



## **BOARD OF DIRECTORS MEETING**

26 July 2024 Meeting Minutes

APPROVED

**Board Members Present:** Brian Bishop '83, Chair; Cathy Almand '90, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hank Hoffman '63; Hans Mueh '66; Garry Dudley '68; Bob Lowe '71; Lee Krauth '72; William Carpenter '73; Randy Helms '79, President, Class Advisory Senate; Christian Evans '08; Emma Przybyslawski '10; Nathan Dial '10; Joseph Bledsoe III '11; Jennifer Walters '11.

**Advisor to the Board:** Mike Gould '76, Executive Vice Chair.

**AOG Staff Present:** Mark Hille '97, AOG/AFAF President/CEO; Katie Willemarck, AOG/AFAF CFO; Kelly Banet, SVP Development; Jillian Wood, Chief of Staff and Special Assistant to the Boards; Wyatt Hornsby, AOG/AFAF VP of Marketing and Communications; Emma Ross, Board Support/Office Manager; Eli Alvarado, IT Support Specialist.

**Guests Present:** Lt Gen (Ret) Michelle Johnson '81; Col Marc Sands '94, Space Force LNO to USAFA, Commander, Detachment 1; Lucky Ekman '63; Dan Bohlin '71; Ski Wagasky '72.

### **I. Call to Order/Chairman's Welcome**

Chair Bishop called the meeting to order at 8:03 a.m. MDT on Friday, 26 July 2024.

### **II. Consent Agenda**

The consent agenda included the 19 April 2024 Meeting Minutes (Attachment 1); 14 May 2024 E-Vote Minutes (Attachment 2); and CEO Monitoring Reports - 2.5 Asset Protection, 2.6 Investment Management, and 2.13 Address Major Audit Findings (Attachment 3).

**MOTION:** Director Tonneson moved and Director Carpenter seconded to approve the consent agenda. The motion was unanimously approved.

### **III. Agenda Approval**

**MOTION:** Director Tonneson moved and Director Strebe seconded to approve the agenda. The motion was unanimously approved. The approved agenda is in Attachment 4.

#### IV. Staff Update (Attachment 5)

##### a. CEO Report

CEO Hille began by discussing his initial interactions with the new Superintendent who will assume command on August 2. His priorities are warfighting, leadership development, and critical thinking. There will be tighter uniform standards and a renewed intensity over deadlines.

CEO Hille then discussed the strategic plan using a stoplight chart to highlight areas of success and those needing additional work.

- Engagement: Annual giving and the Next Gen program are doing well, while alumni programs are showing incremental improvements. He commented that they need to ensure they focus on the most important efforts.
- Philanthropy: The campaign has exceeded \$300 million. As the campaign concludes, they will determine what comes next. They are looking at how to endow various programs such as *Checkpoints* and the next-of-kin program.
- Stewardship: They are moving to a quarterly grant-making cycle, which was formerly done on an ad-hoc basis. Construction is everywhere to include the Madera Cyber Innovation Center, stadium, North Gate projects, and Space. One area where they have struggled this quarter is in earned revenue. It is lagging, but they are controlling operating costs to match, so our net income is on budget.
- Communications: Rebranding efforts are taking shape and he assured the Board that we would not be surprised with the resulting logo.
- Organizational excellence. Staff turnover is too high, but some of that is related to factors they cannot control such as the availability of higher-paying jobs with more flexibility. The staff climate survey, which was conducted in May 2024, pointed to stovepipes. For example, because some elements only have a single person, they may not know what the person down the hall is doing. To remedy this, they are focused on cross-functional collaboration and internal communication. In addition, Wecker Hall will house the entire team so they will not be as scattered as they are currently. The survey also showed that individuals have a strong connection to the team and leadership, they live the USAFA core values daily, and it is clear that the staff cares about each other.

Executive Vice Chair Gould then added his thoughts. The fact that he is away from day-to-day activities has allowed him to watch the strategic movements, and he believes we are on course. He noted that CEO Hille's visit to the new superintendent was at the superintendent's request, which is a positive sign. He also commented on staff turnover. While people like working at the AOG, there are many other opportunities available to them. On a positive note, when AOG staff members decide

to leave the organization, they do not point to their senior staff as a factor. A brief discussion ensued about potential methods to keep staff.

**b. Quarterly Financial Update**

CFO Willemarck provided the second quarter financial review. We made some aggressive revenue goals but are currently 17% behind those largely due to merchandise sales. She explained the factors behind that and the fact that they have implemented *Shopify* for online sales. She noted that West Point has sales of \$12 million in merchandise. Another area where we are falling short is in sponsorship and advertising. We increased the goal from last year, and while we are ahead of where we were at the same time in 2023, we are still behind the goal. They are focusing on staff to improve sponsorship and advertising sales. A short discussion ensued concerning what companies we would like to have as sponsors, our relationship with the Air Force Academy Athletic Corporation (AFAAC) as far as merchandise is concerned, marketing as part of the Olympic Training City, and other potential venues where we might sell merchandise. Chair Bishop asked Mark to give the Board a sense of the types of companies they are looking at and to possibly preview it at the October Board meeting.

In total operating revenue, we are down \$756,000 from this time last year, but we are also under budget on expenses. Part of this is related to timing of payroll, and \$73,000 is because of merchandise. They have put several measures in place for cost-savings and have a finance liaison for everyone who owns a piece of the budget. The overall operating loss is better than it was last year (\$719,000 today versus \$751,000 last year) and we are doing very well in investments. CEO Hille noted that we function on operating loss, so it is expected that the investments will fill that. Overall, net assets are up \$6.1 million.

**V. Committee Updates (also in Attachment 5)**

**a. Governance Committee**

Committee Chair Almand explained that the committee reviewed Governance Policies Category 3 and found only administrative changes, which are shown below. (New wording is in italics).

3.1b. If Board members or committees request information or assistance without Board authorization, the CEO can refuse such requests that require, in his/her opinion, a material amount of staff time or funds *and/or pose disruption to staff duties.*

3.2 The Board will instruct the CEO through written policies that prescribe the organizational Ends to be achieved and describe organizational situations/actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

3.2a. The Board will develop and maintain policies instructing the CEO to achieve certain results, for certain recipients *in a prioritized scheme.* These policies will be

developed *systematically and called Ends policies*. All issues that are not Ends issues, as defined here, are Means issues.

3.2b. The CEO will make inputs to the development of Board policies, including *organizational Ends*, to the Board as he/she deems appropriate.

Chair Almand then discussed a proposed resource document that would provide a more user-friendly reference document for Board members. Directors could then look at the Bylaws and Governance Policies for more specifics. The Board agreed it was a good idea so the Governance Committee will continue to pursue creating the resource document with a goal of having it ready for review before the new Board is in place in April.

Finally, the group discussed the idea of having a permanent AFA Foundation member as a voting AOG Board member and vice versa. While we currently attend each other's Board meetings as non-voting members, the proposal would identify a specific Board member who is also on the other Board. We would need to have a membership vote on something of this magnitude. Chair Bishop suggested that this move was too soon, and perhaps we could consider making it an additional duty for someone.

#### **b. Nominating Committee**

Committee Chair Przybyslawski began by providing an election update including the timeline, the number of Board positions coming open, candidate recruiting, and election ballot endorsements. Candidate submissions opened in June 2024 and submission closes on 7 October. We need a minimum of 10 names on the ballot since we are losing five elected members. If the package is incomplete and it is prior to 7 October, the Nominating Committee will contact the person to tell them it is incomplete. The cutoff date for someone to become an AOG member for voting purposes is 20 December. The election runs from 3 February to 3 March. The group discussed the fact that the Bylaws state that if someone is running for election, they cannot serve on the Nominating Committee.

In the past, if a package was sent to the Nominating Committee, they were put on the ballot. This raised the question of whether there was a possibility of having an exorbitant number of candidates and whether everyone should be required to have 25 AOG member signatures. The Nominating Committee recommended that the Board endorse five candidates in the upcoming election. They proposed scoring the candidates based on the skills and attributes matrix and coming to the October meeting with a slate of eight candidates which the Board would reduce to five. VP Hornsby then discussed the communication plan for the election and the details of the three phases in the plan.

CEO Hille noted that he had spent a significant amount of time talking to folks about the election and that it was important to ensure everything was in the open. He pointed out that when we talk to others to run for the Board, we need to know that they are truly qualified. Director Helms noted that when he discussed the idea of an

endorsed slate with the Class Advisory Senate (CAS), seven senators came up to him afterward against the idea. No senator said they were for the idea.

A lengthy and vigorous discussion ensued about whether we should identify the top candidates based on the skills and attributes matrix. The discussion included the fact that we did not want it to appear that the Board “had a thumb on the scale,” but also that we needed to be responsive to the individuals on the election survey who expressed concern with having to do independent research on the many candidates in the last election. The idea that we should do nothing was also discussed. After much debate, the sense of the Board was that we wanted scoring of some sort.

MOTION: The Nominating Committee moved that the AOG Board of Directors indicate the 10 candidates who have received the highest scores on the Nominating Committee skills and attributes matrix on the 2025 election ballot. The motion was approved by a vote of 14-2 (Directors Dudley and Hoffman against).

**c. Finance and Investment Committee**

Committee Chair Strebe provided an investment update. He noted that the portfolio has continued to grow despite helping to fund AOG operations. He talked about taking money out of investments to be used where needed (rebalancing). The areas that need money include Falcon Stadium (\$3 million from the Moller Trust), Tuskegee Memorial (\$1 million from Bennett Soaring) and Q4 Operational (\$500,000) for a total of \$4.5 million. The committee goes through rebalancing every quarter. He then talked specifically about the Bennett fund. In 2016, the Board designated that the unrestricted Bennett fund restrict \$3 million for the Soaring Program. The fund has grown to \$4.7 million, but they have only granted \$178,000 over the life of the fund. They need money to construct a new pavilion and exhibit to honor the Tuskegee Airmen.

MOTION: The Finance and Investment Committee moved to approve the redesignation of \$1 million from the Francis C. Bennett Soaring Margin of Excellence Fund to support construction of the Tuskegee Airmen Memorial. The motion was approved by a vote of 14-1 (Director Dudley against).

The estimated distribution timeline will be \$400,000 in Q4 2024 and \$600,000 in Q1 2025.

**VI. Lt Gen (Ret) Michelle Johnson '81**

Lt Gen (Ret) Johnson relayed a concern a graduate had brought to her about an AOG chapter event. The individual felt uncomfortable because the chapter was very active politically, including having a political action group, newsletter, and a blog. She read us the DOD directive that said we are federal agency adjacent and should not be advocating a political party. In addition, the AOG Articles of Incorporation state: “The corporation shall at no time be used in any way to support or oppose any political ideas,

organizations, or candidate.” Chair Bishop will work with CEO Hille to reinforce the fact that we are not supposed to use the chapters for politics. Lt Gen (Ret) Johnson concluded by discussion the Harmon Memorial and the quotes about character, education, and leadership.

