



SAME Foundation Board Meeting Minutes (Plus) March 16, 2020

Preliminaries

Due to the coronavirus and steps to contain its spread, the Board meeting was conducted virtually. Call to order took place at 1500 with a quorum (11 of the 12 voting Board members) in virtual attendance, including: Hal Rosen as Chair, Tim Byers, Suzanne DiGeronimo, Gary Engle, Angie Goral, Tony Leketa, Gene Lupia, Dave Nash, John Peabody, Bob Schlesinger and Susan Thames. Jane Penny could not attend. Non-voting attendees included Joe Schroedel as Foundation Executive Director and SAME Staff members Eddie Gonzalez and Will Hoffman. Others that joined the virtual meeting part time included Buddy Barnes, Society National President and Heather Wishart-Smith, SAME National President-Elect. A copy of the agenda for the meeting (without enclosures) is attachment 1.

In an effort to keep Foundation efforts progressing between Board meetings, these minutes (referred to as “minutes plus”) also include consensus and suggestion of post-meeting actions to be taken by individual Board members within their Board assignments. Look for the **RED** notations within the minutes and, in particular, your individual names, and if highlighted please promptly take the steps addressed. In a few instances, the minutes plus also contain further information beyond what may have been discussed on the Board call in order to provide further context to discussions.

Conflict of Interest Statements

It was intended as a preliminary matter that Eddie Gonzalez and Will Hoffman collect each Board member’s signed conflict of interest statement form. These statements are to be collected each year to satisfy Internal Revenue Service requirements which in turn impact retention of IRS granted 501(c)(3) status. The statements could not be collected in a “virtual” meeting. A copy of the form is attachment 2, and **ALL BOARD MEMBERS are being asked to complete the form and then forward on to Eddie Gonzalez** if not already done.

Capital Week and JETC Status

Following the call to order, Joe Schroedel gave the Board a status report on the Capital Week cancellation and on the upcoming JETC which is still scheduled for May 26-29. In summary, Joe explained that JETC may have to be cancelled or postponed. Joe assured the Board that many options are being considered by the Society staff and the Society national leadership to address the timing of JETC and the many events, including Foundation events, housed within JETC and that the Board should expect some decisions by 15 April.

Financials

Will Hoffman, Society staff accountant, provided a financial report primarily based on 2019 year-end information. The books have been closed and the year-end audit has been completed but final financial reports have not yet been issued. Will reported that revenue for the 2019 year was \$290,770, of which approximately 50% came from donations (plus an additional \$14,500 gifted from the Society to help underwrite the annual fund consultant) and 11% from investment account dividends and interest. The revenue amount at year-end also includes approximately \$116,000 of year-end unrealized gains from the investment account (which of course has declined due to market/economic conditions since year-end). Expenses for the year were reported to be \$93,100, which includes the Foundation’s financial support to the Society STEM camps of approximately \$16,250 and the Leader Development Program of

approximately \$33,000. The remaining expenses included roughly \$44,000 in professional services (accounting fees, fundraiser consultant fees, and costs associated with design, printing and mailing for the fundraiser and fundraiser credit card bank fees). A copy of Will's read-ahead report is attachment 3.

Will Hoffman and Gary Engle, chair of the Foundation Investment Committee, also gave a report on the status of post funds under custodial management by the Foundation. Those funds currently (as of January 29) total approximately \$1,020,000 from six posts, led in investment size by Omaha, followed by Houston and Northern Virginia (others are Narragansett Bay, Panama City and Mid-Maryland). The original total investment amount of the six posts, coming in at different times from each post, was approximately \$992,400. Each post receives a report quarterly on its investments. **Because of the drop in the securities markets, WILL offered that he will contact each post treasurer to quell panic (if any) and review the Foundations guidance and actions with regard to the investment portfolio. Follow-thru on WILL. Up to GARY and JOHN if they want to be included on those calls and, if do, please let WILL know asap.**

Will Hoffman next reported that the outside auditors had completed their year-end audit and found nothing suspect or questioned and that he expected a "clean" audit report for the Foundation. He also reported that the auditors had taken note of an "uptick" in the Foundation's financial activity that could result in increased audit oversight by the auditors in future years.

Will reported that the fundraiser is still generating donations and that a large donation had been recently received from the will bequest of a long time SAME member (Col. Carl Baswell, USA Ret.) who passed away in 2016. [NOTE: This \$35,000 donation followed a \$50,000 donation earlier received under Col. Baswell's will. It is anticipated that an additional donation likely will be received in 2021.] This brought about a question raised by Gene Lupia, Stewardship Chair, about how these donations are being recorded in the accounting records and whether the Stewardship Policy for such donations is being followed. The short answer from Will was that (1) all donations are being recorded into one donation account and then placed in the one Foundation investment account, (2) the books record restricted donations separately and that this donation has no restrictions, and (3) the auditors have expressed no concerns about the accounting controls.

