



BOARD OF DIRECTORS MEETING

14 May 2021 Meeting Minutes

APPROVED

Board Members Present: Cathy McClain '82, Outgoing Chair; Bob Lowe '71, Incoming Chair; Will Gunn '80, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hans Mueh '66; Garry Dudley '68; Mark Volcheff '75; Randy Helms '79, President, Class Advisory Senate; Brian Bishop '83; Dennis Dabney '89; Kendra Lowe '01; Andrew Hendel '09; Emma Przybyslawski '10; Joseph Bledsoe III '11.

Board Member Present via Videoconference: Nancy Taylor '01.

AOG Staff Present: Mike Gould '76, CEO; Jennifer Harwig, CFO; Corrie Grubbs, Senior Vice President, Operations; Emma Ross, Executive Assistant; Nick Johannsen, Web Developer; Tony Capistrano, IT Support Specialist; Ryan Hall, Photography and Video Production Specialist.

AOG Staff Present via Videoconference: Michele Bergeman, Vice President, Alumni and Constituent Relations; Ruth Reichert, Executive Assistant to the CEO, AOG & AFA Foundation; Jeff Holmquist, Director of Strategic Communications.

AOG Staff Absent: Marty Marcolongo '88, President/COO.

Guests Present: Lt Gen Richard Clark '86, USAFA Superintendent; Mark Kuykendall, Chief, Executive Communications; Capt Kelly Griffith, Aide de Camp to the Superintendent.

I. Call to Order/Chairman's Welcome

Chair McClain called the meeting to order at 8:27 a.m. MDT, Friday, 14 May 2021.

II. Chair's Comments

Chair McClain talked about the opportunities for the new Board and then asked the Directors and AOG staff to introduce themselves.

III. Consent Agenda

The consent agenda included the 19 February 2021 Meeting Minutes (Attachment 1) and the 5 April 2021 Special Meeting Minutes (Attachment 2). The consent agenda was unanimously approved.

IV. Agenda

MOTION: Director Tonneson moved and Director Mueh seconded to approve the agenda as is.

Discussion: Director Volcheff raised the question asking if the Board agenda should include another review of the succession plan presented by the CEO since it was unclear from last Board meeting's CEO Monitoring Report which organization's succession plan was being presented. At the February 2021 meeting, it was decided that the Governance Committee would review paragraph 2.7 to ensure there was an emergency succession plan for both the AOG CEO and AOG President/COO. Director Tonneson noted that this would be addressed during the scheduled review of Chapter 2 (Executive Limitations). The motion was unanimously approved.

V. Election of New Board Chair

Chair McClain thanked Directors Lowe and Przybyslawski for running for Chair. She asked the Directors to vote for their selection via written ballot. Director Lowe was selected as the new Chair by a vote of 11-4.

VI. Election of Board Officers

Chair Lowe nominated Will Gunn as Vice Chair, Ginny Caine Tonneson as Secretary, and Glenn Strebe as Treasurer.

MOTION: Director Lowe moved and Director Mueh seconded that the slate of new officers be accepted. The motion was unanimously approved.

VII. Chair Comments

Chair Lowe thanked the Directors for their support and CEO Gould for hosting a social the previous evening. He also thanked Director Dudley and SVP Grubbs for obtaining the engraved terrazzo memento for Chair McClain. He noted that with the Bylaws change, the Board can be more agile and can make the administrative change to clarify that the President of the Class Advisory Senate is a Director. The Directors then completed their Conflict of Interest forms.

VIII. Presentation by the USAFA Superintendent, Lt Gen Richard Clark '86

Lt Gen Clark thanked the Board for their support and complimented Chair McClain on her service. He noted the importance of the Long Blue Line to the success of the Academy. He then talked in some detail about his priorities: 1) to develop leaders of character, 2) to defeat COVID-19 and not let it derail the mission, 3) to prepare leaders for future conflict, and 4) to demonstrate an environment of dignity and respect. As part of the discussion, he provided an update on AFSCs for the Class of 2021, statistics on the Class of 2025, an update on the Honor Code violations, cadet athletic and academic

accomplishment this year, and the fact that the Academy now has a Diversity and Inclusion Action Group. He also talked about the Institute for Future Conflict, the Madera Cyber Innovation Center, and the importance of emphasizing that we are the Academy for the Space Force. He answered several questions from Directors and concluded by noting the value of graduate involvement.

IX. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 10:15 a.m. MDT to nominate a replacement to fill the remaining two years of Director Boyle's term.

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

X. Open Session

The Board went into open session at 10:45 a.m. MDT.

MOTION: Chair Lowe moved and Director Gunn seconded that Mark Mavity, as the next highest vote getter in the recent election, fill the Director position vacated by Director Boyle. The motion was approved by a vote of 10-5 (Directors Strebe, Hendel, Helms, Przybyslawski, and Bledsoe against).

XI. Executive Session

The Board went back into executive session IAW Bylaws Article V Section 8 at 10:46 a.m. MDT to discuss a membership termination.

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

XII. Open Session

The Board went into open session at 11:13 a.m. MDT.

MOTION: Director Dudley moved and Director Tonneson seconded to delay the discussion on the membership of Lt Col Larry Brock, USAFR (Ret) until the next Board meeting. The motion was unanimously approved.

XIII. AOG Update

a. CEO Review of AOG Performance

CEO Gould discussed the Draft Pre-decisional Joint Strategic Plan which he created in collaboration with President/COO Marcolongo and AFA Foundation President/

COO Hille. He discussed the mission and vision of the two organizations, both separately and in collaboration, as well as the elements which power them.

He then talked about the Doolittle Hall Master Plan (Attachment 3) and the idea of creating a Doolittle Campus that is a home and inspiration for graduates, cadets and their families, the AOG and AFA Foundation staffs, and the public. Initial planning began in November 2020 and they have had subsequent meetings with Fentress Architects and Matrix Design to consider various options. The plan includes a renovation of Doolittle Hall, a new administrative building, and a development and expansion plan for the Heritage Trail. Key considerations include the fact that it should be compliant with Academy design standards, be complementary to other facilities in development, and preserve or create “view corridors.”

CEO Gould then provided an update on the comprehensive campaign (also in Attachment 3). The goal is to raise \$270 million. Thus far, they have raised over \$150 million and project raising another \$69.6 million via other channels (e.g., annual giving, related organizations). That leaves a gap of \$44.4 million, which they hope to raise during the public phase of the campaign. The public phase will begin with a campaign launch event proposed to be held on 9-11 September 2021 in Washington DC. There also will be regional events in 2021 to follow the launch.

He then provided an update on reunions. Because there were no in-person reunions last year, several classes decided to postpone them until 2021. He noted that they are providing additional services during the “fully supported” weekends to include tours, information on the Space Force, topic-specific updates, and the opportunity for every graduate to eat in Mitchell Hall.

b. CEO Monitoring Reports

CEO Gould reported compliance with the three required monitoring reports below but provided additional information on each.

- 2.1 Treatment of Members and Other Constituents. CEO Gould has had several calls about releasing member information, particularly in relation to the recent AOG election. Colorado law requires a non-profit organization to release their member contact list for issues dealing with governance, but there are privacy concerns. He recommended that we tighten up what we considered a governance issue (“proper purpose”). The Governance Committee will review this issue. SVP Grubbs noted that AOG members have the ability to opt out of sharing any contact information with the AOG.
- 2.3 Financial Budgeting. Director Strebe and Alex Gilbert (AFA Foundation Board Vice Chair) are working together on the issue of the AOG providing the backstop to back the sale of the bonds on the North Gate project. Before our next Board meeting, the AOG will likely be transferring the funds to back up a letter of credit so they can proceed with the project.

- 2.9 Board Awareness and Support. CEO Gould noted that we send out material in '7258 and that he will notify the AOG Chair if there is an issue of concern. The AOG Chair will then determine whether the issue is something that needs to be shared with entire Board.

Director Volcheff asked if there was a way to modify the monitoring reports so that they are not so burdensome. The Governance Committee will address this during the scheduled review of Chapter 2 (Executive Limitations).

c. President's Report

SVP Grubbs provided the AOG update in the absence of President/COO Marcolongo (Attachment 4). She provided a review of the past quarter to include the successful election, ZoomieBrief/ZoomieClass sessions, and the Firstie Departure. Future engagements include the Service Academy Career Conference and additional ZoomieBrief/ZoomieClass sessions, as well as the Class of 2025 in-processing/FamFest, the Forged in Blue Ceremony, the Distinguished Graduate Service Award dinner, Parents Weekend, class and affinity group reunions, and tailgates.

She then provided an update on potential courses of action to make all graduates members of the AOG. Currently there are 50,147 living graduates of whom 30,648 are AOG members. She talked about the impact on the budget of making all graduates members, total cash flow loss, and various scenarios to address the loss. A discussion ensued concerning tiered levels, tax credits, potential changes to the family plan, investment impacts, *Checkpoints* publication, and the strategic impact of adding approximately 20,000 new members. Chair Lowe brought up the idea of implementing membership for all within 90 days, but after further discussion on the timing and risk mitigation, the Board decided to leave the implementation date to be as soon as feasible. SVP Grubbs noted that every aspect of the AOG will need to be reviewed for potential impacts. Similarly, the Investment Subcommittee will look at impacts and the Governance Committee will review the Bylaws to identify needed changes.

MOTION: Director Bledsoe moved and Director Bishop seconded that the AOG develop courses of action for membership for all graduates. The AOG staff will report back to the Board no later than 5 August 2021. The motion was approved 14-1 (Director Strebe against).

d. Quarterly Financial Update

CFO Harwig provided the quarterly financial update (Attachment 5). Investment returns have remained strong this fiscal year with YTD Realized/Unrealized gains of \$1,281,132. There were increased contributions from an estate gift, and merchandise sales remained strong, but social events were impacted by COVID-19

restrictions. Overall revenue for the quarter was up 18.34% (\$2.1 million), while expenses were down 5.71% (\$1.3 million). She then provided a restricted funds review. As of 31 December 2020, 103 campaign, donor-restricted, quasi-endowment and true endowment funds held \$16.3 million. There were 22 funds that awarded/gifted a total of \$1.7 million. Many funds did not pay as a result of COVID-19 cancellation of events and programs, but they are working with the Academy to use funds that have been unused.

