



## SAME Foundation Board Meeting Notes

1400 - 1630, Thursday, Nov 1, 2018

Rm 219, New Orleans Morial Convention Center, New Orleans, LA

<b>Attended</b>		
Maj Gen (R) Tim Byers	RADM (R) Gary Engle	Julie Fisher
Angie Goral	COL (R) Bud Griffis	COL (R) Tony Leketa
VADM (R) Mike Loose	Maj Gen (R) Gene Lupia	Col (R) John Mogge
Jane Penny	Hal Rosen	MG (R) John Peabody
LTG (R) Robert Van Antwerp	Roger Wozny	Allison Ingram**
Kathy Off**	BG (R) Joe Schroedel**	Sally Riker**
Caroline Roberts**	LTC (R) Mike Darrow**	Susan Thames**
<b>Did not Attend</b>		
Eddie Gonzalez**	Ron Torgerson**	LTC (R) Scott Prosuch**

\*\*Non-voting

**Call to Order:** The board had a majority quorum of 14 people and proceeded IAW the Foundation Bylaws.

**Financial & Tax Report:** Allison Ingram provided the board with a financial report (Encl 1.) There is limited activity in the 2018 financial statements. No significant contributions have been received. The new revenue was generated from contributions made at the time of dues renewals, and investment income. The Foundation incurred two programmatic expenses: Camp Scholarships and Camp capital investment. The remaining expenses were for professional services. SAME President, Marvin Fisher, asked if the Foundation could/would accept donations from SAME. Yes, they will, just like any other donor, but the Foundation cannot rely on SAME donations for sustainability. Additionally, it was also mentioned that the Foundation could add a member to the SAME Audit Committee, if desired. The board decided there was no need to add a board representative to the audit committee at this time.

**SAME Strategic Report:** Joe Schroedel gave the Foundation Board a summary of board day activities and highlighted the official formation of the LDP TF and the Centennial Planning TF (CPTF). He also informed the board of the new Enlisted Committee and the 2025 Strategic Plan Work Group. Some changes for the Foundation to prepare for:

- President will change during SAME Awards Luncheon
- Morning Plenary will be focused on leadership and hosted by the Foundation (will include 2019 kick-off LDP class and in 2020, graduation and kick-off of the next class)
- John Mogge stated that it was important for the Foundation members to be present and vested in the event.
- It would also be an opportunity to recognize donors.

**Governance Report:** Hal Rosen proposed changes to the bylaws regarding term limits. After some discussion, it was determined that the Foundation is not yet in "Regular Order" meaning that there is no donor campaign in place. Once the Foundation is in Regular Order, the group will develop nominating guidelines for the Foundation which will include a statement of general criteria – like the Society. For now, it is sufficient to amend the bylaws to change the term limits as follows:

2.1.4 Term of Directors. Directors of the Foundation Board shall serve three (3) year terms. Terms shall be staggered. Directors may serve two (2) consecutive three (3) year terms.

This change will be included on the consent agenda for the May SAME Board of Direction meeting.

**Investment Report:** Gary Engle provided an update to the board from the Investment Committee (Encl 2). He reported a 2% growth for the quarter to date. The board is comfortable with the portfolio understanding that when the market is up, we are below benchmark because of the conservative nature of our investments. When the market changes, it is prudent to be on the conservative side to maintain our fiduciary responsibility to donors.

**Marketing Report:** Jane Penny provided sample marketing materials (both internal and external – updated versions in Encl 3) to the group. The group was happy with the materials and final comments will be collected by Jane before November 15, 2018. The team would like suggestions on mid-level “spokespersons” to include in the material.

Jane shared an idea for a fundraising campaign involving a Fellows Class competition. Class donations and external donations brought in by class members would be tracked to determine the winning class. The class would receive public recognition. This idea will be examined by the Distinguished Fellows Committee of the AOF in conjunction with the Foundation (there are several crossover members). It was determined that regardless of the amount of money raised, it would be a good internal marketing opportunity.

**Stewardship Report:** The Stewardship Policy draft is complete. Julie Fisher will send to a couple additional board members for review before publishing. It will be released to the board by November 15, 2018.

**Internal Outreach Report:** Roger Wozny gave an update on internal outreach and has already updated the informational slides and FAQs posted to the website (Encl 4 & 5) based on discussion regarding the management and brokerage fees – they should not be separated. The Foundation will seek unrestricted donations and not pass the cost to the Post. Those giving Post briefings should continue to note that this is a service to Posts that will free-up volunteer time and liability, but it is not the primary purpose of the Foundation and Posts are not required to transfer scholarship funds to the Foundation. However, it is also important to note the opportunity for anybody to donate. John Mogge reminded the board that these briefings are meant to be opportunistic and no board members are expected to make a stand-alone trip.

**Post Funds Policy Report:** The Post Funds policy may require minor editing as a result of the management fee and minimum investment decisions made in September. Hal Rosen will review the policy and edit as necessary. No further changes are required and any Post many now invest.

