



BOARD OF DIRECTORS MEETING

11 August 2023 Meeting Minutes

APPROVED

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

Board Members Present via Videoconference: Christian Evans '08; Nathan Dial '10.

AOG Members Absent: Randy Helms '79, President, Class Advisory Senate.

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

Guests Present: Brig Gen Linell Letendre '96, Dean of the Faculty; Maj Melissa Ken, Executive Officer to the Dean; Lucky Ekman '63.

I. Call to Order/Chairman's Welcome

Chair Bishop called the meeting to order at 8:15 a.m. MDT on Friday, 11 August 2023.

II. Consent Agenda

The consent agenda included the 12 May 2023 Meeting Minutes (Attachment 1).

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

MOTION: Director Almand moved and Director Dudley seconded to approve the minutes. The motion was unanimously approved.

III. Chair's Comments

Chair Bishop allowed Director Hoffman and Lucky Ekman to talk about the Class of 63's 60th reunion, which was currently underway. They discussed the quality and diversity of the class and the importance of being respectful. Chair Bishop built upon the theme of respect and noted that the strength of our ability to act is to have unity as a Board. He then talked about travel policy and how last year we exceeded the travel budget. The

desire is to attend meetings in person. However, when our travel budget is empty, we should stop travelling. He suggested that we check to see whether the sponsor (such as a Parent's Club) will pay for travel when a Board member attends.

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 2.

V. AOG Update (Attachment 3)

a. CEO Briefing

CEO Gould noted that the AOG has been doing some great things in programs and services. He asked the Board to look at these areas to see if they are having the desired impact.

b. CEO Monitoring Reports

CEO Gould reported compliance with the required monitoring reports: 2.5 Asset Protection and 2.6 Investment Management. He noted that the AOG has adequate coverage for events like wildfires.

c. President's Report

President Hille talked about the vision and mission to highlight the AOG's influence and impact. He reviewed the five strategic imperatives. There are detailed metrics associated with each and the AOG is making notable progress on them. He then talked about the steady financial performance over the past quarter. The AOG has had several key events over the past quarter to include hosting 2,500 parents and families during in-processing in Doolittle; the Long Blue Line Weekend and Leadership Conference; and events in San Francisco, Chicago, Los Angeles, and Minnesota. They also are hosting the Class of '63's reunion, and as part of the events, they dedicated the Challenge Tower to Gen Ron Fogleman '63. President Hille noted that the new AOG/AFA Foundation administrative building will be called Wecker Hall after Bill Wecker '63, a Distinguished Graduate. They hope to move in by the Spring of 2025. The AFA Foundation surpassed the \$270 million campaign goal 18 months early. CEO Gould talked about the trepidation about such a high goal when they initially launched the campaign. Despite achieving the goal, he noted that the participation rate is not where it should be. This is something they will continue to work on.

The AOG and Foundation are preparing for a single employer plan, effective in January 2024. In June, the AOG and AFA Foundation Executive Committees reviewed the plan. President Hille is now asking for the Board's endorsement of it. Both organizations have consolidated several functions and have looked for other

areas of consolidation, such as a single pay function. The reality is that there are two separate payroll systems, which is untenable as the AOG and AFA Foundation are trying to consolidate. The transition cost for moving to the more streamlined model is approximately \$40,000. After 2023, it will be cost neutral or will realize a little bit of savings, but the real benefits are in time and efficiency. He showed an organizational chart to illustrate the changes, noting that it will not have any impact on the governance of the AOG or AFA Foundation.

President Hille then discussed the four changes to the AOG/AFA Foundation Cooperative Operating Agreement to include a clarification of personnel cost sharing, clerical updates to the staff structures, the identification of a single employer model, and the dissolution provision (Attachment 4).

MOTION: Director Bledsoe moved and Director Dudley seconded to approve the changes to the AOG/AFA Foundation Cooperative Operating Agreement.

Discussion: Several directors commended the AOG leadership on seeing these changes come to fruition. The motion was unanimously approved.

President Hille then talked about participation in several key projects. The Foundation is considering a new goal for the campaign of around \$300 million. Director Strebe reminded the Board that when we evaluate the CEO it is important to remember that we have hit the goal (\$270 million), and whatever we achieve above that is an added bonus. Similarly, external communications will emphasize that we have met the goal. Post-campaign, they want to endow several of the AOG programs, such as *Checkpoints* and next-of-kin support. He then talked about capital management projects and how they are gently pushing back on the Academy when they turn to the AOG/AFA Foundation to fund functions that should be funded by the government. Next, he talked about the idea of the AOG providing a forum to allow different perspectives. Moderating it has significant editorial risks.