XIV. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 1:48 p.m. MDT to discuss committee assignments.

XV. Open Session

The Board went into open session at 2:24 p.m. MDT.

MOTION: Director Tonneson moved and Director Mueh seconded the approval of the committee assignments and closure of the Bylaws Review Task Force (Attachment 6). The motion was unanimously approved.

MOTION: Director Dudley moved and Director Mueh seconded that we stand up a Strategic Focus Committee. The motion was unanimously approved.

Chair Lowe asked Director Gunn to assess the need for a Minority/Diversity-Inclusion Participation Task Force.

XVI. Committee Updates

a. Governance Committee

Committee Chair Gunn has the original Bylaws Review Task Force notes concerning changes to the Bylaws that will need to be made to enable membership for all graduates. The Governance Committee will review these notes by 28 May 2021. The Governance Committee also will review Governance Policy Chapter 1 for the August Board meeting.

Director Mueh brought up the requirement that there be a unanimous vote for an Honorary Membership to be approved. He was concerned that it posed a potential for black-balling a nominee. A discussion ensued about whether we needed to lower the bar or whether we wanted to change the criteria with only six vacancies left. Director Dudley suggested a limit on how many times an individual may be nominated.

MOTION: Director Dudley moved and Director Mueh seconded to change the criteria for the selection of Honorary Membership to be 80% (13 of 16 Directors)

and to limit the number of times a nominee may come before the Board to two. The motion passed 14-1 (Director Tonneson against).

Chair Lowe noted that we will change the date of the next Board meeting to Thursday, 5 August to deconflict with the events surrounding the Distinguished Graduate Award and the ground-breaking for the Madera Cyber Innovation Center. He talked about potential considerations for scheduling future Board meetings such as joint dinners with the CAS and AFA Foundation and football games. Chair Lowe reminded the group of the previous Board's decision that Directors will attend four funded events to include two Board meetings. As clarification, local Directors who do not get paid to attend Board meetings will be able to attend four away events. The AOG staff will provide suggested meeting dates and events Directors might consider attending prior to the next Board meeting.

b. Finance and Investment Committee

Committee Chair Strebe discussed that fact that the AOG received a bequest from the Pierrette Ryan Trust and Estate in the first quarter in the amount of \$289,500. The bequest identified the AOG as a recipient of 1.5 shares of the estate. In the distribution from the estate, there was no instruction for the use of the funds; therefore, the use of the funds falls within the FMIP 1.16 Bequests and Other Deferred Gifts. This reference was provided to the Directors.

MOTION: The Finance and Investment Committee moved that the distribution from the Pierrette Ryan Trust and Estate be placed in the Long Blue Line Fund, an unrestricted fund to support current operational needs of the AOG. The motion was unanimously approved.

Committee Chair Strebe then provided an update on the investment portfolio. It was \$22.4 million in 2009, and as of April 2021, it was \$58.8 million. As the portfolio gets larger, the way it is managed needs to be reviewed. The committee is looking at potentially changing some of the subgroups of investments to fine tune the portfolio to get the best returns possible.

c. Audit Committee

Chair Lowe will assign an Audit Committee Chair (included in Attachment 6). He noted that the audit is in progress and it will be reported out shortly.

d. Heritage and Traditions Committee

Former Committee Chair Dudley noted that the committee had previously provided the non-Director names to the Board. The committee members were discussed during executive session.

e. Awards and Recognition Committee

Committee Chair Taylor had nothing to report.

f. Joint Strategic Planning Committee

Joint Committee Chair Dudley reminded the Board that we had previously received the updated Joint Strategic Planning Committee charter.

g. Joint Finance Committee

Committee Co-chair Strebe noted that the committee met virtually to go through the charter. They will look at the Single CEO Agreement to ensure the committee represents the intent of that agreement.

XVII. Class Advisory Senate Update

Director Helms showed the Directors where to find the Class Advisory Senate material on the AOG website. He noted that several of the Directors were former Senators. They only have one vacancy (Class of 2011) due to Director Bledsoe joining the AOG Board. He talked about the election and how the AOG had provided clear talking points for the Senators to share with their classes. He discussed the April CAS meeting and some of the comments made by the Dean at that meeting. A short discussion ensued about the number of graduates that remain for a career, the career rate for USAFA versus ROTC graduates, and the idea of looking at active duty family units when both members are graduates, but only one stays on for a twenty-year career. CEO Gould will see what information is available.

XVIII. Chair's Comments

Chair Lowe noted that Director Gunn should count on having a Zoom meeting prior to the August meeting concerning Governance Committee issues. He asked each Director for comments and impressions. CEO Gould provided the Directors with copies of the Comprehensive Campaign Plan and the Draft Pre-decisional Joint Strategic Plan. He noted that with the recent vote, we have the opportunity to make some significant changes.

XIX. Adjournment

Chair Lowe thanked the Board for his selection as Chair. He talked about wanting a succession plan as both the Chair and Vice Chair will only be on the Board for two more years. He believes the average time since graduation for Directors on the past four Boards is approximately 35 years, which he would like to see lowered. He discussed our engagement in graduates' life cycles and encouraged us to look carefully at the list of events where it would be appropriate for Directors to attend. He noted the importance of having common talking points. He concluded by commenting that we are standing on the

shoulders of previous Boards and are providing the shoulders for subsequent Boards. He noted that we may have a couple of Zoom meetings before August. He adjourned the meeting at 4:12 p.m. MDT.

Note: Portions of the minutes may have been rearranged from the time sequence to topical sequence.

Respectfully submitted,
Virginia Caine Tonneson, Secretary

Atch:

1. 19 February 2021 Meeting Minutes
2. 5 April 2021 Special Meeting Minutes
3. CEO Review of AOG Performance
4. AOG Staff Update
5. Quarterly Financial Update
6. Committees of the Board



BOARD OF DIRECTORS MEETING

19 February 2021 Meeting Minutes

APPROVED

Board Members Present via Video Conference: Cathy McClain '82, Chair; Bob Lowe '71, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hans Mueh '66; Garry Dudley '68; Mark Volcheff '75; Frank Gorenc '79; Will Gunn '80; Diann Boyle '83; Dennis Dabney '89; John Vargas '96; Nancy Taylor '01; Andrew Hendel '09; Emma Przybyslawski '10; Randy Helms '79, President, Class Advisory Senate.

AOG Staff Present via Video Conference: Mike Gould '76, CEO; Marty Marcolongo '88, President/COO; Jennifer Harwig, CFO; Corrie Grubbs, Senior Vice President, Operations; Emma Ross, Executive Assistant; Nick Johannsen, Web Developer, Tony Capistrano, IT Support Specialist.

Guests Present via Video Conference: Mike Peterson '87, USAFA/CM; Mark Hille '97, AFA Foundation President/COO; Ruth Reichert, Executive Assistant to the CEO, AOG & AFA Foundation; Chris Brewer, AFA Foundation Vice President, Development; L. Michael Feltman '87, Chief, Strategic Engagement; Mark Kuykendall, Chief, Executive Communications.

I. Call to Order/Chairman's Welcome

Chair McClain called the meeting to order at 8:45 a.m. MST, Friday, 19 February 2021.

II. Chair's Comments

Chair McClain noted that this was the last quarterly meeting for this Board and thanked the Directors for their work over the past two years.

III. Consent Agenda

The consent agenda included the 16 October 2020 Meeting Minutes (Attachment 1), the 12 January 2021 Special Meeting Minutes (Attachment 2), the 22 January 2021 E-vote Minutes (Attachment 3), and the 31 January 2021 Special Meeting Minutes (Attachment 4). The consent agenda was unanimously approved.

IV. Agenda

The Superintendent had to cancel his attendance at the meeting due to weather conditions in Texas, so he was removed from the agenda.

MOTION: Director Tonneson moved and Director Vargas seconded to approve the agenda as modified. The motion was unanimously approved.

V. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 8:50 a.m. MST to discuss committee member motions, to vote on an honorary AOG membership, and to discuss membership termination data.

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

VI. Open Session

The Board went into open session at 9:36 a.m. MST.

MOTION: The Heritage and Traditions Committee moved to add the following individual as non-Director voting member of the Heritage and Traditions Committee through April 2021: Tom Hayden '74. The motion was unanimously approved.

MOTION: The Finance and Investment Committee moved to appoint Rustin Yerkes, Ph.D. '96 to the Investment Subcommittee. The motion was unanimously approved.

New committee members were added to the updated Committee list at Attachment 5.

MOTION: Director Dudley moved and Director Gorenc seconded that we move back into executive session. The motion was unanimously approved.

VII. Executive Session

The Board went back into executive session IAW Bylaws Article V Section 8 at 9:42 a.m. MST to further discuss the membership termination issue.

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

VIII. Open Session

The Board went into open session at 10:13 a.m. MST.

MOTION: Director Przybyslawski moved and Director Boyle seconded that the Board initiate the process to consider revoking the membership of Lt Col Larry Brock, USAFR (Ret) in accordance with our AOG Bylaws which require notification to the member and at least a 45-day evaluation process. The motion passed by a vote of 14-1 (Director Tonneson against).

IX. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 10:15 a.m. MST per the agenda to hear the recommendations from the Joint CEO Evaluation and Compensation Committee.

MOTION: Director Mueh moved and Director Tonneson seconded to come out of executive session.

X. Open Session

The Board went into open session at 10:45 a.m. MST.