**LDP Report:** Angie Goral gave a report on the status of the Leader Development Program. Application period is now open and demand is very high. RVPs must choose one person per region to attend the program. The team may call on the Foundation board members to fill any speaking holes in the program and this was well received. On the proposed budget, the flight expense was listed as a potential Post cost. The board agreed that this comment could be removed and that the cost would be covered by the Foundation. John Mogge stressed the fact that this is not a pilot program, but indeed the first class and as such it represents a “proof” of performance to potential donors.

**Centennial Planning Report:** Tony Leketa told the board that he had made contact with the Centennial Task Force Chair, Bob Bevins, and that the group was still in its early stages of volunteer recruitment. Tony mentioned the Centennial book that will be published and stated that it could be a tool to solicit donations for the Foundation. The group agreed that it will be up to the Foundation to determine where the fit is in Centennial Planning and Celebrations. Tony will work very closely with Bob Bevins to identify potential areas of collaboration.

**Fundraising Report:** John Mogge and Hal Rosen reiterated the road blocks they met with corporate solicitation. They found that it is important to have somebody on the inside of the organization as an advocate. It will

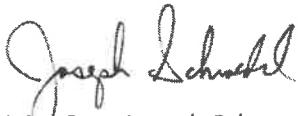
require serious networking and consequently, John Mogge has asked that board members consider mapping their networks and sharing them with Hal and himself to inform a larger targeted effort. The Fundraising Committee will be expanded to include Gene Lupia, Gary Engle, and Mike Loose. Mike Loose also mentioned approaching NDIA to research corporate foundations in existence and determine the opportunity for the SAME Foundation to fill any gaps. It was mentioned again that fundraising efforts may require professional help. John Mogge commented to the board that in his view much of the work to begin moving to a more regular order is complete or nearing completion and the fund raising needs to become the principal line of effort for the board.

Joe Schroedel outlined a SAME gift of professional help to the Foundation. SAME solicited Kathy Swayze to perform a limited scope of work in the form of an annual giving campaign targeted to individuals. She will evaluate the membership and provide a test plan. It was noted that this approach fits with the AOF Class idea. There is no risk to the Foundation. There was discussion about whether the Foundation wants to start with planned, annual or corporate giving campaigns. The expanded Fundraising Committee will research this before accepting the gift.

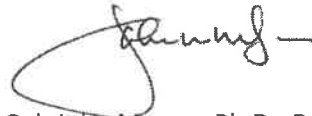
**Next Meeting:** The next meeting will be at SAME Capital Week (11-13 March, 2019), Date & Time TBD.

- Encl 1: Financial Statement
- Encl 2: Investment Report
- Encl 3: Marketing Flyers
- Encl 4: Updated Briefing
- Encl 5: Updated FAQs
- Encl 6: Action Tracker

Minutes approved, November 7, 2018



Brig. Gen. Joseph Schroedel, P.E., F.SAME, USA (Ret.)  
Executive Director, SAME Foundation



Col. John Mogge, Ph.D., RA, F.SAME, USAF (Ret.)  
President, SAME Foundation



Statement of Financial Position  
As of September 30, 2018

**Assets**

Cash	\$	48,432
Due from SAME		3,175
Prepaid Expenses		6,600
Investments Held for Posts		380,741
Investments		1,035,379
<b>Total Assets</b>	<b>\$</b>	<b>1,474,328</b>

**Liabilities and Net Assets**

**Liabilities**

Accounts Payable	\$	-
Investments Held for Posts		380,742
Due to SAME		13,323
<b>Total Liabilities</b>		<b>394,065</b>

**Net Assets**

Net Assets Unrestricted		796,291
Net Assets Temporarily Restricted		9,747
Net Assets Permanently Restricted		274,226
<b>Total Net Assets</b>		<b>1,080,264</b>
<b>Total Liabilities and Net Assets</b>	<b>\$</b>	<b>1,474,328</b>



Statement of Activities  
September 30, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>Revenue</b>				
Individual Contributions	\$ 5,938			\$ 5,938
Corporate Contributions	340			340
Estate Contributions		240		240
Dividends and Interest	14,445			14,445
Unrealized Gains and Losses	(61)			(61)
<b>Total Revenue</b>	<b>\$ 20,662</b>	<b>\$ 240</b>	<b>\$ -</b>	<b>\$ 20,902</b>
<b>Expenses</b>				
Professional Services	\$ 27,130			\$ 27,130
Offices Supplies	-			-
Board Activities	-			-
Scholarships	12,500			12,500
Camps	5,000	1,160		6,160
Bank Fees	5,022			5,022
<b>Total Expenses</b>	<b>49,652</b>	<b>1,160</b>	<b>-</b>	<b>50,812</b>
<b>Change in Net Assets</b>	<b>\$ (28,990)</b>	<b>\$ (920)</b>	<b>\$ -</b>	<b>\$ (29,910)</b>