## **VII. Col Marc Sands ’94, Space Force LNO to USAFA**

Col Sands provided an overview of the USSF at the Academy. He stressed that we have one academy for two services and that “until we are no longer on earth, the USSF Academy will be at USAFA.” His job is to educate, train, and inspire cadets to become officers of character motivated to lead the U.S. Space Force. About 100 cadets go into the USSF. He then talked about how his organization drives the accession process for how USAFA Guardians are selected, synchronizes Guardianship programs across USAFA missions, provides support to “all things space,” and develops and executes the Summer Azimuth programs. He provided details on the USSF selection process, funding, the five career fields, and their five lines of effort. He ended his comments with a note that the best path to becoming an astronaut was still via the Air Force.

## **VIII. Class Advisory Senate Update**

In addition to the comments about the election noted in Section V.b., Director Helms noted that the CAS had updated the CAS Procedures. The two changes were to include a term limit of four 2-year terms for the CAS President and that the election would be in November.

## **IX. NextGen Task Force Update**

Task Force Lead Dial began by noting that the purpose of the task force was to come up with ways to increase the participation of graduates in the classes of 2000 and beyond. There was a short discussion about the factors that made 2010 participation so much higher than the other 21<sup>st</sup> Century classes (18% versus 3-4% for others).

He noted that the information on the slides was for all of us to use in the get-out-the-vote campaign. Chair Bishop wanted to ensure we are not crossing into what the AOG staff is doing. CEO Hille would like SVP Walkewicz to help coordinate. They will discuss this offline to make sure we are not working at cross purposes.

He reviewed the NextGen Task Force ideas to include:

- 1) continuing the Long Blue Line Socials (focusing on six cities with the highest percentage of graduates);
- 2) engaging with the USAFA Careers and Networking Facebook Group and the class Facebook Groups;
- 3) creating a “Demystifying the AOG Board” presentation;

- 4) having purposeful network communication (e.g., at job drop and 100's Night); and
- 5) supporting the USAFA alumni soccer team playing in "The Soccer Tournament" (TST 2025) with a tailgate.

MOTION: Director Bishop moved and Director Tonneson seconded to go into executive session to discuss an update on the Board self-assessment and the AOG succession plan. The motion was unanimously approved.

#### **X. Executive Session**

The Board went into executive session IAW Bylaws Article V Section 8c at 2:44 p.m. MDT.

MOTION: Director Tonneson moved and Director Dial seconded to come out of executive session. The motion was unanimously approved.

#### **XI. Open Session**

The Board went into open session at 3:18 p.m. MDT.

MOTION: Chair Bishop moved and Director Bledsoe seconded that subsequent to the Board self-assessment, the Board has determined that the three areas of strategic clarity, engagement, and transparency are areas where we want to focus our attention and resources. We will establish periodic benchmarks and milestones to ensure we are meeting our requirements as a Board. The motion was unanimously approved.

#### **XII. Chair's Comments**

Chair Bishop commented on the timing of the Long Blue Line awards dinner tonight.

#### **XIII. Adjournment**

Chair Bishop adjourned the meeting at 3:22 p.m. MDT.

Note: Portions of the minutes were rearranged from the time sequence to topical sequence.

Respectfully submitted,  
Virginia Caine Tonneson, Secretary

Atch:

1. 19 April 2024 Approved Meeting Minutes
2. 14 May 2024 Approved E-Vote Minutes
3. CEO Monitoring Reports
4. Approved Agenda
5. Board Meeting Slide Deck



## **BOARD OF DIRECTORS MEETING**

19 April 2024 Meeting Minutes

APPROVED

**Board Members Present:** Brian Bishop '83, Chair; Cathy Almand '90, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hank Hoffman '63; Hans Mueh '66; Garry Dudley '68; Bob Lowe '71; Lee Krauth '72; William Carpenter '73; Randy Helms '79, President, Class Advisory Senate; Jennifer Walters '11.

**Advisor to the Board:** Mike Gould '76, Executive Vice Chair.

**Members Present Via Videoconference:** Christian Evans '08; Emma Przybyslawski '10; Nathan Dial '10; Joseph Bledsoe III '11.

**AOG Staff Present:** Mark Hille '97, AOG/AFAF President/CEO; Katie Willemarck, AOG/AFAF CFO; Naviere Walkewicz '99, SVP, Alumni Relations and Business Development; Kelly Banet, SVP Development; Jillian Wood, Chief of Staff and Special Assistant to the Boards; Wyatt Hornsby, AOG/AFAF VP of Marketing and Communications; Jennifer Cooper, Director of Engagement and Events; Emma Ross, Board Support/Office Manager; Tony Capistrano, IT Support Specialist; Eli Alvarado, IT Support Specialist.

**Guests Present:** Lucky Ekman, '63; Ski Wagasky (CAS), '72; Lt Col T. Daniel White, Deputy Head, DFMA; Claudi Ferrante, Professor, DFBA; Daphne Delores, Assistance Professor, DFMA; C1C Caden Blum; C1C William Burns; C1C Abby Horne.

### **I. Call to Order/Chairman's Welcome**

Chair Bishop called the meeting to order at 8:00 a.m. MDT on Friday, 19 April 2024.

### **II. Consent Agenda**

The consent agenda included the 21 February 2024 Meeting Minutes (Attachment 1); 25 March 2024 Special Meeting Minutes (Attachment 2); and CEO Monitoring Reports - 2.1 Treatments of Other Constituents, 2.9 Board Awareness and Support, and 2.12 AOG/AFAF Cooperative Operation Agreement (Attachment 3).

**MOTION:** Director Tonneson moved and Director Lowe seconded to approve the consent agenda. The motion was unanimously approved.

### **III. Agenda Approval**

MOTION: Director Tonneson moved and Director Dudley seconded to approve the agenda. The motion was unanimously approved. The approved agenda is in Attachment 4.

### **IV. Staff Update (Attachment 5)**

#### **a. CEO Report**

CEO Hille noted that the first quarter of 2024 was good financially. He pointed out that the effectiveness of the AOG had increased and that we have a sustainable business model. We are making progress toward key measures of the strategic plan and are becoming more present and relevant in the lives of our graduates. Our seven decades of graduates have shared and different experiences, but the AOG needs to focus on what binds us together. This means that we need to adapt the messaging and approach to impact all generations. For example, we have first assignment ambassadors at 40 bases to assist new second lieutenants while at the same time, we are improving programs – such as the next of kin program – for our older graduates. The campaign is nearing completion, but several projects remain underfunded. They have raised almost \$300 million. In addition, gift funds management has been improved. The single employer model went into effect on 1 January 2024, and it makes the AOG better able to accomplish their mission as an organization.

He noted that the staff is the most capable and dynamic team he has ever worked with, but that outside of the senior team, there has been higher turnover than what he would want due to the tight labor market and the fact that the federal government is not requiring the same amount of in-office time as the AOG does. They will be conducting an employee survey on the culture and climate. Moving into Wecker Hall will make a big difference. He concluded by discussing the increasing challenges to our sense of unity in the graduate community and that the AOG and USAFA are not immune from the issues that divide our nation. As a staff, they are aiming to reassert our shared sense of purpose and timeless mission. Lt Gen (ret) Gould mentioned how important the upcoming AOG election would be, noting that our mission is not to dictate policy to USAFA or to tell the USAFA senior leadership what to do.

SVP Walkewicz then provided an update. The current graduate membership stands at 69.3%. The goal is to increase it by 3% this year, with an 85% goal by 2028. Beginning with the Class of 2026, they put programming in place for new appointees to join the AOG upon graduation. In addition, there is currently a reconnection effort underway for graduates who had previously opted out of AOG communications. She then talked about the focus on next-of-kin. They have hired a new specialist who works closely with the next-of-kin and Mortuary Affairs. There is a new next-of-kin website, a repository of obituaries, and support connections for surviving spouses.

This will provide a one-stop shop to find out everything the next-of-kin needs to know when a graduate passes away.

She then turned to reunions. The AOG offered the reunion classes three reunion weekends, but no class wanted one of the weekends, so they will focus on 3-5 October and 17-19 October as the reunion weekends. Some classes have chosen to have their reunions on other weekends. They are working with the Athletic Department to improve the AOG tailgates. She concluded by mentioning that the AOG has hired a recent graduate to focus on the Young Alumni program. The Long Blue Line networking socials have had good results, and they are working on a first assignment initiative to ensure they have young alumni ambassadors for every Air Force and Space Force base. Connections with the Cadet Wing also have improved, with an AOG Snack Spot in Arnold Hall, and a well-received briefing to cadets by SVP Walkewicz.

**b. Quarterly Financial Update**

CFO Willemarck provided the first quarter financial review. The operating revenue (\$1.02 million) is down from the same period last year, but that is because we recorded the \$800,000 grant from the AFA Foundation in Q1 2023, and this year the grant was only \$100,000. In addition, merchandise sales in the first quarter were slow. We are getting better at budgeting as shown by the fact that at this point last year, our actual expenses were higher than budgeted, but this year our actual expenses (\$1.19 million) are below budget. We are down more in expenses than we are in revenue, so we are in a positive position for operating costs. We are up 14% in investments and the Moller Trust. Total net assets are \$125.27 million, so we are looking healthy. Director Strebe discussed creating an environment where we have an operating basis of net zero. Finally, the audit is complete, and it will reach the Audit Committee on 30 April, while the 990 will reach them on 8 May. Assuming the Audit Committee approves the documents, they will send them to the Board of Directors for an e-vote, which must be finalized by 15 May.

**c. Branding Update**

VP Hornsby provided the Board with an update on the new branding for the AOG and AFAF. We have hired an outside consultant for the rebranding and are also planning on updating the website. Our current brand is scattered with many different logos. There are three phases in the project. Phase 1 has been completed and resulted in a “What we heard” document. We are currently in Phase 2 (brand development), which runs through September 2024. Phase 3 (implementation) runs from October through February 2025. The guiding principles for the updated brand focus on the vision, mission, strategic priorities, and core values. They have decided to go with a “branded house” (one brand with subtle differences to indicate various programs) versus a house of brands (many different brands). The name they have chosen is the United States Air Force Academy Association & Foundation (or A&F). Later in the meeting a suggestion was made to build off the “AF” from the Athletic Department

as that was already the strongest brand. VP Hornsby concluded by talking about messaging takeaways and the fact that they are managing costs. The brand update costs \$159,000 while the website update costs \$66,800. VP Hornsby will provide the Board with an update as Phase 2 nears completion.

**V. Committee Updates** (also in Attachment 5)

**a. Finance and Investment Committee**

Committee Chair Strebe noted that he had already talked about net zero revenue/expenses during the quarterly financial update. He will talk about the CEO bonus structure in executive session.

**b. Governance Committee**

The Governance Committee was assigned to review Governance Policies Category 3 for the next meeting.

Committee Chair Almand explained that the committee reviewed Bylaws Articles VIII through XIII. The changes to the Bylaws are shown below. (Changes are annotated with strikethroughs and new wording is in italics).