Gene Lupia pointed out that planned giving donations, such as donations by will, are under the Stewardship Policy to be credited to Endowment. Gene also pointed out that the Stewardship Policy (p. 5) provides: "The Foundation has established an Endowment account. Endowment assets are accumulated assets for which the corpus is intended to be preserved. . . ." and suggested that the Baswell receipts should be recorded in the Endowment account. From the ensuing discussion, it was clear that an Endowment account has not yet been established, that one should be, and that the Baswell donations should be transferred into the Endowment account with corpus retained in order to comply with the Stewardship Policy adopted by the Board. **HAL proposed that he and WILL get together to discuss setting up separate accounts and then reporting to Gene as Stewardship Chair no later than the end of March.**

Gene also expressed concern that he had not been alerted to the receipt of the second Baswell gift. It was recognized that that was in error. It was agreed that **Gene needs to be promptly informed of (1) any received gift of \$1,000 or more, and (2) any gift that may have any "strings" attached to it so that Gene and the Stewardship Committee can be certain that the Stewardship Policy is being met. WILL has the responsibility henceforth to notify GENE of \$1,000+ gifts and also to notify Gene of any gifts**

received that contain or appear to contain any restrictions as to use. WILL also is to inform the chair of the Planned Giving subcommittee of the receipt of any gifts received by will.

Further, on the Stewardship Policy questions, Hal Rosen reported that (1) every donor receives a hand-written “thank you” note from Joe Schroedel, (2) every donor receives a “tax letter” that includes the amount of the donation and the required language that the donation is “a deductible expense as permitted by law,” and that (3) the practice of previous Chair John Mogge of sending personal letters to any donor of donations of \$1,000 or more has been continued. Attachment 4 is an example of one of Hal’s such letters.

Investment Update

Gary Engle, chair of the Foundation Investment Committee, gave the Board a report of the Foundation’s investment status, focusing on the recent financial “decline.” The investments have been placed roughly 43% in equities, 44% in fixed income, close to 2% in cash and the remainder in other assets. Gary reported that as of the end of 2019, the Foundation had approximately \$1.1 million in its investment account. With the start of the financial “decline,” Gary reported that he has been in continuing touch with the Foundation’s financial advisor (Dimeo), most recently through a telephone meeting on Friday, March 13, 2020 between the advisors and the Joint Foundation-Society Investment committee. Gary explained that Dimeo is revisiting its market assumptions and adjusting its “optimization” software program which when completed may bring about some shift in the Foundation’s current allocations to fixed income and equity and cash. Dimeo otherwise has recommended in the meantime “to stay the course” with the investment portfolio. Dimeo also reaffirmed to Gary its commitment to maintain rapid and close communications with the Foundation Investment Committee and in turn to the Foundation Board complying with the Foundation’s Investment Policy.

On the good news front, Gary reported that as of the year-end 2019, the Foundation investment return was 15.06% (vs a 15.21% goal). Foreign equities provided the highest returns for the Foundation account.

Budget

There was general consensus that the Board is overdue in having an annual budget. JOHN PEABODY, as Treasurer, offered to prepare a first draft of the budget to be reviewed with a small group first and then presented to the full Board. As Treasurer, **JOHN proposed that he take the initial effort with a draft budget to present to HAL, JOE, WILL and GARY for further discussion, the intent being to develop a more final budget concept to then be presented to the full Board.**

Treasurer

John Peabody had been re-elected as Treasurer by the Board at the January 30 Board meeting. It was understood at the time that the Foundation would develop a Treasurer position description. Joe Schroedel and Society staff provided a first draft shortly before the Board meeting. The draft was preliminarily reviewed by Hal Rosen and John who together edited the draft. The work effort behind the revised draft was included in the read-aheads for the Board meeting, but in the press of time and with Joe and Will not having time to review the edited version, it was decided to table the revised draft and that it would be circulated further among **JOHN, JOE, WILL and HAL for further edit and revision and then presented to the full Board for comment. Action with JOHN and HAL for now and then returned to JOE and WILL for their turn-around and then to the Board via email for discussion and approval by 15 April.**

By way of comment, as addressed by both John and Hal, the most significant concern of the first draft was confusion as to the roles of Treasurer and the Society staff accounting department. It was not clear who was working for who. It was pointed out by John that there should be no loss of autonomy of the Foundation through the position description. Some of the initial edits made by Hal and John were intended to address this. Overall, the intent is that the Society staff individual report to the Treasurer on the financials in a general overall sense and that the Treasurer provide oversight, confirmation and process guidance.