MOTION: The Joint CEO Evaluation and Compensation Committee moved that the AOG Board approve that the initial period of consideration for incentive compensation will be 18 months, will end on 31 December 2021, and will be based on 18 months of the CEO's salary. The motion was unanimously approved. The Chair additionally tasked the AOG's representatives to the Joint CEO Evaluation and Compensation Committee to reassess the CEO compensation bonus metrics and to bring to the Board criteria that more uniquely evaluates performance of the CEO.

XI. AOG Update

a. CEO Review of AOG Performance

CEO Gould provided an update on the water main break impacting Doolittle Hall and an update on the chapel renovations (Attachment 6). The AOG and AFA Foundation are interested in receiving the removed aluminum panels as chapel mementos. He then gave a detailed update on the North Gate Visitors Center and the associated financial structure. The Board previously had approved a \$6 million guarantee as a backstop for debt service payment on the hotel project. It is unlikely this will be needed, but the AFA Foundation has agreed to raise donor money to offset the risk the AOG has taken. President/COO Marcolongo and AFA Foundation President/COO Hille are working on an internal memorandum to that effect. At debt payoff, the AOG and AFA Foundation will receive either the hotel valued at \$200 million or \$12-\$15 million per year in revenue. CEO Gould noted that they are close to signing the agreement with Provident and hope to have the financing finalized by mid-April, which would allow construction on the Visitors Center to begin this summer.

He then provided a listing of the events hosted by the AOG and AFA Foundation from October through December 2020. All events were hosted virtually and demonstrate the effort the AOG is making to take the Academy to the graduate community. They had a total of 23 events with a total of 4,619 attendees. President/COO Marcolongo and AFA Foundation President/COO Hille are working with their respective staffs to develop a continuing schedule.

Next, CEO Gould noted that he is working to see whether the travelling members of the AOG and AFA Foundation staff can receive COVID vaccines through the 10th Medical Group. He also commented on the honor investigations related to 249 cadets during the Spring 2020 and the additional 40-45 cases that have occurred since that time. The Superintendent has been actively working with the Academy staff to address the problem and to come up with creative solutions. Directors Gorenc and Helms commented that it is important for the graduate community to stay informed on this issue.

CEO Gould concluded his remarks by discussing the strategic planning that is underway. This includes the vision and mission for the combined efforts of the AOG and AFA Foundation as well as the supporting pillars (services, stewardship, growth, finances) and foundations (workforce environment, team members, and core values). He will provide this material to the Joint Strategic Planning Committee for discussion.

b. CEO Monitoring Reports

CEO Gould reported compliance with the following monitoring reports: 2.2 Treatment of Staff Monitoring, 2.17 Emergency Executive, 2.11 Membership Dues, and 2.14 Annual Audit. As part of the discussion on the Emergency Executive, Director Volcheff proposed updating Governance Policy 2.7.

MOTION: Director Volcheff moved and Director Lowe seconded that the AOG Board modify paragraph 2.7 of the Governance Policies to create an emergency succession plan for both the AOG CEO and AOG President/COO.

Discussion: A short discussion ensued about whether it was appropriate for the Governance Policies to address the succession of the President/COO or whether it should just address the AOG CEO. Chair McClain thought it would be appropriate to address both. The motion was unanimously approved.

c. President's Report

President/COO Marcolongo noted that El Paso County has now gone to COVID level yellow for office buildings, which means that Doolittle Hall can be opened on 1 March with 50% manning. They are developing a schedule to ensure they are not exceeding capacity.

d. Election Update

SVP Grubbs provided an election update to include our progress toward reaching a 25% quorum. As of 17 February, 10.42% of AOG members had voted. She provided a comparison with the 2019 election by class year which showed that we were 200 votes ahead of where we were in the 2019 election and that there is

increased participation from the younger classes. She noted that they received 540 votes after sending a reminder email on 17 February. Chair McClain reminded the Board that the only way we met the 25% quorum during the last election was to personally email and contact classmates and other members. SVP Grubbs noted that the AOG is doing various types of communication to include social networking, email, election updates, and text reminders, but she stressed the importance of grassroots efforts. The CAS has had seven Senators send election information out to the entire class.

Chair McClain then brought up the issue of graduates, including Directors, not receiving ballots. SVP Grubbs was aware of the issue and they are researching the cause, but in the meantime, they are doing an update to ensure everything is accurate. A discussion ensued about this issue and why there is an option to opt out of receiving notifications from the AOG. Chair McClain stressed the importance of Directors sending emails and posting on class Facebook pages to get to a quorum. It was decided that although the Secretary would normally certify the election, because Director Tonneson is on the ballot, Chair McClain will certify it.

e. ZoomieLink

SVP Grubbs noted that there are around 4,600 users of ZoomieLink to include 120 cadets, Falcon Scholars, and cadet candidates. She showed the number of users by class and how the numbers have been steadily increasing. There have been many promotions over the past three months, and they have been able to track the number of people who joined ZoomieLink based on these promotions. Marketing strategies have included social media pushes, giveaways, and ads in *Checkpoints*. In the future, they plan to partner with the AFA Foundation to reach a broader audience, target the graduate community at key points in their careers, have exclusive content to drive people to sign up, work with DF to educate cadets on resources, and use Young Alumni Ambassadors to lead engaging discussions.

f. Founders Day

President/COO Marcolongo noted that due to ongoing COVID restrictions, they plan to decouple Founders Day (with events at the end of March through 1 April) from the awarding of the Distinguished Graduate Award. The Distinguished Graduate Award ceremony will likely now take place between 12-14 August pending USAFA coordination, and will honor the recipients over the past two years. Chair McClain commented that the August Board meeting was scheduled for 6 August, but the new Board could vote to move the meeting date to correspond with the award ceremony.

g. Quarterly Financial Update

CFO Harwig provided the quarterly financial update (Attachment 7). She began by talking about the COVID 19 impacts. Investments returns have remained strong this fiscal year (YTD Realized/Unrealized Gains of \$5,995,936). Membership revenues

were above budget by \$16,250, and merchandise sales remained strong despite Doolittle Hall being closed to the public in November. However, advertising and sponsorships were below budget, and because the Service Academy Career Conferences remained virtual, the revenue was lower than expected. In addition, COVID restrictions have impacted reunions, tailgates, and other events. The overall revenue was down 13.03% due these COVID-related factors, but expenses were below budget by 0.72%.

CFO Harwig then provided highlights from the IRS Form 990 for this past fiscal year. Total revenues decreased by \$1.9 million from FY 2019 and total assets decreased by \$3.6 million due to an increase of grants by \$2.2 million and an increase of \$531,000 in salary and benefits. Next, she provided a review of restricted funds. There were 104 campaign, donor-restricted, quasi-endowment, and true endowment funds which held over \$15.7 million as of 30 June 2020. Fifty-five funds were awarded or gifted for a total of \$6.1 million during FY 2020.

XII. Air Force Academy Foundation Update

AFA Foundation President/COO Hille provided an update on the AFA Foundation. Last year turned out to be a strong year as the Foundation raised over \$32 million to support USAFA and supporting organizations, which was more funding than in any other year. They provided \$16.8 million for the Cyber Innovation Center and worked with the AOG to provide direct support for cadet squadrons to include outdoor fitness equipment and morale boosting packages.

AFA Foundation VP Brewer then provided a campaign update. He talked about the campaign goals, campaign priorities, fundraising efforts, and donor types. To date, they have raised \$157 million of the \$270 million campaign goal, 71% of which has come from graduates. The campaign theme is “Defining our Future” and they plan to have the public launch of the campaign on 9-11 September 2021, which is an away game versus Navy. The launch will include a golf event, an Academy showcase, donor dinner, tailgate, and watch party. Several other regional events are scheduled in the months following the launch.

XIII. Committee Updates

a. Finance and Investment Committee

Committee Chair Strebe showed a slide on the historical investment portfolio which has grown significantly (\$22.4 million in 2009 to \$55.4 million in 2020). He noted that as the portfolio gets larger, there are more opportunities and so they will be looking at more sophisticated ways to manage the portfolio over the coming months. He also stressed that as the portfolio gets larger, it behooves the committee to update the Board more frequently.

He then discussed the motion to add wording to the FMIP so that the Board would appoint individuals to the Investment Subcommittee upon a recommendation from the Finance and Investment Committee.

MOTION: The Finance and Investment Committee moved to make the following change to the Financial Management and Investment Policy 1.5 (The Finance and Investment Committee (Committee)). (Changes/explanations are noted in italics.)

The Committee's duties are to:

1. Review the AOG's financial management and investment policy (FMIP), financial condition and investment portfolio and budget, and make recommendations to the BOD for modification as appropriate.
2. Review quarterly financial reports prior to staff presentation to the BOD.
3. Review the annual budget prior to staff presentation to the BOD with emphasis on:
 - a. How the budget aligns with the Ends as outlined in BOD Governance Policies, and
 - b. How the budget supports specific friend-raising activities, for example, chapter growth and graduate outreach activities.
4. Establish the AOG's Investment Policy in coordination with its Investment Subcommittee.
5. *Recommend members of the Investment Subcommittee to the BOD.*
6. Appoint a liaison to the Audit Committee (*moves from number 5 to number 6*).