**ARTICLE VIII. Committees**

**Section 6. Standing Committees:**

a. Finance and Investment Committee: The Finance and Investment Committee composition and size shall be determined by the Board and will include at least two directors. The Finance and Investment Committee shall be chaired by ~~a director~~ *the treasurer*. Members shall be experienced in financial or business management. The Finance and Investment Committee shall review the AOG's Financial Management and Investment Policy (FMIP), financial condition, investment portfolio and budget, and make recommendations to the Board for modifications as appropriate. The Finance and Investment Committee may establish in the FMIP an investment subcommittee composed of highly qualified professionals to make and manage investments.

NOTE: Several directors thought that making the above change was overly restrictive and the group decided to leave the section above as is.

d. Governance Committee: The Governance Committee composition and size shall be determined by the Board and will consist of AOG graduate members, at least two of whom must be directors. The Governance Committee shall be chaired by the Vice Chair of the Board. Duties of the committee include:

iii. ~~Biennially~~ ~~Conducting periodic~~ a reviews of the AOG Bylaws and ensuring that AOG practices are consistent with the Bylaws.

iv. *Coordinating periodic board performance evaluations.*

## **ARTICLE XII. Amendments to Bylaws and/or Articles of Incorporation**

**Section 1. Board Proposed:** The Bylaws will be reviewed *biennially* ~~periodically~~ by the Governance Committee. The Board may propose and approve amendments to the Bylaws and/or Articles of Incorporation. All amendments must be approved by two-thirds majority of the entire Board. Bylaw changes are effective immediately upon approval, unless otherwise specified.

**Section 3. Membership Voting:** All *membership-proposed* amendments to Bylaws and Articles of Incorporation must be submitted to a vote of the members. A quorum of 10 percent of the membership eligible to vote is required for the vote to be valid. The amendment must be approved by the majority of that quorum.

NOTE: The addition of “membership-proposed” is for clarity only. It helps distinguish this section from Section 1, Board-proposed amendments, which was approved on the 2021 ballot. The change above does not modify the current process.

**Section 5. Effective Date of Adoption of *Membership Proposed* Bylaws and Amendments:** The vote is concluded, and revisions and amendments adopted upon certification of the election by the Board Secretary.

~~**ARTICLE XIII. Transition:** For transition to these revised Bylaws, the terms of office for directors elected in 2021 will begin at the regularly scheduled May 2021 Board meeting.~~

MOTION: The Governance Committee moved that the Board approve the changes to Bylaws Articles VIII, XII, and XIII as presented with the exception of leaving Article VIII, Section 6a. as is. (There are no proposed changes to Articles IX - XI at this time.) The motion was unanimously approved.

### **c. Nominating Committee**

Director Mueh presented the Nominating Committee report for Committee Chair Przybyslawski. He discussed the 2025 election timeline and the key attributes for the candidates to fill the five open positions. There was a lengthy discussion about the attributes and how they would apply to the active duty graduates and younger graduates. There was also a discussion about whether the attributes would be intimidating or inspiring to younger graduates and the difference between the election and a promotion board. Director Mueh pointed out that they are looking at the whole person. Chair Bishop noted that we should trust the Nominating Committee to look at the entire package of each candidate. Chair Bishop plans to use the fall issue of *Checkpoints* to address the attributes. The sense of the Board was

that the five main attributes presented captured the necessary attributes. Director Mueh then discussed the next steps. The Board will approve the skills and attributes and then the committee will apply a matrix to the candidates and present it to the Board. There was continued discussion about whether the Board will highlight the top candidates on the election ballot.

CEO Hille discussed the issue that certain groups were requesting the release of the physical names and addresses of the AOG members by 29 April. There was a discussion concerning the fact that releasing these addresses early would disadvantage other candidates. The groups also have asked for emails again. The Board reaffirmed their previous position that the emails should not be released.

## **VI. Class Advisory Senate Update**

Director Helms began the discussion by mentioning the AOG staff and Board members who attended their most recent meeting. They received a good briefing from Dr. Thomas Torkelson from the Center for Character and Leadership Development (CCLD). He discussed the Center's connection to the Dean, Commandant, and Superintendent, as well as the process used to select the National Character and Leadership Symposium (NCLS) speakers. The list starts with approximately 300 speakers, and cadets are involved in narrowing the list down to 20-21 speakers. The Superintendent has final approval. The Class Senators submit questions which are provided to the speakers ahead of time. There was a short discussion about cadet attendance. Dr. Torkelson also talked about the honor code and toleration clause as well as the fact that the Academy is monitoring social media for threatening and suicidal thoughts. There was a short discussion about the toleration clause. Chair Bishop will try to get CCLD to talk to the Board. Finally, Director Helms noted that he had drafted a letter in coordination with the AOG which will be sent to the class presidents of those classes which have not had Senators attend a CAS meeting in the past three years. He concluded by mentioning that he challenged all Senators to participate in 1DAY/1USAFCA Campaign.

## **VII. Board Support Policy Update**

Director Strebe discussed the board support travel policy, which several Directors previously thought was too restrictive. We all have a fiduciary responsibility to the organization, and as the organization gets larger, it is important to show transparency as to how we are spending Board dollars. The policy aligns travel with the strategic priorities of the organization. It requires the travel to be approved in advance and there will be a record of it which will show how it ties back to the organization. The Audit Committee will be used as a check. The policy also requires an annual report.

Chair Bishop commented that in section 2, there are words about reasons to travel. All of the items are supportive of the strategic priorities. What is driving this policy is travel oversight and reimbursement. There was a short discussion about why Directors needed to turn in their requests at least 30 days in advance. The decision was made to add

“exceptions will be considered on a case-by-case basis.” CFO Willemarck will upload the Staff policy so we can see the standard they are held to.

MOTION: Director Strebe moved and Director Evans seconded that we put the Board Support Policy in place with the addition of “exceptions will be considered on a case-by-case basis.” The motion was unanimously approved.

### **VIII. Honorary Membership Analysis**

Director Mueh worked with the AOG staff to obtain the history of the Honorary AOG Membership program. The motion from 14 May 2021 changed the criteria from unanimous approval of all Board members to 80%. Since its inception, we have had 43 Honorary Members of which 20 are currently living. Per the Bylaws, we are limited to 25 living members. He discussed the fact that candidates are selected via closed ballot and that if we had an issue with a candidate, there might not be any discussion to clarify perceptions. A discussion ensued. The sense of the Board was to leave the policy as is and to add an administrative comment to Bylaws Article V, Section 10, d. iii to include the fact that a nominee may only come before the Board twice. This was approved as part of the 14 May 2021 motion but was mistakenly not added to the Bylaws.

### **IX. Guest Comments**

Chair Bishop gave Col (ret) Lucky Eckman the opportunity to talk about Director Lowe and his idea of making an AFA Foundation Director a voting member of the AOG Board, and an AOG Director a voting member of the AFA Foundation Board. This would increase the transparency and crossflow of information between the two Boards. While a rotating group of three to four AOG Directors routinely attends the quarterly AFA Foundation meetings, an AFA Foundation member only occasionally attends the AOG quarterly Board meetings. He asked Chair Bishop if we could get the sense of the Board about this idea, but Chair Bishop noted that because this was not in our read-ahead material, he would prefer for the Governance Committee to look at it first. This would require a Bylaws change.

### **X. Capstone Project**

CICs Blum, Burns, and Horne presented the Management 420 Consulting Capstone Final Project. CIC Noh was also part of the team but was unable to attend. The cadets’ task was to provide recommendations on ways the AOG and AFA Foundation could adapt or develop their programming, communications, and services to increase engagement with cadets and parents/families and boost awareness among the Cadet Wing of the AOG and AFA Foundation. They also were to provide recommendations on ways the AOG and AFA Foundation could meaningfully support USAFA graduates in their first assignment. They discussed the timeline of major events in a cadet’s career and noted that the job drop and base assignment were the most important times for the AOG to get involved. They noted three major areas of concern. First, the feedback they had received from cadets included the general perception that the AOG is solely focused on fundraising and

that there was a lack of activity and involvement in cadet career development. Second, they also had concerns with the Long Blue Line portal as far as accessibility and a general lack of awareness among cadets. The third area was related to communications and the lack of interaction with cadets.

They proposed that the AOG should undertake several actions, each including several steps. The first phase would include increasing the Long Blue Line portal involvement with cadets prior to job preference submission to serve as an avenue of support. As part of this, they recommended immediately increasing contact with the Class of 2024 to improve engagement. The second phase would enable an ongoing conversation between cadets and graduates focused on job selection and base assignments. They also made several recommendations for enhanced communication with cadets to include ideas for the Long Blue Line portal. The cadets noted that they intend to advocate for the AOG at their first assignment as well as becoming Young Alumni Ambassadors. The session concluded with an extensive question and answer session to include discussions on areas such as M5, cadet mentorship, the Legacy program, and the ongoing North Gate construction projects.

MOTION: Director Tonneson moved and Director Dudley seconded to go into executive session to discuss an Honorary Membership candidate, to review the Board self-assessment, and to discuss the CEO Bonus structure. The motion was unanimously approved.

## **XI. Executive Session**

The Board went into executive session IAW Bylaws Article V Section 8c at 2:01 p.m. MDT.

MOTION: Director Tonneson moved and Director Dudley seconded to come out of executive session. The motion was unanimously approved.

## **XII. Open Session**

The Board went into open session at 3:34 p.m. MDT.

MOTION: Director Dudley moved and Director Carpenter seconded to make Lt Col (ret) Lou Burkel an Honorary AOG Member. The motion was approved by a vote of 15-1.

MOTION: Director Strebe moved and Director Dial seconded to approve the 2024 CEO bonus structure as presented. The motion was unanimously approved.

## **XIII. Chair's Comments**

Chair Bishop asked Directors Mueh and Walters to highlight two or three items from the board self-assessment so that we can work on those areas.

#### **XIV. Adjournment**

Chair Bishop adjourned the meeting at 3:40 pm MDT.

Note: Portions of the minutes were rearranged from the time sequence to topical sequence.

Respectfully submitted,  
Virginia Caine Tonneson, Secretary

Atch:

1. 21 February 2024 Approved Meeting Minutes
2. 25 March 2024 Approved Special Meeting Minutes
3. CEO Monitoring Reports
4. Approved Agenda
5. Board Meeting Slide Deck



**BOARD OF DIRECTORS ELECTRONIC VOTE  
Motion to Approve the Audit Report and Form 990**

14 May 2024

APPROVED

**Board Members Participating:** Brian Bishop '83, Chair; Cathy Almand '90, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hank Hoffman '63; Hans Mueh '66; Garry Dudley '68; Bob Lowe '71; Lee Krauth '72; William Carpenter '73; Randy Helms '79, President, Class Advisory Senate; Emma Przybyslawski '10; Nathan Dial '10; Joseph Bledsoe III '11; Jennifer Walters '11.

**Board Directors Not Voting:** Christian Evans '08.

**Background:**

The Audit Committee reviewed and approved the 2023 audit and IRS Form 990. They requested the full Board review these documents and vote to approve them. The AOG Board vote was conducted by email 10-13 May 2024.