Secretary

On a related matter, Hal Rosen explained that Joe Schroedel and staff have also provided a draft position description for the Secretary position as requested by the Board. However, in the limited time, focus was first given to the Treasurer position description. The Secretary, Tim Byers, whose position in office was also confirmed by re-election at the January 30 meeting, accepted the prioritization. It was agreed that **HAL and TIM will review the draft Secretary position description provided by Society headquarters, revise it if and as appropriate and that a new draft would be presented to JOE SCHROEDEL for comment and then to the full Board for review and comment. This matter is to be expedited by HAL and TIM, presented to JOE for quick turn-around and then to the Board via email for discussion and approval by 15 April.**

Centennial Update

With the possible cancellation of JETC 2020 (scheduled for May 26-30, 2020) Centennial update discussion was limited. Joe Schroedel pointed out that certain planned JETC events (Fellows Investiture, Golden Eagle Awards, change of Society officers, LDP graduation) have to proceed whether at JETC 2020, possibly virtually, or at some other date, but that the main Society Centennial celebration could be deferred to JETC 2021.

Tony Leketa reported that a Foundation “banner” was developed and would be ready for JETC 2020 should JETC go forward. It was suggested that the Foundation have dedicated space of its own at all major national Society events and that it should be “manned” by Foundation Board members as the members determine.

It was also brought up that a cancellation or delay of JETC2020 would likely impact the timing for a second Foundation annual fund drive. [Incidentally, and this is outside the discussions, but the Foundation might re-consider the “end date” for the “Founding Donor” campaign. “Founding Donor” pins have been designed and ordered for availability at JETC 2020. **EDDIE, please confirm status.** It was earlier decided by the Board that the Founding Donor campaign and recognition would end as of May 29, 2020, at the close of JETC 2020 (p. 14 of Stewardship Policy). If JETC 2020 is cancelled, perhaps a full year should be added? Even if not cancelled, perhaps at least a month should be added so that the JETC and the Founding Donor recognition category can serve as a further platform to promote a second annual fund campaign. **JANE and GENE, can you jointly consider this and carry your recommendations to the Board soon (you two set the date)?**

LDP Discussion

While not on the agenda, in view of the uncertainties regarding JETC 2020, there was some discussion regarding (1) the timing of the first LDP class graduation, (2) the start of the second class, and (3)

efforts the Foundation might take to keep track of the LDP graduates including further integration into the Society.

Angie Goral, chair of the Board's LDP Committee, suggested that the Foundation should receive update reports annually from the LDP committee chair regarding each graduated class as a means of confirming the efficacy of the program and to keep track of the upward successes of the graduates.

ANGIE will advise of more specific plans for this to be considered by the Board. It was further noted that the full Board should be briefed on the status of the LDP course at most if not all Foundation Board meetings.

Organization Structure

Hal Rosen opened the discussion on the subject of the latest version of the organization chart. He explained that the org chart is still evolving from the earlier version of the predecessor Board and that it is not yet final. **HAL is responsible to provide a version well before the next Board meeting that can be fully vetted and then discussed by the full Board with the intent that the Board vote the org chart up or down. The most current draft is attachment 5, and EACH BOARD MEMBER is invited to comment upon it directly to HAL.**

Hal explained some of the org chart "blocks" and their purposes. Discussion focused on the fundraising subcommittees and also the "volunteer block." On the former, each "block" or committee or subcommittee is expected to further the efforts of its committee or subcommittee by its own committee members throughout Board membership terms. For example, the membership of the Planned Giving Subcommittee, just picked out as an example, are expected to further progress a planned giving campaign under the direction/guidance of the chair of the subcommittee. None of the chairs of committees and subcommittees are "set in stone" yet in the org chart, plus some of the committees and subcommittees are not fully enough comprised and may need additional members.

EACH Board member needs to think seriously about their chair assignments and committee memberships. The intent is to have the Board approve a "final" org chart and to then begin efforts of each committee and subcommittee as of the next Board meeting. Staying with the same example, the Planned Giving Subcommittee should begin to educate itself on the subject matter and to plan a planned giving campaign with details, needs and schedule. Each fund-raising subcommittee will report to the Fundraising Committee for needs and for coordination of fundraising efforts and calendar. In the end though, the Foundation Board is a committee "of the whole" and will have final approval authorities.

Aside from the Fundraising Committee, there will be a lot of coordination and cooperation of the fundraising subcommittees with the Marketing and Communication Committee and the Stewardship Committee.