## Investment Committee Update

**Gary Engle**

1 November 2018 Foundation Board Session


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### Investment Committee Update Topics


- Drafted SAME Investment Policy for Approval
- Established a rotation of 1-2 new Investment Committee members per year, with a ~3 year term for a max of 5 people.
- Added 3 new Members to our Investment Committee! Team is:
  - [Gary Engle](#)
  - [Mark Handley](#)
  - [Allison Ingram](#)
  - [Candis Hamilton](#) - Candis taking a leading role in setting the agenda and ensuring we follow up on action items. Minutes of the meetings, set up meetings, set agenda, etc.
  - [Brandi Dennis](#) - Brandi taking a lead role in investment analysis. She will take the lead and coordinate our discussion with the Investors (Orlon, Baird, next).
  - [Mark Zanardi](#) – **NEW** – (Accounting background - Vice President of Finance at Continental Heavy Civil Corp)
  - [Joe O'Brien](#) – **NEW** - (Vice President - Finance, Special Projects, Senior Engineer at O'Brien Engineering, Inc.)
  - [James V Works](#) – **NEW** – (Panama City Post Treasurer: served in nonprofit treasurer roles, good financial acumen)
- Succession Planning for the Committee (Gary and Mark short term)


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### Financial Investment Performance through 30 Sept 2018

- ❖ Analyzed Third Quarter Update with DiMeo Schneider & Associates LLC (Manager) on 25 October
- ❖ Key Takeaways:
  - ✓ QTD: **2.00%** vs 2.17% benchmark; YTD **1.22%** vs 1.93% benchmark
  - ✓ Still within our set guidelines on performance, but steadily under-performing against the customized benchmark
  - ✓ Similar under-performance of the SAME portfolio, but at roughly 0.5% lower returns due to risk profiles (we are more conservative)
  - ✓ Significant Market correction in October. Portfolio lost most YTD gains, but portfolio is closer to benchmarks since 9/30 close.
- ❖ Committee Discussing:
  - ✓ Approach forward with manager reporting – more specifics on actions ahead and any recommended adjustments
  - ✓ Any recommendations on risk profile modification

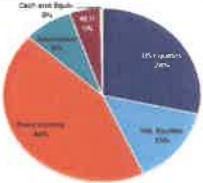




**Investment Activity (06/30/2018 to 09/30/2018)**

Opening Market Value	5,266,443
Net Cash Flow	-2,083
Appreciation	27,726
Closing Market Value	1,414,087
Portfolio Return	2.00
Weighted Fee	0.54

**Asset Allocation**




Asset Class	Weight
US Equities	28.51
Int'l. Equities	14.58
Fixed Income	43.58
Alternative	7.93
REIT	5.00
Cash and Equiv.	0.40

### PORTFOLIO SNAPSHOT

06/30/2018 to 09/30/2018

Portfolio Description	Market Value	Weight (%)
Schwab S&P 500 Index	211,636	22.18
Inves Enterprise Mid Cap Growth	23,464	1.66
Vanguard Mid Cap ETF	21,989	1.56
Harbor Small Cap Value	21,370	1.51
Vanguard Small Cap ETF	22,725	1.61
Handing Loewner Int'l Gr	57,544	4.07
Harbor Int'l Value	54,021	3.82
Vanguard FTSE Developed Mkts ETF	47,199	3.34
Lasard Emerging Mkts	47,427	3.35
JF Morgan Strategic Income	76,554	5.44
Loomis Sayles Invest Grade	77,247	5.46
Metropolitan West Total Ret	230,388	16.29
Western Asset Core Bond	230,047	16.27
Blackstone Alternative Multi Strategy Fund	56,994	4.03
Eaton Vance Absolute Return	55,092	3.90
iShares Core US REIT	70,754	5.00
Money Market	5,612	0.40
<b>Total</b>	<b>1,414,087</b>	<b>100.00</b>