The motion was unanimously approved.

b. Heritage and Traditions Committee

Committee Chair Dudley noted the passing and contributions of Andy Biancur '60, a longtime committee member. The Board had a moment of silence for him. The Board will leave his position vacant until May. The committee approved a Long Blue Line plaque and an AC-130 plaque (Attachment 8). He noted that the committee leaves the wording up to the donor as much as possible.

c. Awards and Recognition Committee

Committee Chair Vargas discussed the Young Alumni Excellence Award. The committee received 45 packages and they were especially impressed with the level of service and giving back to the community/USAFA/nation displayed by the candidates. They selected six impressive recipients: Andrew Gray '06, Chad Reger '07, J. Mintzmyer '12, Michael McVay '09, Everette Richardson '14, and Daniel Walker '10. Chair McClain commented on the large increase in the number of candidates this year. Committee Chair Vargas then talked about the Sullenberger Award for Courage. A video announcing the creation of the award will be announced at NCLS 21 (25-26 February 2021) just prior to the keynote, with the first potential inaugural presentation taking place in 2022 during NCLS 22.

d. Distinguished Graduate Committee

Committee Chair Gunn noted that the committee selected four individuals as Distinguished Graduates: Jay Kelley '64, Hugh Williamson III '64, Ron Sega '74, and Gail Benjamin Colvin '80. Applications for the next group of Distinguished Graduates are due at the end of September. As noted earlier, Committee Chair Gunn suggested that the Board consider readjusting the August Board meeting to coincide with the Distinguished Graduate ceremony.

e. Governance Committee

Committee Chair Lowe began by discussing the future meeting schedule (Attachment 9). We will keep the February, May, August, and November quarterly schedule, with two of the quarterly Board meetings to be held virtually. Directors may attend in-person, but virtual attendance would count as attendance. We will continue to hold short virtual meetings between scheduled meetings, as needed. The committee also recommended that Directors be encouraged to attend key AOG events for outreach. Directors would be reimbursed for attending two optional events per year. He also discussed the committee's recommendation that we expand in-person meetings to be one and a half days to include an optional event on Thursday (tours and orientations) with a full day on Friday. The in-person meetings will have more of a **strategic** focus rather than an administrative (housekeeping) focus. The committee also recommended that we hold a separate virtual AOG member update each February as well as annual joint virtual meetings with the CAS and AFA Foundation.

MOTION: The Governance Committee moved that we change the BOD meetings to be two in-person and two virtual per year.

Discussion: There was a short discussion about the benefit of inviting CAS members and AFA Foundation staff to our meetings, and the concern that a hybrid Board meeting (some Directors in-person, some virtual) would change the meeting's dynamic. Director Helms noted that the CAS has been successfully using a hybrid model for their meetings for years. Chair McClain clarified that this motion included the items on the Governance Committee slides to include reimbursement for attending two USAFA events per year. The motion passed 14-1 (Director Boyle against).

Director Taylor then talked through the numerous changes to Governance Policy Chapter IV as outlined in Attachment 10. These changes had been provided to the Directors ahead of the meeting. The only substantive changes were under the Evaluation and Compensation Committee section where wording was removed as the Committee thought the responsibilities more appropriately fell under the Chair and Governance Committee.

MOTION: The Governance Committee moved that the changes as presented to the Board be made to Chapter IV of the AOG Governance Policies. The motion was unanimously approved.

Director Tonneson then briefed the changes to the AOG Board Calendar/Schedule (included in Attachment 9). Most of the changes were related to the change in the fiscal year. These included changes to the timing of the review of IRS Form 990 and Audit Report, providing and reviewing the Investment Report, and reviewing our endowments, the AOG budget, and AOG Business Plan. Additional changes included clarifying and renaming items as applicable (e.g., AOG committees and Joint committees), adding items that should have previously been included (e.g., the CEOS's evaluation and election communications plan), and new events (joint events with the CAS and AFA Foundation).

MOTION: The Governance Committee moved that the Board accept the changes to the Board Calendar/Schedule as presented. The motion was unanimously approved.

f. Joint Strategic Planning Committee

Joint Committee Chair Dudley had provided the Joint Strategic Planning Committee meeting minutes to the Board ahead of the meeting. The committee will define their deliverables and then look at their charter to see if it needs to be modified at the 6-month point. They also may come back to both Boards if they need to modify the original guidance for the committee. The next meeting is on 10 March.

g. Joint Finance Committee

Committee Co-chair Strebe provided a proposed Joint Finance Committee charter, which ties to the Single CEO Agreement. Both the AOG and AFA Foundation members of the committee have reviewed the charter and recommend the AOG approve it.

MOTION: The Joint Finance Committee (JFC) recommended the BOD approve the JFC Charter. The motion was unanimously approved.

XIV. Class Advisory Senate Update

CAS President Helms discussed the CAS meeting which was held on 12 January. The newly elected CAS Officers and Executive Committee members include:

- President: Randy Helms '79
- Vice President: Jason Harris '01
- Secretary: Tom Hayden '74
- Executive Committee Members: Dick Sexton '60; Tom Berry '71; Dan Beatty '76; Turk Hess '80; Heidi Schlagheck '03; Forrest Underwood '09; Richie Sapp '15, and Kristen McKinney '20

Lt Gen Richard Clark was the guest speaker at the last CAS meeting and most of the questions centered on the honor issues from last spring. He commented on the positive impact the Squadron Professional Ethics Advisors had on Honor Code instruction. The Academy is taking a hard look at the Honor Code and trying to determine if the Honor Code is serving the cadets as it should.

The CAS has put out an AOG election update twice since the 12 January CAS meeting (on 25 January and 11 February). CAS President Helms will send out additional updates for the Senators to send to their classes throughout the election. The next CAS meeting is on 13 April, and they expect to have the USAFA Dean as their guest speaker.

XV. New Board Chair Selection Process

Chair McClain began by commenting that this is the first time the Board will follow the new Board Chair selection process. Any current or newly-elected or appointed Director may nominate an elected Director to be Chair. She went through the Bylaws and Governance Policy as they related to the appointment of the Chair. After 22 March, she will email all Directors and explain that we are soliciting nominations and self-nominations for the Chair. Nominations will be submitted to the Nominating Committee by 16 April, and the first order of business at the 14 May meeting will be to select a new Chair. She noted that we are an active and engaged Board until 14 May. The orientation for new Directors will be on 13 May (morning) with the optional Board activity in the afternoon.

XVI. Chair's Comments

Chair McClain again stressed the importance of working to achieve the 25% quorum in the ongoing election. She thanked the following Directors who are completing their terms: Directors Mueh, Gorenc, Tonneson, Strebe, Vargas, and Pryzbyslawski and provided them with a pen and card to thank them for their work. She also commented on the excellent work of the AOG staff.

Director Lowe virtually presented Chair McClain with a piece of terrazzo commemorating her work as the Board Chair. He thanked her for her calm, visionary, and insightful leadership and commented that her legacy will live on. He noted that she had changed and educated all of us. CEO Gould then virtually presented her with a paver that will be placed in a prominent location on the AOG grounds. He commented on how she had led the Board through a pivotal time and that we were grateful for her leadership. President/COO Marcolongo presented her with a *Checkpoints* cover and commented on how she had been a mentor to the AOG staff. These items will be presented to Chair McClain personally at the 14 May Board meeting.

XVII. Adjournment

Chair McClain again thanked the Board. She adjourned the meeting at 2:05 p.m. MST.

Note: Portions of the minutes may have been rearranged from the time sequence to topical sequence.

Respectfully submitted,
Virginia Caine Tonneson, Secretary

Atch:

1. 16 October 2020 Approved Meeting Minutes
2. 12 January 2021 Approved Special Meeting Minutes
3. 22 January 2021 Approved E-vote Minutes
4. 31 January 2021 Approved Special Meeting Minutes
5. Committees of the Board
6. Single CEO Update
7. Quarterly Financial Update
8. Heritage and Traditions Committee Plaques
9. Governance Committee Meeting Changes
10. Governance Policy Chapter IV Changes



BOARD OF DIRECTORS SPECIAL MEETING

5 April 2021 Meeting Minutes

APPROVED

Board Members Present via Video Conference: Cathy McClain '82, Chair; Bob Lowe '71, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hans Mueh '66; Garry Dudley '68; Mark Volcheff '75; Frank Gorenc '79; Randy Helms '79, President, Class Advisory Senate; Will Gunn '80; Diann Boyle '83; Dennis Dabney '89; John Vargas '96; Nancy Taylor '01; Andrew Hendel '09; Emma Przybyslawski '10.

AOG Staff Present via Video Conference: Mike Gould '76, CEO; Marty Marcolongo '88, President/COO; Corrie Grubbs, Senior Vice President, Operations.

I. Call to Order/Chairman's Welcome

Chair McClain called the meeting to order at 4:00 p.m. MDT on Monday, 5 April 2021.

II. Agenda

The agenda items included the appointment of a new Joint CEO Evaluation and Compensation Committee chair, consideration of an honorary AOG membership, and selection of two Appointed Directors to fill the seats that will be vacated by Directors Gorenc and Vargas in May 2021.

MOTION: Director Tonneson moved and Director Volcheff seconded to approve the agenda as is. The motion was unanimously approved.

III. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 4:02 p.m. MDT to appoint a new Joint CEO Evaluation and Compensation Committee chair.

IV. Open Session

The Board went into open session at 4:03 p.m. MDT.

MOTION: Chair McClain moved that Director Lowe be named the new Joint CEO Evaluation and Compensation Committee chair. The motion was unanimously approved. (See Attachment 1 for the updated committee listing.)

V. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 4:04 p.m. MDT to discuss an honorary membership. Director Tonneson recused herself from the discussion and vote related to the potential honorary member.

VI. Open Session

The Board went into open session at 4:20 p.m. MDT.

MOTION: Director Lowe moved and Chair McClain seconded that Brig Gen (Ret) Philip D. Caine be named an Honorary AOG Member. The motion was unanimously approved. The AOG will determine how he will be recognized. Director Tonneson rejoined the meeting.

VII. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 4:21 p.m. MDT to discuss filling the two Appointed Director positions. Director Strebe recused himself from this discussion.

VIII. Open Session

The Board went into open session at 4:47 p.m. MDT.

MOTION: Director Volcheff moved and Director Lowe seconded to make Director Strebe an Appointed Director. The motion was unanimously approved.

IX. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 4:48 p.m. MDT to select the second Appointed Director. Director Strebe rejoined the meeting for the discussion.

X. Open Session

The Board went into open session at 4:57 p.m. MDT.

