



BOARD OF DIRECTORS MEETING

12 May 2023 Meeting Minutes

APPROVED

Board Members Present: Bob Lowe '71 (outgoing Chair), Brian Bishop '83 (incoming Chair); Cathy Almand '90, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hank Hoffman '63; Hans Mueh '66; Garry Dudley '68; Lee Krauth '72; William Carpenter '73; Randy Helms '79, President, Class Advisory Senate; Kendra Lowe '01; Christian Evans '08; Emma Przybyslawski '10; Nathan Dial '10; Joseph Bledsoe III '11; Jennifer Walters '11 (incoming Director upon K. Lowe's departure).

AOG Staff Present: Mike Gould '76, AOG/AFAF CEO; Mark Hille '97, AOG/AFAF President; Katie Willemarck, Joint CFO; Corrie Grubbs, SVP for Operations; Naviere Walkewicz '99, SVP, Alumni Relations and Business Development; Wyatt Hornsby, AOG/AFAF VP of Marketing and Communication; Emma Ross, Executive Assistant and Board Support; Tony Capistrano, IT Support Specialist; Jillian Wood, Special Assistant to the President and Board.

Guests Present: Bradford Shwedo '87, Jack Koch '22 (Shwedo presentation), Cole Resnick '22 (Shwedo presentation), Dave Scott '78 (Shwedo presentation), Ronald Scott, Jr. '73 (member presentation), Robert Bishop '74 (member presentation), Ski Wagasky '72 (CAS) (Shwedo presentation and beyond).

I. Call to Order/Chairman's Welcome

Chair Lowe called the meeting to order at 8:27 a.m. MDT on Friday, 12 May 2023.

II. Chair's Comments

Chair Lowe thanked Director Bishop for the excellent training session for the new Directors yesterday.

III. Consent Agenda

The consent agenda included the 22 February 2023 Meeting Minutes (Attachment 1), 11 March 2023 E-Vote Minutes (Attachment 2), 13 April 2023 Special Meeting Minutes (Attachment 3), and 14 April 2023 E-Vote Minutes (Attachment 4).

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

IV. Agenda

MOTION: Director Tonneson moved and Director Dudley seconded to approve the agenda. The motion was unanimously approved. The approved agenda is in Attachment 5.

V. Election of New Board Chair

Director Przybyslawski represented the Nominating Committee and presented the two candidates, Chair Lowe and Director Bishop, for Chair. Both were provided with an opportunity to say a few words.

MOTION: Director Dudley moved and Director Mueh seconded to move into executive session. The motion was unanimously approved. Chair Lowe and Director Bishop departed the room.

VI. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 8:45 a.m. MDT to discuss the two candidates.

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

VII. Open Session

The Board went into open session at 9:02 a.m. MDT and Chair Lowe and Director Bishop rejoined the meeting. Director Tonneson called for a vote via written ballot.

MOTION: Director Tonneson moved and Director Strebe seconded that Director Bishop be appointed as Chair after receiving 8 of the 16 votes (with one abstention) via written ballot. The motion was unanimously approved.

VIII. Election of Board Officers

Chair Bishop nominated Director Bledsoe as Vice Chair, Director Tonneson as Secretary, and Director Strebe as Treasurer.

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

MOTION TO AMEND: Chair Bishop moved and Director Tonneson seconded to amend the motion due to the fact that as an appointed director, Director Bledsoe was ineligible to serve as Vice Chair. The motion to amend was unanimously approved.

AMENDED MOTION: Chair Bishop moved and Director Lowe seconded to approve Director Almand as the Vice Chair. The amended motion was unanimously approved.

MOTION: Director Tonneson moved and Director Strebe seconded to move into executive session. The motion was unanimously approved.

IX. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 9:07 a.m. MDT to discuss the Board of Visitors and AFA Foundation Board meetings and two honorary memberships.

MOTION: Director Bledsoe moved and Director Przybyslawski seconded that we come out of executive session. The motion was unanimously approved.

X. Open Session

The Board went into open session at 9:41 a.m. MDT.

MOTION: Director Mueh moved and Director Helms seconded that Major (Retired) Tom Kroboth be named an Honorary AOG Member. The motion was unanimously approved.

MOTION: Director Dudley moved and Director Krauth seconded that Mr. Gene Miranda be named an Honorary AOG Member. The motion was approved by a vote of 14 to 2.

Chair Bishop discussed the excellent leadership from Director Lowe as Chair.

XI. AOG Update (Attachment 6)

a. CEO Briefing

CEO Gould provided background on the 2003 sexual assault scandal and the Agenda for Change. He also provided an update on how the Academy has responded to the recent Sexual Harassment and Violence Report. He stressed the importance of us supporting the Academy and not taking up a divisive cause that will splinter the Academy.

b. CEO Monitoring Reports

CEO Gould reported compliance with the required monitoring reports: 2.1 Treatment of Members and Other Constituents, 2.9 Board Awareness and Support, and 2.12 AOG/AFA Foundation COA.

c. President's Report

President Hille reminded the group of the AOG's/AFA Foundation's vision and mission, and he provided an update on the status of the strategic imperatives (engagement, philanthropy, stewardship, communication, and organizational excellence). The Directors were provided with a copy of the final 5-year Joint Strategic Plan (2023-2028). He then reviewed the first quarter, noting that the AOG is in good shape as an organization. We are 19 months from the end of the campaign, which has been supporting a notable portion of the AOG and AFA Foundation's budget. The goal is to be more effective and efficient, and if possible, have better performance at a lower cost. There will be some upcoming staff departures across the organizations which will result in a \$900,000 cost savings. The AFA Foundation has raised over \$16 million toward the new administration building west of Doolittle Hall which will house the entire AOG and AFA Foundation staff. The expected ground-breaking is this October. Doolittle Hall will become an alumni house.

Looking ahead, the AOG and AFA Foundation are preparing for a single employer model in January 2024. The current model is not as efficient as it could be. He noted that there are opportunities to transform Alumni programming and that we need to get younger quickly or risk becoming irrelevant if more younger graduates do not become involved. They are starting to look at post-campaign operating endowment initiatives, such as endowments to support *Checkpoints* and the next-of-kin program to take those out of the operating budget. Later this month there is a Joint Finance Committee meeting which will look at sources and uses for both organizations. After that meeting, President Hille offered to conduct a Zoom information session for any Director interested in sources and uses. Chair Bishop commented that this could take place at the next BOD meeting.

SVP Walkewicz then provided an alumni relations update. The Membership for All Graduates effort launched in January 2022 with 59% graduate membership. We are now up to 68%, with an end goal of 85%. The class of 2026 and beyond will have a process in place for them to opt-in for AOG membership with their appointment acceptance. She also talked about the March 2022 graduate survey which resulted in over 1,300 pages of comments. The AOG has been focused on three key findings: 1) graduates across all demographics exist in personas; 2) we have vital windows of time to affect pride; and 3) graduates have told us how they will reconnect with the Academy (mentoring, finding other graduates, networking, and helping cadets). She then talked about alumni engagement and the AOG's work toward meeting graduates where they are, building relationships at critical times, and providing places to reconnect. She concluded by discussing the first-ever Young Alumni Conference. While there were only 11 attendees, the AOG gained valuable feedback to include the fact that: 1) communication must be persistent and consistent; 2) increasing engagement from this group of graduates requires a different approach; and 3) there is a strong desire to help new graduates. She concluded by noting key

upcoming events. She will present a deep look at the survey results either via Zoom or the day prior to our next BOD meeting for interested Directors.

d. Quarterly Financial Update

CFO Willemarck provided the quarterly financial update. The total operating revenue is currently 7% under budget due to sponsorships, and total operating expenses are right on budget. She discussed investment earnings vs. operating investment spending. The investment income over 5 years is \$10.4 million. She noted that when we have a good investment year, we do not take it all because we need to be strategic about what we take for operations. We are currently at a \$229,458 positive operating income and up 6% year-to-date on our portfolio. Total assets are \$109.7 million. Liabilities are holding steady at \$3.6 million.

e. Election Hotwash

SVP Grubbs provided a review of the 2023 election and special election. She showed the participation rates by decade and commented on how participation decreased dramatically in the more recent classes. The AOG's average voting participation from 2015-2023 was 21.4%, the length of voting was 30 days, and four reminders were sent out. She then reviewed some of the comments received from the voting process. For example, some graduates did not think they had enough time to review the candidates and to vote, so they extended the length of voting to 60 minutes and will work with SBS to provide the biographies on a main page so that the review of candidates will not impact the time allowed for voting. They will implement texting for younger graduates in the 2025 election and want to maximize the social media campaign. In addition to the candidate videos, they want to have a few candidate questions that relate to the critical attributes. A short discussion ensued with suggestions to have better insight into who is running for election prior to the cutoff for submitting nominations, annotating current Board members for the voters, and strategizing on how to react if special interest groups attempt to sway the election.

XII. Lt Gen (Ret) Bradford Shwedo, '87, Director, Institute of Future Conflict

Lt Gen (Ret) Shwedo provided an overview of the Institute for Future Conflict (IFC). He began by discussing current threats posed by Russia and China. The IFC wants to educate cadets on the environment in which they will be operating. He noted that once the cadets understand these capabilities, they rapidly come up with countermeasures. The IFC is teaching cadets to use all the tools in their toolbox. The graduating class will all have TS/SCI clearances which allows them to get briefings from key USAF leaders in addition to the other classified briefings they receive on a regular basis. The IFC has partnerships with the U.S. government, industry, and academia and has 2-3 patents per year. They have a Commandant training day/exercise in the fall and spring as well as cadet trips. The AFA Foundation is funding half of the manpower in the IFC. They conduct presentations at reunions and other venues to get the word out about the IFC and

how exceptional all cadets are, and they would like to help the AOG to get this information out to chapters and graduates.

XIII. DISC Assessment

The Directors took the Dominance, Steadiness, Influence, Compliance (DISC) personality test prior to the meeting. Director K. Lowe discussed the five functions of a team including results, accountability, commitment, conflict, and trust. She then facilitated a discussion on the results and some of the strengths and challenges of different personality types. The bottom line is that we want the Board to be a highly-effective team with diversity of thought.

XIV. Graduate War Memorial Policy

President Hille led a Graduate War Memorial policy discussion in reference to the placement of the name of CMDR Job Price '93 on the wall. At the February Board meeting, the Board had unanimously approved adding his name to the Graduate War Memorial, but it brought up the question of whether we needed to clarify the wording of the criteria. The Graduate War Memorial policy from May 2016 sets forth the following criteria.

- Graduates killed in direct hostile action;
- Graduates killed within an area of conflict as the result of an incident which is in direct support of the activities therein;
- Graduates killed outside the area of conflict while directly supporting the activities within that area of conflict will be considered on an individual basis by the AOG Board of Directors.

Alternative wording to the policy was proposed to include moving “will be considered on an individual case-by-case basis by the AOG Board of Directors” to the preamble, and revising the third bullet to include “or in support of national security objectives and interests.” Chair Bishop asked the Directors to think about these potential changes and the topic will be revisited at the Aug BOD meeting.

XV. Committee Updates

a. Governance Committee

Chair Bishop assigned a comprehensive review of the Bylaws and Governance Policy document. He stressed making sure they are congruent with the Articles of Incorporation. This is a 2-year project, so the Governance Committee would do it section-by-section.

b. Finance and Investment Committee

CFO Willemarck presented a review of the restricted funds. There are 109 campaign, donor-restricted, quasi-endowment funds which held \$68.5 million as of

31 December 2022. This includes a \$52.1 million beneficial interest in the Moller Trust. Twenty-three funds awarded or gifted a total of \$1.9 million during FY 2022. The AFA Foundation now has a person dedicated to ensuring that they are spending the funds. Committee Chair Strebe concluded the short presentation by noting that the committee will go through the FMIP to make sure it is updated.

c. Audit Committee

MOTION: The Audit Committee moved to approve the Audit Report and IRS Form 990. The motion was unanimously approved.