**SOCIETY OF AMERICAN MILITARY ENGINEERS**

**MANAGER PERFORMANCE**  
04/30/2017 to 09/30/2018

Analysis / Benchmark	Inception Period	AUM (Mn)	QTD	YTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	10 Yr.	Investment
<b>Total Portfolio</b>	05/2017 (1.4 yr)	1,414,087	2.00	1.22	3.87					<b>5.48</b>
<b>CPM</b>			0.50	1.61	2.22					<b>2.21</b>
<b>Customized Benchmark</b>			2.17	1.93	4.50					<b>6.16</b>
<b>US Equities</b>										
Schwab S&P 500 Index	05/2017 (1.3 yr)	313,658	7.71	10.27	17.59					17.28
S&P 500		22,276	7.71	10.57	17.91					17.53
James Enterprise Mid Cap Growth	05/2017 (1.3 yr)	23,464	7.07	14.57	20.88					22.31
Russell MidCap Growth		1.7%	7.57	13.39	21.11					20.97
Vanguard Mid Cap ETF	05/2017 (1.3 yr)	21,989	4.16	6.85	13.95					12.60
CRSP US Mid Cap TR USD		1.6%	4.65	7.37	13.43					13.46
Harbor Small Cap Value	05/2017 (1.3 yr)	23,370	1.28	3.90	10.68					13.04
Russell 2000 Value		1.5%	1.61	7.14	9.34					10.53
Vanguard Small Cap ETF	05/2017 (1.3 yr)	22,725	4.44	10.29	15.95					15.32
CRSP US Small Cap TR USD		1.8%	4.26	11.01	16.68					16.90
<b>Asset Class Total</b>		403,207	6.99	9.95	17.05					16.96
<b>Intl. Equities</b>										
Harding Loevner Int'l Gr	05/2017 (1.3 yr)	57,544	1.67	0.69	5.21					10.61
MSCI EAFE		4.1%	1.36	-1.42	2.74					8.37
Harbor Int'l Value	05/2017 (1.3 yr)	54,021	-3.83	-5.50	-3.44					2.55
MSCI EAFE		3.8%	1.36	-1.42	2.74					8.37
Vanguard FTSE Developed Mkts ETF	08/2017 (1.1 yr)	47,199	0.86	-2.49	1.74					4.38
FTSE Developed ex North America NR USD		3.3%	1.29	-1.86	2.93					4.90
Lazard Emerging Mkts	05/2017 (1.3 yr)	47,427	-1.63	-13.15	-7.70					-0.77
MSCI Emerging Markets Net		3.4%	-1.09	-7.66	-0.79					7.86
<b>Asset Class Total</b>		206,192	-0.76	-5.11	-1.02					4.27



# A RICH LEGACY OF LEADERSHIP AND SERVICE TO AMERICA.

Charles Dawes  
30th Vice President of  
the United States 1925  
to 1929



SAME President 1928

General of the Army  
Douglas MacArthur  
1956 SAME Charter  
Member



Sophia Gull



Sophia Gull is currently a sophomore, civil engineering major at The Ohio State University in Columbus, Ohio. She attended her first SAME meeting as an eighth grader after the NOVA chapter awarded her the 2012 Best Project Award at the Arlington Diocese Science Fair. Sophia said, "attending the SAME camp sparked my interest in field of civil engineering and, eventually, solidified my decision to pursue a degree in the field." Sophia was awarded a 2016 NOVA's Post Scholarship to attend OSU. This past summer, she worked as a project controls intern at Jacobs in Arlington, VA.

Cadet Jacob Cheesman



Cadet Jacob Cheesman camper USAFA 2014, USCGA AIM program 2016 and USCGA 2017 Major, systems engineering. SAME Student member

"I have been a member of this Society since its inception....I have belonged to many distinguished groups but none in which I have a greater sense of honor than in the Society of American Military Engineers."

Dear Colleague,

We can all agree that having a pipeline of strong engineers is critical to the success and future security of our nation. The Society of American Military Engineers leads collaborative efforts to identify and resolve national security infrastructure-related challenges. Founded in 1920, SAME unites public and private sector individuals and organizations from across the architecture, engineering, construction, environmental and facility management, cyber security, project planning, contracting and acquisition, and related disciplines in support of national security. Headquartered in Alexandria, Va., SAME is a unique organization united public and private sector, and provides its more than 30,000 members extensive opportunities for training, education and professional development through a robust offering of conferences, workshops, networking events and publications. With a membership that includes recent service academy graduates and retired engineering officers, project managers and corporate executives, uniformed and public sector professionals and private sector experts, SAME bridges the gaps between critical stakeholders to help secure our nation.

## Your contribution to the Society of American Military Engineers Foundation will:

- Inspire, develop, and mentor the next generation of STEM, military, government civilian, and A/E/C industry leaders
- Support unique Engineering and Construction camps to inspire high school student interest in STEM and to teach real-world teamwork and leadership skills
- Provide scholarships to deserving students pursuing degrees in Science, Technology, Engineering and Mathematics (STEM)
- Integrate Military Engineers, Architect/Engineer/Construction (A/E/C) industry, academia, and professional societies in order to support National security and protect the Nation
- Assist transitioning military service members pursuing careers in engineering and construction
- Integrate/leverage lifelong learning and continuing education programs to accelerate professional development and growth
- Accelerate technology transfer/ advancement between industry, academia, and governmental agencies engaged in creating, improving, and protecting critical infrastructure



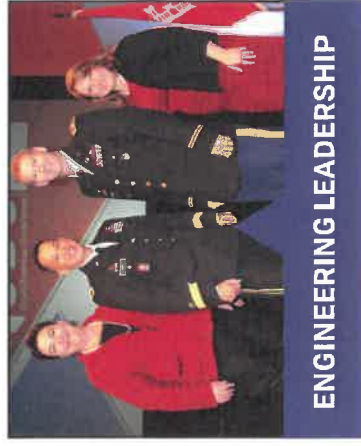
For additional information about the Foundation or how we can support your legacy, please contact **NAME, EMAIL, PHONE**



## WHAT'S YOUR LEGACY?

# THE SAME NATIONAL FOUNDATION

The goal of the SAME National Foundation is to promote engineering leadership through STEM development, mentorship, and to create opportunities to grow national prosperity, innovation, and security. SAME promotes an inclusive culture in engineering to cultivate new ideas and pursue engineering discovery that achieves a significant science, technology, and societal outcome to support our mission. To achieve this mission the SAME Foundation undertakes special initiatives that reflect compelling opportunities for impact.