MOTION: Director Dudley moved and Director Gunn seconded for the Board to vote between the two top candidates and to offer the Appointed Director position to the candidate with the most votes. If he declined, the position would be offered to the runner-up. The motion was unanimously approved. A vote was taken and the Appointed Director position will be offered to Joe Bledsoe '11.

XI. Chair's Comments

Chair McClain thanked the Nominating Committee for their hard work with the election and Director Gorenc for contacting the candidates. She also thanked CEO Gould, President/COO Marcolongo, and SVP Grubbs for their hard work, particularly with the videos the AOG produced for Founder's Day. She also mentioned the excellent USAFA *Dignity and Respect* video. CEO Gould noted that the Distinguished Graduate activities will take place on 5-7 Aug, which corresponds with the quarterly Board meeting. Several Directors then thanked Directors Vargas and Gorenc for their service on the Board.

XII. Adjournment

Chair McClain adjourned the meeting at 5:33 p.m. MDT.

Respectfully submitted,
Virginia Caine Tonneson, Secretary

Atch:

1. Committees of the Board



CEO Report

Mike Gould '76

Doolittle Hall Master Plan

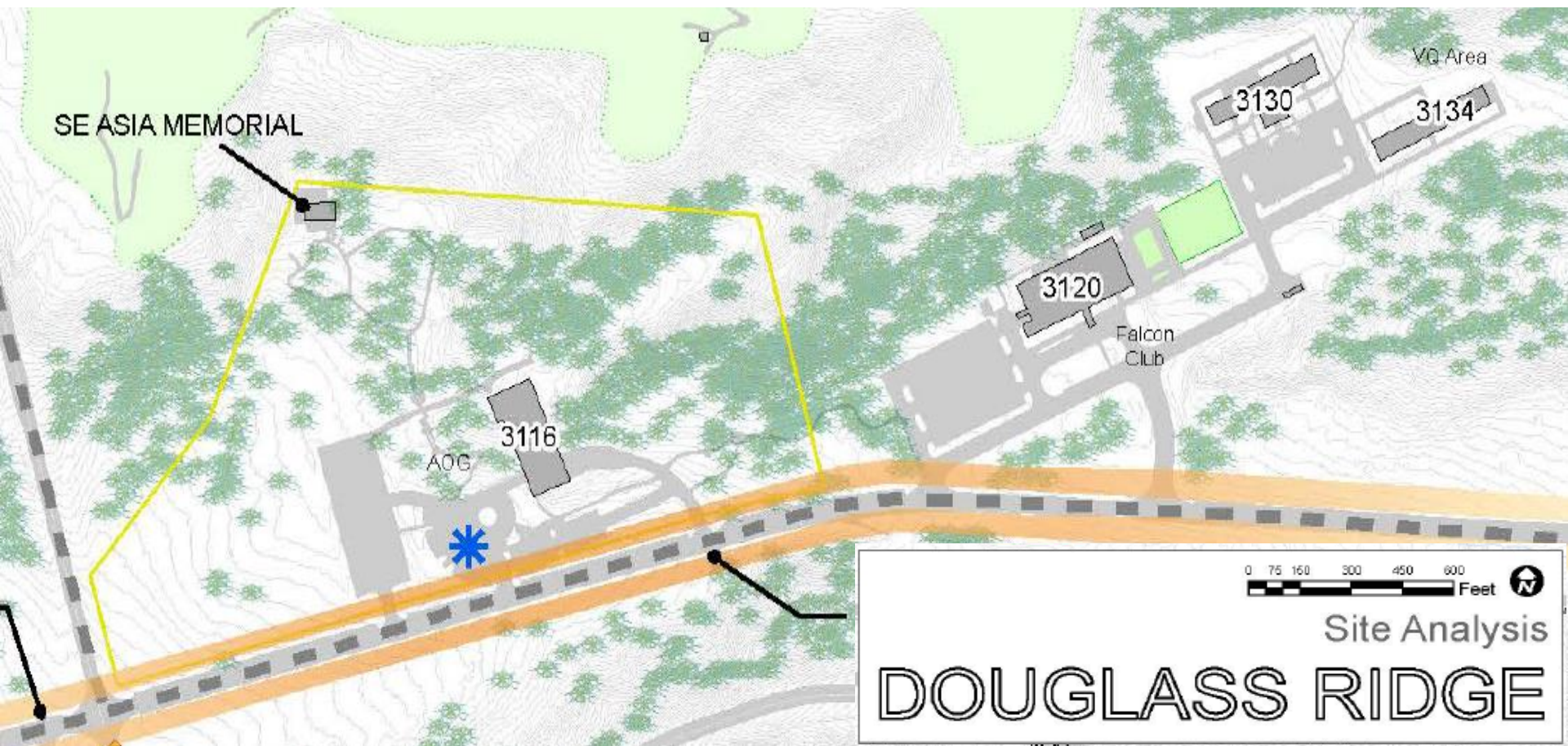
Create a Doolittle Campus that is a *Home* *Inspiration* ~~destination~~ and ~~experience~~ for:

Graduates

AOG and Foundation staff

Cadets and their Families

the Public



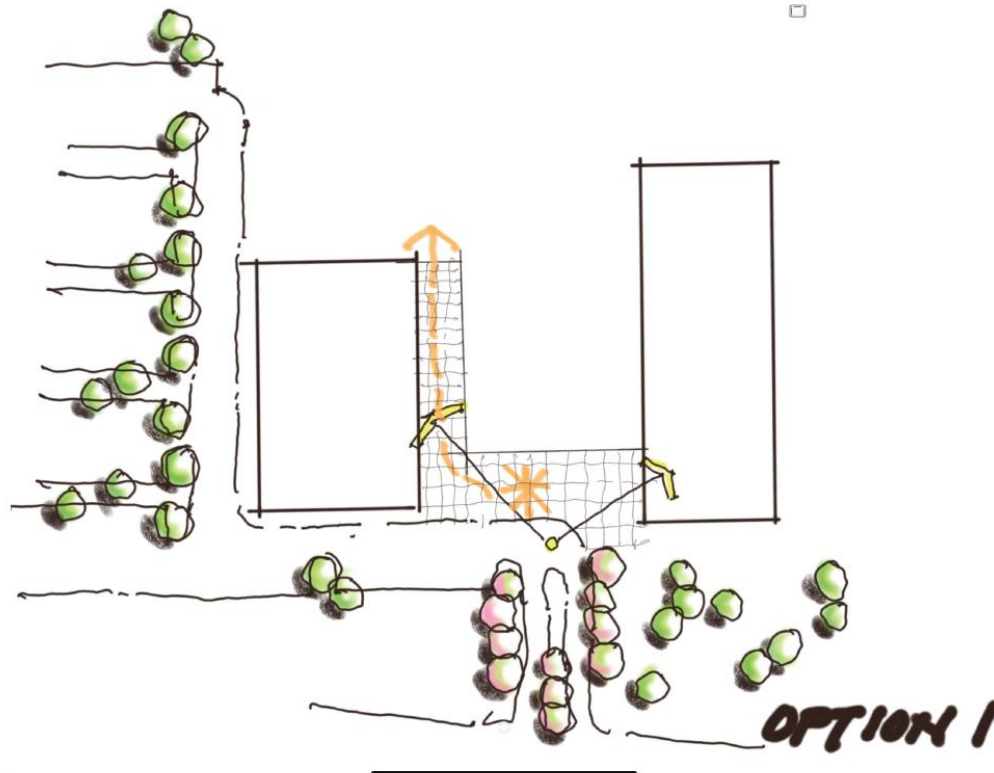
Doolittle Hall Master Plan

Concept Design Key Elements

Doolittle Hall renovation – Heritage/Event Center
New Administration building – State-of-the-Art Office design
Heritage Trail – Development and expansion plan

Additional Considerations

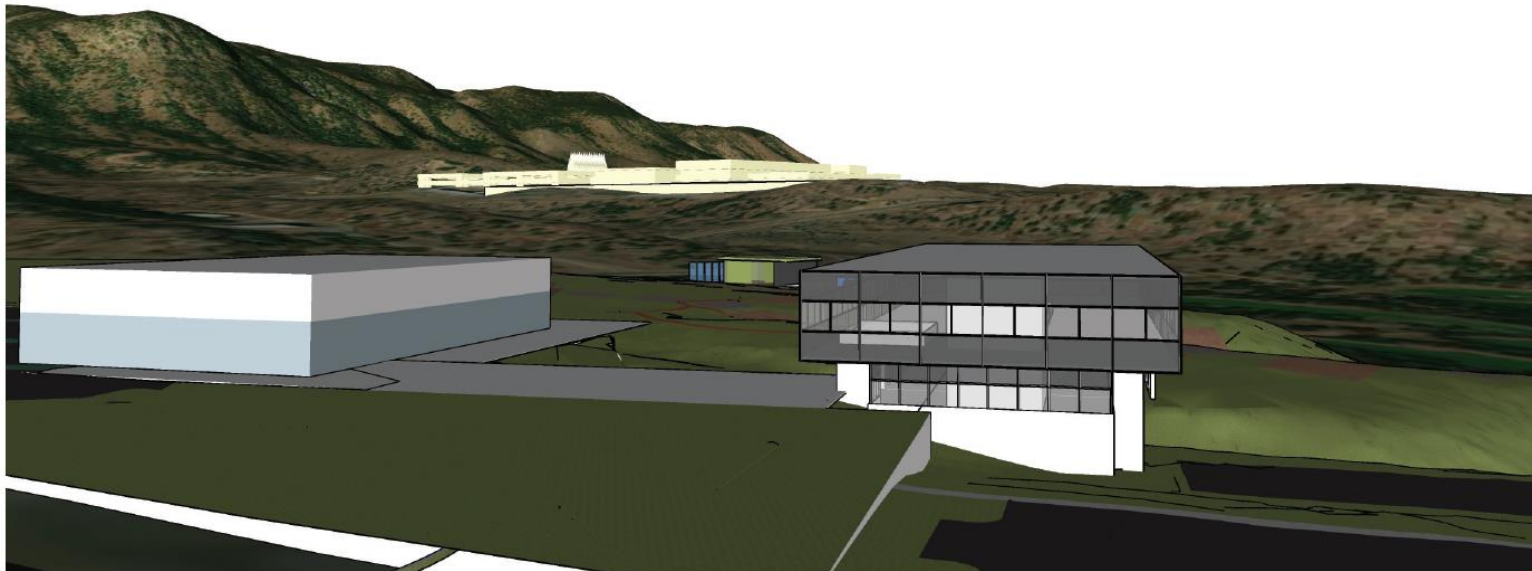
Compliant with Academy design standards
Complementary to other facilities in development
Preserve or create “view corridors”



Doolittle Hall
Concept 1

2021-05-05

Disclaimer: For illustrative purposes only. Not intended for construction.