On the subject of the "volunteer" block, Hal explained that the intent was to list individuals who volunteer, in a non-voting capacity, to assist the Board with its efforts. They are invited and expected to attend Board meetings which means travel is normally involved. There were two such individuals that assisted the previous Board, one of whom has now become a Board member (Susan Thames) and the other (Sally Riker) has asked and is continuing her contributions to the marketing efforts of the Foundation. Three former Board members are listed because each has volunteered to continue to contribute to the Foundation and its mission. The Foundation can add other such volunteers, but **any suggested additional volunteers for specific rolls should be suggested first to HAL and/or TONY for initial approval and then presented to the full Board for approval.**

Development Manager

From the January 30 Board meeting, there was a consensus that there should be a staff person hired to assist the Foundation with its fundraising efforts ahead. It was recognized that the earlier the better. Suzanne DiGeronimo asked the status. Joe Schroedel informed that in view of expected financial losses due to the cancellation of Capital Week and possibly JETC ahead, Society hiring efforts were on hold. Nonetheless, Joe reported that the Society's auditors advised that such a position could be on the Society payroll in order to keep the "expenses" of the Foundation at a minimum to protect the Foundation's fundraising capabilities and that it is understood that this could continue for a number of years until the Foundation can carry its own staff expenses.

As to the specific status of a position description for such a hire, it was reported that two websites that carry position employment availabilities (Chronicle of Philanthropy and National Council of Nonprofits) were being researched from which to develop a draft position description for what has since become referred to as the position of Development Manager (now included in the draft of the Foundation organization chart). **EDDIE is to complete this draft and provide it to JOE and HAL for review with the understanding that a position description be presented to the full Board for review and comment well before the next Board meeting.**

Board Selection Process

The next topic for discussion was the Board member selection process. This brought about quite a discussion. The last selection process involved a vetting and selection committee chaired by the next incoming national Society president with members from Society posts, regional VPs and communities of interest plus two members of the Foundation Board. The two members of the Foundation Board (John Peabody and Angie Goral) expressed concerns about the selection process, both feeling that it should have been a Foundation driven process. The consensus of the Board was that the Foundation should undertake the Board member selection process.

This generated discussion about the independent nature of the Foundation: does the Foundation stand independent of the Society? What is the role of the Foundation vis a vis the Society? Hal Rosen made the point that the Foundation is separate and distinct from the Society, that the Foundation provides "support" for the Society and its philanthropic needs but that the Foundation conducts the business of the Foundation. Put another way, the two are separate co-equal organizations. Per the Bylaws of the Foundation, "The Foundation shall be managed by its Board. . ." [underlining added] and that the "Foundation Board shall establish the policies and programs of the Foundation, and shall exercise all such powers of the Foundation and do all such lawful acts and things as are permitted by statute, the Articles of Incorporation and these Bylaws." The Articles of Incorporation further provide that "The [Foundation] shall be managed by [its] Board of Directors. . . ". No provision of the Bylaws or Articles of Incorporation delegates or authorizes the selection of Foundation Board members by anyone else, including the Society, even though the Society has the ultimate Board appointment authority through its Executive Committee to serve as a "check" of the Foundation and its Board. In other words, selection and appointment are two different things. Read in context, the Bylaws and the Articles of Incorporation leave it to the Foundation to manage the Foundation, which includes the selection of its own Board members, subject to the confirming appointment authority of the Society.

John Peabody suggested that the Foundation should have a committee that should vet and pass forward to the Foundation Board recommended new Board members. It was pointed out that the Foundation Board is composed of members who have been outstanding leaders of the Society over

many years and that the Board has the credentials to determine criteria and fit of its own Board members.

It was the consensus of the Board that the Foundation should establish a procedure for selecting Board members. Dave Nash advised from his experience that Boards he is familiar with have governance committees. It was further suggested that a Board member selection process could be rolled into such a committee. These concepts were well received and accepted by the Board. **The latest revision of the org chart includes a Governance Committee with responsibility for Member selection. DAVE is to advise of his acceptance to Chair the Governance and Board Selection Committee. Other proposed committee members include JOHN PEABODY, TONY LEKETA and GARY ENGLE.**

Further Business and Closing

That essentially closed out discussion of the agenda items. With no further business being raised, the meeting of the Board was adjourned at 16:03.

Date: 25 March 2020



Hal Rosen/Tim Byers

Attachments:

1. Meeting Agenda (without attachments)
2. Copy of Conflict of Interest Form
3. Financial report read-ahead
4. Example of Chair's personal \$1K+ Thank You letters
5. Latest revised Org Chart (dated 24 Mar 20)



SAME Foundation Board Meeting Agenda

at 2020 Capital Week

Bethesda North Marriott Hotel & Conference Center, Rockville, MD

March 16, 2020

1500pm – 1700pm

INVITED		
Hal Rosen (Chair)	Tony Leketa (Vice-chair)	Tim Byers
Suzanne DiGeronimo	*Gary Engle	Angie Goral
Gene Lupia	Dave Nash	John Peabody
Jane Penny	*Bob Schlesinger	*Susan Thames
Julie Fisher** (not available)	John Mogge** (not available)	Scott Prosuch**
Sally Riker**	Roger Wozny** (not available)	
Joe Schroedel (Executive Director)**	Will Hoffman (Finance staff)**	Eddie Gonzalez (Programs staff)**