XVI. Class Advisory Senate Update

Director Helms provided the CAS update. He noted that last month the CAS received the same briefing we just received from Lt Gen (Ret) Shwedo. This allowed the Senators to go back to their classes to explain that cadets are learning the warfighting ethos. He provided some background for the new Directors, explaining that the CAS has a communications function for the AOG and Board of Directors. They communicate to the graduate community about things such as the Single CEO, Bylaws changes, reunions, and elections. He has two concerns with the CAS. The first is participation and the fact that it is a challenge to get more 50% participation in CAS meetings. The other challenge is related to the emphasis that should be placed on speakers versus issues. Although some Senators want the focus to just be on issues, the CAS voted to have hybrid meetings which will include speakers as well as issues. A short discussion ensued about how the challenge of communications could be viewed as an opportunity. Director Helms concluded by noting that the CAS is looking for younger graduates to take over some of the CAS leadership positions.

MOTION: Director Tonneson moved and Director Bledsoe seconded to move into executive session. The motion was unanimously approved.

XVII. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 2:25 p.m. MDT to discuss the committee assignments.

MOTION: Chair Bishop moved and Director Tonneson seconded that we come out of executive session. The motion was unanimously approved.

XVIII. Open Session

The Board moved into open session at 2:30 p.m. MDT.

MOTION: Chair Bishop moved and Director Dudley seconded to approve the committee assignments (Attachment 7). The motion was unanimously approved.

XIX. Young Alumni Excellence Award

Director Bledsoe began his presentation on how we might elevate the Young Alumni Excellence Award (YAEA) by noting that Directors Dial and Walters were both YAEA winners. He discussed the desired outcome of having enhanced AOG recognition across the spectrum of graduates. He then went through the key stakeholders, the expected impact and deliverables, timeline, development plan, and risks and challenges. President Hille provided two different options for elevating the award this year. The first was the Falcon Nation Event on 20-21 October in conjunction with the Navy game and the second involved combined Board and USAFA events on 12-15 October. He then discussed sustainment of the award, to include implementing a more comprehensive AOG Awards program which might include an award for graduates at the 15-40-year point as well as a Space award. A discussion ensued about how the YAEA winners were selected and how it might be beneficial to have a Director as part of the selection to help with communication and engagement. Other issues discussed included the fact that the AOG has to prompt submittals for the Distinguished Graduate Award, how YAEA winners need a conduit to reach cadets, and how to build the nomination base. The AOG plans to brief a recommended way ahead with the awards at the August Board meeting.

XX. Chair's Comments

Chair Bishop asked the Nominating Committee to look into the things we have discussed concerning the election process such as how we make the information available on the kinds of attributes we want our Directors to have and how can we increase election participation. He envisions this as being an ongoing conversation over the next three to five Board meetings. He also asked the Audit Committee to look into a risk assessment of the Instructional Technology infrastructure. We need to understand how this would be assessed, areas that are vulnerable, and whether there are ways to better protect our members' information. He envisioned this taking place over the next three to four Board meetings.

XXI. Member Presentation from Lt Gen (Ret) Robert Bishop '74 and Dr. Ronald Scott, Jr. '73

Dr. Scott and Lt Gen (Ret) Bishop gave a presentation titled, "True Faith and Allegiance: A call for action by the USAF Academy Association of Graduates." In the presentation they advocated that the AOG was not following the Articles of Incorporation ("promotion of professional dialogue among its members" and "shall at no time be used in any way to support or oppose any political idea, organization, or candidate") or Bylaws ("to produce an enduring commitment to ... excellence" and "promoting the heritage of the Academy, our common traditions..."). As evidence, they referenced the December 2022 *Checkpoints* article on Distinguished Graduates' perspectives on warfighter preparation, the AOG-sponsored Superintendent three-part interview, the fact that the AOG broadcasted the Superintendent's DEI-related letter without the associated slides, and their concerns about the source the funding of the George Takei book. They presented

their views of Marxism and Diversity, Equity, and Inclusion as well as the implications, recommendations, and suggested AOG actions.

MOTION: Chair Bishop moved and Director Dial seconded to move into executive session. The motion was unanimously approved.

XXII. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 4:23 p.m. MDT to discuss the presentation.

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

XXII. Open Session

The Board went into open session at 4:42 p.m. MDT.

XXIII. Adjournment

The meeting was adjourned at 4:42 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. 22 February 2023 Meeting Minutes
2. 11 March 2023 E-Vote Minutes
3. 13 April 2023 Special Meeting Minutes
4. 14 April 2023 E-Vote Minutes
5. Approved Agenda
6. Board Meeting Slide Deck
7. Committees of the Board



BOARD OF DIRECTORS MEETING

22 February 2023 Meeting Minutes

FINAL

Board Members Present: Bob Lowe '71, 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.

Board Members Present via Videoconference: Mark Mavity '84; Dennis Dabney '89; Kendra Lowe '01; Andrew Hendel '09; Emma Przybyslawski '10; Joseph Bledsoe III '11.

Board Members Absent: Brian Bishop '83; Nancy Taylor '01.

AOG Staff Present: Mike Gould '76, AOG/AFAF CEO; Mark Hille '97, AOG/AFAF President; Katie Willemarck, Joint CFO; Corrie Grubbs, SVP for Operations; Naviere Walkewicz '99, SVP, Alumni Relations and Business Development; Wyatt Hornsby, AOG/AFAF VP of Marketing and Communication; Paul Ackerman '82, VP of Academy and Community Relations; Emma Ross, Executive Assistant and Board Support; Tony Capistrano, IT Support Specialist; Jillian Wood, Special Assistant to the President and Board.

Guests Present: Hank Hoffman '63; Roy Miller '67 (only for Vice Superintendent presentation).

I. Call to Order/Chairman's Welcome

Chair Lowe called the meeting to order at 8:30 a.m. MDT on Wednesday, 22 February 2023.

II. Chair's Comments

Chair Lowe thanked the members of the former Distinguished Graduate Committee and recognized Director Mueh as a Distinguished Graduate. He welcomed Hank Hoffman and noted a change in the timing of an agenda item. He commented that our goal is to get all Board briefings posted on Basecamp at least one week prior to the meeting. Ms. Wood does an excellent job; it's the Directors who are late sending in our presentations.

III. Consent Agenda

The consent agenda included the 21 October 2022 Meeting Minutes (Attachment 1), 8 December 2022 Special Meeting Minutes (Attachment 2), 16 December 2022 Special Meeting Minutes (Attachment 3), and 2 January 2023 E-Vote Minutes (Attachment 4).

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

IV. Agenda

MOTION: Director Tonneson moved and Director Gunn seconded to approve the agenda. The motion was unanimously approved. The approved agenda is in Attachment 5.

MOTION: Director Dudley moved and Director Gunn seconded to move into executive session. The motion was unanimously approved.

V. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 8:37 a.m. MDT to discuss two honorary memberships, the potential addition of a name to the Graduate Memorial Wall, and CEO compensation.

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

VI. Open Session

The Board went into open session at 9:37 a.m. MDT.

MOTION: Director K. Lowe moved and Director Dudley seconded to add the name of CMDR Job Price, Class of 1993, to the Graduate War Memorial. The motion was unanimously approved.

MOTION: Director Mueh moved and Director Dudley seconded to add the name of Major Max Marom, Class of 1964, to the Graduate War Memorial. The motion was unanimously approved.

MOTION: Director Mueh moved and Director Dudley seconded that BGen (Ret) Erlind G. Royer be named an Honorary AOG Member. The motion was unanimously approved by all Directors in attendance, as well as the two Directors who were not at the meeting and were subsequently contacted.

MOTION: Director Mueh moved and Director Dudley seconded that BGen (Ret) James H. Head be named an Honorary AOG Member. The motion was unanimously approved by all Directors in attendance, as well as the two Directors who were not at the meeting and were subsequently contacted.

VII. AOG Update

a. CEO Briefing

CEO Gould discussed the strategic objectives and the specific objectives under each with a spotlight chart to indicate progress (Attachment 6).

- Engagement (*cultivate lifelong relationships and provide valued service to the Academy and our graduates*): Specific objectives dealt with increasing membership, creating sustainable recognition for Distinguished Graduates, developing a USAFA graduate portal, and establishing a young alumni strategy.
- Philanthropy (*enhance financial strength and stability to advance the Academy and sustain our mission*): Specific objectives dealt with raising \$270 million by 2025, increasing the graduate giving participation rate, launching and growing the Giving Day initiative, and providing roadshow resources for the Board and senior staff.
- Stewardship (*responsibly seek and manage gifted time, talent, treasure and relationships*): Specific objectives dealt with developing mechanisms to ensure proper use of gifts, receiving unqualified annual financial statement audits and filing Forms 990, concluding Memorandums of Understanding with the Academy Research and Development Institute (ARDI) and the Falcon Foundation, and securing special status in 2022.
- Communication (*tell the story of our Academy, our graduates and our mission with our words and actions*): Specific objectives dealt with exploring benefits of re-branding the AOG/AFAF, creating a constituent relations front office, developing tailored communication strategies for six decades of graduates, and reviewing/updating the crisis communications plan.
- Organizational Excellence (*align our values, our culture and our commitment as a team to drive overall effectiveness of our mission*): Specific objectives dealt with ensuring the Board/staff represent the diversity of the Long Blue Line, completing the Doolittle campus lease and design of the new administrative building, conducting supervisor training, and updating employee performance evaluation forms.

b. CEO Monitoring Reports

CEO Gould reported compliance with the required monitoring reports: 2.2 Treatment of Staff, 2.3 Financial Planning/Budgeting, 2.4 Financial Condition and Activities, and 2.7 Emergency Executive Succession.

c. President's Report

President Hille discussed the tough personnel choices they have needed to make over the past year and how they are focused on elevating talents. They have assembled a

key leadership team and the staff is gaining strength as they make individual moves. He discussed the differences between a successful versus excellent organization, noting that excellence makes success inevitable. He commented briefly on the AOG's financial performance noting that the AOG is far more dependent on investment returns today than it was 10-15 year ago. The AFAF Campaign has raised \$256 million of the \$270 million goal. They do not plan to shorten the campaign, but may raise the goal. He noted that some projects have fallen short in funding including Falcon Stadium, the new administration building outside Doolittle Hall, and the Institute for Future Conflict. Additionally, the participation of our graduates lags behind that of the other service academies. He concluded by commenting that stewardship remains a challenge, to include the complicated but important work of receiving timely reports from Academy departments on the use and impact of certain gifts.

SVP Walkewicz then talked how membership is up 9.3% since the inception of the Membership for All Graduates program. They have a focused effort on surviving spouse and legacy parent memberships and are using the survey results to determine how the AOG can be more relevant. She discussed alumni programs and the fact that they have prioritized an early connection between young alumni and the AOG. The first-ever Young Alumni Conference will immediately follow the Firstie Departure Program. Reunions are getting a program facelift to improve the graduate experience and to tailor them to the specific class. Reunions will be held over three weekends in 2023. A short discussion ensued with Director Helms noting that SVP Walkewicz had addressed concerns about the reunions at the January Class Advisory Senate (CAS) meeting. Finally, she talked about alumni engagement and events. They have mapped out 2023 events for awareness, planning, and engagement. The Long Blue Line portal will be ready for pilot groups in March. In response to a question about ZoomieLink, she noted that this will become part of the portal.

d. Quarterly Financial Update

CFO Willemarck provided the quarterly financial update (Attachment 6). The total operating revenue is currently 3% under budget and total operating expenses are 3% over budget. Areas that contributed to the operating expenses included professional expenses, the survey, digital archiving, and the legal fees for the new administrative space. The net operating revenue is \$2.36 million compared to \$2.05 million budgeted. Investment income was down by \$8.22 million (20%) in 2022, although the 3- and 5-year historical investment totals are up 2% and 3%, respectively, so we are still doing well in regard to our long-term portfolio. Our total net assets are down significantly (\$102.72 million in 2022 compared to \$128.33 million in 2021), mostly because of the investments. The good news is that the liabilities are down. Note: The committee list has been updated (Attachment 7) to add Ms. Willemarck as the new CFO.

e. Communications Mission Brief

VP Hornsby provided the communications mission brief (Attachment 6). He meets quarterly with the other service academies to share information about crisis communications. The communications mission is to tell the story of our Academy, our graduates and the Leader of Character mission with our words and actions. He talked about the Communications Department's organizational structure and their areas of focus, as well as the three main principals of consistency of message, engaging storytelling, and brand alignment. He then discussed the critical outcomes to expand awareness, increase engagement, deepen pride, boost participation, and communicate impact. They use a four-question test to determine whether to act. He talked about how they work with the Academy when there is a crisis communication situation and how they have used their channels strategically to foster a healthy dialogue. He concluded by talking about challenges including timelines, speed, and feedback. Chair Lowe requested a one-page summary for the Directors and CAS members on the sexual assault report that is coming out in March so we have background information before the report is released.