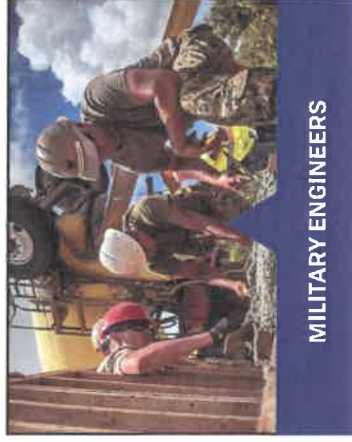
ENGINEERING LEADERSHIP

SAME Foundation promotes engineering leadership through local and national peer councils from around the United States to communicate and share ideas to be more effective in organizations. To achieve these goals, SAME Foundation funds professional development and career advancement of SAME members, and future members



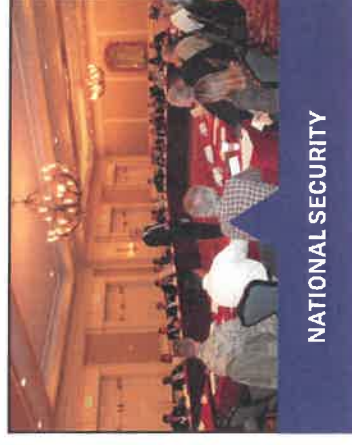
STEM

SAME Foundation is committed to providing generous funding to STEM education outreach activities for students from elementary school through college. By supporting a pipeline of programs, events, and campaigns which focus on student achievement, teacher development, and gender and ethnic diversity we inspire tomorrow's scientists, engineers and mathematicians.



MILITARY ENGINEERS

SAME Foundation is committed to the development of innovative programs designed for our active-duty service members and veterans to promote the achievement of their personal aspirations and career goals focusing on degree completion, as well as connecting users with career coaching and specific job opportunities based on their interests and training.



NATIONAL SECURITY

SAME Foundation is focused on supporting the security of the Nation through the study and development of acquisition, sustainment, and maintenance of essential national infrastructures which include resilience in transportation, water, power, and industrial hazards remediation. We aim to drive innovative approaches, improve safety and value through education, recommendations, and collaboration.





607 Prince St. in Old Town  
Alexandria, Va | Donate today by  
visiting [www.same.org/foundation](http://www.same.org/foundation)



**AMERICA'S FUTURE IS BRIGHT. LET'S HELP MAKE IT BRIGHTER.**  
Make a Donation Today!

## THE IMPACT



- Inspire, develop, and mentor the next generation of STEM, military, government civilian, and A/E/C industry leaders
- Support unique Engineering and Construction camps
- Provide scholarships to deserving students pursuing degrees in STEM
- Integrate Military Engineers, A/E/C industry, academia, and professional societies
- Assist transitioning military service members pursuing careers in engineering and construction
- Integrate/leverage lifelong learning and continuing education programs
- Accelerate technology transfer/ advancement between industry, academia, and governmental agencies

## WHAT WE DO

The goal of the SAME National Foundation is to promote education through STEM development, mentorship, and to create opportunities to transform national prosperity, innovation, and security. SAME promotes an inclusive culture in engineering to cultivate new ideas and pursue engineering discovery that achieves a significant science, technology, and societal outcome to support our mission. To achieve this mission the SAME Foundation undertakes special initiatives that reflect compelling opportunities for impact.



### ENGINEERING LEADERSHIP

SAME Foundation promotes engineering leadership through local and national peer councils from around the United States to communicate and share ideas to be more effective in organizations.



### SUPPORT STEM

SAME Foundation is committed to providing generous funding to STEM education outreach activities for students from elementary school through college.



### SUPPORT MILITARY ENGINEERS

SAME Foundation is committed to the development of innovative programs designed for our active-duty service members and veterans to promote the achievement of their personal aspirations



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# STUDENT SPOTLIGHT



**Sophia Gull**

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Cadet Jacob Cheesman camper USAFA 2014, USCGA AIM program 2016 and USCGA 2017. Major, systems engineering. SAME Student member

THE SAME FOUNDATION



607 Prince St. in Old Town Alexandria, Va  
Donate today by visiting [www.same.org/foundation](http://www.same.org/foundation)

# AMERICA'S FUTURE IS BRIGHT.

# LET'S HELP MAKE IT BRIGHTER.

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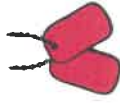
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## DID YOU KNOW?