- 2023 Audit Report: The auditors issued an *unmodified opinion*, which is the highest level of assurance that an auditor can give on the financial statements. We had no adjustments to the audit, and the footnotes accompanying the audited financial statements are relatively unchanged from the prior year.
- 2023 IRS Form 990: The 990 is an informational tax return and is a public document. Our functional expenses show that 82% of every dollar we spend supports our mission. Industry standards state that anything above 80% is excellent. In addition, the AOG derives 51.22% of its revenue from public sources, well beyond the IRS requirement of at least 33%. Finally, the AOG also files a 990-T tax return that reviews our potential taxable income derived from advertising (mainly from *Checkpoints*). However, we do not profit from our digital advertising, so no tax is owed.

**MOTION:** The Audit Committee moved that the AOG Board approve the 2023 AOG Audit and the 2023 Form 990. The motion was approved by a vote of 15-0.

Respectfully submitted,  
Virginia Caine Tonneson, Secretary

Atch:

1. 2023 Audit Report
2. Form 990

## MONITORING REPORT

**DATE:** 26 July 2024  
**POLICY TYPE:** Executive Limitations  
**POLICY NUMBER:** 2.5  
**POLICY TITLE:** Asset Protection

**POLICY DESCRIPTION:** **The CEO shall not allow the assets of the AOG to be unprotected, inadequately maintained or unnecessarily risked. Accordingly, he or she may not:**

- 1. Fail to insure:**
  - a. against theft and casualty losses to at least replacement value, and**
  - b. against liability losses to Board members, staff and the organization itself in an amount at least equal to the average for comparable organizations.**

**REPORT:**

The AOG maintains a comprehensive set of insurance policies which provide protection against theft and casualty losses; the current policy covers the calendar year. The current year coverage for Doolittle Hall and surrounding area (including the Southeast Asia Memorial Pavilion and Plaza of Heroes) is \$14 million. Additionally, the AOG maintains a Directors and Officers policy in the amount of \$4.0 million, Employment Practices Liability coverage of \$4.0 million, and Fiduciary Liability Insurance of \$1.0 million, which are all sufficient coverage for an organization of our size. The AOG also maintains an umbrella liability policy of \$9.0 million, business auto liability and calendar year workers compensation coverage of \$1.0 million each, and a general liability policy (aggregate) of \$1.0 million. Our Cyber Insurance coverage is \$2.0 million to cover incident response, digital data recovery, network extortions, and payment card loss.

- 2. Allow un-bonded personnel access to material amounts of funds or fail to insure against employee theft and dishonesty.**

**REPORT:**

The AOG crime insurance policy has an exposure limit of \$350,000 for the new coverage year and provides protection to the organization for acts of theft by AOG employees; forgery and alteration of documents, computer fraud, credit card fraud, and other liabilities, are each at a \$200,000 exposure limit. Additionally, our internal operating and control policies provide for appropriate segregation of duties and responsibilities that ensure the proper handling for cash and credit card data.

- 3. Subject facilities and equipment to improper wear and tear or insufficient maintenance.**

**REPORT:**

The AOG has a facilities staff who maintain our building. The organization, by direction of the Board, established and funded a Heritage Initiatives and Preservation Fund that provides for the purchase of equipment and payment for services incurred to maintain all areas of the constructed and leased property, excluding Doolittle Hall. When needed, maintenance assets and equipment are purchased, and upkeep and upgrade operations are conducted regularly to maintain the property.

**4. Unnecessarily expose the AOG, its Board or staff to claims of liability.**

**REPORT:**

As previously mentioned, the AOG maintains Directors and Officers, Employment Practices and other insurance coverage to mitigate exposure for the organization. Our internal operating procedures, human resource policies and our building use and maintenance procedures are developed and designed to provide a reasonable, commonly accepted and legal approach to conducting our business. Additionally, issues of a questionable nature which may affect the AOG's legal liability are referred to available legal counsel for an appropriate opinion, when necessary.

**5. Make any purchase:**

- a. wherein normally prudent protection has not been given against conflict of interest**

**REPORT:**

The AOG has a Conflict-of-Interest policy which requires Directors and Officers to disclose any conflicts or affirm that no conflict exists. This policy is executed on an annual basis, and Directors and Officers are required to update the disclosure in the event an occasion arises that would create a potential conflict of interest. The Employee Handbook, given to and acknowledged by all employees, also states the organization's policy regarding employee conflicts of interest.

- b. of over \$50,000 without having obtained comparative prices and quality**

**REPORT:**

All major purchases for the organization are approved by both the CFO and the CEO. Organization policy requires the submission of three qualified estimates or bids, when possible, for purchases in excess of \$50,000.

**6. Fail to protect intellectual property, information and files from loss or significant damage, in accordance with commonly accepted business practices.**

**REPORT:**

The AOG maintains electronic files which are backed up regularly to cloud storage service. Additionally, internal hard copy files are kept in a central location, and are locked, with limited access, during off duty hours.

7. **Fail to inventory and maintain physical property with safeguards to minimize/prevent loss, damage or theft.**

**REPORT:**

Merchandise for sale is inventoried and kept under lock and key in a designated storage area with limited and controlled access. Additionally, a detailed inventory of all fixed assets is maintained in our accounting software.

8. **Receive, process, or disburse funds under controls that are insufficient to meet the Board-appointed auditor's standards.**

**REPORT:**

Counter cash for merchandise is balanced daily with the assistance of the Customer Service staff, a cash requirements list is approved by the VP of Finance prior to printing and disbursing of checks, and transfers of operating funds to Schwab, our investments custodian, are approved in writing by two senior staff members before being authorized for transmittal. Petty cash is sparingly used, and is kept locked up in a hardened steel safe during the day and after hours.

9. **Endanger the AOG's public image or credibility.**

**REPORT:**

All employees on staff have received a copy of the updated January 2024 Employee Handbook which outlines employee responsibilities to the organization, in fact and in appearance.

10. **Change the organization's name or substantially alter its identity.**

**REPORT:**

There has been no name change for the AOG, nor has its identity been altered in any respect.

*Status: In Compliance*

## **MONITORING REPORT**

**DATE:** 26 July 2024  
**POLICY TYPE:** Executive Limitations  
**POLICY NUMBER:** 2.6  
**POLICY TITLE:** Investment Management

### **POLICY DESCRIPTION:**

The CEO will not fail to invest in accordance with the current Board-approved Financial Management and Investment Policy (FMIP).

### **REPORT:**

Investments are compliant with the approved FMIP. The Chief Financial Officer invests operating capital and other required liquid funds in a US Treasury fund or other high-quality money market fund, as required by the FMIP. Only operating funds expected to be used in the short term are kept available in the operating bank account, unless there is a high likelihood that the USAF Academy will have a need for significant funds in the near term.

*Status: In Compliance*

## MONITORING REPORT

**DATE:** 26 July 2024

**POLICY TYPE:** Executive Limitations

**POLICY NUMBER:** 2.13

**POLICY TITLE:** Annual Audit Report

**POLICY DESCRIPTION:**

The CEO will not fail to immediately address major findings in the annual audit report.

**REPORT:**

There were no significant or unusual transactions or significant accounting policies in controversial or emerging areas identified in the audit of the fiscal year 2023 financial statements. The auditors issued an unqualified report on our 2023 financial statements. Additionally, the organization's 990 was prepared and filed on time.

*Compliance Status: In Compliance*

Board of Directors Meeting Agenda  
25-28 July 2024

**25 July 2024**

5:00 – 6:30 p.m.

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AOG Board Reception, Doolittle Hall Library

*Attire: Business Casual*

**26 July 2024**

Breakfast, Doolittle Hall Library

7:30 a.m.

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8:00 a.m.

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- I. Call to Order
- II. Moment of Silence & Pledge of Allegiance
- III. Notified Absences & Introductions
- IV. Consent Agenda Approval
  1. Board Meeting Minutes 19 April 2024
  2. E-vote 14 May 2024
  3. Executive Limitations
    - a. 2.5 Asset Protection
    - b. 2.6 Investment Management
    - c. 2.13 Address Major Audit Findings
- V. Agenda Approval

8:10 – 10:45 a.m.

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- VI. Staff Updates
  1. CEO Report (CEO Hille)
  2. Quarterly Financial Update (Katie Willemarck, CFO)
- VII. Committee Updates
  1. Governance Committee
    - a. Governance Policies Cat. 3 Motions

- b. AFAP Voting Member of AOG Board Discussion
- c. Resource Document
- 2. Nominating Committee
  - a. Election Update
  - b. Demystifying the AOG
- 3. Finance and Investment Committee
  - a. Review Investment Report
  - b. MOTION: Bennett Soaring Fund

10:55 - 11:05 a.m.

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Transportation to Terrazzo from Doolittle Hall

12:00 – 12:15 p.m.

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Transportation back to Doolittle Hall

12:35 - 1:00 p.m.

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Lunch

1:00 p.m.

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Guest Speakers: Lt Gen (Ret) Michelle Johnson '81  
Col Marc Sands '94, Space Force LNO to USAFA, Commander, Detachment 1

1:45 p.m.

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- VIII. CAS Update
- IX. NextGen Task Force
- X. Executive Session
  - 1. Board Assessment Follow Up

2:30 p.m.

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Adjourned

5:00 – 9:00 p.m.

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Long Blue Line Awards Dinner  
Falcon Club  
3120 Academy Dr, USAFA, CO

*Attire: Military: service, Civilian: sport coat & tie/cocktail attire*

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OPTIONAL ACTIVITIES

**27 July 2024**

7:30 a.m. - 4:00 p.m.

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Long Blue Line Leadership Conference  
Doolittle Hall

4:30 – 5:15 p.m.

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Hotel Polaris Tour  
POV to Hotel

6:30 p.m.

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Dean's Reception  
6700 Deans Way  
USAFA, CO

**28 July 2024**

8:30 a.m.

---

Guided Tour of Heritage Trail

10:00 a.m. – 12:45 p.m.