*Call-in

**Non-voting

GoToMeeting Details

To view the presentations: <https://global.gotomeeting.com/join/276517413>

To hear the audio:

United States (Toll Free): [1 877 568 4106](tel:18775684106)

United States: [1 \(571\) 317-3129](tel:15713173129)

Access Code: 276-517-413

Read Ahead items:

- Agenda and Action Tracker
- Org Chart
- Draft Budget Framework
- Conflict of Interest Statement

TIME	AGENDA	DISCUSSION LEAD
1500	Call to Order – Quorum Established – Pledge of Allegiance	Hal Rosen
1505	Perform Oath and Collect Conflict of Interest Statements	Hal Rosen and Kathy Off
1510	Financials	Will Hoffman
1520	Investment Update	Gary Engle
1525	Budget Proposal	Joe Schroedel and John Peabody
1555	Centennial Update Include Banner and Galloway “booth”	Tony Leketa
1605	Organization Structure	Hal Rosen
1625	Development Manager Status	Joe Schroedel
1645	Board Selection Process	Hal Rosen, John Peabody, Joe Schroedel
1655	Review of Action Assignments	Eddie Gonzalez
1700	Adjourn	Hal Rosen

Action Tracker

Meeting	Action	Responsible	Estimated Completion
Mar 11, 2019	Develop external fundraising flyer/communication piece based on the internal piece – produced internally.	Jane	JETC 2020
Mar 11, 2019	JETC 2020 – consider how LDP class will present their experience to FDN BOD. LDP TF to provide assessment of program to Foundation.	Eddie	First draft completed. Planning ongoing.
Nov. 20, 2019	Establish a Foundation budget with expenses and fundraising targets	Board	Ongoing
Nov. 20, 2019	Aggregate fundraising ideas/options into a single fundraising plan.	Hal; Board	Ongoing
Nov. 20, 2019	Add a Foundation briefing to a future RVP call. Arrange with Mark Handley.	Eddie; Jill; Hal	TBD
Jan 30, 2020	Include the purpose statement and update Internal Communications slides.	Roger; Hal	JETC
Jan 30, 2020	Distribute current LDP contact information, bios, and project descriptions to the Board. Provide contact information for new class when selected	Eddie	CapWeek
Jan 30, 2020	Draft Develop Manager position description	Eddie; Hal; Joe	CapWeek
Jan 30, 2020	Draft position descriptions for Treasurer and Secretary	Eddie; Will; Hal; Joe	CapWeek



**Society of American Military Engineers
Conflict of Interest Policy Statement
Annual Compliance Statement**

The Society of American Military Engineers, and its affiliate, the Society of American Military Engineers Foundation, (referred to collectively as the “Society”) follow a conflict of interest policy designed to protect the Society’s interest whenever a transaction may occur that might benefit the private interest of an officer, director, or employee of the Society. Officers, directors, and employees have an obligation to disclose those situations that may result in a conflict of interest, or appearance of a conflict.

I hereby acknowledge that I read and understand the conflict of interest policy of the Society, and agree to comply with its terms.

Name: _____

Signature: _____

Date: _____

- Officer
- Director
- Employee

DEFINITION OF TERMS:

Officer: Board Officer (e.g., President, VP, Executive Director, Treasurer – officers of the Board of Direction)

