follow-up BOD meeting for June. Eddie to send out doodle poll.	Eddie	
May 26, 2020	Discuss at June BOD meeting: <ul style="list-style-type: none"> • Budget • Development manager position • Continue fundraising committee discussion 		