Doolittle Hall

Concept 1

2021-05-05

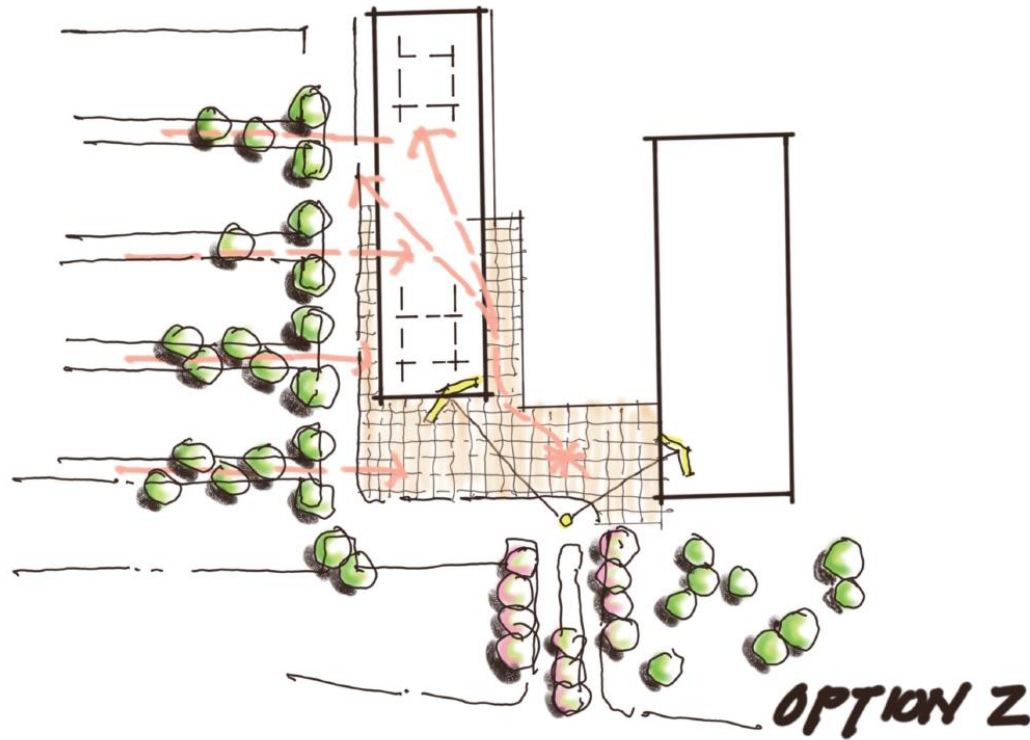
Disclaimer: For illustrative purposes only. Not intended for construction.



Doolittle Hall Concept 1

2021-05-05

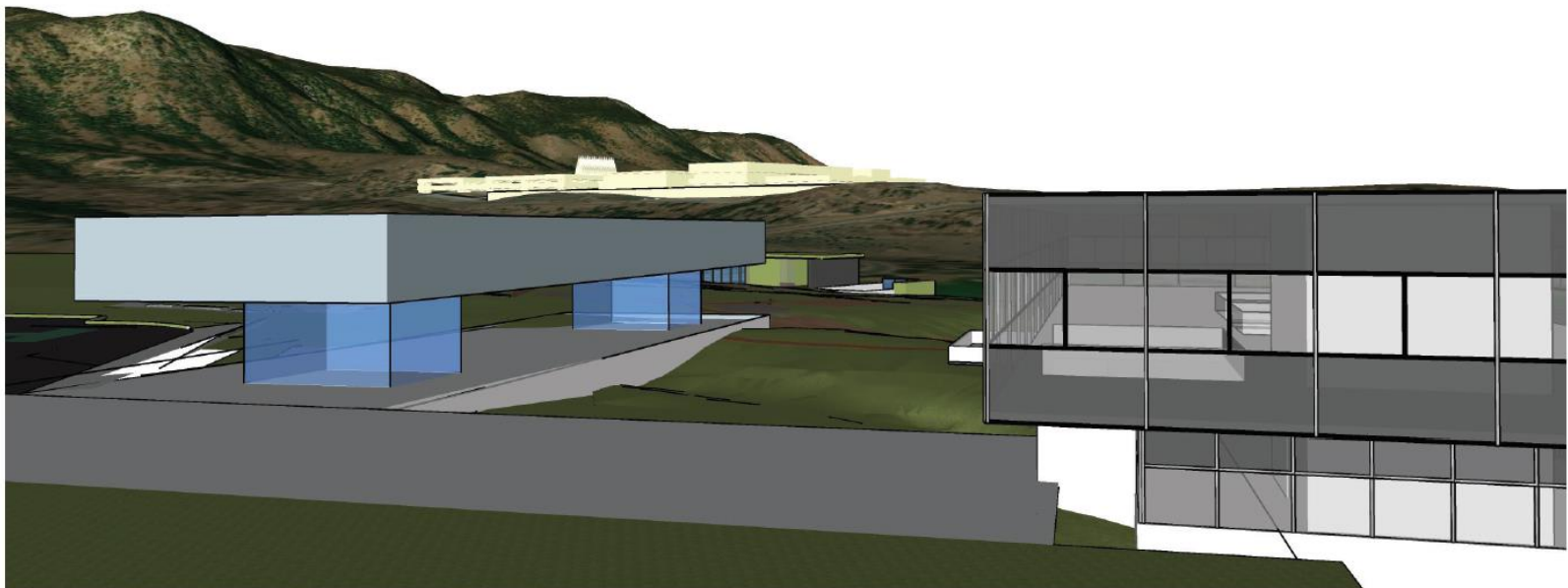
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Doolittle Hall
Concept 2

2021-05-05

Disclaimer: For illustrative purposes only. Not intended for construction.



Doolittle Hall

Concept 2

2021-05-05

Disclaimer: For illustrative purposes only. Not intended for construction.