SVP Walkewicz then gave a short update concerning engagement. They are looking at the 47% of graduates who are “inwardly proud” (as identified in the recent survey) and how the AOG can do things that make a difference to them. They also are looking at key times of impact for cadets and the Prep School and the lessons they have learned from the Young Alumni.

d. Quarterly Financial Update

CFO Willemarck provided the quarterly financial update. The total operating revenue is currently 2% under budget. The AOG has had a banner year for merchandize sales. There are no concerns about meeting the revenue budget at the end of the year and they will be slightly under expenses by the end of the year. This is not an area of concern. They budgeted \$2 million from investments for operating costs, but are very conservative in how they do that. She noted that they normally include the Moller Trust in the endowed investments in December, but they are now

counting it quarterly. We are in a strong financial position and are up \$1.5 million in investments in the 5-year look. There was a short discussion on grants, operating costs, and corporate sponsorships.

e. Branding Update

VP Hornsby discussed the brand assessment and plan. Because we have a joint mission and vision between the AOG and AFA Foundation, now is the time to rebrand. As one of the considerations on being relevant and impactful, he talked about a forum to allow graduates to discuss their opinions and perspectives. He noted that if we undertook this effort, we need to consider our reputation, the appearance of taking sides, and excellence in editorial management, staff time, and resources. He noted the importance of grounding ourselves in communication and the fact that they are almost ready to launch a podcast. He also showed current USAFA logos and a potential AOG/AFA Foundation logo. Rebranding will take 12-18 months, and they want to have stakeholder input throughout the process. A short discussion ensued about the podcast and how the AOG brand gets synergy off the USAFA branding.

CEO Gould then dismissed the AOG staff to discuss his future. His contract goes through the end of 2023, and he proposed moving to a new “Executive Vice Chairman of the AOG and Foundation” position. He would work half-time in an advisory position and handle things that detract from day-to-day activity. He has already briefed this idea to the AFA Foundation Executive Committee and they unanimously approved it. He will brief the full Foundation Board tomorrow. There was a discussion about the new position and how long CEO Gould would stay on, his successor, as well as a more general concern about AOG succession. Later in the meeting the Board went into executive session to discuss this idea. (The motion below was made following this discussion.)

MOTION: Director Mueh moved and Director Lowe seconded that beginning on 1 January 2024 Mike Gould vacates the single CEO role and assumes a new position of Executive Vice Chairman of the AOG and Foundation. Mark Hille assumes the position of President and CEO of both organizations. The motion was unanimously approved.

VI. Committee Updates (also in Attachment 3)

a. Governance Committee

1) Bylaws

Committee Chair Almand provided an update on the Bylaws review, which included a proposed schedule for the complete review of the Bylaws by May 2024. For this meeting, the Governance Committee reviewed Article 1. Many of the changes were to align the Bylaws with the updated wording of the mission

and vision and to update it to align with current AOG policy. Changes to Bylaws Article 1 were as follows. (Changes are annotated with strikethroughs and new wording is in italics):

ARTICLE I. ~~Purpose~~ *Vision, Mission, Guiding Principles*

Section 1. Vision: ~~The Association of Graduates (AOG) is the primary organization of United States Air Force Academy (USAFA) graduates and friends of the Academy, dedicated to supporting the Academy mission of building leaders of character for the Air Force and the nation, and providing service and support to graduates, friends, and cadets. To be an Association 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.~~

Section 2. Mission: ~~To pursue our vision and to serve and support the United States of America, the United States Air Force, the United States Air Force Academy, and the graduate community by:~~ *To serve graduates, preserve the heritage of the Academy and Long Blue Line, and support USAFA in its mission to develop leaders of character for the Air Force, Space Force, and nation. We do this by:*

- a. [No change]
- b. Providing leadership, communication, and support to all Academy graduates and friends of the Academy ~~and~~ *while* promoting camaraderie among them.
- c. [No change]

Section 3. Guiding Principles:

- 1. Offer membership to all USAFA graduates at no cost.*
- 2. Provide an appropriate forum to address graduate perspectives.*
- 3. Support the Long Blue Line throughout their lifetime.*
- 4. Foster supportive relations with USAFA and the U.S. Air Force while maintaining neutrality towards and refraining from comment on policy decisions of either organization.*
- 5. Foster supportive relations with non-profit entities that contribute to Academy programs consistent with the AOG's Guiding Principles, stated herein, and work closely and collaboratively with the Foundation including, as agreed by the AOG and the Foundation, sharing staff, officers, facilities, resources and participating in joint AOG/Foundation committees.*

ARTICLE II: Definitions

Section 3. Member: Any graduate *who has opted into AOG membership*, and certain others; who have ~~paid dues and~~ satisfied all ~~other~~ membership

requirements as determined by these Bylaws and the Board of Directors (the Board).

Section 6. Replacement Directors: ~~AOG graduate members appointed to the Board of Directors pursuant to the requirements set forth in Article V Section 13e to fill elected or appointed director positions.~~ [Delete]

Section 76. Membership Benefits: All offered/advertised services of the AOG, *which may be updated periodically. Benefits may vary by type of membership.*

MOTION: The Governance Committee moved that the Board approve the changes to Bylaws Articles I and II as presented.

Discussion: There was a lengthy discussion about Guiding Principle 4 concerning adding wording about constitutionality, the mission and vision, and the ability to disagree. It was pointed out that Guiding Principal 2 answered the concerns of Guiding Principal 4. The motion passed by a vote of 14-0 with Director Krauth abstaining.

2) Governance Policies

Committee Chair Almand reviewed the schedule for the Governance Policies. They will be reviewed in their entirety every two years. She then discussed the suggested changes to Category I.

~~PURPOSE: The Association of Graduates (AOG) is an engaged, unifying force of United States Air Force Academy (USAFA) graduates chosen to serve our Nation.~~ **PURPOSE:** *The Association of Graduates (AOG) is an engaged, unifying community supporting the Long Blue Line and the Academy's enduring mission of developing leaders of character for the nation.*

MOTION: The Governance Committee moved that the Board approve the changes to Governance Policies Category I as presented. The motion was unanimously approved.

3) Governance Models

Next, Committee Chair Almand discussed how the Governance Committee reviewed the characteristics of the various governance policy models for non-profits. She discussed the pros and cons of each type of model. The committee thought that the Policy Board Model was the most appropriate for the AOG. This is the model under which the AOG Board currently operates.

4) Access to Board Meetings

The final Governance Committee topic was access to Board meetings. Currently the Bylaws state: "All Board meetings shall be open to all members who are able

to attend in person” (Article IV Sec 8). Committee Chair Almand discussed the pros and cons of having open meetings and options to consider. There was a lengthy discussion about this topic to include the idea of providing quarterly reports, key updates in *Checkpoints*, the fact that President Hille writes out all of his comments for the Board, and the fact that the Board Minutes are available. It was also noted that recording the meeting might put our active duty Board members at risk. The Governance Committee had recommended that Chair Bishop designate a task force to further explore access to Board meetings and transparency, but the sense of the Board was that a task force was unnecessary and that we should leave the policy as is.

b. Investments Subcommittee

Subcommittee Chair Hennek provided the Investment Report as of 20 June 2023. He noted that the market has recovered and that we have had a better year than last year. Market value is now \$53.9 million. Almost 40% of funds are in domestic stocks. In July, they liquidated \$1.46 million in anticipation of needing to spend it prior to the end of the year. The money is from the Moller Trust and is for the stadium and the Superintendent’s top 30 priorities. He noted that we are behind in our benchmark because of a difficult year in 2022.

c. Finance and Investment Committee

Committee Chair Strebe talked about the Financial Management and Investment Policy (FMIP) and how they had cleaned up some language.