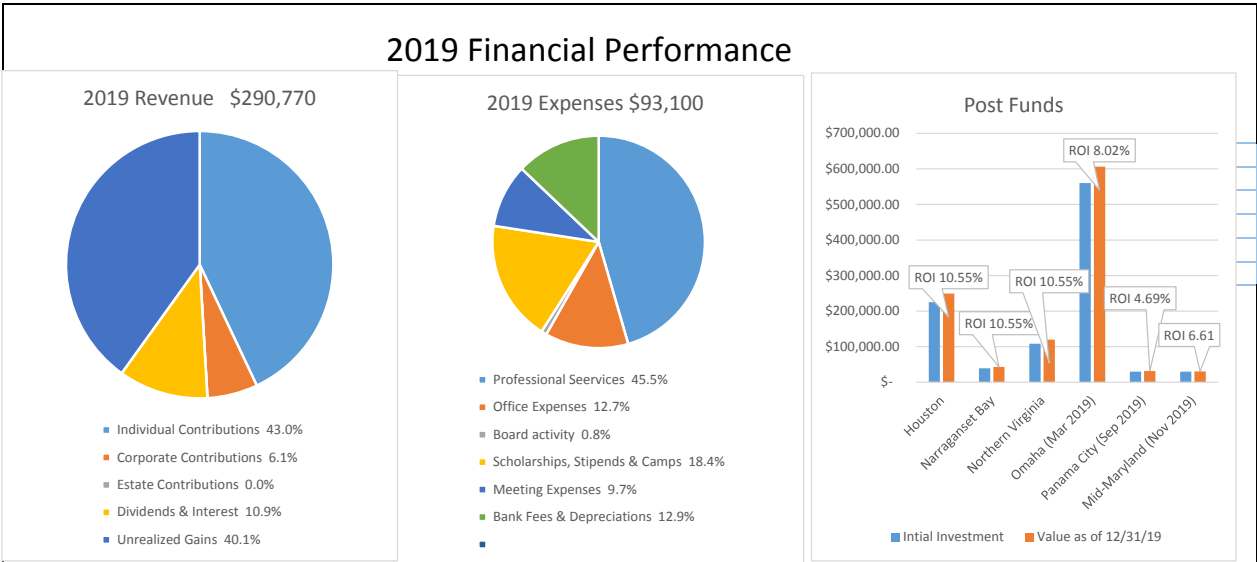
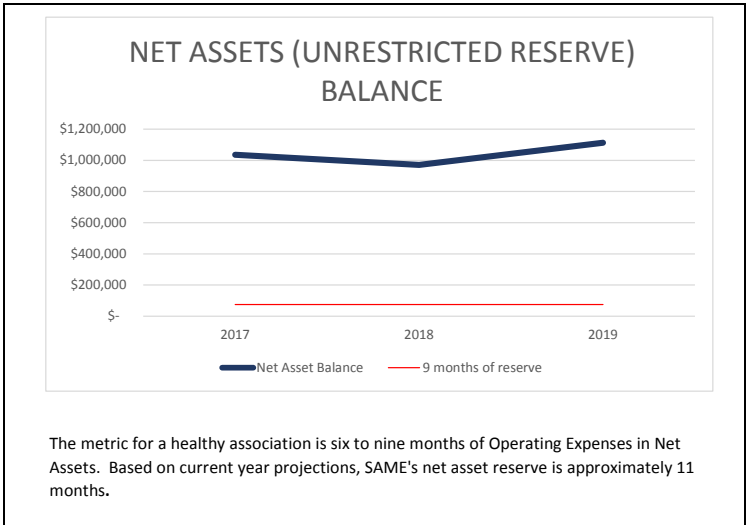
Director: Board of Directors (not employee with title Director)

Employee: Everyone who is employed

CONFLICT OF INTEREST POLICY
For Officers, Directors, and Employees

1. Purpose. The purpose of this conflict of interest policy is to protect the Society of American Military Engineers' and Society of Military Engineers Foundation's (hereafter referred to as "Society") interest whenever a transaction may occur that might benefit the private interest of an officer, director, or employee of the Society. It is the duty of all officers, directors and employees to be aware of this policy and to identify conflicts of interest, or situations that may result in the appearance of a conflict, and to disclose those situations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.
2. Conflict of Interest Defined. A conflict of interest may occur when an officer, director, or employee has a financial or personal interest that is in conflict with the interests of the Society. A conflict of interest extends to situations involving close relatives of an officer, director, or employee. Close relatives include spouse, parents, children, brothers, and sisters.
3. Policy. Individuals who serve as officers, directors, and employees perform their fiduciary and employment responsibilities in preserving the mission of the Society and avoid possible conflicts between personal interests and the Society's interests. To avoid conflicts of interest (actual or potential), officers, directors and employees shall disclose any financial or personal interest he or she may have in any matter pending before the Society and shall refrain from participating in any discussion or vote relative to the area of conflict.
4. Procedure
 - a. Duty to Disclose - In connection with any actual or potential conflict of interest, the officer, director, or employee must disclose the financial or other interest and all material facts. Disclosure shall be made to the Society Executive Director. If the Executive Director has an actual or potential conflict, he or she must disclose that to the Society President.
 - b. Recusal of Self – Any officer, director, or employee may recuse himself or herself at any time from involvement in any decision or discussion if he or she believes they have a conflict of interest, without going through the process for determining whether a conflict of interest exists.
 - c. Determining Whether a Conflict Exists - For a disclosure involving the Society, the Board of Directors shall review the material facts to determine if a conflict of interest exists and what action is to be taken. The person who has the conflict or potential conflict of interest shall not participate in or be permitted to hear discussion on the conflict of interest disclosure.
 - d. Remedial Action – The Board of Directors shall determine remedial action. Remedial action may include abstention from Board vote or other actions that eliminate the appearance of a conflict. Each Board member shall exercise care not to disclose confidential information acquired in connection with disclosures of conflicts of interest or potential conflicts.
 - e. Recording. Meeting minutes shall contain the names of persons who disclosed or otherwise were found to have an actual or potential conflict of interest, the nature of the interest, the Board's decision as to whether a conflict of interest in fact exists, and action taken.
5. Annual Statement and Compliance Review. To ensure the Society operates in a manner consistent with its purposes and does not engage in activities that could jeopardize its tax-exempt status, this policy shall be reviewed annually by each officer, director, and employee and acknowledged in writing. The Executive Director shall monitor policy compliance. Questions about this policy should be directed to the Society's Executive Director.