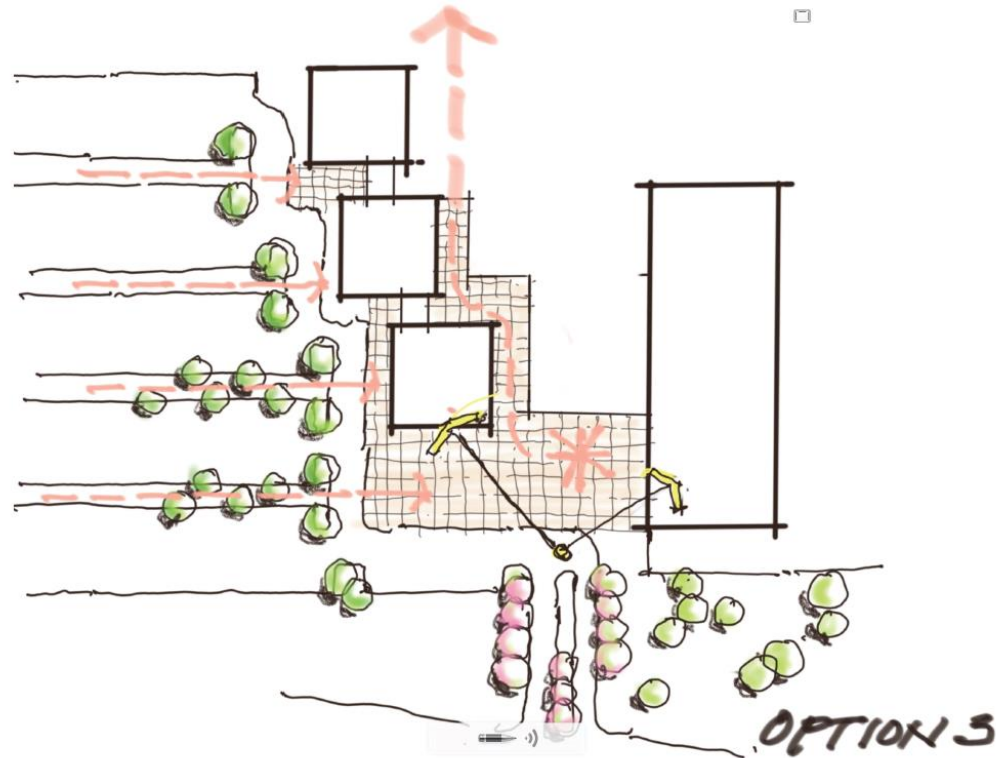


Doolittle Hall

Concept 2

2021-05-05

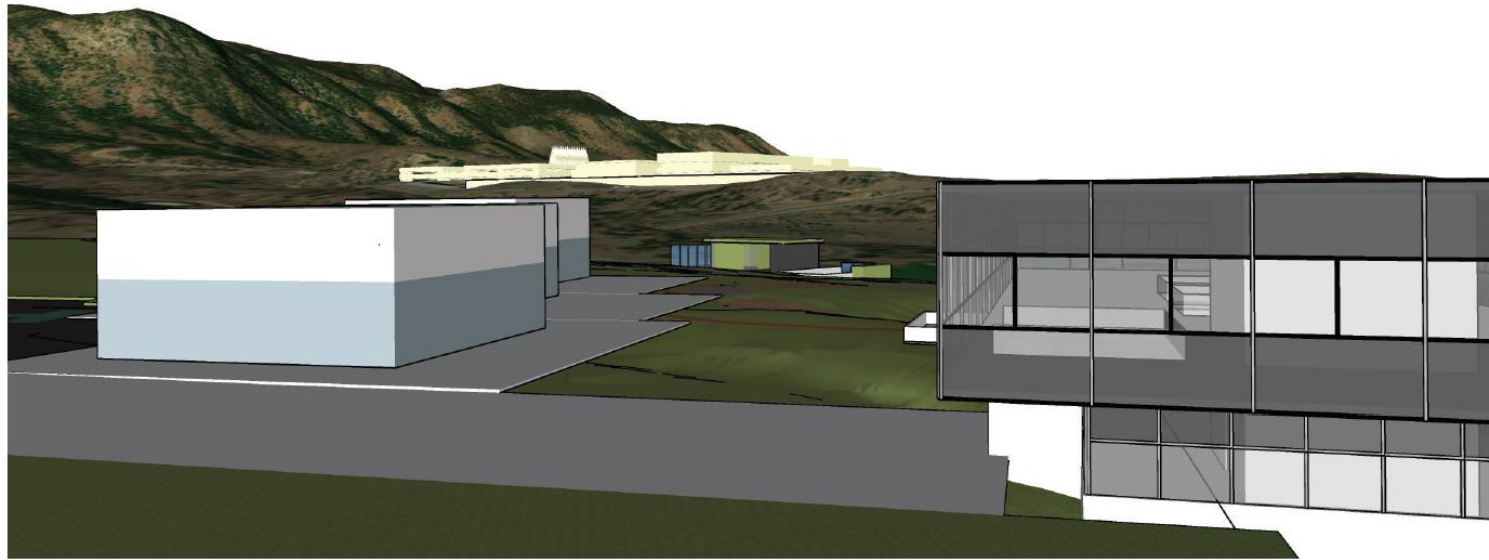
Disclaimer: For illustrative purposes only. Not intended for construction.



Doolittle Hall
Concept 3

2021-05-05

Disclaimer: For illustrative purposes only. Not intended for construction.



Doolittle Hall

Concept 3

2021-05-05

Disclaimer: For illustrative purposes only. Not intended for construction.



Doolittle Hall

Concept 3

2021-05-05

Disclaimer: For illustrative purposes only. Not intended for construction.

Doolittle Hall Master Plan

Option 2 selected

- New state-of-the-art Administration building
- Renovated Doolittle Hall Heritage and Event Center
- Integrated and Expanded Heritage Trail
- Compatible and compliant with existing Academy architecture
- Complimentary to other facilities under development on the Academy
- Arrival plaza connects buildings and provides outdoor event space
- Creates dramatic “view corridors”
- Creates “gateway” to the Heritage Trail
- Pays homage to General Doolittle’s legacy
- Provides a ~~destination~~ **home** for Graduates
- Provides an ~~experience~~ **inspiration** to all that visit the campus

Doolittle Hall Master Plan

Doolittle Campus Fly-Through

https://www.dropbox.com/s/hvzcmmyuwb8ra3r/Doolittle%20Hall_2021-03-30.mp4?dl=0



Comprehensive Campaign

Pathway to \$270 MM



Campaign Goal

Total Raised as of 4/05/21

Total Remaining to be Raised

\$270 MM

\$158.95 MM

\$111.05 MM

Status of Gift Discussion	Number of Proposals	Ask Amount	Estimated Yield
Verbal Acceptance (Assume 80% yield)	4	\$.10 MM	\$0.08 MM
Pending Decision (Assume 50% yield)	43	\$17.01 MM	\$8.50 MM
Future Proposals (Assume 25% yield)	101	\$119.77 MM	\$29.94 MM
Total	148	\$138.87 MM	\$38.53 MM

Other Channels	Estimated Yield
Annual Giving	\$9.16 MM
Class Giving	\$13.78 MM
Related Organizations (AOG, AFAAC, etc.)	\$8.15 MM
TOTAL EXPECTED YIELD	\$69.61 MM

THE "GAP"

\$41.44 M



Campaign Launch

Proposed Campaign Launch 2021

- September 9-11th – D.C.
Events to include Top Golf event, PG seminar, Academy showcase, cocktails/dinner, tailgate and watch party, AF vs Navy football game (20th anniversary of 9/11)

Regional Events to follow launch in 2021

- September 24-25th – Colorado Springs (home game vs. FAU)
- October – two dates to include LA, Chicago, NY or Florida
- November 5-6th – Dallas (Army game)
- November – one additional date to include a location listed above



2021 Reunions

Reunion Dates 2021

September 9-11

- 1970 (50th delayed from 2020)
- Rugby Affinity Reunion in Annapolis

September 16-18

- 1966
- 1985
- 1986
- 1990 (still deciding)

September 23-25

- 1960
- 1990 (still deciding)
- 1995
- 1996
- Drum and Bugle Affinity Reunion
- Sept 25th, 1959, in San Antonio

September 29- October 2

- 1971

October 7-9

- 1980
- 1991
- 2010

October 21-23

- 1976
- 1981
- 2000
- 2001

2022

- 1961- Sea Level
- 2011

2025

- 1965
- 1975

*Red are fully supported weekends, other weekends may have a modified schedule

Proposed Friday Schedule

0730-1200	Late Reunion Check-In	Clune Lobby
0900-0945	Welcome Video/USAFA Update	Clune Arena
1000-1600	Reunion Help Desk	Footprints/Library
1000-1600	Open House – Must Wear Name Badge	
1015-1045	Space Force Information	F1
1015-1045	Topic TBD	D1
1015-1045	CCLD Tour	CCLD
1050-1120	Space Force Information	F1
1050-1120	Topic TBD	D1
1050-1120	CCLD Tour	CCLD
1130-1230	Mitchell Hall Luncheon	Mitchell Hall
1230-1600	Static Displays on Terrazzo	Cadet Area
1300-1530	Squadron Open Houses	Vandenburg/Sijan
1330-1400	Cyber Update/RPA/Honor (example topics)	F1/D1/D2
1415-1445	Cyber Update/RPA/Honor (example topics)	F1/D1/D2
1500-1530	Cyber Update/RPA/Honor (example topics)	F1/D1/D2

AOG Update

Corrie Grubbs, SVP Operations

Review Last Quarter

- Successful 2021 Election
- ZoomieBrief/ZoomieClass:
 - Senior Leader Call: Dean & Commandant
 - Classes- Mgmt., Pandemic Math Team
 - AOC/Cadet Panel & Grads in the Cockpit
 - Young Alumni Success & Engagement
- Firstie Departure



Future Engagement

- Virtual
 - Service Academy Career Conference
 - ZoomieBrief/Class
 - Physics
 - Poli Sci
 - Grads in Special Operations/Civilian Sector/Investment Banking

Future Engagement

- Events
 - Inprocessing Class of 2025/Fam Fest
 - Forged in Blue Ceremony
 - DG Service Award Dinner
 - Parents Weekend
 - Reunions
 - Tailgates- Navy/Army



Membership for all Graduates

Potential Course of Action to Make All Graduates Members

- May Board Meeting
 - Board makes decision and informs CEO
 - Board tasks Governance Committee to report back on needed Bylaws changes
 - CEO and staff design implementation plan
- August Board Meeting
 - Board changes Bylaws
 - CEO and staff implement plan

Membership for all Graduates

Background Information

- Living Graduates – 50,147
- Living Graduate Members – 30,648
- Living Graduate Non-Members – 19,499

Membership for all Graduates

Financial Impact

- Budget Impact on GAAP Budget

- Membership Dues Line

- Small, relative change

- \$969,183 Current

- \$893,898 With Proposal

- \$75,285 Annual Memberships

Operating Statement of Activities
FY 2021 Budget vs FY 2021 May Approved Budget

	2021 Budget	2021 May Approved Budget	Percent Incr/(Decr)
Revenues			
Donations and Contributions	\$ 261,670	\$ 261,670	0.00%
Membership Dues	969,183	952,583	1.74%
Merchandising	605,031	576,220	5.00%
Member Services	15,000	15,000	0.00%
Advertising and Sponsorships	462,475	456,475	1.31%
Reunion Services	252,600	159,225	58.64%
Administration Fees	59,200	62,575	(5.39)%
Conferences	265,000	314,500	(15.74)%
Royalties	137,818	137,818	0.00%
Football Tickets and Tailgates	198,325	114,450	73.29%
Activities and Social Events	87,665	98,665	(11.15)%
Miscellaneous Income	34,590	32,340	6.96%
Grant from Foundation	800,000	800,000	0.00%
Foundation Single CEO Contribution	210,714	165,300	27.47%
Transfers from/(to) Restricted Funds	13,500	13,500	0.00%
Total Revenues	4,372,771	4,160,321	5.11%

Membership for all Graduates

Financial Impact

- Impact on Cash Flow
 - Significant Changes
 - Annual (FY20 Actuals) \$95,762.56
 - Life Memberships (FY20 Actuals) \$63,593.72
 - LMAGs (FY 20 Actuals) \$517,170.35
 - Total Cashflow Loss: **\$676,526.63**

Description	CY 2020
Annual Memberships	\$95,762.56
Life Memberships	\$63,593.72
LMAGs	\$517,170.35
Total Cashflow	\$676,526.63

Membership for all Graduates

Financial Impact

- Example solution for cash flow in implementation plan
 - \$159,356.28 Annual and Life Payment Replacement
 - Seek donors for funding:
 - Examples
 - \$3.5 million with 5% annual payout; or
 - \$1.6 million with \$160,000 annual payout for 10 years
- or
- Accept “as is” and fund from investments for “greater good”

Membership for all Graduates

Financial Impact

- Example solution for cash flow in implementation plan
 - \$517,170.35 LMAG Replacement
 - AOG sets aside \$500,000 to support cadets
 - Restructure/repackage Family Plan to continue cash flow