---

Long Blue Line Leadership Conference  
Doolittle Hall



# Board of Directors Meeting

26 July 2024

# Agenda

- I. Call to Order
- II. Moment of Silence & Pledge of Allegiance
- III. Notified Absences & Introductions
- IV. Consent Agenda Approval
- V. Agenda Approval
- VI. Staff Updates
- VII. Committee Updates
- VIII. Next Gen Task Force
- IX. Executive Session

Call to Order

Board Chair Opening Remarks

Moment of Silence & Pledge of Allegiance

Notified Absences & Introductions

Consent Agenda Approval

1. Board Meeting Minutes, 19 April 2024
2. E-vote, 14 May 2024
3. Executive Limitation/Monitoring Reports
  - a. 2.5 Asset Protection
  - b. 2.6 Investment Management
  - c. 2.13 Address Major Audit Findings

Agenda Approval

# Staff Updates



# CEO Update

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Hille

## Engagement

- Annual giving up 57% thru Q2 - Grad participation up 69% - but early
- Next Gen program is yielding strong response - need to invest in career service
- Alumni programs show incremental improvements

## Philanthropy

- Campaign tops \$300 million – final months, celebration to come
- Case materials for endowed operating/service funds

## Stewardship

- Quarterly grant-making cycle/pushing back when needed
- Construction abounds – MCIC, Stadium, Northgate, Space
- Earned revenue lagging, controlling operating costs to match

## Communications

- (Re)branding effort taking shape, but big choices remain

## Organizational Excellence

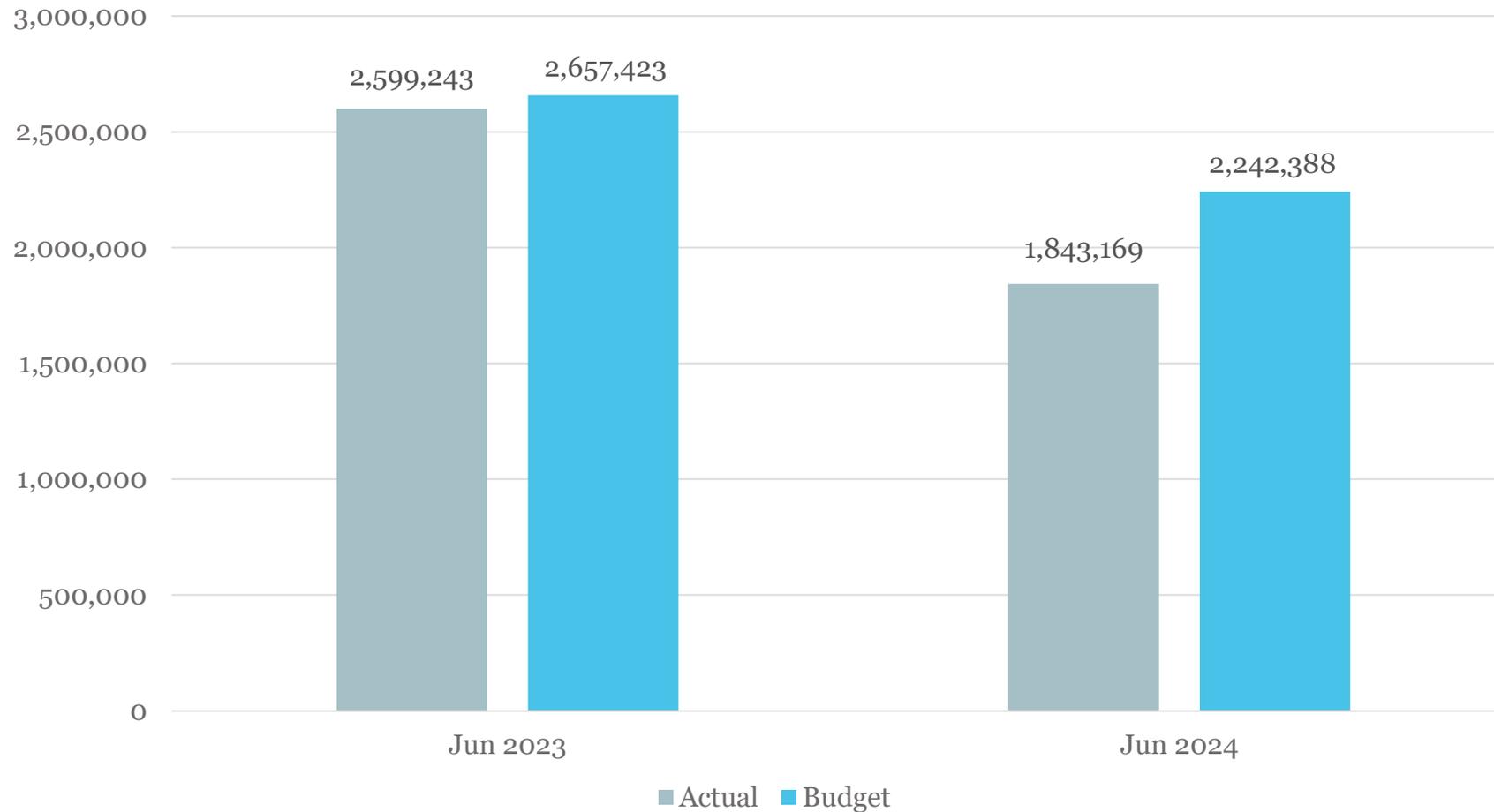
- Staff turnover is too high, staff climate survey points to stovepipes
- Academy core values – how we live them daily
- Wecker Hall/Yost Plaza



# Quarterly Financial Update

Willemarck

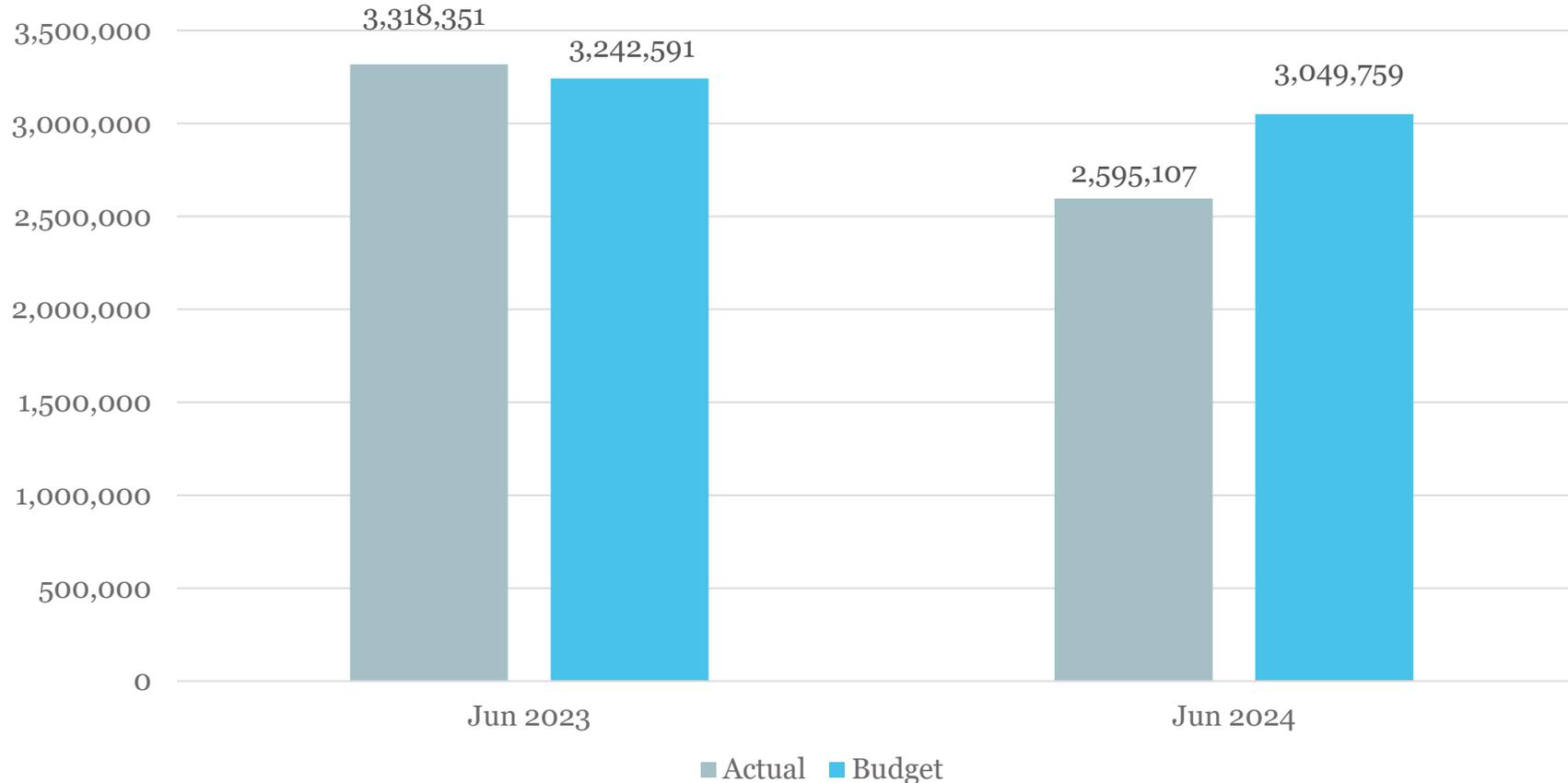
# Total Operating Revenue Actual to Budget



Grant from AFAF: 2023 \$850K  
2024 \$419K



# Total Operating Expenses Actual to Budget



<b>Net Income/(Loss)</b>	
Jun 2023	\$3,338,286
Jun 2024	\$2,509,927

<b>Operating Income/(Loss)</b>	
Jun 2023	\$(719,108)
Jun 2024	\$(751,938)



# Statement of Financial Position- As of June 30,

	2024	2023
<b>Assets</b>		
Cash	\$1,341,518	\$1,238,892
Investments	54,779,807	54,149,674
Beneficial Interest in Trust	58,783,526	52,144,214
Other Assets	3,875,991	4,869,323
<b>Total Assets</b>	<b>\$118,780,842</b>	<b>\$112,402,103</b>
<b>Liabilities &amp; Net Assets</b>		
Total Liabilities	\$4,010,655	\$3,693,682
Net Assets Without Donor Restriction	40,472,338	36,636,650
Net Assets With Donor Restriction	74,297,849	72,071,771
<b>Total Net Assets</b>	<b>114,770,188</b>	<b>108,708,421</b>
<b>Total Liabilities and Net Assets</b>	<b>\$118,780,842</b>	<b>\$112,402,103</b>

# Committee Updates



# Governance Committee

Almand

# Governance Policies Category 3

## Administrative changes only:

3.1b. If Board members or committees request information or assistance without Board authorization, the CEO can refuse such requests that require, in his/her opinion, a material amount of staff time or funds **and/or pose disruption to staff duties.**

3.2 The Board will instruct the CEO through written policies that prescribe the organizational Ends to be achieved and describe organizational situations/actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.

3.2a. The Board will develop and maintain policies instructing the CEO to achieve certain results, for certain recipients **in a prioritized scheme.** These policies will be developed **systematically and called Ends policies.** All issues that are not Ends issues, as defined here, are Means issues.

3.2b: The CEO will make inputs to the development of Board policies, including organizational **al** Ends, to the Board as he/she deems appropriate.

# Resource Document Proposal

User-friendly, one-stop shop for Board members and staff

- Easier language, but retain need to refer to Governance documents for some details and requirements
- Additional policies that are not part of Board Governance

Sense of Board

- Should Governance Committee pursue?
- Timeline for incorporation

# Association & Foundation Director Position Proposal

## Do we want to?

- Progression to align with single CEO and staff structure
  - Better avoid problems like creation of EVP and Next Gen crossover
- Would a non-voting liaison suffice?
- Association member-based vs Foundation donor requirements

## How and when?

- Significant enough change to Bylaws should drive membership vote
  - Transparency. Bylaws are Membership document
  - Getting enough members to meet required 10% quorum
- When is the right time?



# Nominating Committee

Przybyslawski

# Nominating Committee: Election Preparation

EMMA PRZYBYSLAWSKI '10

HANS MUEH '66

TRAPPER CARPENTER '73

NATE DIAL '10

JOE BLEDSOE '11

# Agenda

- Upcoming Election Timeline
- Nominating Committee Personnel Change
- Candidate Recruiting
- Election Ballot Endorsement / Slate
- What's next?