That in 2016 China had 4,700,000 STEM graduates and the U.S.A. only had 568,000?

That the average age of engineers are 43 years old, and the average age of retirement is 62? Meaning we need more students interested in STEM!

That only 32% of engineers are minority? An emphasis on creating diversity matters.

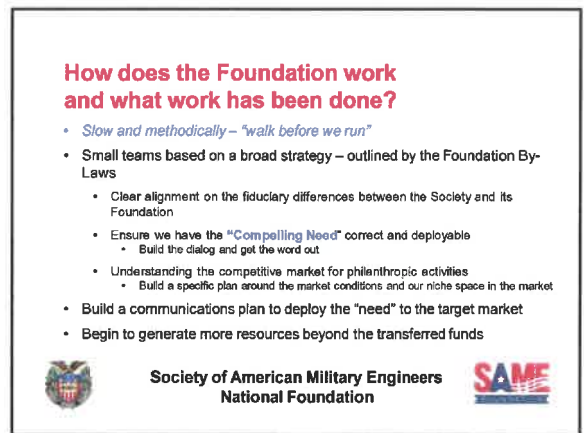
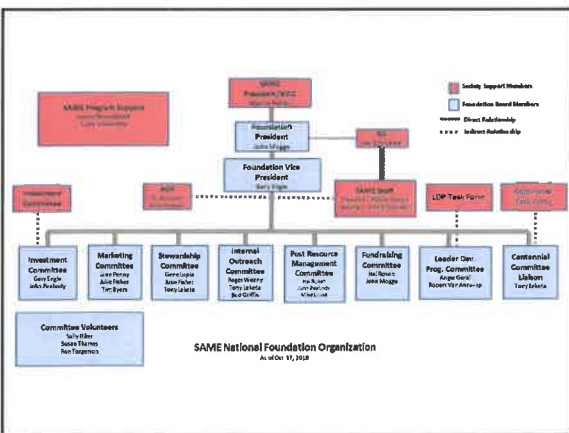
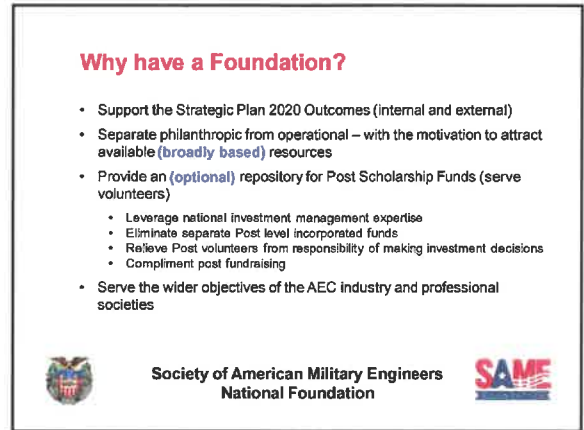
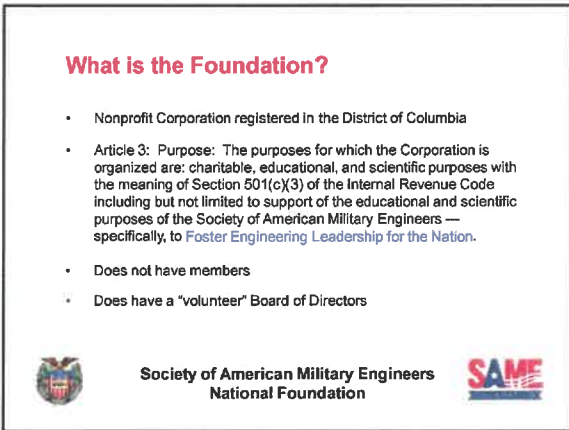
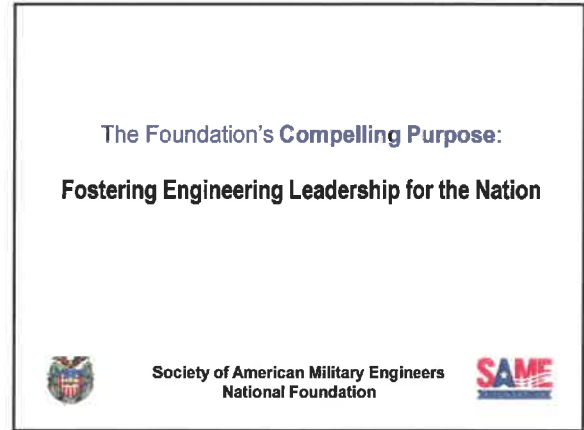
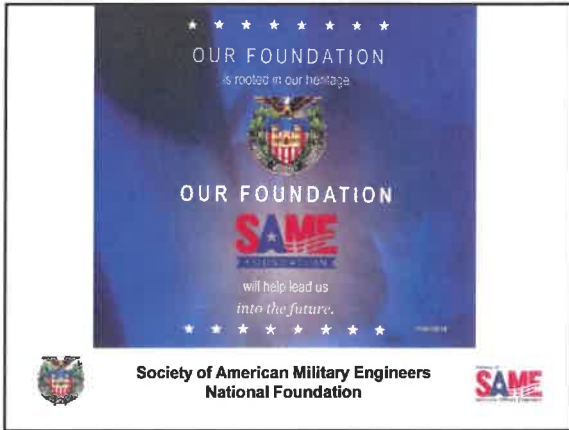
The U.S. has approximately 7.6 million engineering jobs that pay \$42 per hour in median wages. Civil engineers account for the most jobs of any engineering field, but there are less graduates who choose Civil over other Engineering fields.