Society of American Military Engineers Foundation
Key Financial Performance Indicators



* 2019 was a great year for SAMEF Investment and Post invested with SAMEF. 2020 so far has been different story and market have seen steep declines in February and March.

Notable Trends

- Red = Area of Concern
- Yellow = Watching closely
- Green = Positive News

The first fundraising campaign was a success. With the success of the campaign and has eased some of the stress on our cash position.

Cash flow has been good compared to expenses but in 2020 as the Foundation expands into new programs we need to keep an eye expenses low. SAME has picked up most of the administrative expenses and will continue for the next several years.

The Corona Virus outbreak poses the largest threat of SAMEF of not making its budget goals for 2020. With the world stock markets in a panic our investment advisor has stressed they believe this won't be along down turn and that our strategy still remains the best strategy over the long term.

Quick Look at January - March 10, 2020

Range	Number of Donation	Value	Posts in Fund	2020 Return Through 2/29/20	Return Since Inception
Under 100	644	\$ 1,633.00	Houston	-3.55%	6.62%
100-250	11	\$ 1,350.00	Narraganset Bay	-3.55%	5.59%
251-500	2	\$ 1,000.00	Northern Virginia	-3.55%	5.61%
501-1000	3	\$ 3,000.00	Omaha	-3.55%	0.54%
Over 1000	2	\$ 40,000.00	Panama City	-3.55%	1.08%
			Mid-Maryland	-3.55%	-2.13%
Total	662	\$ 46,983.00	SAMEF Funds	-3.55%	10.99%

* Hampton Roads Post has signed an agreement but has not sent the funds as of 3/10/20

NOTE> The information presented on this dashboard represents only part of the Association's financial picture for this fiscal period. Please see the attached statement of financial position (balance sheet) and statement of activities (income statement) for a more complete summary of the Association's financial results.



Century House
607 Prince Street
Alexandria, VA 22314

February 24, 2020

BG Paul Chinen, USA (Ret.)
921 Kamahele Place
Kailua, HI 96734-3323

Dear General Chinen,

This is a belated thank you for the kind donation you made to the SAME Foundation earlier this year.

To give you some background, much of which you may be aware, back in 2011, Society national leadership recognized a benefit of having a national SAME Education and Mentoring Fund to promote the education, professional development and mentoring goals of the national Society. The intent was to build a corpus and to use the earnings from that corpus to provide philanthropic support to the Society at the national level. (There never was an intent to compete with or undercut the posts and their scholarship endeavors.) The national fund grew. At the same time, the Society's philanthropic efforts grew. This in turn led to the recent creation of the SAME Foundation with its focus on *fostering engineering leadership for the nation*. The underpinnings of the Foundation were set in 2016 by a Founding Board consisting of representatives of the three department services represented by SAME [LTG Robert Van Antwerp (USA Ret.); VADM Michael Loose, (USN Ret.); Maj Gen Delwyn Eulberg (USAF Ret.)], plus one member from a major Society post with large philanthropic experience [(Col. F.H. "Bud" Griffis (USA Ret.))], and one member from the civilian world who served pre-governance change as one of the few civilian national Society presidents (Mr. Roger Wozny). In 2017, the Foundation was incorporated and recognized as a 501(c)(3) organization with the purpose of supporting the national Society philanthropically. The national Education and Mentoring Fund was then transferred to the Foundation by the Society, and the Foundation has now picked up some of what the national Society underwrote previously.

Unlike the Society itself, the Foundation has no membership. It is managed by a Board of Directors with members appointed by the national Society for 3-year terms. The Board operates with the assistance of the Society's national staff at no cost to the Foundation, keeping Foundation expenses to a minimum. The fiduciary duties of the Board members are to each and every one of the Foundation's donors.

The first "regular" Board of the Foundation convened in late 2016 under the chairmanship of Col. John Mogge (USAF Ret) who had previously served as Society National President in 2014-15.

This first Board consisted of the five members of the Founding Board, all of whom continued their service to the Society and the Foundation to see their vision implemented, plus nine other members selected by a national process and appointed by the national Society's Executive Committee. Under Col. Mogge's chairmanship, the Foundation developed among other things (1) the focus statement-- *fostering engineering leadership for the nation*, (2) an Investment Policy, (3) a donation Stewardship Policy, (4) a Communications Plan describing the Foundation within the Society in part to assure posts that the Foundation would complement post scholarship efforts, and (5) a Post Funds Policy, which was not part of the original charter, but which was designed to offer voluntary support to the Posts for custodially managing the post scholarship funds only if the posts were interested. With these developments, the Foundation was poised to begin to build the corpus necessary to *fostering engineering leadership for the nation*. An annual fund drive was undertaken back in July 2019 as the first effort of the Foundation to supplement the corpus of funds within the Foundation, which you most generously responded to. More remains to be done ahead, but that takes us to the Foundation today.