# 2025 Election Timeline

1 Jun 2024

Windows open for candidate submissions (petitions from 1 Jan – 1 June accepted)  
– <https://www.usafa.org/election>

7 Oct 2024

Window closes for candidate submissions

18 Oct 2024

Board finalizes list of candidates on ballot

20 Dec 2024

Membership Cut-Off for voting eligibility

3 Feb 2025

Election voting begins

3 Mar 2025

Election voting ends

Apr 2025

New directors seated

# 2025 Election

## Term Ends May 2025

\*Mueh '66

\*Tonneson '80

Bishop '83

\*\*Walters '11

\*Przybyslawski '10

Bledsoe '11

Strebe '87

Appointed  
Directors

## Term Ends May 2027

Hoffman '63

Dudley '68

Lowe '71

Krauth '72

Carpenter '73

Almand '90

Evans '08

Dial '10

CAS

Helms '79

Class Decade	# Directors
1960s	3
1970s	3
1980s	3
1990s	1
2000s	1
2010s	4

# Candidate Recruiting

- Nominating committee is actively recruiting for ballot candidates
- List starting to generate
- Please encourage great graduates to run in this upcoming election:
  - Point candidates to “Run to Serve” article from June 2024 Checkpoints
  - Socialize board and duty description
  - Connect potential candidate with Nominating Committee, we can walk them through the process
- Upcoming “AOG Membership and Election” presentations from Nate (mid-August and mid-September)

# Election Ballot Endorsement / Slate

- Nominating committee recommends a board-endorsement of five candidates in the upcoming election
- How:
  - Matrixed evaluations of all candidates who meet Nominating Committee requirements to be on the board
  - Includes petitioned candidates
  - All board directors score initial 8 candidates presented by Nominating Committee to select 5 endorsees
  - Equal weighted scoring across all published attributes
  - Goal: top 5 scoring candidates become endorsed by board on the ballot

# Motion

The Nominating Committee moves that the AOG Board of Directors endorse and communicate said endorsement of five candidates on the upcoming 2025 election ballot.

# What's Next?

- Endorsement / Slate COA approved
- Socialization to membership on election ballot endorsement
  - Opportunities to message during “Demystifying the Board”
  - Can add information to the election website
  - December: Chairman’s Checkpoints article
- Continue gathering interested grads and encouraging them to run – nominations deadline is 7 October!

# Committee Plan - Timeline

~~Skills / Attributes List Created~~

~~Skills / Attributes List Presented to Board for Discussion and Approval~~

Chairman and President/CEO Socialize Board Highlighting

Candidates Submit Packages / Petitions

Nominating Committee Uses Matrix to Score Candidates

Eight (8) Candidates Presented to Board – Intent is to get to five (5) Board Highlighted on the Ballot

Ballot includes all nominees, with highlights from the Board

March / April 2024

April 19, 2024

ONGOING

Fall 2024

Fall 2024

November 2024

February 2025

# 2025 Election Timeline

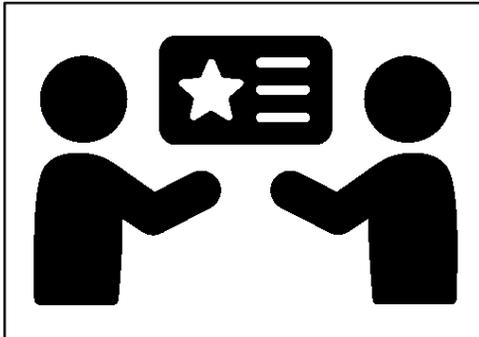


# AOG Membership and Election

# Step1: Become an AOG Member

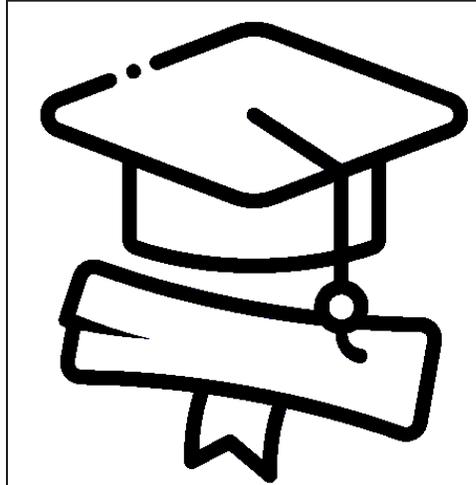


Membership is at no cost

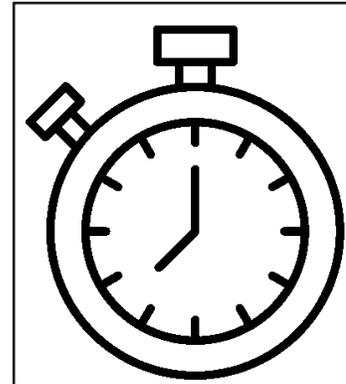


Member Information Collected

1. First and Last name
2. Email Address
3. Class Year & Firstie Squadron



Must Opt-In After Graduation

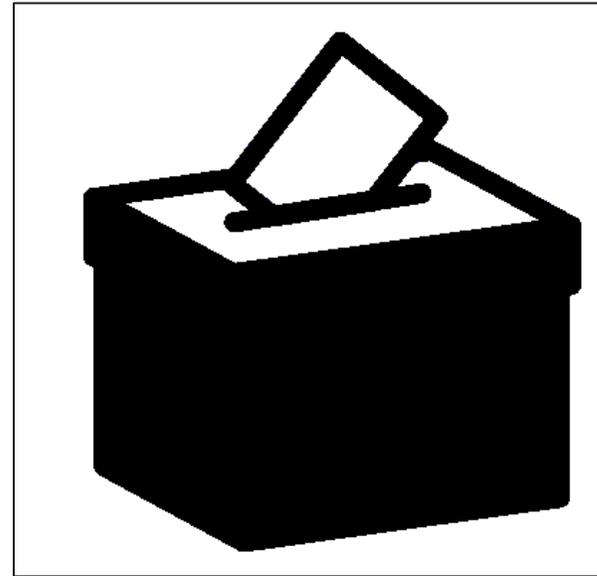


Only 2 Minutes to Join  
Link [here](#):

# Only Members can Participate In Elections and on the Board



Only Members May Run in Election



Join by 20 Dec 24 to Vote in 25 Election

# Election Statistic & Comparison

## **National Elections of Membership Organizations**

Voting Participation rate (5K – 50K voters): 15.85%

Voting participation rate (25K – 50K) – response rate is 8.98%

## **USAFA Association Of Graduates**

Average voting participation 2015 – 2023: 21.44%

**2025 Goal = 33% of all members participate in voting**

# Low Financial Participation Amongst 2000s Grads

Overall, *five-year* financial participation amongst USAFA graduates from the 2000-2023 classes is under 9%.

The average *annual* participation amongst USAFA graduates from the classes of 2000-2023 is slightly over 3%

## Five-Year Participation Rate

1959 = 62%  
 1960s = 45%  
 1970s = 46%  
 1980s = 28%  
 1990s = 21%

## Annual Participation Rate

1959 = 34%  
 1960s = 24%  
 1970s = 22%  
 1980s = 13%  
 1990s = 8%

Class of	Living Grads	Overall Five-Year Participation	Average Annual Participation
2000	928	14.66%	5.57%
2001	847	14.17%	5.51%
2002	934	10.81%	3.84%
2003	988	11.84%	4.29%
2004	966	11.28%	3.64%
2005	912	10.75%	3.88%
2006	875	12.11%	4.86%
2007	983	10.17%	3.41%
2008	1020	10.88%	4.12%
2009	1054	8.63%	2.55%
2010	1000	18.20%	9.35%
2011	1030	7.96%	2.62%
2012	1075	9.77%	3.88%
2013	1045	8.33%	2.81%
2014	1001	7.69%	2.02%
2015	848	8.14%	2.34%
2016	824	7.77%	2.10%
2017	984	9.55%	3.00%
2018	993	5.14%	1.24%
2019	993	3.12%	0.71%
2020	977	5.12%	1.06%
2021	1033	2.32%	0.52%
2022	978	2.15%	0.39%
2023	958	0.84%	0.14%
<b>Average Participation Rate</b>		<b>8.81%</b>	<b>3.08%</b>

# Important Bylaws for Elections

## **Article VI Section 1d:**

The ballot must have at least twice as many candidates for election as there are vacancies. *2025 has 5 vacancies. Minimum 10 on the ballot*

## **Article VI Section 1c:**

Member can appear on the ballot via two methods:

- 1) A petition with support of at least 25 AOG members by their signature and AOG ID number.*
- 2) Submit a nomination package and pass a review by the Nominating Committee.*

## **Article VI Section 2c**

No membership quorum required for a valid election

# 2025 Election Attributes

## - Full Commitment to the AOG's Board / Mission

- Passion
- Courage to Dissent
- Motivation to Advocate
- Team Player
- Time
- Willing to Leverage Contacts
- Energy
- Willing to Network

## - Previous Board Experience

- Private Sector
- Public Sector
- Non-Profit

## - Professional Skillsets (Civilian / Military)

- Squadron/Group/Wing Command
- Legal / Staff Judge Advocate
- Joint / COCOM Staff
- Marketing & Story Telling
- C Suite experience
- Finance