MOTION: The Finance and Investment Committee moved for the Board to approve the Financial Management and Investment Policy. The motion was unanimously approved.

d. Nominating Committee

Committee Chair Przybyslawski presented ideas for the Board to consider to help shape the next election by getting better member engagement and diverse candidate interest. She showed percentage of participation by class and then the comparison to national averages. For the next election, SBS recommends including text for voting, increasing the time for voting, and having links to candidate biographies and standardized candidate questions and answers. She talked about election challenges and then presented two ideas for consideration. The first was an all-decade representation. She explained how this would impact the current Board. The second idea was a Board endorsement model which included three different methods: 1) open ballot, 2) hybrid endorsements, and 3) a slate created by the Board. The directors discussed the pros and cons of each idea, but did not reach consensus. Chair Bishop commented that the reason he wanted this presentation was so that the Board had time to consider the ideas well in advance of the next election. He asked the Nominating Committee to take the ideas they had heard in the discussion and refine both options.

e. Award Presentation

SVP Walkewicz presented the idea of an Academy Awards Night, which would replace the Distinguished Graduate Award Night and encompass a broader slate of awards. It would take place in Arnold Hall in 2024 and at Hotel Polaris in 2025. The Jabara Award, Young Alumni Excellence Award, Distinguished Service Award, and Distinguished Graduate Award, as well as three new awards (mid-tier, STEM, and athletic) would all take place during the singular event. Holding the event in August works because the cadets are back and there are no athletic events. She wants to work with the Nominating Committee on the details. A discussion ensued concerning asking the Distinguish Graduates their thoughts because this would water down the top award. CEO Gould commented that it was all in how the presentations are done. On the other hand, it would increase the importance of the Young Alumni Award. Chair Bishop asked the AOG to continue planning for this.

f. Graduate War Memorial Policy

The Board had previously reviewed the Graduate War Memorial policy to see if the wording needed clarification, but had not come to a definitive conclusion. SVP Walkewicz asked that it be deferred to the next meeting. Chair Bishop commented that his sense from the last meeting was that we had made a small change to the lead-in portion of the policy but that we did not need to change the three criteria because they were broad enough to cover many situations. The directors unanimously agreed.

VII. Class Advisory Senate Update

Director Almand provided the CAS update in the absence of Director Helms. The presentation from Col Michael Cornelius, Prep School Commander, was well received. Upcoming speakers for future meetings included CCLD, BGen Marks, and Janet Edwards from Mortuary Affairs. The CAS thinks the AOG is doing a good job on tailoring the reunions to meet the desires of each class.

VIII. Brig Gen Linell Letendre '96, Dean of the Faculty

Chair Bishop had asked the Dean to address how USAFA is teaching without indoctrinating. Brig Gen Letendre began by reviewing the mission and vision of the Academy and then discussed the DF strategic plan and the curriculum. She talked about the majors and minors that were added in response to the needs of the Air Force and Space Force. She then talked about civil discourse. The classrooms have become more of a dialogue. They now have perspective-taking exercises which start that early in a cadet's career.

During the question period, a director relayed alleged incidents related to Critical Race Theory which had been told to him by a cadet. The Dean noted that they do they teach Critical Race Theory along with other theories. In response to the alleged incidents, she

wondered whether the cadets had brought the incidents forward as she had not heard of them. She noted that the Academy just added a cultural climate position who will be reporting directly to her. Chair Bishop asked how we could help her to address the stories we hear from families and cadets. She said the cadets should use their resources. Other questions were related to USAFA assignments for active duty members, post graduate studies, and accrediting bodies.

IX. Chair's Comments

Chair Bishop had asked VP Hornsby to investigate an opinion publication. VP Hornsby's research revealed that the Coast Guard Academy and the Naval Academy do not have such a forum. He noted that considerations for such a publication must address: 1) mission relevance, 2) balance, 3) a factual foundation, 4) ethics and transparency, and 5) strong writing standards. To do all that, we would need to take a look at staffing and budget resources. It would need to be on par with the excellence of *Checkpoints*. President Hille pointed out that regardless of the vessel, it would still require the additional resource and support. An extensive discussion ensued about the pros and cons of an additional forum. Items discussed included the input the AOG and BOD has received from STARRS and their impact, the issue of transparency, whether writing to *Checkpoints* provided timely enough engagement, how many donors have pulled away, whether active duty members would be able to speak freely, and the resources required to support such a forum given the number of graduates asking for it. The sense of the Board was to not task the AOG to continue to investigate this option; however, Chair Bishop asked the AOG to continue their research at a very strategic level and to report on it at the October meeting.

Next, Chair Bishop brought forward the idea from the staff for the AOG Board to have three meetings in alignment with the AFA Foundation's meetings. It would be more efficient for the staff. He noted that right now the Bylaws say we will have four meetings, although we have the prerogative to do a Zoom for the fourth. A short discussion ensued about the spacing of the meetings, whether we could move some of the meeting to the day prior, and the benefits of moving closer to the Foundation. President Hille will look into this.