The proportion of engineering degrees awarded to women reached a 10-year high in 2017, but there is still a shortage of women engineers in the industry.

## Make a Donation Today!







### What can you do to help the Foundation?

- Be articulate about your Foundation
  - What it is and what it is not!
  - Separate out the rumors from the facts
- Be an advocate for its broad purpose to individuals and corporations and organizations beyond our ranks
- Promote the “Compelling Need” – help find the needy
- Volunteer to help the committees with their tasks – no board membership required to do this
- Stay current on the affairs of the Foundation – website monthly
- Make personal and/or corporate contributions to the Foundation and encourage SAME members and non-members to do so




Society of American Military Engineers  
National Foundation




### Frequently Asked Questions

1. How will the Foundation funds be spent?
2. Who can donate to the Foundation?
3. Can Posts transfer funds to the Foundation?
4. Can Posts draw funds for operational purposes?
5. How are funds invested and managed?
6. Can restrictions be imposed on the way the money is spent?
7. What is the difference between unrestricted, temporarily restricted and permanently restricted support?
8. Will Posts be charged a management fee?




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### Frequently Asked Questions

1. How will the Foundation funds be spent?
  - Funding Member professional development and career advancement
  - Stipends for member travel to SAME events
  - Supporting SAME Engineering and Construction Camps
  - Promoting Science Technology Engineering Math (STEM) - related activities
  - Providing scholarships to students pursuing STEM-related degrees
2. Who can donate to the Foundation?
  - Any SAME member, non-member, individual, firm or organization (public or private, for-profit or not-for-profit)




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### Frequently Asked Questions

3. Can Posts transfer funds to the Foundation?
  - Yes, to ease the Posts' administration burden of investing and fund distribution
  - Governed by a specific agreement between Post and Foundation regarding fund spending and distribution
4. Can Posts draw funds for operational purposes?
  - Funds required for annual operations should not be invested with the Foundation



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### Frequently Asked Questions

5. How are funds invested and managed?
  - All Foundation assets will be invested with oversight of an Investment Management Committee under the provisions of the Foundation Investment Policy stipulating a long term view
  - Returns are compared to industry benchmarks to ensure the fund is performing to expectations
  - Investment Management Committee reviews performance quarterly
  - A foundation-specialized investment management advisor is retained
  - Fund size allows investment manager/brokerage fee (currently 0.6%) which is below industry average and expected to decrease as Fund corpus grows




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### Frequently Asked Questions

6. Can restrictions be imposed on the way the money is spent?
  - When money is contributed to the Foundation, the donor can limit the spending of the amount to a specific use or time criteria
7. What is the difference between unrestricted, temporarily restricted and permanently restricted support?
  - First, the Foundation welcomes all forms of support
  - **Unrestricted support** includes all forms of contributions to the Foundation that can be spent, based on the discretion of Foundation leadership





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**Frequently Asked Questions** 

7. What is the difference between unrestricted, temporarily restricted and permanently restricted support? (continued)



- **Temporarily restricted** includes all forms of contributions to the Foundation that can be expended but must be for a specific purpose (time or use)
- **Permanently restricted** includes all forms of contributions which are not expendable by the Foundation, such as an endowment fund where the Foundation can use the investment earnings, but not the corpus


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**Frequently Asked Questions** 



8. Will Posts be charged a management fee?

- A modest management fee will be assessed Posts placing funds with the Foundation. It includes headquarters administration and the investment advisor/brokerage fee which will be deducted from investment earnings
- The purpose of the Foundation is to support the overall strategic goals of the Society, which includes supporting the Posts
- The Foundation will seek unrestricted contributions to support the administration of the Foundation and *will not pass the costs* on to the Post.
- Suggested minimum investment thresholds: Small Post: \$20K, Medium Post: \$30K, Large Post: \$50K



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Other questions – <http://www.same.org/foundation>  
or  
Allison Ingram, SAME Director of Finance and Administration  
703) 549-3800 ext. 130 [aingram@same.org](mailto:aingram@same.org)

 **Society of American Military Engineers  
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The Foundation's **Compelling Purpose:**  
**Fostering Engineering Leadership for the Nation**



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OUR FOUNDATION  
is rooted in our heritage.