VIII. Class Advisory Senate Update

Director Helms provided the CAS update. At their January meeting there was discussion about how they want to proceed in 2023. They debated whether to keep their normal guest speaker format, which does not leave much time to discuss issues or to simply do away with the speaker to focus on issues. They voted to do a hybrid. The executive committee will invite guest speakers, but will leave time to discuss the issues. As noted earlier, at the January CAS meeting the AOG provided a presentation on reunions which clarified the changes that had been made. The 50-year reunion class receives priority in scheduling, and the 10-year class gets the next priority. The AOG looks at the other classes to try to best fit their requests, but if two classes want exactly the same thing (e.g., a certain weekend or hotel), there is a lottery to decide which class would get what they wanted. With fewer weekends and many more reunion classes, there is much more competition for the time and space. President Hille requested that the Directors help our classes to understand these limitations. Director Helms noted that the CAS had an excellent discussion about this and that the AOG presentation brought the temperature down. He also noted that although we do have a senator for each class, it is difficult to get every senator to participate, especially the younger classes. Another challenge is the communication from the senator to their own class. Some classes have a Facebook page, email, or other ways to contact their classmates, but many classes do not have connectivity with the entire class without the assistance of the AOG.

IX. Distinguished Graduate Selection Process

Director Przybyslawski gave a presentation on the Distinguished Graduate selection process. There were six members on the committee to include two Distinguished Graduates, a USAFA staff member, the AOG CEO, an AOG staff member, and an AOG Board member. The committee scored the 22 nominees against a rubric in three

categories. She noted that they continue to struggle with submissions and that not all submissions are created equally. As a team, they have written tips for the candidate nomination process. There will be a new and improved online system next year to facilitate the process and to eventually allow the committee to score the candidates electronically. The award recipients were Dr. Hans Mueh '66, Maj Gen (Ret) Susan Desjardins '80, and Gen (Ret) David Goldfein '83. The nominees who were not selected can re compete for a total of three years. A short discussion ensued about how on one hand, we have fewer winners than the other service academies, but on the other hand, limiting the number speaks to the prestige of the award. President Hille discussed the fact that the AOG is coming up with a list of the various awards and there may be other ways to highlight graduates in beyond the Distinguished Graduate Award.

X. Committee Update

a. Nominating Committee

SVP Grubbs provided an election update. There are 35,640 eligible voters and as of 21 February, 11.3% had voted. She then reviewed the election timeline. The election ends on 6 March and the results will be posted on the AOG website on 13 March. She recommended that the Vice Chair notify the new Board directors as Chair Lowe is on the slate. Director Volcheff will reach out to those candidates who were not selected. The Nominating Committee will contact the non-selected individuals to ascertain their interest in the pool for appointed positions and for other committees. They will also contact those graduates currently on the list to reconfirm their interest.

b. Governance Committee

Committee Chair Gunn discussed the bi-annual review of Governance Policies Category 4 and the Board calendar. The committee believes we have reached the point where there is a disconnect between the Governance Policies, which were written when the Board used the Carver Model, and how the Board actually operates today. Additionally, at the time the policies were written, we did not have a Single CEO. The committee recommended that the next Board should assign the Governance Committee or a separate task force to conduct a “fresh look” comprehensive review of the Governance Policies document with a deeper focus on creating policies as the Board governs today as well as melding AFAF policies to create simpler, common guidance for the Single CEO. He does not think the Board has the bandwidth to undertake this endeavor and wondered whether the AOG staff could assist or whether it would make more sense to hire an outside consultant to do the work. CEO Gould indicated that a consultant might be the way to go as they could match the AFAF policies as well. The discussion then turned to two other recommendations relating to Article VIII and the Board calendar.

MOTION: The Governance Committee moved that the Board delete Article VIII, Section 6e of the Bylaws to eliminate references to the Heritage and Traditions Committee. The motion was unanimously approved.

MOTION: The Governance Committee moved that the Board accept the revised Board calendar as presented (Attachment 8). The motion was unanimously approved.

Chair Lowe and Director K. Lowe departed the meeting due to a potential conflict of interest about Board member sabbaticals.

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

XI. Executive Session

The Board moved into executive session at 1:22 p.m. MDT IAW Bylaws Article V Section 8.

MOTION: Director Tonneson moved and Director Volcheff seconded that we come out of Executive Session. The motion was unanimously approved.

XII. Open Session:

The Board went into open session at 1:54 p.m. MDT.

MOTION: The Ad Hoc Sabbatical Committee moved that the AOG Bylaws be changed to allow elected Directors to take a sabbatical from an elected term of office. The motion failed by a vote of 0-11 (Directors Dudley, Much, Gunn, Tonneson, Strebe, Volcheff, Przybyslawski, Mavity, Dabney, Bledsoe, and Hendel against; Directors Lowe and K. Lowe recused).

XIII. Finance and Investment Committee

Committee Chair Strebe had nothing to report.

XIV. Board Training

Director K. Lowe provided an update on the planning for future Board training (Attachment 6). Directors Bishop and Lowe have identified gaps in the current Board training and have recommended a way ahead to include better initial Director training and continued development. The initial Director training, which would be conducted the day prior to the first Board meeting in May, would include National Association for Corporate Directors (NACD) material and the AOG BOD Bylaws. It would also include a reading list and continuity with a trained Director to facilitate training. There would be three on-line training courses during the Directors' first year. The management

responsibilities would be under one of our committees. Current Directors would be expected to complete on-line training. Speakers on Board-relevant topics would be invited for training in the second and fourth year of a Director's term. Director Lowe noted that they have built a slide deck and are looking at an on-line course library. There was a short discussion on how to train appointed Board members and how to identify which courses are needed.

XV. Graduate Voice Representation Discussion

During the 22 October 2022 meeting, Col (Ret) Lucky Ekman '63 asked the Directors to think about what an appropriate role might be for the Board as a voice for the graduate community. Chair Lowe had asked Director Gunn to chair a group to look into this issue. Directors Gunn, Dudley, and Przybyslawski made up the task force. VP Hornsby presented the communication briefing to the group and Col (Ret) Ekman. The task force concluded that the communication team is more proactive than they previously were, and that trying to serve as the single voice on policy issues for a very diverse graduate community was impossible. In addition, there is an AOG and AFAF policy specifying that they will not take positions on Air Force or USAFA policies. The task force noted that the AOG is very proactive on issues that we can all unite on and that the AOG staff has been doing an exceptional job of funneling graduate feedback to the USAFA leadership on tough issues. The task force was unanimous in their opinion that we should not take a position on divisive issues. They outlined the above thoughts in a Communications Task Force memo which the AOG will send to Col (Ret) Ekman.

XVI. Chair's Comments

Chair Lowe discussed the May Board meeting and how he was not comfortable with the process for our departing Board members. He proposed having a social on 11 May following the new Director training which would involve the CAS members, newly-elected Directors, and departing Directors. He would like to pair the departing and buddy Directors with the new Directors. He foresees the departing Directors attending the first part of the 12 May meeting so that we can acknowledge their contributions and thank them for their service. The group discussed different ideas related to the departing Directors.

CEO Gould asked whether we are seeing visible changes based on some of the AOG's communications and new initiatives. A few Directors complimented the AOG on their communication efforts and the recent Chapter and Affinity Group Conference, but another said he only receives feedback about negative things at the Academy. One of the guests suggested that there needed to be a way to better facilitate the participation of local graduates who are eager to be more engaged with the Academy. Chair Lowe asked the AOG to look into this.

XVII. Col Benjamin R. Jonsson '99, Vice Superintendent, U.S. Air Force Academy

Col Jonsson provided an update on the Superintendent's priorities: 1) developing leaders of character; 2) preparing our cadets for future conflict; and 3) fostering a culture of dignity and respect. He gave examples of Academy initiatives under each area. Of note, he indicated that on 2 March, they are expecting the next sexual assault and violence numbers to be released, which will likely garner significant media coverage. Gen Clark has started a redesign on the sexual assault prevention efforts. The Academy conducted over 100 interviews and hosted a 3-day solving session based on the qualitative analysis. Col Jonsson then commented on the low application numbers for 2026. There were 8,400 applicants compared to the 5-year average of 10,260. Numbers for the Class of 2027 are back up. He entertained several questions from the staff and a short discussion ensued related to survival training, the initiatives to increase the number of African American candidates, and sexual assault prevention.

XVIII. Adjournment

The meeting was adjourned at 3:52 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. 21 October 2022 Approved Meeting Minutes
2. 8 December 2022 Approved Special Meeting Minutes
3. 16 December 2022 Approved Special Meeting Minutes
4. 2 January 2023 Approved E-Vote Minutes
5. Approved Agenda
6. Board Meeting Slide Deck
7. Committees of the Board
8. Board Calendar



BOARD OF DIRECTORS ELECTRONIC VOTE
Motion to Rescind 22 October 2022 CEO Monitoring Report Motion
11 March 2023
FINAL

Board Voting Members Participating: Bob Lowe '71, 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; Mark Mavity '84; Dennis Dabney '89; Nancy Taylor '01; Kendra Lowe '01; Andrew Hendel '09; Joseph Bledsoe III '11.

Board Voting Members Not Voting: Emma Przybyslawski '10.

MOTION TO RESCIND: Director Tonneson moved and Director Lowe seconded to rescind the 22 October 2022 motion which read: *Director Mavity moved and Director Dudley seconded that the CEO Monitoring Reports be submitted to the Audit Committee in advance of the scheduled Board meetings for review.*

The AOG Board vote was conducted by email on 6-11 March 2023 and approved by a vote of 13-2 (Directors Volcheff and Mavity against).

Respectfully submitted,

Virginia Caine Tonneson, Secretary



BOARD OF DIRECTORS SPECIAL MEETING

3 April 2023 Meeting Minutes

FINAL

Board Members Present via Videoconference: Bob Lowe '71, 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; Nancy Taylor '01; Kendra Lowe '01; Joseph Bledsoe III '11; Lee Krauth '72 (2023 Elected Director); William Carpenter '73 (2023 Elected Director); Cathy Almand '90 (2023 Elected Director).

Board Members Absent: Mark Mavity '84; Andrew Hendel '09; Emma Przybyslawski '10.

AOG Staff Present: Mike Gould '76, AOG/AFAF CEO; Mark Hille '97, AOG/AFAF President; Katie Willemarck, Joint CFO; Corrie Grubbs, SVP for Operations; Naviere Walkewicz '99, SVP, Alumni Relations and Business Development; Wyatt Hornsby, AOG/AFAF VP of Marketing and Communication; Paul Ackerman '82, VP of Academy and Community Relations; Jillian Wood, Special Assistant to the President and Board.

I. Call to Order/Chairman's Welcome

Chair Lowe called the meeting to order at 4:30 p.m. MDT on Monday, April 3, 2023. (See agenda at Attachment 1.) The purpose of the meeting was to select an appropriate course of action pertaining to the sixth elected director position and to select appointed directors. (As background, there was an oversight during planning for the 2023 election when an *elected* director position was misclassified as an *appointed* director position. As a result, AOG members were asked to vote to fill five versus six elected director positions.) Chair Lowe thanked Director Volcheff, other members of the Nominating Committee, and Ms. Wood for their hard work. President Hille noted that he had spoken to the AOG attorney, Peter Nagel, about the potential courses of actions the Board was considering, and that all actions were legal. He stressed that if a term ends prior to a new member being selected, the old member serves until a new member is seated. President Hille noted that the AOG is ready to undertake a special election to fill the sixth elected director position should the Board select that option.