There was a short discussion about whether all of our material that refers to the Air Force should say Air and Space Forces. If the change is applicable, it would be an administrative change.

MOTION: Director Tonneson moved and Director Dudley seconded to go into executive session to discuss AOG staff issues.

X. Executive Session

The Board went into executive session IAW Bylaws Article V Section 8 at 4:37 pm MDT. (The motion resulting from this discussion was shown in Section V. e.)

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

XI. Open Session

The Board went into open session at 4:45 pm MDT.

XII. Adjournment

The meeting was adjourned at 4:46 p.m. MDT.

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

Respectfully submitted,
Virginia Caine Tonneson, Secretary

Atch:

1. 12 May 23 Approved Meeting Minutes
2. Approved Agenda
3. Board Meeting Slide Deck
4. Cooperative Operating Agreement



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 Approved Meeting Minutes
2. 11 March 2023 Approved E-Vote Minutes
3. 13 April 2023 Approved Special Meeting Minutes
4. 14 April 2023 Approved E-Vote Minutes
5. Approved Agenda
6. Board Meeting Slide Deck
7. Committees of the Board

Board of Directors Meeting Agenda
10-12 August 2023

10 August 2023

5:00 p.m.

AOG Board Reception

Doolittle Hall Library

11 August 2023

7:30 a.m. – Breakfast

Doolittle Hall Library

8:15 a.m.

- I. Call to Order
- II. Moment of Silence & Pledge of Allegiance
- III. Notified Absences & Introductions
- IV. Consent Agenda Approval
 1. 12 May 2023 Board Meeting Minutes
- V. Board Chair Opening Remarks

8:30 a.m.

- VI. AOG Updates
 1. CEO Briefing (*CEO Gould*)
 2. CEO Monitoring Reports
 - a. Asset Protection
 - b. Investment Management
 3. Staff Report (*Mark Hille*)
 4. Quarterly Financial Update (*Katie Willemarck*)
 5. Branding Update (*Wyatt Hornsby*)
 6. Award Presentation (*Naviere Walkewicz*)
 7. Graduate War Memorial Policy

10:00 a.m.

VII. Committee Updates

1. Governance Committee (*Dir. Almand*)
 - a. Governance Policies Cat 1 Motions
 - b. Bylaws and Governance Policy Update
 - c. Alignment in Board messaging

11:15 a.m.-1:45 p.m.

Lunch/Hotel Tour

1:45 p.m.

2. Finance and Investment Committee (*Dir. Strebe*)
 - a. Review Investment Report (*Rod Hennek '75*)
3. Nominating Committee (*Dir. Przybylski*)
 - a. How to increase election participation and how to present information
4. CAS Update (*Dir. Helms*)

2:30 p.m.

Speaker: Brig. Gen. Linell Letendre '96, Dean of Faculty, USAFA

3:30 p.m.

VIII. Executive Session

1. Nominate non-Director Committee Members

4:00 p.m.

Adjourned

5:00 p.m.

Joint Board Reception

Thomas Blake Ballroom, Flying Horse Country Club

1900 Weiskopf Point

Colorado Springs, CO 80921

12 August 2023

5:00 p.m.

5:00 – 6:00 p.m. Cocktails

6:00 p.m. Distinguished Graduate Dinner/Award Ceremony

Arnold Hall Ballroom



Board of Directors Meeting

11 August 2023

Agenda

- I. Call to Order
- II. Board Chair Opening Remarks
- III. Moment of Silence & Pledge of Allegiance
- IV. Notified Absences & Introductions
- V. Consent Agenda Approval
- VI. AOG Updates
- VII. Committee Updates
- VIII. Executive Session

Call to Order

Board Chair Opening Remarks

Moment of Silence & Pledge of Allegiance

Notified Absences & Introductions

Consent Agenda Approval

1. Board Meeting Minutes, 12 May 2023

Mission

To pursue our vision and to serve and support the United States of America, the United States Air Force, the United States Air Force Academy, and the graduate community by:

- Working in partnership with the Academy to produce and foster graduates with an enduring commitment to integrity, excellence, and service to country.
- Providing leadership, communication, and support to all Academy graduates and friends of the Academy and promoting camaraderie among them.
- Promoting the heritage of the Academy, our common traditions, and the accomplishments of our graduates.