Today, the Foundation is underwriting the Society's first national Leadership Development Program. The first class consisted of students nominated from each of the Society regions. The "students" commenced study this past May in furtherance of a curriculum developed by a select Society committee and will graduate this May at JETC 2020. The curriculum emphasizes the development of individual strengths, team dynamics and discovering potential personal and professional strengths. Every "student" has at least one mentor, and the program includes hands-on training, study, and active engagement in new opportunities. As the first class graduates, the second class will be introduced at JETC 2020, again with participation financially underwritten by the Foundation. This is a significant step for the Foundation in *fostering engineering leadership for the nation* for which you have provided support. We only see growth ahead for this program in an area where the United States must do all it can to maintain engineering and national dominance.

The Foundation has also stepped up financially to support the Society's Camps Program. The camps provide a rigorous experience for 11th and 12th graders interested in exploring STEM skills and careers. Campers gain a sense of what it takes to become a STEM professional and what options exist to explore that interest from high school to college and beyond. The Society has been operating the Camps Program for the past 20-years in conjunction with its military partners at the Army Engineering and Construction Camp in Vicksburg, Air Force facilities at Scott AFB and at the Air Force Academy in Colorado Springs, the Marine Corps Base at Camp Lejeune and at the Naval Construction Battalion Center in Port Hueneme, CA. More camps are in the works. Campers are continually mentored after the camp experience. The camps are world-class and have an impressive record with thousands of now engineers and STEM leaders. Each camp has a unique curriculum that features hands-on activities that are conducted in a competitive environment promoting teamwork, leadership, project management, and problem solving. These camps are not inexpensive both for campers and for the Society. We are hoping to support more camps, and the Foundation will have to underwrite additional mentors, likely from the STEM teaching field, to further expand the program. Beyond attendance at the camps themselves, the Foundation also supports a scholarship program for camp alumni preparing to enter college intending to major in engineering, architecture, or engineering-related fields.

Veteran transition too is a focus area of the Foundation. Much can be done in *fostering engineering leadership for the nation* through veteran transitions. The Society, through its Credentialing Community Committee, has worked extensively since 2012 as an integrator with credentialing organizations and the military on education offerings and has also served as a resource to the military in coordinating credential requirements in the private sector for the transitioning warrior. A goal has been to assist transitioning service members into civilian life with both a "road map" and at a reduced cost. Those transitioning from the military can bring so much more engineering leadership, and the Foundation intends to support them as they transition. This for the Foundation is a work in process.

All of these philanthropic efforts have a cost. We have a lot to do to build the Foundation's corpus and to be a leader in *fostering engineering leadership for the nation*. The SAME Foundation will be looking for financial support from donors for years to come in multiple ways. YOU ARE ALREADY LEADING THE WAY!

I was recently selected to follow Col. Mogge as the next Chair of the Foundation Board. It is a great honor, and it is also a daunting task. I have accepted, not for me, but to support our nation, and to support it through STEM and promoting engineering leadership. In this complex world, this country can (must) do more; SAME can and must do more. On behalf of the Foundation, we cannot thank you enough for your service to this country and for your thoughtfulness in supporting SAME and the mission of the Foundation in *fostering engineering leadership for the nation*. Thank you so much!

Dear Gen. O'Brien,

Thank you again for your kind donation. Much appreciated! This letter and note call back fond memories

for me. I've been legal counsel as a volunteer to the national Society for some

21 years now. But I started my legal career while still in law school with the Corps. After school, I was posted to

the Honolulu District. Long story, but I could only remain for a short while. We were at Fort Armstrong then, building 54 as I recall. I worked for both Tom Berry, District Counsel, and also for Lloyd Friesson, who was

Division Counsel (POD was on the second floor). Don't recall a lot of names - Col John Hughes and LTC Ronsedy were DE's and Gen Padufaly (Cap?) was Div

Eng. I was a complete novice, and it was such a great learning experience. Now, to think I read up the Foundation; had a lot of terrific mentors from the

Corps along the way!

Anyway, back to the important part, thank you again! Best to you!

Hal

Very truly yours,

Hal Rosen

Harold Rosen

President and Chair of the Board



Society of American Military Engineers Foundation

Organization Chart, 24 Mar 2020

- Society Support Members
- Foundation Board Members
- Direct Relationship
- Indirect Relationship