OUR FOUNDATION  
**SAME**  
FOUNDATION

will help lead us  
into the future.

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In 2011, The Society of American Military Engineers (the "Society") established an Education and Mentoring Fund ("E&M Fund".) The E&M fund was founded to promote the educational, professional development and mentoring goals of the Society. In conjunction with the *2020 Strategic Plan* creation, the Society filed the necessary IRS paperwork to form The Society of American Military Engineers Foundation ("Foundation") as a separate 501(c)3 tax exempt organization. The Foundation was established in spring 2016.

The Foundation creates a separation of the philanthropic objectives of the Society from the Society's day to day operations. The Foundation also provides a secure and beneficial repository for charitable and other bequeaths from members of the Society and the public at large. Initially, the Foundation accepted the transfer of the Society's Education and Mentoring Fund (approximately \$900,000) and will continue to honor previous E & M donor-imposed restrictions. The Foundation expects to grow rapidly through aggressive fundraising campaigns in the years prior to the SAME Centennial in 2020.

[www.same.org/foundation](http://www.same.org/foundation)

## **FREQUENTLY ASKED QUESTIONS**

### **How will the Foundation funds be spent?**

The primary purpose of the Foundation is to continue to promote the strategic goals of the Society and to support the development and growth of members and future members. Therefore, spending will include but is not limited to the following:

- Funding member professional development and career advancement programs, including negotiating certification discounts and then funding the programs
- Providing stipends to fund member travel to SAME events
- Supporting SAME Engineering & Construction Camps
- Promoting Science Technology Engineering Math (STEM) - related initiatives
- Providing scholarships to students who are pursuing degrees in STEM-related fields

### **Who can donate to the Foundation?**

Any SAME member, non-member, individual, firm or organization (public or private, for-profit or non-profit) can donate to the Foundation.

### **Can Posts transfer funds to the Foundation?**

Absolutely. The Foundation welcomes and values funds from Posts. In fact, the Foundation aims to ease the Posts' administrative burden of investing and fund distribution.

Assuming that Post spending objectives are consistent with the purposes of the Foundation, the Post and the Foundation will enter into an agreement that specifies fund spending and designations.



### **Can Posts draw funds for operational purposes?**

As explained above, the objectives of the Foundation are specific. Therefore, if some of the funds are required for operational needs, that money should not be invested with the Foundation.

### **How are funds invested and managed?**

All Foundation assets will be invested with oversight of an investment committee and under the provisions of an Investment Policy Statement. This statement specifies that the Foundation funds are to take a long-term view. The statement also requires that investment returns are compared to industry benchmarks to ensure the fund is performing to expectation. Quarterly, the investment committee will review results and benchmarks. Additionally, the Foundation will employ the services of a foundation-specialized investment advisor. Due to the size of the investment, the investment broker fee has been negotiated to 0.6% currently, which is below industry average and is expected to decrease as the fund corpus grows.

### **Can restrictions be imposed on the way the money is spent?**

When money is contributed to the Foundation, the donor can limit the spending of the contribution to a specific use or time criteria.

### **What is the difference between unrestricted, temporarily restricted, and permanently restricted support?**

First, it should be noted that the Foundation welcomes all types of support.

- Unrestricted support includes all contributions to the Foundation that can be spent, based on the discretion of Foundation leadership.
- Temporarily restricted support includes all contributions that can be expended but must be for a specific purpose (time or use).
- Permanently restricted support includes all contributions which are not expendable by the Foundation. The most common example of a permanent restriction is an endowment fund, where the Foundation can use the investment earnings, but not the corpus.

### **Will we be charged a management fee?**

A modest management fee will be assessed Posts placing funds for custodianship with the Foundation. This includes SAME Headquarters administration and the investment advisor/brokerage fee which will be deducted from investment earnings. The purpose of the Foundation is to support the overall strategic goals of the Society, which includes supporting Posts. The Foundation will seek unrestricted contributions to support the administration of the foundation and will not pass the costs on to the Post. Suggested minimum investment thresholds: Small Post: \$20K, Medium Post: \$30K, Large Post: \$50K.

### **Still have questions about the Foundation?**

Please feel free to contact Allison Ingram, SAME Director of Finance and Administration at (703) 549-3800 Ext 130 or [aingram@same.org](mailto:aingram@same.org). If she is unable to answer your questions, she will ensure the right person is contacted.

November 1, 2018



## Action Tracker

<b>Meeting</b>	<b>Action</b>	<b>Responsible</b>	<b>Estimated Completion</b>
5-23-18	Succession Plan & Bylaws Change	Hal Rosen	Complete
5-22-18	Marketing Flyer	Jane Penny	11-15-18 (board response)
5-22-18	Stewardship Policy	Julie Fisher	11-15-18
5-22-18	Update briefing & FAQs	Roger Wozny	Complete
11-1-18	Decide on SAME gift	Fundraising Committee	12-1-18