CEO Briefing (Gould)

CEO Monitoring Reports

Compliance Status:
In Compliance

2.5 Asset Protection

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

1. Fail to insure against
 - a. theft and casualty losses to at least replacement value
 - b. liability losses to Board members, staff, and the organization itself in an amount at least equal to the average for comparable organizations, and
 - c. employee theft and dishonesty.
2. Allow un-bonded personnel access to material amounts of funds.
3. Subject facilities and equipment to improper wear and tear or insufficient maintenance.
4. Unnecessarily expose the AOG, its Board or staff to liability claims.
5. Make any purchase
 - a. wherein normally prudent protection has not been given against conflict of interest
 - b. of over \$50,000 without having obtained comparative bids and prices.
6. Fail to protect intellectual property, information and files from loss or significant damage, in accordance with commonly accepted business practices.

CEO Monitoring Reports

7. Fail to inventory and maintain physical property with safeguards to minimize/prevent loss, damage or theft.
8. Receive, process, account for, and disburse funds under controls that are insufficient to meet the current Board auditor's standards.
9. Endanger the AOG's public image or credibility.
10. Change the organization's name or substantially alter its identity.

2.6 Investment Management

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

Staff Report (Hille)

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



Progress in Q2/Q3

Steady Financial Performance

- Notable revenue growth in several areas
- Stronger budget visibility and discipline
- Reduced executive staff/overhead to realize long-promised efficiencies

Several Key Events

- In-Processing – 2,500 parents thru Doolittle in two days
- Long Blue Line Weekend & Leadership Conference
- Harmon donor events in Chicago, LA, Minnesota and
- Class of '63 Outdoor Leadership Tower dedication



Progress in Q2/Q3

New Administration Building - Wecker Hall

- Conceptual design and siting complete, contractor selected



Progress in Q2/Q3

Surpassed \$270mm Campaign Goal, 18 Months Early

- Significant gifts for Academics, Stadium, Wecker Hall
- Consideration of announcement and \$300mm goal
- Participation remains a challenge

Preparing for Single Employer, effective Jan '24

- Improved employee culture vs. existing “two class system”
- Maximize economies of scale – better benefits for all employees for same or lesser cost



Preparing for Single Employer, effective Jan '24

No Impact on Governance

Boards remain independent and have fiduciary and operational control over respective organization.

Current COA - *"Each organization's staff will be encouraged to explore new methods of cooperation and collaboration and may make separate agreements to that end. The organizations may choose to share staff personnel or create joint staff positions to the benefit of this COA and/or the missions of both organizations."*