MOTION: Director Dudley moved and Director Gunn seconded to go into executive session. The motion was unanimously approved. Director Dabney recused himself.

II. Executive Session

The Board went into executive session at 4:40 p.m. MDT in accordance with Article V Section 8 to discuss possible courses of action to address the sixth elected director position.

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

III. Open Session

The Board went into open session at 5:15 p.m. MDT.

MOTION: Director Dudley moved and Director Mueh seconded to approve Course of Action 1 (*shift the sixth elected director position so that it is filled by a four-year director in the 2025 election; in the interim, appoint a director to fill that position for two years*). The motion failed 4-8 (Directors Lowe, Helm, Gunn, Bishop, Strebe, Taylor, K. Lowe, and Bledsoe against).

MOTION: Director Bishop moved and Director K. Lowe seconded to approve Course of Action 4 (*conduct a special election with only the 2023 election “non-selects” as candidates to fill the sixth elected director position*). The motion passed 8-4 (Directors Mueh, Dudley, Volcheff, and Tonneson against).

President Hille indicated the election will run from 10-24 April 2023.

MOTION: Director Dudley moved and Director Gunn seconded to go into executive session. The motion was unanimously approved.

IV. Executive Session

The Board went into executive session at 5:23 p.m. MDT in accordance with Article V Section 8 to select appointed directors.

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

V. Open Session

The Board went into open session at 6:07 p.m. MDT.

MOTION: Director Dudley moved and Director Mueh seconded that Christian Evans '08 and Nate Dial '10 be selected for 4-year appointed director positions, and Jennifer Walters '11 be appointed for a 2-year term (*to fill the vacancy caused by Kenda Lowe's resignation from the Board*). The motion was unanimously approved.

Chair Lowe will call the appointed directors and the AOG will announce the special election. The AOG will announce the results of the special election and the appointed directors at the same time.

VI. Adjournment

Chair Lowe reminded the directors that we will be discussing ways to improve future elections at the May Board meeting. He also noted that he wanted to elevate the Young Alumni Award to a higher level.

MOTION: Director Bishop moved and Director Dudley seconded that we do not release the vote tallies for the special election. The motion passed unanimously.

The meeting was adjourned at 6:28 p.m. MDT.

Respectfully submitted,
Virginia Caine Tonneson, Secretary

Atch:

1. 3 April 2023 Board Meeting Agenda



BOARD OF DIRECTORS ELECTRONIC VOTE
Motion to Approve Young Alumni Excellence Award Winners
14 April 2023
PROVISIONAL

Board Voting Members Participating: Bob Lowe '71, Chair; Will Gunn '80, Vice Chair; Ginny Caine Tonneson '80, Secretary; Glenn Strebe '87, Treasurer; Hans Mueh '66; Garry Dudley '68; Randy Helms '79, President, Class Advisory Senate; Brian Bishop '83; Mark Mavity '84; Dennis Dabney '89; Nancy Taylor '01; Andrew Hendel '09; Emma Przybyslawski '10; Joseph Bledsoe III '11.

Board Voting Members Not Voting: Mark Volcheff '75; Kendra Lowe '01.

MOTION: Director Taylor moved and Director Bledsoe seconded that the following nominees be awarded the 2022 Young Alumni Excellence Award (YAEA): Nichole Ayers, Hila Levy, Loyd Bradley, Julian Gluck, and Jennifer Walters.

The AOG Board vote was conducted by email on 11-14 April 2023 and approved by a vote of 14-0.

Respectfully submitted,

Virginia Caine Tonneson, Secretary



Board of Directors Meeting Agenda
11-12 May 2023

11 May 2023

Noon – 1:00 p.m.

Lunch – Boardroom, Doolittle Hall

1:00 – 5:00 p.m.

New Director Orientation/Training, Boardroom, Doolittle Hall

5:00 – 6:30 p.m.

AOG Board Reception/Hail and Farewell

Library, Doolittle Hall

5:00 – 6:30 p.m.

Attire: Business Casual

12 May 2023

7:45 – 8:25

Breakfast

Complete Conflict of Interest Statements

8:30 a.m.

- I. Call to Order
- II. Moment of Silence & Pledge of Allegiance
- III. Notified Absences & Introductions (All Directors)
- IV. Consent Agenda Approval
 - 1. 22 February 2023 Meeting Minutes
 - 2. 11 March 2023 E-vote
 - 3. 3 April 2023 Special Meeting Minutes
 - 4. 14 April 2023 -E-vote
- V. Agenda Approval
- VI. Board Selects Chair by Written Ballot (Secretary presides)

VII. Chair nominates Board Officers for Board Approval

VIII. Executive Session

1. Board of Visitors and AFAF Board Updates (*Dir. Mueh*)
2. Name new AOG Committees
3. Strategic Discussion
 - a. Grad Participation and Engagement
4. Honorary Membership

9:30 a.m.

IX. AOG Updates

1. CEO Briefing (*CEO Gould*)
2. CEO Monitoring Reports (*CEO Gould*)
 - a. 2.1 Treatment of Members and Other Constituents
 - b. 2.9 Board Awareness and Support
 - c. 2.12 AOG/AFAF COA
3. Staff Report (*President Hille*)
4. Quarterly Financial Update (*Katie Willemarck, CFO*)
5. Graduate War Memorial Policy (*Paul Ackerman*)

X. Election Hotwash (*Nominating Committee & Corrie Grubbs*)

11:30 a.m.

Adjourn for Lunch – Library, Doolittle Hall

12:00 p.m.

Guest speaker:

Lt. Gen. (Ret.) Bradford Shwedo, Director, Institute of Future Conflict

12:30 p.m.

XI. DISC Assessment (*Dir K. Lowe*)

2:00

XII. Committee Updates

1. Governance Committee

- a. Assign Comprehensive Governance Policy and Bylaws Review
- 2. Finance and Investment Committee
 - a. Review Endowments
- 3. Audit Committee
 - a. Review Audit Report
 - b. IRS Form 990
- 4. Class Advisory Senate Update (*Dir. Helms*)
 - a. Reunions

3:30 p.m.

XIII. Executive Session

- 1. Elevate YAEA Award (*Dir. Bledsoe & Dir. Przybylski*)

4:00 – 4:15 p.m.

IX. Member Presentation

5:30 p.m.

CAS Dinner with Board

5:30 – 6:00 p.m. Cocktails

6:00 p.m. Dinner

Thomas Blake Ballroom, The Club at Flying Horse

1880 Weiskopf Point

Colorado Springs, CO 80921



Board of Directors Meeting

12 May 2023

Agenda

- I. Call to Order
- II. Moment of Silence & Pledge of Allegiance
- III. Notified Absences & Introductions
- IV. Consent Agenda Approval
- V. Agenda Approval
- VI. Board Selects Chair by Written Ballot
- VII. Chair Nominates Board Officers for Board Approval
- VIII. Executive Session
- IX. AOG Updates
- X. Election Hotwash
- XI. Guest Speaker: Lt. Gen. (Ret) Bradford Shwedo '87 Director, Institute of Future Conflict
- XII. DISC Assessment
- XIII. Committee Updates
- XIV. Executive Session
- XV. Member Presentation

Call to Order

Moment of Silence & Pledge of Allegiance

Notified Absences & Introductions

Consent Agenda Approval

1. Board Meeting Minutes, 22 February 2023
2. E-vote, 11 March 2023
3. Special Board Meeting Minutes, 3 April 2023
4. E-vote Minutes, 12 April 2023

Agenda Approval

Chairman of the Board Election

BACKGROUND

- The Board Chair will be selected by the Board
- The Chair shall be an elected director
- Selection of the Chair and officers will be conducted at the first regularly scheduled meeting of the Board after the election.
- The term of office of the Chair shall begin upon election to the office and continue through the election of the next Chair two years later
- The maximum continuous period of service for a Chair is two consecutive terms without at least a four-year break between terms

ELECTION PROCESS

- A quorum of more than half of the total number of directors must be present for the Board to act on any issue
- No director shall give another director the right to vote for them by proxy on any issues before the Board.
- A simple majority of the directors present at a quorum of the Board will pass any motion considered by the Board
- In cases where more than two directors are nominated, an initial vote will be taken to establish the top two nominees. Then, a final vote will determine the new Chair by majority vote of a quorum of the Board
- Vote for ONE of the two nominated directors

NOMINATED DIRECTORS FOR BOARD CHAIR

BRIAN BISHOP '83

BOB LOWE '71

WERE ANY OTHER CANDIDATES ACCIDENTLY OVERLOOKED?

Executive Session

1. Board of Visitors and AFAF Updates (Dr. Mueh)
2. New AOG Committees
3. Strategic Discussion
4. Honorary Membership (Col Lowe and Dr. Mueh)

Chair Nominates Board Officers

Executive Session

Board of Visitors and AFAP Updates (Mueh)

New AOG Committees

Strategic Discussion

Honorary Membership (Lowe and Mueh)

CEO Briefing (Gould)

CEO Monitoring Reports

Compliance Status:
In Compliance

- 2.1 Treatment of Members and Other Constituents

With respect to DoD, USAF or USAFA policies that do not materially impact the AOG, the CEO will not render an official opinion or recommendation on such matters, unless formally cleared to do so by the Board of Directors.

- 2.9 Board Awareness and Support

The CEO shall not permit the Board to be uninformed or unsupported in its work. Accordingly, he or she may not:

1. **Fail to have a current plan to achieve the Board's Ends.** The CEO has a plan specifically tied to the Board's Ends.

2. **Neglect to submit monitoring data required by the Board (see policy on Monitoring CEO Performance in Board/Staff Linkage, Policy 3.4) in a timely, accurate and understandable fashion, directly addressing provisions of Board policies being monitored.** The CEO has developed a plan for submitting specified monitoring reports at each Board meeting. All 14 reports are submitted annually to the Board in a specified rotation each year.

3. Let the Board be unaware of relevant trends, anticipated adverse media coverage, or material external and internal changes, and particularly changes in the assumptions upon which any Board policy has been previously established. Notification of material planned internal changes is to be provided to the Board in advance, when feasible. The CEO briefs the entire Board quarterly and sends out periodic updates to all directors. He maintains regular contact with Public Affairs and the Academy senior leadership to encourage them to provide information before it hits the papers. Upon receiving new information, he calls the Board Chair, committee chairs and individual directors as appropriate.

4. Fail to advise the Board if, in the CEO's opinion, the Board is not in compliance with its Bylaws or its own policies on Governance Process and Board/Staff Linkage, particularly in the case of Board behavior, which is detrimental to the work relationship between the Board and the CEO. When the CEO has identified areas of concern, he has reported them to the Board Chair. The CEO reviews the bylaws to remain aware of necessary requirements of the bylaws to ensure that no requirements are overlooked.

5. Fail to provide for the Board as many staff and external points of view, issues and options as needed for fully informed Board choices.

The CEO routinely provides graduate, member, and staff viewpoints. He conveys the views of the Superintendent and other Academy senior leaders and arranges for those leaders to address the Board at its quarterly meetings.

6. Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types:

- a. Monitoring**
- b. Action Item, and**
- c. Incidental (“FYI”).**

The CEO provides concise, clear information in briefing, email, and report forms. The CEO calls for Board involvement as required, provides monitoring reports such as this one, and provides “FYI” materials as appropriate.

7. Allow the Board to be without reasonable administrative and logistical support for official Board, officer or committee communications and functions.

The CEO provides staff support for arranging quarterly meetings and tele/video conferences, preparation and publication of minutes, arranging for billeting and meals for Board meetings and providing workspace for visiting directors.

8. Fail to deal with the Board as a whole except when:

- a. Fulfilling reasonable individual requests for information, or**
- b. Responding to officers or committees duly charged by the Board.**

The CEO deals solely with the Board as a whole for all action items and fulfills director, officer and committee requests for information and support.