Membership for all Graduates

Items for Resolution

1. Bylaws changes

- Changes to Article II, III
- Potential Changes to XII concerning quorum %
- Recommend:
 - Governance Committee provide inputs to Board for action at August meeting

Membership for all Graduates

Items for Resolution

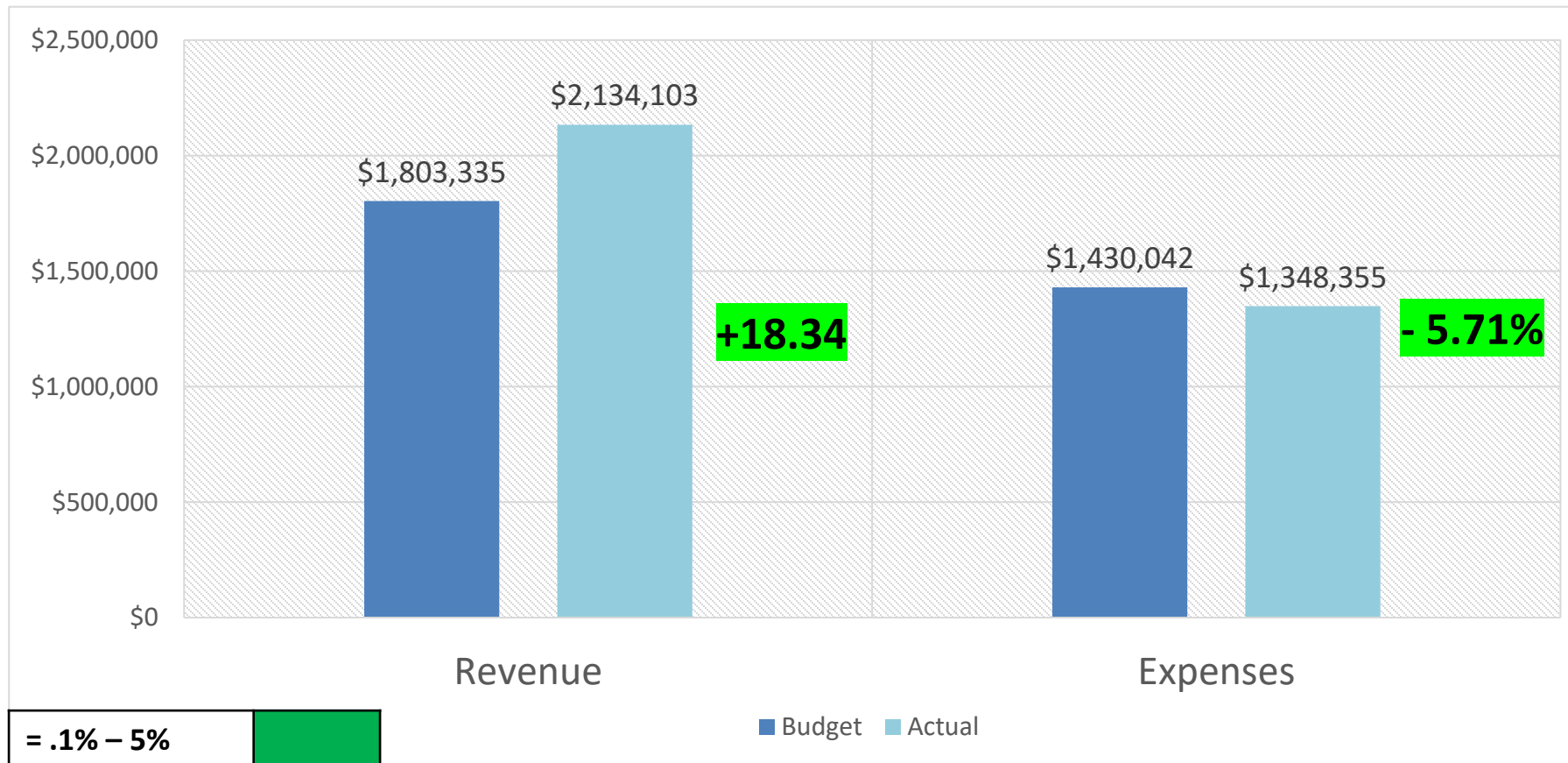
2. Way Forward and Marketing

- Answers to statements/questions from graduate members
 - “Not equitable - I paid in and others receive it for free?”
 - “If I just finished 24 monthly payments will I get a refund?”
- Answers to statements/questions from parents paying for cadets
 - “If I just finished 48 monthly payments will I get a refund?”
- What is the best announcement/implementation date?
 - Parents Weekend/Reunion Season?
 - Campaign Kickoff Weekend on Navy (9/11) weekend?

Quarterly Financial Update (*CFO Harwig*)

- Investment Returns have remained strong this fiscal year (YTD Realized/Unrealized Gain \$1,281,132)
- Increased Contributions from estate gift
- Merchandise sales remained strong – large increase in cadet saber sales
- COVID-19 restrictions led to cancellation of social gatherings impacting Activities and Social Events
- Expenses in line with budget overall
 - Many items below budget as travel & social events had not fully resumed in the 1st Quarter
- Refunded Class of '10 fees from Class Gift donations

Quarterly Financial Update (*CFO Harwig*)



= .1% – 5%	
= 5.1% - 10%	
= Above 10.1%	

Restricted Funds Review (*CFO Harwig*)

- **103** campaign, donor-restricted, quasi-endowment and true endowment funds held **\$16,382,503** as of December 31, 2020
- **22** funds have awarded/gifted a total of **\$1,712,212** during FY 2020a
 - 4 donor-restricted funds have disbursed \$746,107 (\$703,475 Moller Trust)
 - 8 quasi-endowment funds have gifted a total of \$836,600
 - Includes the transfer of the Warrior Simpson Fund to the Foundation (\$470,772)
 - 10 endowment accumulated earnings funds have disbursed \$129,505
- Many funds did not pay as a result of COVID-19 cancellation of events, and programs
 - Working with A8D to use funds that have been unused

COMMITTEES OF THE BOARD

The AOG Board of Directors has approved the following list of Committees of the Board and their membership for the 2021-2023 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

Brian Bishop '83 (Chair)

Mark Mavity '84

Barry Blackman '65 (Non-Director; CPA)

Jack Fry '67 (Non-Director)

Non-Voting Members

Jennifer Harwig, 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)

Garry Dudley '68

Andrew Hendel '09

Non-Voting Member

Jennifer Harwig, 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

Jennifer Harwig, 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

Mark Volcheff '75 (Chair)
Hans Mueh '66
Kendra Lowe '01
Emma Przybyslawski '10
Betsy Pimentel '80 (Non-Director)
Jody Merritt '89 (Non-Director)
Chris Mulder '01 (Non-Director)
Michelle Ruehl '03 (Non-Director)
Tara Nolan '94 (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

Will Gunn '80 (Chair)
Mark Volcheff '75
Ginny Tonneson '80
Dennis Dabney '89
Nancy Taylor '01
Joseph Bledsoe '11

Heritage and Traditions Committee *(Bylaws-directed Standing Committee; must have at least 2 directors, one of whom is the chair; size and composition determined by Board; other members must be graduates, ideally from each decade)*

Voting Members

Brian Bishop '83 (Chair)
Hans Mueh '66
Kendra Lowe '01
Nancy Taylor '01
Mark Ewig, '70 (Non-Director)
Tom Hayden '74 (Non-Director)
John Weida '78 (Non-Director)
Steve Mueller '79 (Non-Director)
Heidi Schlagheck '03 (Non-Director)

Awards and Recognition Committee *(Other Standing Committee; Chair and 4 members must be directors; 2 other members from graduate community)*

Voting Members

Nancy Taylor '01 (Chair)
Randy Helms '79
Mark Mavity '84
Kendra Lowe '01
Joseph Bledsoe '11
Robin Wright '96 (Non-Director)
Kathleen Rock '98 (Non-Director)

Distinguished Graduate Award *(Other Standing Committee; Board appoints chairman; AOG identifies other members in conjunction with USAFA)*

Hans Mueh '66 (Chair)
Emma Przybyslawski '10

Strategic Focus Committee

Dennis Dabney '89 (Chair)
Garry Dudley '68
Brian Bishop '83
Emma Przybyslawski '10

AOG Board Liaison

Bob Lowe '71

Joint Strategic Planning Committee *(2 members from each Board; AOG initially chairs)*

Voting Members

Garry Dudley '68 (Chair)
Dennis Dabney '89
Cheryl Shavers, (AFAF)
Sarah Marshall '93 (AFAF)

Non-Voting Member

Mike Gould '76, CEO

Joint Resolution Committee *(2 Board chairs + 2 members from each Board; AFAF initially chairs)*

Voting Members

Bob Lowe '71
Hans Mueh '66
Ginny Tonneson '80
Jack Kucera '78 (AFAF)
Bart Holaday '65 (AFAF)
Dick Schlossberg '65 (AFAF)

Non-Voting Member

Mike Gould '76, CEO

Joint Finance Committee *(2 Board treasurers + 2 members from each Board; co-chaired)*

Voting Members

Glenn Strebe '87 (Co-Chair)

Mark Volcheff '75

Andrew Hendel '09

Jerry Bruni '70 (AFAF)

Ted Legasey '67 (AFAF)

Tanner Doss '09 (AFAF)

Non-Voting Member

Mike Gould '76, CEO

Joint CEO Evaluation and Compensation Committee *(3 members from each Board; AOG initially chairs)*

Voting Members

Glenn Strebe '87 (Chair)

Dennis Dabney '89

Nancy Taylor '01

Steve MacLeod '91 (AFAF)

Bill Clohan '70 (AFAF)

Alex Gilbert '87 (AFAF)

Hotel Task Force

Glenn Strebe '87 (Chair)

Randy Helms '79

Andrew Hendel '09

Marty Marcolongo '88, President/COO