## - USAFA/AOG/Foundation Connection

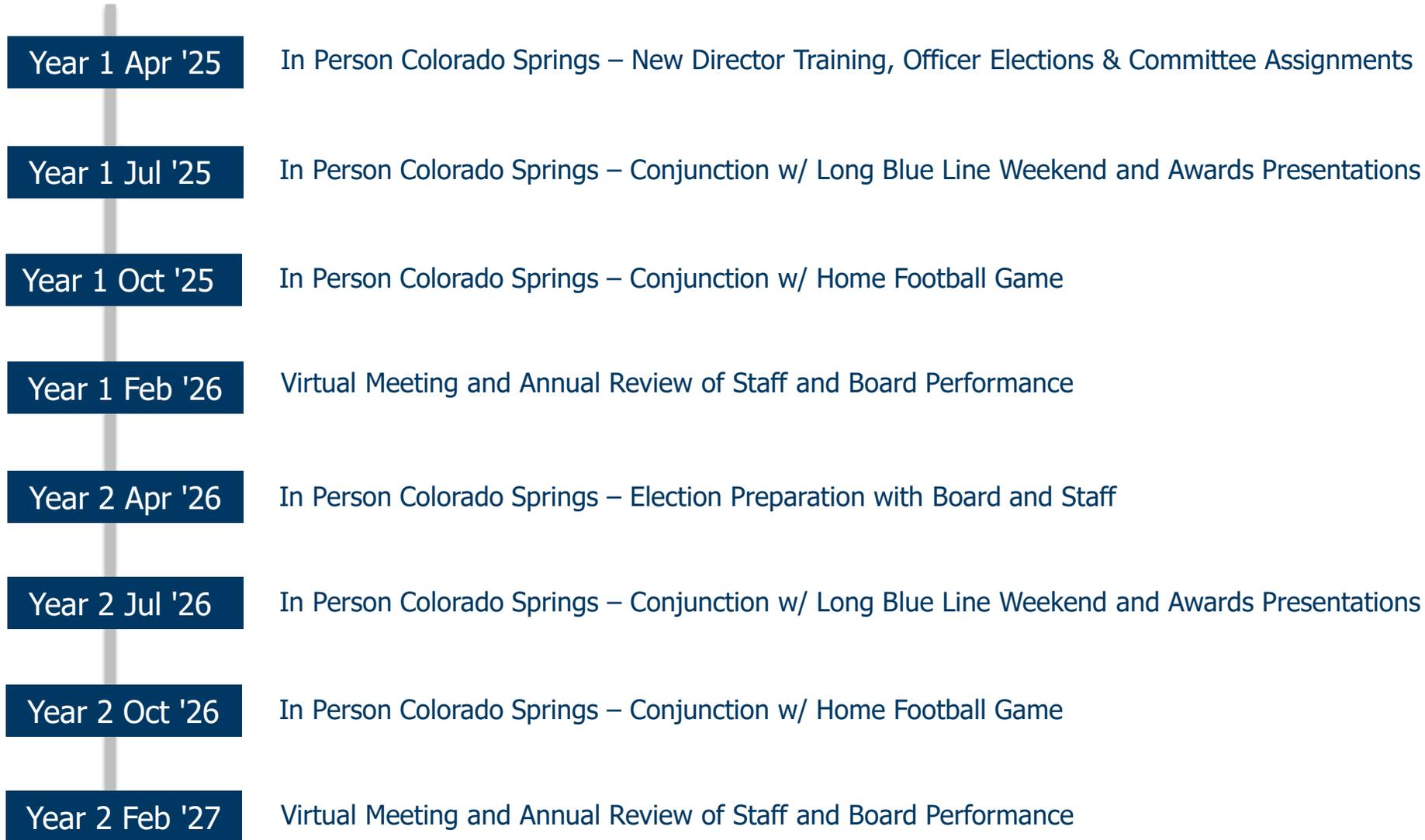
- Former Supt/Comm/Dean/AD/AOC/Faculty
- Service Academy Selection Committee
- Class Advisory Senate Representative
- USAFA Admissions Officer
- Former Board Chair/Vice-Chair
- Parent's Club Officer
- Officer of AOG Chapter
- AOG Affinity Group Officer
- Academy Liaison Officer
- USAFA Sponsor Family
- Former AOG/Foundation Employee
- Former CCLD Employee / Officer

## - Recognition

- USAFA/AOG Awards post-graduation (DG, LAA, Jabara, YAEA, Sullenberger, etc.)
- NCLS Speaker
- Saber Society Member or Polaris Society Member
- Military and/or Industry Award Recognition

# AOG Board First 2 Year Timeline

\*Board Terms are 4 years





# Finance and Investment Committee

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Strebe

ASSOCIATION OF GRADUATES  
UNITED STATES AIR FORCE ACADEMY



**June 2024 Investment Update**



# Investment Overview

## Total Account



Fund ID: 1000  
 Report Period: 10/31/2003 to 06/30/2024  
 Fiscal Year Ends: December

### Account Activity Summary: Total Fund

	Latest Month	Latest Quarter	Fiscal Yr to Date	Cal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	From 10/31/03
Beginning Market Value	53,766,052	61,127,360	57,801,863	57,801,863	53,956,636	60,117,117	47,029,067	8,198,683
Contributions	0	2,073,114	6,035,262	6,035,262	9,204,757	22,260,340	39,304,764	278,319,904
Withdrawals	0	9,472,960	13,685,037	13,685,037	16,654,322	31,113,717	50,933,360	278,547,827
Net Flows	0	-7,399,846	-7,649,775	-7,649,775	-7,449,565	-8,853,377	-11,628,596	-227,923
Interest/Dividend Income	153,756	273,409	687,545	687,545	1,656,058	6,007,836	9,619,609	25,947,317
Gains/Losses	768,811	687,696	3,848,986	3,848,986	6,525,490	-2,582,957	9,668,539	20,770,542
Total Earnings	922,567	961,105	4,536,531	4,536,531	8,181,548	3,424,879	19,288,148	46,717,859

### As of 06/30/24

Ending Market Value	54,688,619	54,688,619	54,688,619	54,688,619	54,688,619	54,688,619	54,688,619	54,688,619
Time Weighted Return	1.72	1.99	8.33	8.33	15.76	2.21	7.76	6.59
Balanced Index	1.49	2.01	8.37	8.37	15.26	4.51	7.86	6.67

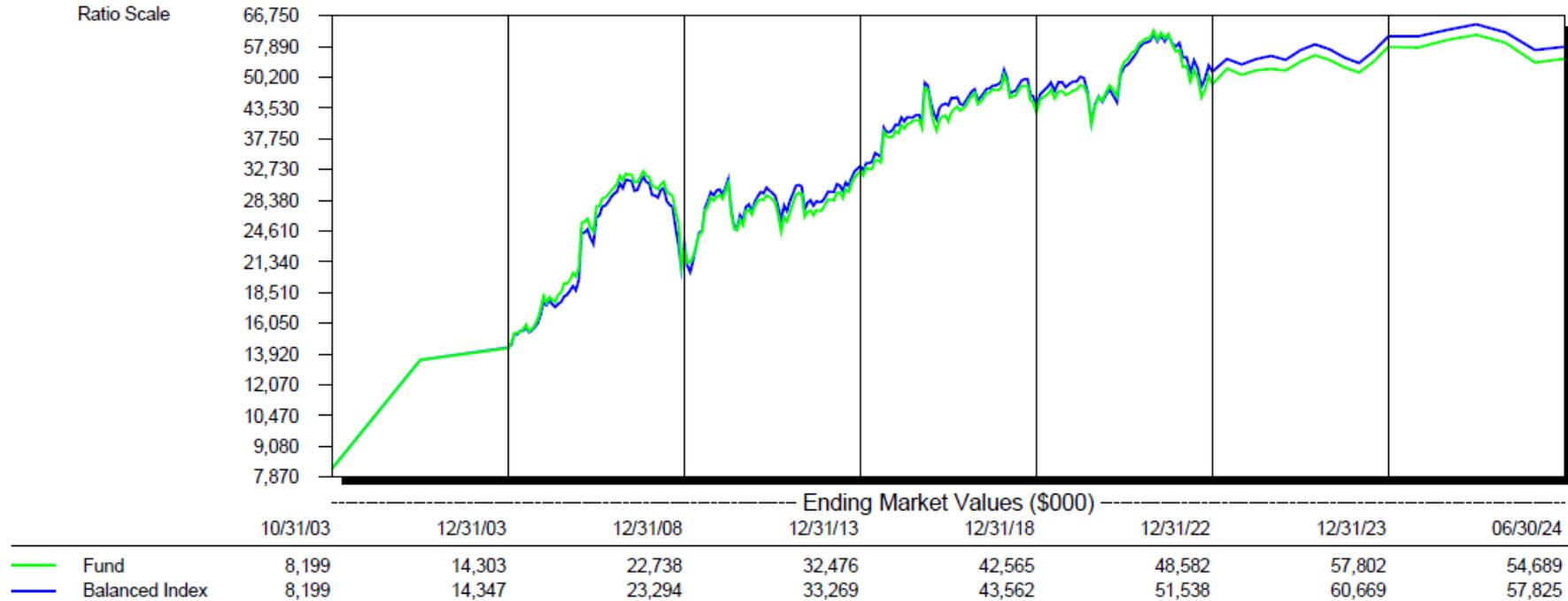


# Investment Growth

## Total Account

Fund ID: 1000  
Report Period: 10/31/2003 to 06/30/2024  
Fiscal Year Ends: December

### Portfolio Growth Comparison: Total Fund



# Rebalancing Report

	Market Values 7/17/2024	Portfolio Percent	Recommended Rebalancing	New Market Values	Target Sector Weighting	Actual Sector Weighting	Rebalanced Portfolio Percent	Policy Sector Target
<b>Cash / Short Term</b>	4,356,305.08	7.80%	(675,000.00)	3,681,305.08	0.00%	100.00%	7.17%	5.00%
<b>Fixed Income</b>	5,999,862.74	10.75%	-	5,999,862.74	100.00%	100.00%	11.69%	10.00%
<b>Real Estate</b>	2,871,156.23	5.14%	-	2,871,156.23	100.00%	100.00%	5.59%	5.00%
<b>US Equity</b>	25,266,477.97	45.26%	(3,500,000.00)	21,766,477.97	100.00%	100.00%	42.41%	42.50%
<b>International Equity</b>	11,002,112.97	19.71%	-	11,002,112.97	100.00%	100.00%	21.44%	27.50%
<b>Emerging Markets</b>	2,903,746.85	5.20%	(325,000.00)	2,578,746.85	100.00%	100.00%	5.02%	5.00%
<b>Alternatives</b>	3,420,487.98	6.13%	-	3,420,487.98	100.00%	100.00%	6.66%	5.00%

**Total Invested/Investable Assets** \$ 55,820,149.82

\$ (4,500,000.00) \$ 51,320,149.82

<b>Policy Asset Allocation: per FMIP</b>	<b>Target</b>	<b>Maximum</b>
Fixed Income	10.00%	20.00%
Real Estate/REITs	5.00%	15.00%
US Equity	42.50%	50.00%
International Equity	27.50%	50.00%
Emerging Markets	5.00%	10.00%
Alternatives	5.00%	20.00%
Cash / Short Term	5.00%	20.00%

## Cash Flow Needs for Rebalancing:

Falcon Stadium \$3M (Moller Trust)  
 Tuskegee Memorial 1M (Bennet Soaring)  
Q4 Operational 500K

**Toal \$4.5M**



# Francis C. Bennett Soaring Margin of Excellence Fund - Motion to Redesignate \$1M

- [History](#) – In 2016 the board designated \$3M of an unrestricted bequest from Francis C. Bennett to support the Soaring Program. The fund balance as of June 30 is \$4.7M. We have granted \$178k over the life of the fund.
- [Need](#) – We are constructing a new pavilion and exhibit featuring an historically accurate model of a P-51 & T-7 to honor the service, sacrifice and contributions of the Tuskegee Airmen.



**MOTION:** The Finance and Investment Committee makes a motion to approve the redesignation of \$1M from the Francis C. Bennett Soaring Margin of Excellence Fund to support the construction of the Tuskegee Airmen Memorial.

Estimated Timeline

\$400,000- 2024 Q4

\$600,000- 2025 Q1



# Class Advisory Senate

Helms



# NextGen Task Force

Dial

# Next Generation Task Force AOG Focused Ideas

Evan Dodsky 2008 (AFAP Board)

Christian Evans 2008

Tanner Doss 2009 (AFAP Board)

Nathan Dial 2010

Jennifer Walters 2011



# Problem + Solution

Overall, five-year financial participation amongst USAFA graduates from the 2000-2023 classes is under 9%.