9. Fail to report in a timely manner any actual or anticipated noncompliance with any policy of the Board. The CEO seeks to uncover all infractions of Board policy, take corrective action, and report the results to the Board.

10. Fail to provide for the consent agenda all items delegated to the CEO yet required by law or contract to be Board approved, along with the monitoring assurance pertaining thereto. The CEO ensures that all items requiring Board approval are presented to the Board and that all consent agenda items delegated to him are placed in the minutes.

- 2.12 AOG/AFAF COA

The CEO will not fail to abide by the provisions of the current AOG/AFAF COA as approved by the Board of Directors.

Vision

To be an Association and Foundation of influence and impact, supporting the Academy's enduring mission of developing leaders of character for the nation, and providing a lifetime of service to the Long Blue Line.

Mission

Together, we support the Academy, serve our graduates and preserve the heritage of the institution.



Vision

To be an Association and Foundation of influence and impact, supporting the Academy's enduring mission of developing leaders of character for the nation, and providing a lifetime of service to the Long Blue Line.

Mission

Together, we support the Academy, serve our graduates and preserve the heritage of the institution.

**Engagement
Philanthropy
Stewardship
Communication
Organizational Excellence**



Engagement

Cultivate lifelong relationships and provide valued service to the Academy and our graduates

- I. Create and foster lifelong connections between the Long Blue Line and the Academy**
- II. Serve our graduates and families at critical moments throughout their lifetimes**
- III. Preserve and celebrate the Academy's heritage and the accomplishments of the Long Blue Line**

Philanthropy

Enhance financial strength and stability to advance the Academy and sustain our mission

**I. Lead successful completion of comprehensive campaign –
*Defining Our Future***

II. Grow resources available to sustainably fund ongoing operations

III. Expand and diversify support from successive generations of donors

Stewardship

Responsibly seek and manage gifted time, talent, treasure and relationships

- I. Accept, invest and use gifts as donors intend**
- II. Invest all human and financial resources smartly to maximize return and impact**
- III. Nurture strong relationships with the Academy and partner organizations**

Communication

Tell the story of our Academy, our graduates and our mission with our words and actions

- I. Enhance and safeguard brand and reputation of AOG and Foundation**
- II. Share the story of the Academy and our graduates in diverse and effective ways**
- III. Maintain readiness for successfully navigating crises and adverse developments**

Organizational Excellence

Align our values, our culture and our commitment as a team to drive overall effectiveness of our mission

- I. Foster a culture of operational excellence, teamwork and respect, and an environment that nurtures innovation**
- II. Recruit, develop and retain top-level talent**
- III. Exhibit our core values in everything we do – Integrity, Service, Excellence**

First Quarter

Good financial discipline - operating revenue/expenses in line

Post-campaign funding realities and a promise of greater efficiency as a joint operation driving several critical decisions

Focus on strategic imperatives and high-ROI engagement activities – present and relevant, classes in the last 20 years

Design of new administration building underway, groundbreaking in Oct '23

At Foundation

- **Tale of two fundraising years...dollars up, donors down Projects and participation become focus**
- **Stewardship remains a challenge despite notable wins**



A Look Ahead

Prepare for Single Employer model by Jan '24

Further transformation of Alumni programming

- **Gone But Not Forgotten/Next of Kin coordinator**
- **Awards programming – enhance and expand**
- **Young alumni activity**

Campaign focus shifts to remaining projects and participation

- **Stadium, Admin Building, IFC and Hotel**
- **Initiatives to alter the trend in graduate participation**

Map post-campaign operating endowment initiatives to expand service, reduce reliance on annual fund

Alumni Relations Update

Presented by:

Naviere Walkewicz '99

SVP, Alumni Relations and Business Development



A quick refresh of key launches in 2022.

Membership for All Graduates (MAG)

- Launched 3 Jan 2022 with 59% graduate membership (now up **9%**)
- Processes in place for Class of 2026 beyond (w/ appointment acceptance)

Graduate Survey

- Qualitative & quantitative approach
- Launched Mar 2022 with 8,800 participants
- “Pride in our Academy” as the focal point with participant self-alignment to six personas
- Results released in Aug 2022 to entire graduate community



Key Finding #1:

Grads across all demographics exist in personas.

The Six USAFA Personas



Actively Engaged

The Air Force and Academy are central to my life. Not only are many of my closest friends USAFA grads, but I also help build and grow networks of graduates who want to connect with the Academy or to each other.



Proud and Show It

Everyone who knows me, even if they just met me, knows I am a graduate of USAFA. I am proud of my alma mater, and it shows in the way I act, what I say, and even what I wear.



Inwardly Proud

I am proud of being a graduate of the Academy, but that pride lives more inside of me than being something I put out there for anyone else to see.



Not Valued by USAFA

I feel like the Academy has left me behind, as if I am not the type of graduate they care about. I don't feel particularly valued by the Academy.



Lost Interest in USAFA

I no longer associate much with USAFA, not because of personal or professional disagreements, but because it is just not important to me right now in my life.

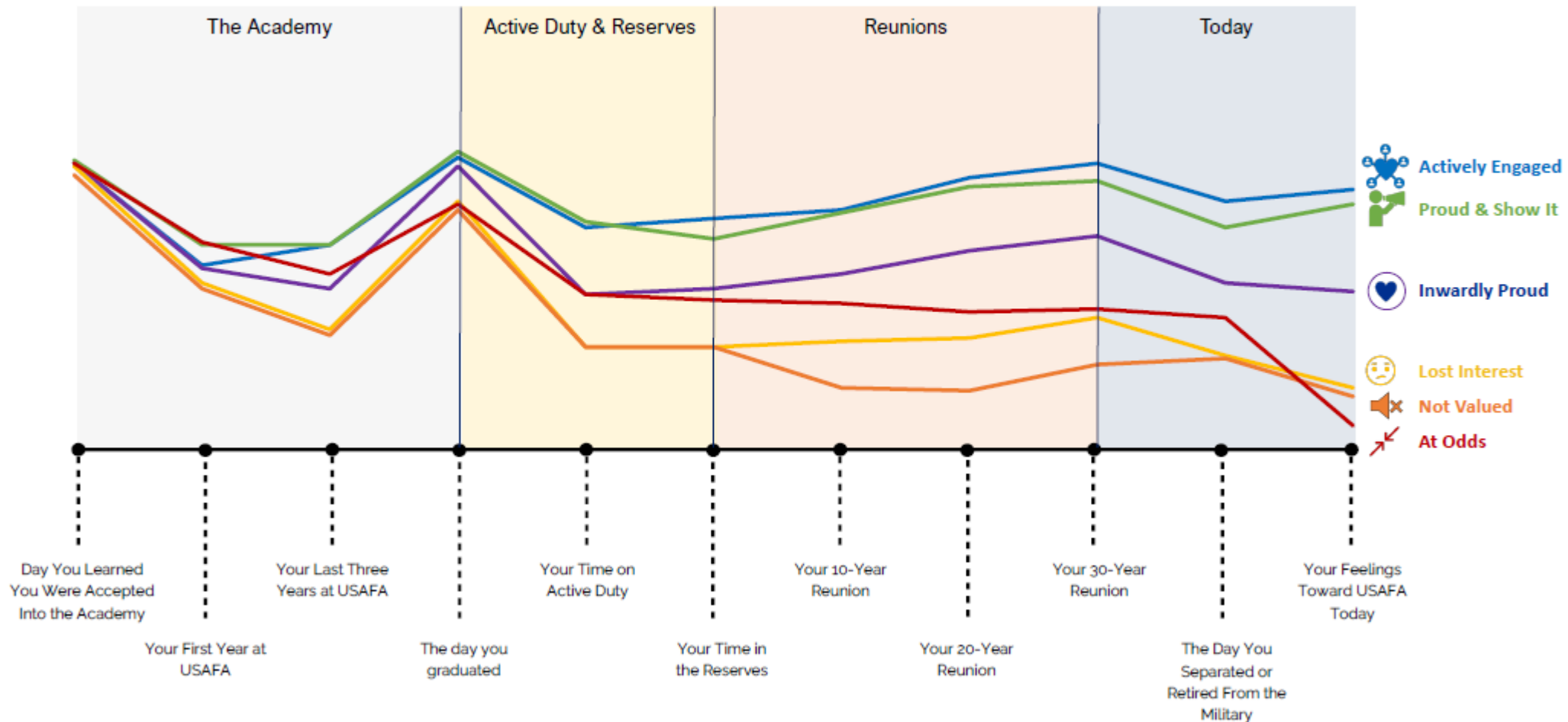


At Odds with USAFA

I am disappointed and sometimes even angry with USAFA, finding myself at odds with the things it does and says. USAFA is not the kind of institution I find myself wanting to be associated with anymore.

Key Finding #2: We have vital windows of time to affect pride.

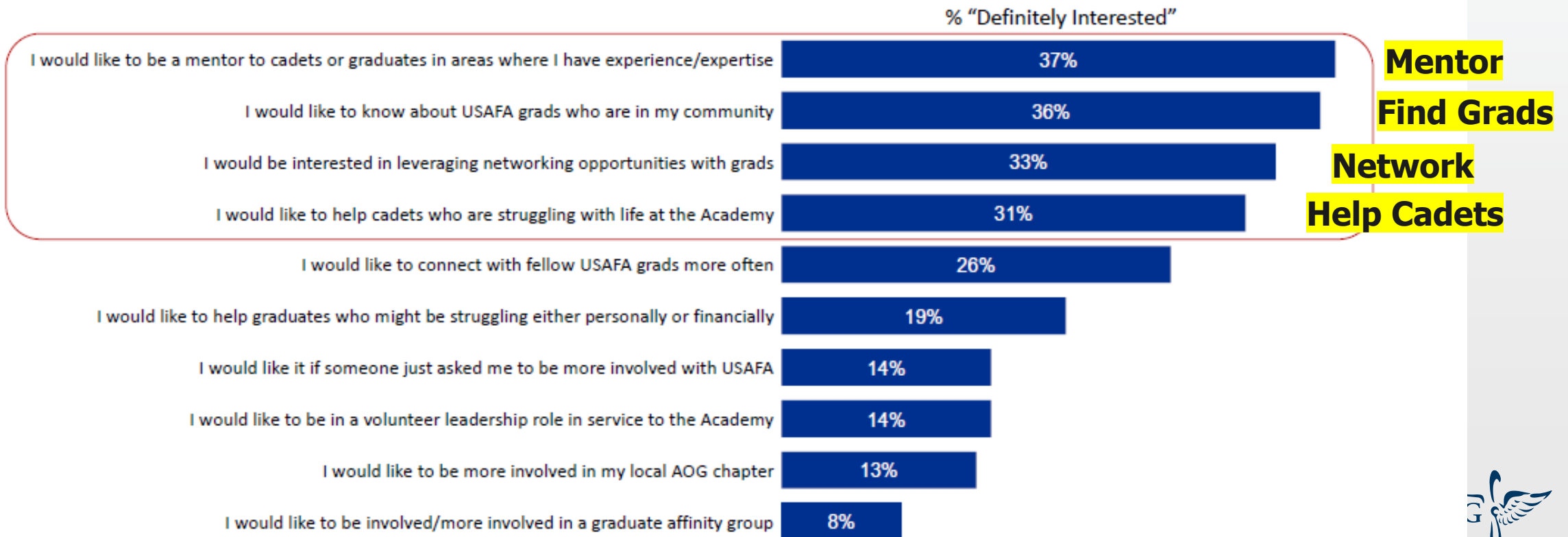
Pride From Day 1



Key Finding #3: Grads told us how they will reconnect.

Finding Ways to Connect

"Several graduates told us they would be interested in being more involved with other graduates if they could help with the right type of need. Please indicate if any of these would be of interest to you."



Key findings inform our way ahead.

Meeting Grads Where They Are

- Events Series (LBL Social, Falcon Nation, USAFA Connect)
- Leveraging Distributed Groups (LBL Leadership Conference)
- Reunions (Full Experience & Off-Cycle Customized)

Building Relationships at Critical Times

- USAFA and Prep School Interaction
- YA Conference
- Awards

Providing Places to Reconnect

- Long Blue Line Portal
- Event “Experiences”



Insight gleaned from our first-ever Young Alumni Conference

Communication must be “persistent and concise”

- Access to the GAL
- Eye-catching banners and subject lines
- Sent from influencers (not necessarily class officers)
- Base and Squadron Commander Involvement/Support

Growing YA engagement requires a different approach

- Meet them where they are (i.e., alternate YA Conference at USAFA/Nellis AFB)
- Chapters aren't meeting their needs (piloting networking group concept)

There is a strong desire to help new graduates

- Excited for the Long Blue Line Portal
- Create younger Legacy Class (the class 4-years prior to graduating class)



Dates to know...and join us!

Long Blue Line Leadership Conference & Weekend

- Jul 26-27: LBL Conference
- Jul 28-29: March Back and LBL Weekend events
- Chapter, Affinity, CAS, Scribes, BDs invited (*invites launch EOM May*)

2023 USAFA Reunions

- Aug 8-11 (Class of 1963 w/ Outdoor Leadership Complex Dedication)
- Sept 14-16 (Classes of 1968, 2013)
- Sept 28-30 (Classes of 1973, 1983, 1998, 2003)
- Oct 12-14 (Classes of 1988, 1993)
- Nov 3-4 (Class of 1978 w/ Army Football weekend)

Service Academy Football Game Experience Weekends

- AF vs Navy at Annapolis (Oct 20-21)
- AF vs Army at Denver (Nov 3-4)

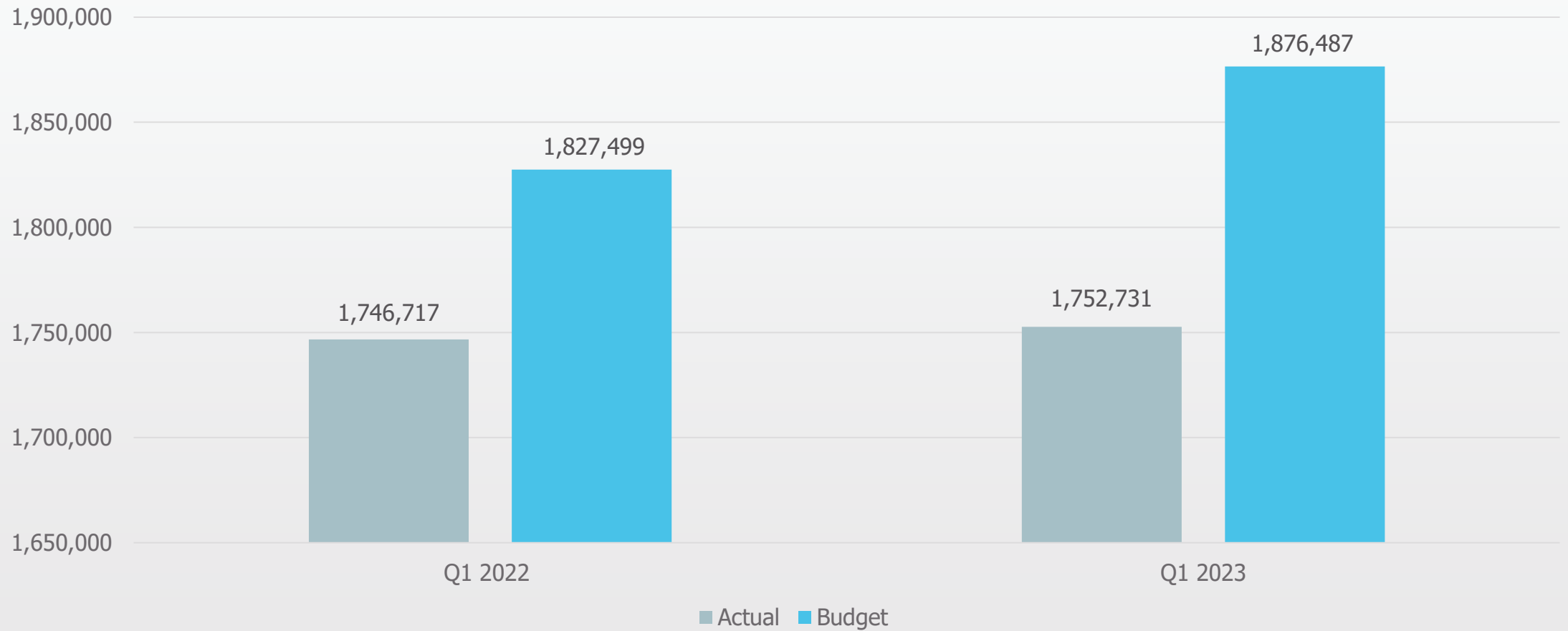




2023 Financial Update Willemarck

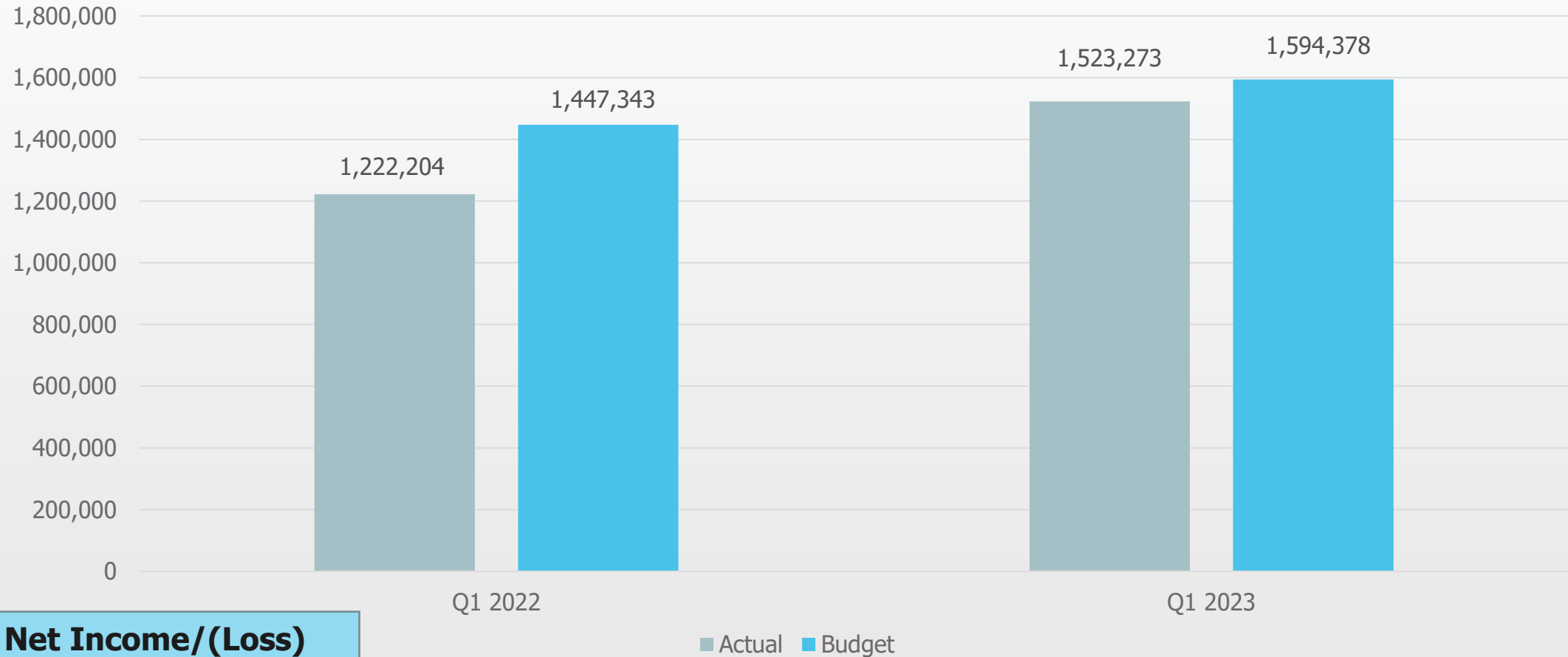
Total Operating Revenue

Budget to Actual



Total Operating Expenses

Budget to Actual

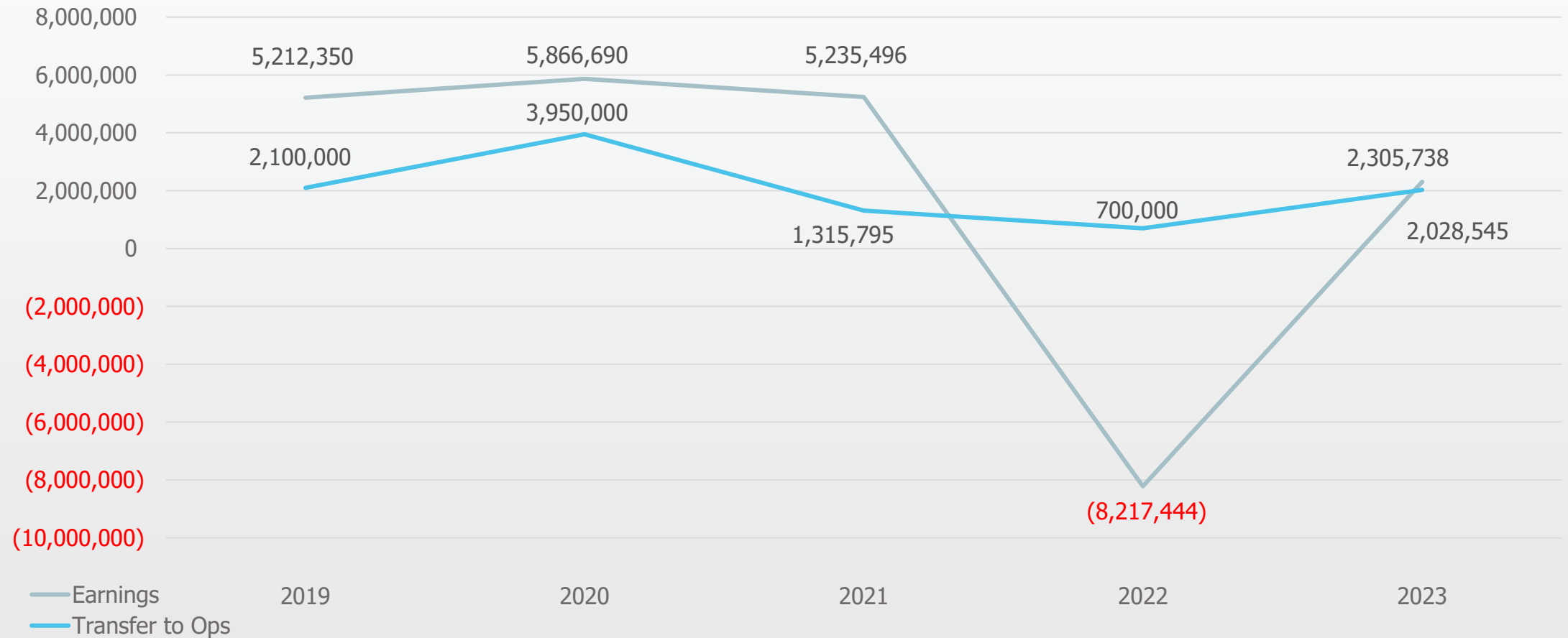


Net Income/(Loss)

Q1 2022	\$524,513
Q1 2023	\$229,458



Investment Earnings vs. Operating Investment Spend



Operations Funding Trends

	2019	2020	2021	2022	2023	Totals
Operating Income (Loss)	(\$1,830,519)	(\$2,388,946)	\$6,069,333	(\$3,415,258)	\$229,458	(\$1,335,932)
Investment Income (Loss)	\$5,212,350	\$5,866,690	\$5,235,496	(\$8,217,444)	\$2,305,738	\$10,402,830
Investment Income Used for Operations	(\$2,100,000)	(\$3,950,000)	(\$1,315,795)	(\$700,000)	-	(\$8,065,795)
Investment Income to Reserves	\$3,112,350	\$1,916,690	\$1,594,378	(\$8,917,444)	\$2,305,738	\$11,712