The average financial participation amongst USAFA graduates from the classes of 2000-2023 is slightly over 3%

The AOG Board created this task force to address the low participation phenomenon with new ideas to engage 21st-century USAFA graduates.

Class of	Living Grads	Overall Five-Year Participation	Average Annual Participation
2000	928	14.66%	5.57%
2001	847	14.17%	5.51%
2002	934	10.81%	3.84%
2003	988	11.84%	4.29%
2004	966	11.28%	3.64%
2005	912	10.75%	3.88%
2006	875	12.11%	4.86%
2007	983	10.17%	3.41%
2008	1020	10.88%	4.12%
2009	1054	8.63%	2.55%
2010	1000	18.20%	9.35%
2011	1030	7.96%	2.62%
2012	1075	9.77%	3.88%
2013	1045	8.33%	2.81%
2014	1001	7.69%	2.02%
2015	848	8.14%	2.34%
2016	824	7.77%	2.10%
2017	984	9.55%	3.00%
2018	993	5.14%	1.24%
2019	993	3.12%	0.71%
2020	977	5.12%	1.06%
2021	1033	2.32%	0.52%
2022	978	2.15%	0.39%
2023	958	0.84%	0.14%
<b>Average Participation Rate</b>		<b>8.81%</b>	<b>3.08%</b>

Data provided by Kelly Banet and Staff on 27 Oct 2023

## Idea 1 (Crawl):

# Continue Long Blue Line Socials

Graduates have received Long Blue Line Socials well, especially from members in the 2000s classes.

Directors Dial and Evans have hosted events in Omaha, NE, with the Heartland LeMay AOG Chapter and the Dallas/Fort Worth area with the North Texas AOG Chapter, respectively.

Both events were well attended, with over 50 graduates. Most attendees were graduates from the 2000s, and for many, it was their first-ever AOG event post-graduation.

However, the momentum from the event only lasted through the next chapter event because subsequent events hosted by the AOG chapter turned political.

***We should continue these Long Blue Line Socials, focusing on the 6 locations with the highest graduate populations for the 2000s classes.***

***After hosting the initial social, we need dedicated programming around fellowship and job opportunities and maximizing USAFA events like the service academy football games and local service academy balls.***

# Idea 2 (Crawl): Engage with the USAFA Alumni Careers and Networking Facebook Group and Class Facebook Groups



The USAFA Alumni Careers and Networking Facebook Group page has a massive following and interactions from a range of USAFA graduates. In 2024, the page averaged ~50 posts per month with 10 comments and had 11.6K followers.

Most USAFA classes have a private Facebook group with consistent interaction and 50-80% membership.

Some comments, questions, and concerns about USAFA and the graduate community are issues from which the AOG has useful information that our membership would benefit. Additionally, the posts offer the opportunity to showcase some of the initiatives the Alumni relations team has started. Lastly, the group provides a place where the AOG can solicit help from a community that is already active and engaged around USAFA graduate and cadet issues.

***The pages engage with each other on topics that the AOG should avoid. However, there are a substantial number of topics on which the AOG can provide graduates with helpful information and direction. The Facebook Groups offer the opportunity to directly communicate with members on matters they care about via a zero-cost medium which should build greater trust with our members.***

## Idea 3 (Walk):

# Create a Demystifying the AOG Board Presentation

One of the easiest metrics to gauge engagement from our membership is participation in the AOG Board election process.

Creating a Zoom presentation that the AOG Staff host in tandem with the Nominating Committee, and NextGen Task Force offers transparency and encourages all graduates to participate in the process.

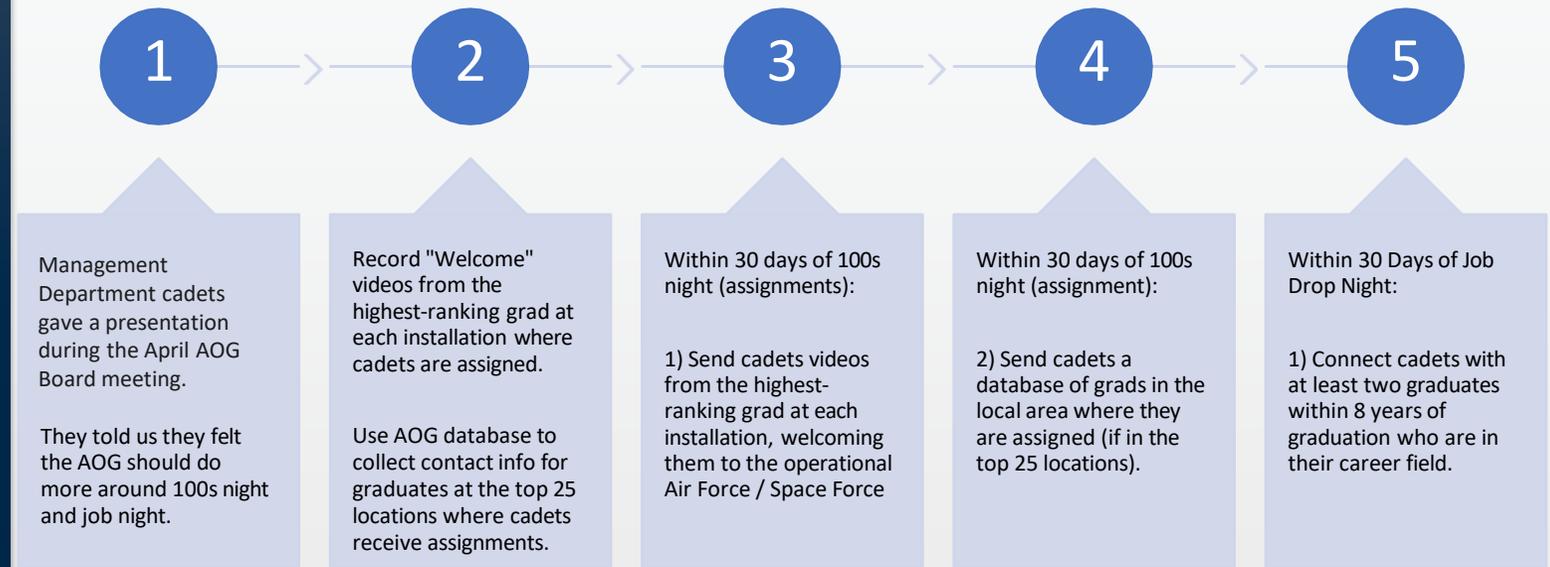
To increase the participation of voters and candidates (especially amongst graduates from the 2000s), creating a presentation on demystifying the AOG Board lowers the imposter syndrome of younger graduates.

Each of us has participated in various rising leader programs (White House Fellows, Council on Foreign Relations, Chamber of Commerce, Aspen Strategy Group, etc.), all of which offer an opportunity to interact with peers currently involved in the organization.

We have seen a high conversion rate between people who participate in rising leader programs and participation in the corresponding organization. Additionally, it allows the nominating committee to interact with potential appointed directors.

## Idea 4 (Run):

# Purposeful Network Cultivation



The goal is for cadets to associate the AOG with  
 "Good Information"  
 "Access to the USAFA Network"  
 "Duty to Pay it Forward"

Crawl

Walk

Run

## Idea 5 (Run):

Support the  
USAFA Alumni  
Team playing in  
TST 2025 with  
a Tailgate



"The Soccer Tournament" (TST) is a winner -take-all 7v7 Soccer Tournament with a \$1 million prize for the men's tournament and \$1 million for the women's tournament hosted in Cary, North Carolina, normally during the first week in June.

Out of 48 teams, Freedom United SC—a group of 11 USAFA Alums and 4 players who departed from USAFA after a 3-degree year—finished in the Sweet 16. [Link to team info here.](#)

***The team had graduates from classes of 2018 – 2024 and coaches from '84 and '97.***

The team has already qualified for the 2025 tournament, acquired ~\$50K in funding, and coordinated two F-15E flyovers. The team's age offers an opportunity to engage 2000s grads and create a tailgate for the Seymour Johnson AFB, Pope AFB, and Mid-Atlantic USAFA community.

Potentially The Foundation could raise money for a Women's Team to participate because only 8 teams participated in the women's tournament.

# Executive Session

## COMMITTEES OF THE BOARD

The AOG Board of Directors has approved the following list of Committees of the Board and their membership for the 2023-2025 Board terms. Colorado law requires that committee membership be approved by the Board of Directors and membership may be modified throughout the term. Members are actively encouraged to volunteer.

**Audit Committee** *(Bylaws-directed Standing Committee; chair must be a director; normally includes an additional director and other AOG members; may have non-grad member with Board approval; size determined by Board; one member should be CPA)*

### **Voting Members**

Garry Dudley '68 (Chair)  
Hank Hoffman '63  
Lee Krauth '72  
Randy Helms '79  
Don Shafer '70 (Non-Director)  
Ty Shandy '97 (Non-Director)

### **Non-Voting Members**

Katie Willemarck, CFO

**Finance and Investment Committee** *(Bylaws-directed Standing Committee; Board Treasurer is chair; must have at least one more director; members must be AOG members; size determined by Board)*

### **Voting Members**

Glenn Strebe '87 (Chair)  
Christian Evans '08  
Nathan Dial '10

### **Non-Voting Member**

Katie Willemarck, CFO

**Investment Subcommittee** *(At least one board member and no more than four others approved by Finance & Investment Committee)*

### **Voting Members**

Rod Hennek '75 (Chair)  
Glenn Strebe '87  
Kathleen Barchick '89 (Non-Director)  
Rustin Yerkes '96 (Non-Director)  
Bill Jennings, USAFA/DFM (Non-Director)

### **Non-Voting Member**

Mike Gould '76, CEO  
Katie Willemarck, CFO

**Nominating Committee** *(Bylaws-directed Standing Committee; must have 2 directors, one of whom will chair; must have 5 non-directors who are graduate AOG members)*

**Voting Members**

Emma Przybyslawski '10 (Chair)

Hans Mueh '66

William Carpenter '73

Nathan Dial '10

Betsy Pimentel '80 (Non-Director)

Tara Nolan '94 (Non-Director)

Chris Mulder '01 (Non-Director)

Michelle Ruehl '03 (Non-Director)

Santos Miller '13 (Non-Director)

**Governance Committee** *(Bylaws-directed Standing Committee; must be chaired by Board vice chair; have at least 2 additional directors; members must be graduate AOG members; size and composition determined by Board)*

**Voting Members**

Cathy Almand '90 (Chair)

Bob Lowe '71

Ginny Tonneson '80

Jennifer Walters '11

**Joint Executive Committee** *(officers of AOG and AFAF; alternate years chair)*

Brian Bishop '83 (Chair)

Cathy Almand '90

Ginny Tonneson '80

Glenn Strebe '87

Jack Kucera '78 (AFAF)

Alex Gilbert '87 (AFAF)

April Fitzgerald '87 (AFAF)

Jerome Bruni '70 (AFAF)

**Non-Voting Member**

Mike Gould '76, CEO

**AOG Board Liaison**

Brian Bishop '83