Statement of Activities – For the period ended March 31,

	2023 Actual	2023 Budget	Variance	2022 Actual
Operating Revenue	\$1,752,731	\$1,876,487	(\$123,756)	\$1,746,717
Salary & Benefits	884,357	941,720	(97,363)	759,697
Other Expenses	678,916	652,658	26,258	462,507
Total Operating Expenses	1,523,273	1,594,378	(71,105)	1,222,204
Operating Income (Loss)	229,458	282,109	(52,651)	524,513

Investment Income for Operations

4 Year Average \$2,016,449
2023 Available \$2,028,545



Statement of Financial Position- As of March 31,

	2023	2022
Assets		
Cash	\$197,163	\$1,348,619
Investments	51,938,295	56,979,717
Beneficial Interest in Trust	52,144,214	64,854,207
Other Assets	5,416,242	5,330,869
Total Assets	\$109,695,914	\$128,513,412
Liabilities & Net Assets		
Total Liabilities	\$3,650,341	\$3,948,583
Net Assets Without Donor Restriction	35,840,661	42,505,758
Net Assets With Donor Restriction	70,204,912	82,059,071
Total Net Assets	106,045,573	124,564,829
Total Liabilities and Net Assets	\$109,695,914	\$128,513,412

Graduate War Memorial Policy Discussion

Graduate War Memorial Policy (May 2016)

- Conceived by Richard Mathews, '60; privately funded by grads & parents; dedicated Homecoming weekend 1970; located in the Air Garden, replica at Doolittle Hall
- The inscription ***"In memory of our fellow graduates who have fallen in battle..."*** is a simple but eloquent statement of criteria for a name to be included on the memorial. The specific criteria are:
 - Graduates killed in direct hostile action;
 - Graduates killed within an area of conflict as the result of an incident which is in direct support of the activities therein;
 - Graduates killed outside an area of conflict while directly supporting the activities within that area of conflict will be considered on an individual basis by the AOG Board of Directors;
- Commander Job Price, '93 – submission and Board unanimous approval to add his name to the Graduate War Memorial

Discussion: Do the criteria need to be updated?

Graduate War Memorial Policy Updates

Consider revising the policy as follows:

The AOG Bylaws assigns responsibility for approving names to be placed on the Wall to the AOG Board of Directors. Submissions for placing a name on the Graduate Memorial Wall will be considered on an individual case-by-case basis by the AOG Board of Directors, in accordance with the following criteria:

- Graduates killed in direct hostile action;
- Graduates killed within an area of conflict as the result of an incident which is in direct support of the activities therein;
- Graduates killed outside an area of conflict while directly supporting the activities within that area of conflict ~~will be considered on an individual basis by the AOG Board of Directors,~~ or in support of National security objectives and interests

Additionally, consider creating and maintaining a private record of submissions and approvals for future Board reference

Election After Action (Grubbs)

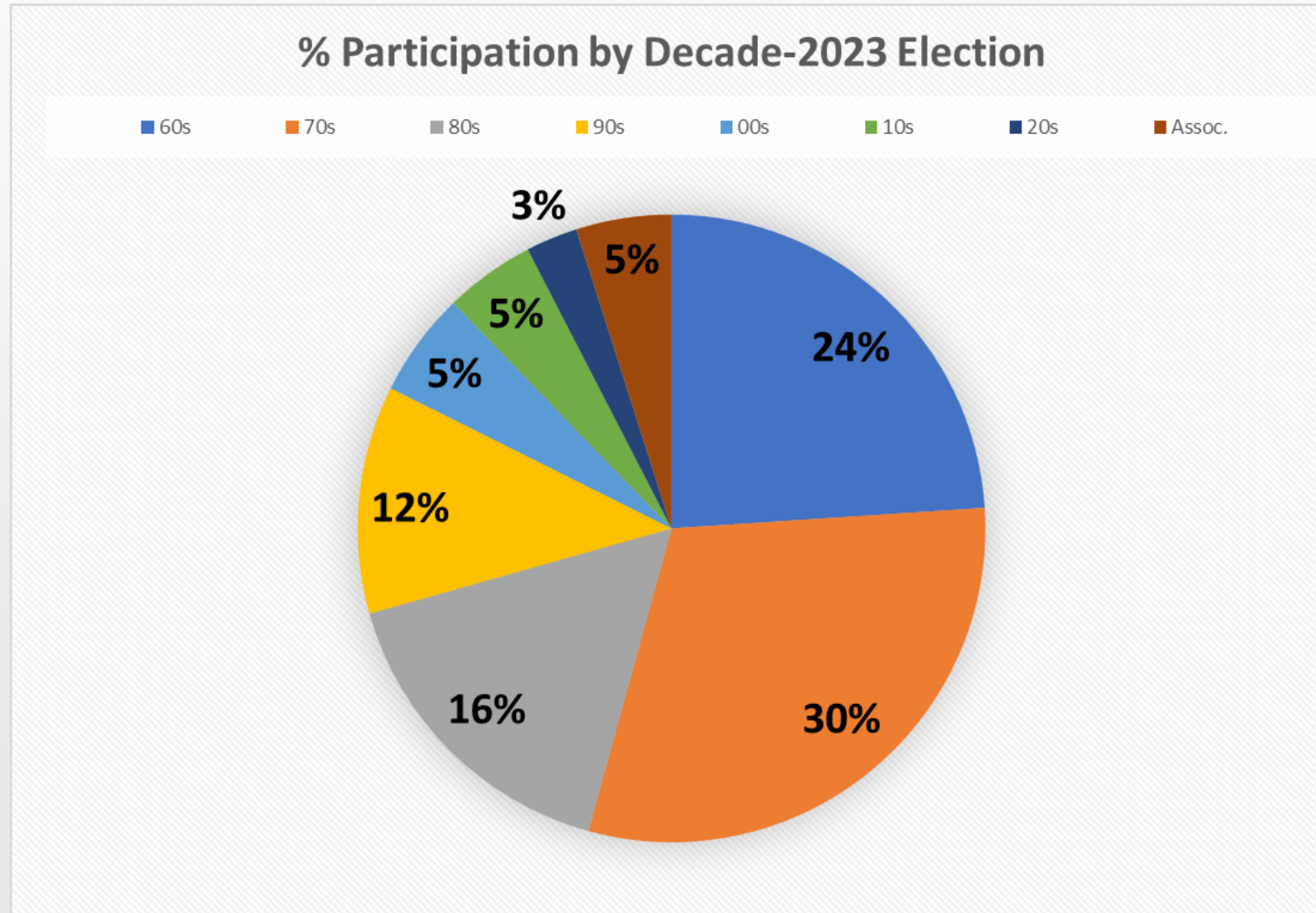
2023 Election

- 2/6/23 – 3/6/23
- Eligible Voters: 35,640
- Participation Results: 6,292 members voted
- 17.6%

2023 Special Election

- 4/10/23-4/24/23
- Eligible Voters: 35,740
- Participation Results: 4,950 Members voted
- 13.85%

Breakdown by Decade Participation



SBS

- Managed over 600 web elections from 2018-2022
- Average Voting Participation (5K-50K voters): 15.85%
- Comparable # of members (25K-50K)-response rate is 8.98%
- Length of voting: 30 days
- Reminders: 2

AOG

- Average voting participation 2015-2023: 21.44%
- AOG (no bylaw change) average: 15.76%
- Length of Voting; 30 Days
- Reminders: 4

Length of Voting:

- Increased to 60 minutes

Texting for Younger Graduates:

- Implementing in 2025 Election (SBS just started)

Biography read ahead:

- Working with SBS to provide All Bios on main page before voting starts

Video/Social Media Campaign:

- Increased awareness through Social media channels and short personal Board Videos

Candidate Statements:

- Generate 1-3 questions for each candidate to answer



Lt. Gen. (Ret) Bradford Shwedo '87
Director, Institute of Future Conflict

DISC Assessment (K. Lowe)

AOG Board Icebreaker

Director Kendra Lowe



*Know the enemy, know yourself;
your victory will never be
endangered.*

*Know the ground, know the
weather; your victory will then be
total.*

- Sun Tzu

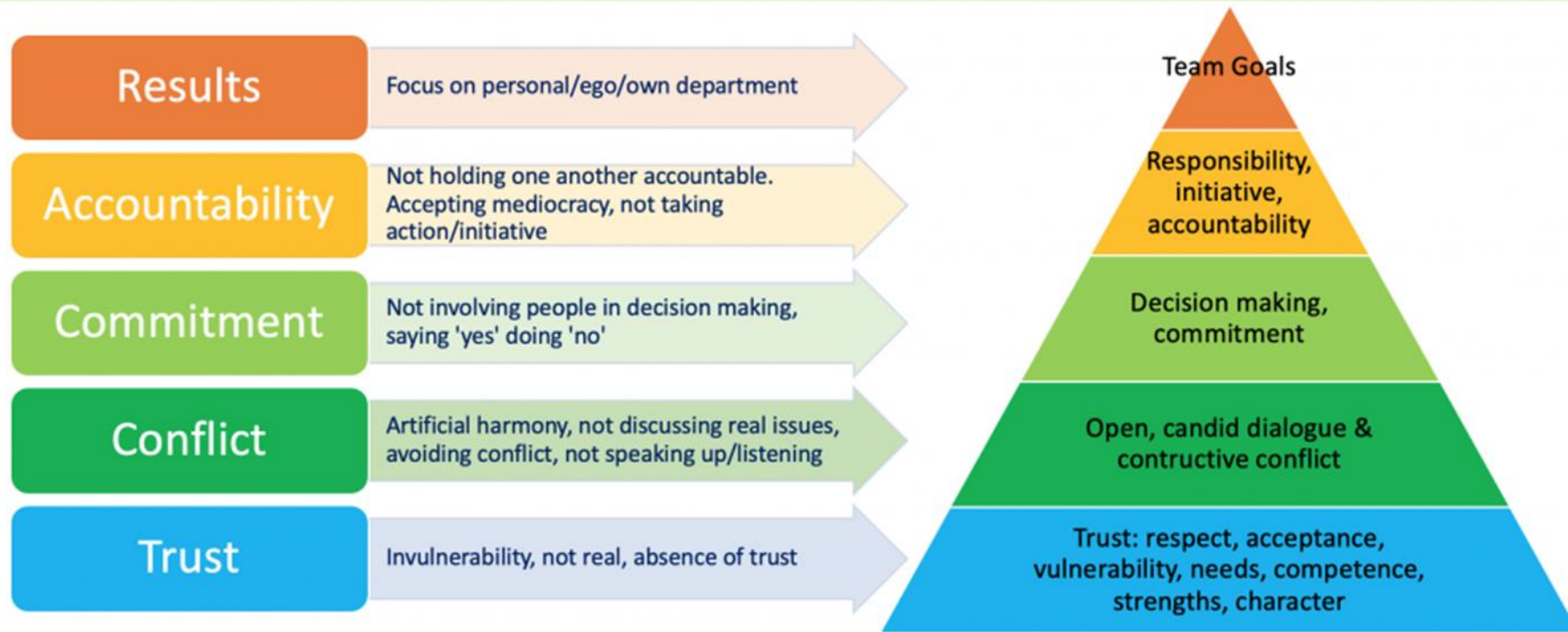
Focus Area

know the enemy → dysfunctional team resulting in an ineffective Board
know yourself → Board personalities, diversity of thought, how we interact
your victory will never be endangered → foundation of an effective Board

know the ground → Board processes / procedures / bi-laws
know the weather → dynamic, unpredictable situations / changing leadership
your victory will then be total → maximizing impact of effective Board

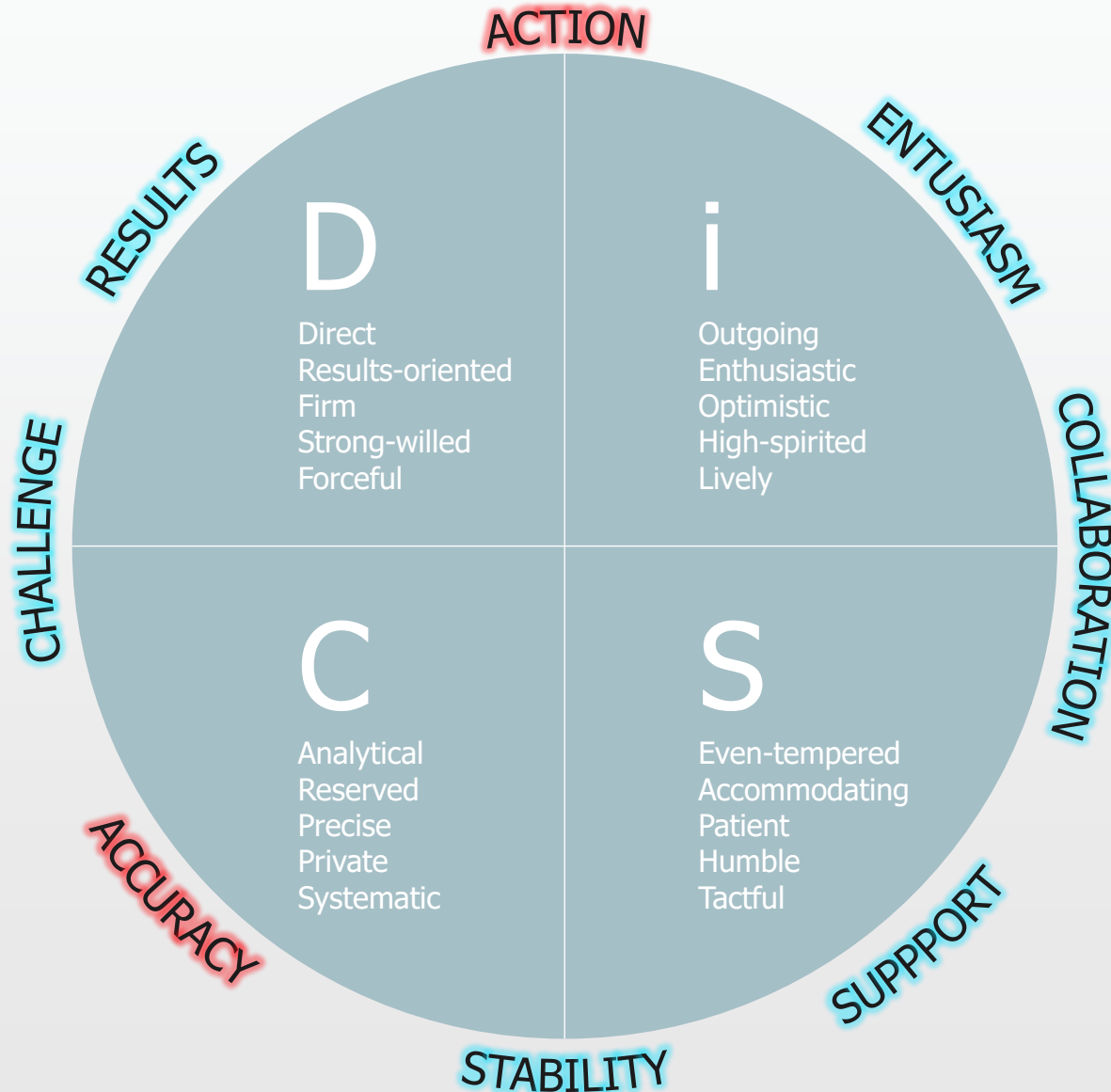
Know your enemy:

LENCIONI: 5 (DIS)FUNCTIONS OF A TEAM



Know yourself:

11x Dominance
1x influence



Culture of Dominance

Strengths

- Results
- Independence
- Achievement
- Decisiveness
- Success

Challenges

- Overanalyzing
- Highly Sensitive
- Perceived as Intimidating
- Perceived as Overwhelming

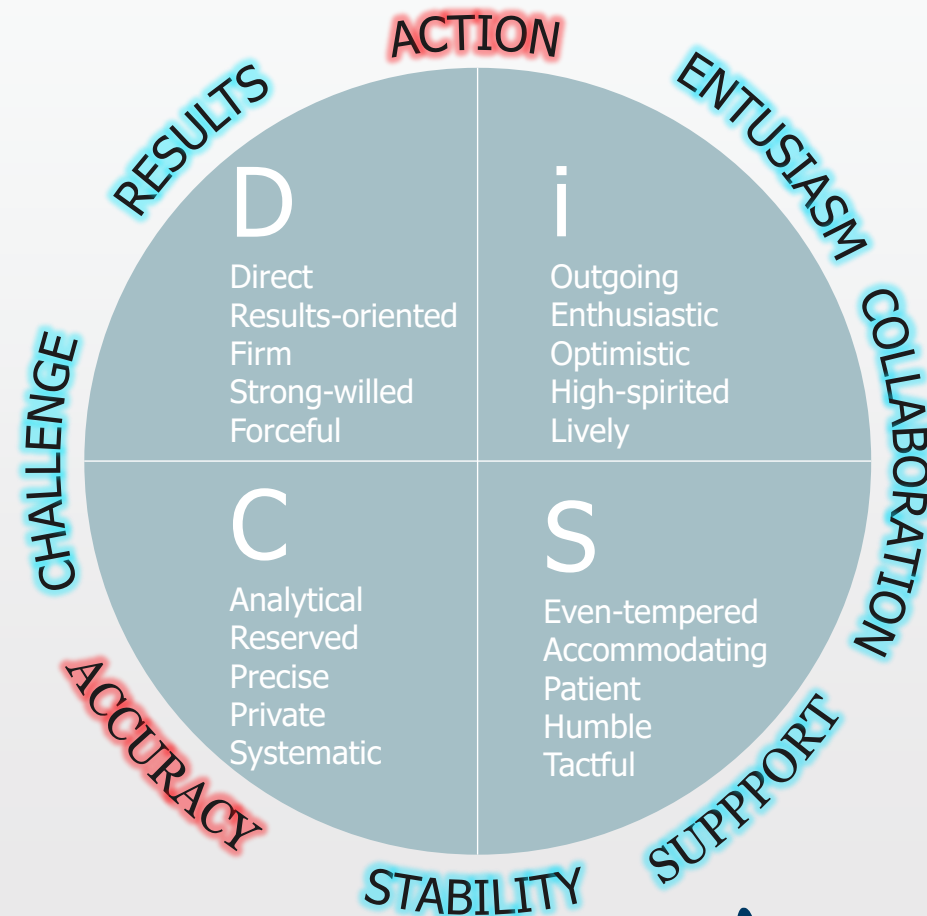
Our Enemy

Results	Focus on personal/ego/own department
Accountability	Not holding one another accountable. Accepting mediocracy, not taking action/initiative
Commitment	Not involving people in decision making, saying 'yes' doing 'no'
Conflict	Artificial harmony, not discussing real issues, avoiding conflict, not speaking up/listening
Trust	Invulnerability, not real, absence of trust

How do we avoid becoming our own enemy?



Ourselves



So What

The AOG Board needs individuals willing to take on different roles to build a well-rounded team.

Needed areas:

Influence→ expressing enthusiasm, taking action, encouraging collaboration

Conscientiousness→ ensuring accuracy, maintain stability, challenging assumptions

Steadiness→ giving support, maintaining stability, enjoying collaboration

Board Discussion

Do you agree with this assessment?

Have you experienced / observed signs of disfunction within our team?

Are you willing to adapt your personality / role for the team?

Does learning other personality styles help you in your current job?

How do you adapt?

Committee Updates

Governance Committee

Finance and Investment Committee Update (Strebe)

Restricted Funds Review

- **109** campaign, donor-restricted, quasi-endowment and true endowment funds held **\$68,522,131** as of December 31, 2022
 - Includes **\$52,144,214** Beneficial Interest in Moller Trust
- **23** funds have awarded/gifted a total of **\$1,927,550** during FY 2022
 - **6** donor-restricted funds gifted **\$1,506,713** (\$1,175,536 Moller Trust)
 - **7** quasi-endowment funds gifted **\$241,003**
 - **9** endowment accumulated earnings funds gifted **\$179,834**

Audit Committee (Bishop)

Motion to approve 2022 audit

CAS Update (Helms)

Executive Session

- Elevate YAEA Award (Bledsoe and Przybyslawski)

Desired Outcome: *Enhanced AOG recognition across the spectrum of graduates*

Key Stakeholders:

- ❖ AOG Staff
- ❖ AOG BoDs
- ❖ Graduate community
- ❖ Previous Award winners

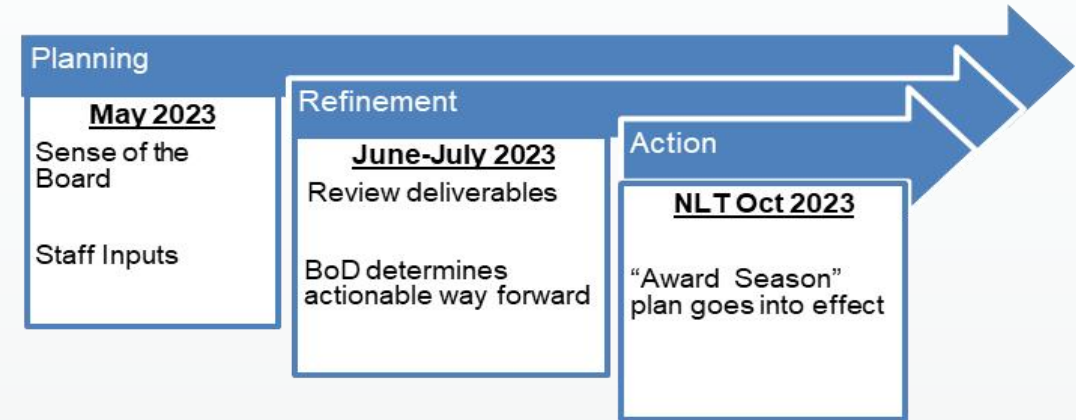


Expected Impact: High visibility event(s) connecting awarded graduates to The Long Blue Line network and Academy—specifically cadets.

Expected Deliverable(s):

- ☐ Estimated current & needed funding (\$K/Yr)
- ☐ Key engagement event(s) option(s) & timing
- ☐ Sustainment & feasibility—i.e. time, resources & bandwidth of AOG Staff/BoDs
- ☐ BoD required involvement —i.e. voting requirements if required/desired

Timeline:



Development Plan/Notes:

- Academy Foundation Collaboration
- Identifying candidate & voting processes
- Timeline constraints

Risks & Major Challenges:

- Overall messaging
- Financial impact
- Identifying candidate & voting processes
- Academy support and buy in

"Recognition is not a scarce resource. You can't use it up or run out of it."

Key Considerations

Current year

Option A: Falcon Nation Event 20 – 21 Oct

- Guinness Brewery in Baltimore.
- Invitation to Tailgate/Navy Game on 21 Oct
- Estimated \$1,200 per winner plus guest (travel stipend, food, lodging, game); total: **up to \$6,000**

Option B: Combined Board/USAFA Events 12 – 15 Oct

- Staff tower presentation + squadron interaction/lunch
- AOG & Foundation Dinner
- Invitation to Tailgate/Wyoming Game 14 Oct (Classes 1988 and 1993 Reunion weekend)
- Estimated: \$4,000 per winner + guest (travel stipend, food, lodging, game); total: **up to \$20,000**
- **Active Duty gift limits: \$20/item and \$50/yr**
- **Potential conflict with Reunion activities**

Key Considerations

Award Sustainment

- Implement AOG Comprehensive Awards program
 - Young Alumni: Graduation – 15 years; impact cadets
 - TBD Award: 15 – 40 years; impact Classmates
 - Distinguished Graduate: 40 years+; lifetime service
 - Jabara & Sullenberger Awards
 - “Space” Award
- USAFA Instruction update in coordination with CM
 - Allows use of TDY funds to support travel for Active Duty recipients
- Publish AOG Comprehensive Award Policy to include: eligibility, nomination, submission, schedule, selection, notification, recognition and budget

"Recognition is not a scarce resource. You can't use it up or run out of it."

Presentation from Membership

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
Joseph Bledsoe '11
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