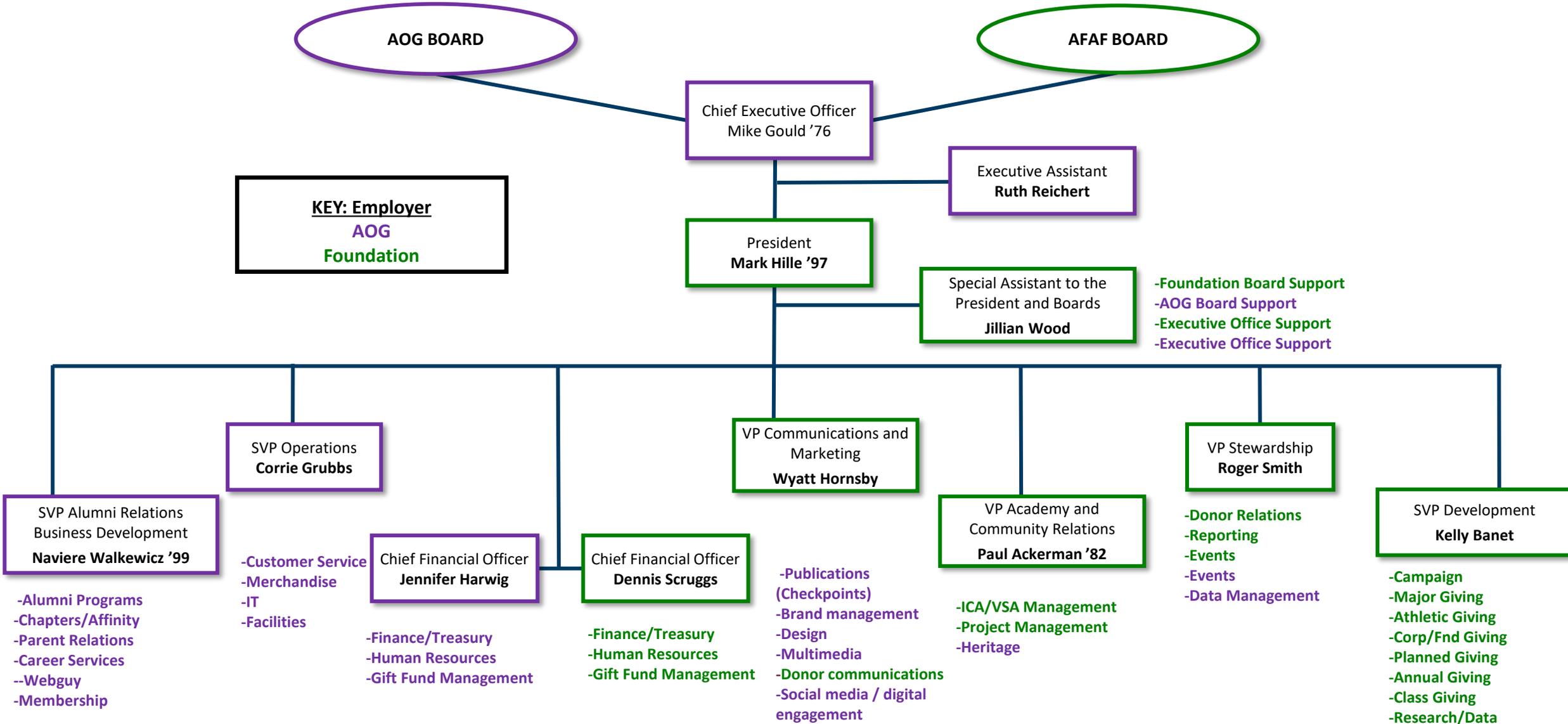
Limited Impact on Budget

Current Year – \$30-\$40k transition cost for benefits

2024 and beyond – budget neutral or modest savings (not including significant staff time savings)

Note: Efficiency measures implemented in first half of 2023 will **reduce total operational costs by \$900k (12%)**

OLD - As of January 1st, 2023



NEW - By January 1st, 2024

Fiduciary Control

AOG BOARD

AFAF BOARD

Strategic Oversight

Executive Chairman
Lt Gen (Ret) Mike Gould '76

Joint Executive and
Finance Committees

Day to day Management

President & CEO

Chief of Staff & Board
Liaison
Jillian Wood

SVP Alumni Relations
Naviere Walkewicz '99

Chief Financial Officer
Katie Willemarck

VP Communications and
Marketing
Wyatt Hornsby

SVP Development
Kelly Banet

- Alumni Programs
- Chapters/Affinity
- Parent Relations
- Career Services
- Heritage
- Events
- Webguy
- Membership
- Customer Service
- Merchandise

- Finance/Treasury
- Human Resources
- Data Management
- Gift Fund Management
- Project Management
- IT
- Facilities
- ICA/VSA Management

- Publications (Checkpoints)
- Brand management
- Design
- Multimedia
- Donor communications
- Social media
- Digital engagement

- Campaign
- Major Giving
- Athletic Giving
- Corp/Fnd Giving
- Planned Giving
- Annual Giving
- Class Giving
- Research/Data
- Donor Relations
- Reporting



All staffs are served
by a common
paymaster:

- Benefits
- Payroll/401k
- Employee handbook
- Culture

Limited updates suggested to Cooperative Operating Agreement

Requesting motion to approve changes:

- Clarification of personnel cost sharing (*Sect: Shared Costs*)
- Clerical updates to staff structure (*Sect: Joint Committees*)
- Identification of single employer model (*Sect: Ongoing Actions*)
- Dissolution provision (*Sect: Length of COA and Termination*)
- APPROVAL REQUESTED

A Look Ahead

Campaign focus on projects and participation

- Stadium, Admin Building, IFC and Hotel
- Initiatives to alter the trend in graduate participation
- Capital project management is a concern

Academy is increasingly depending on AOG/Foundation

Graduate forum for “perspectives” on relevant issues?

Post-campaign funding realities require attention



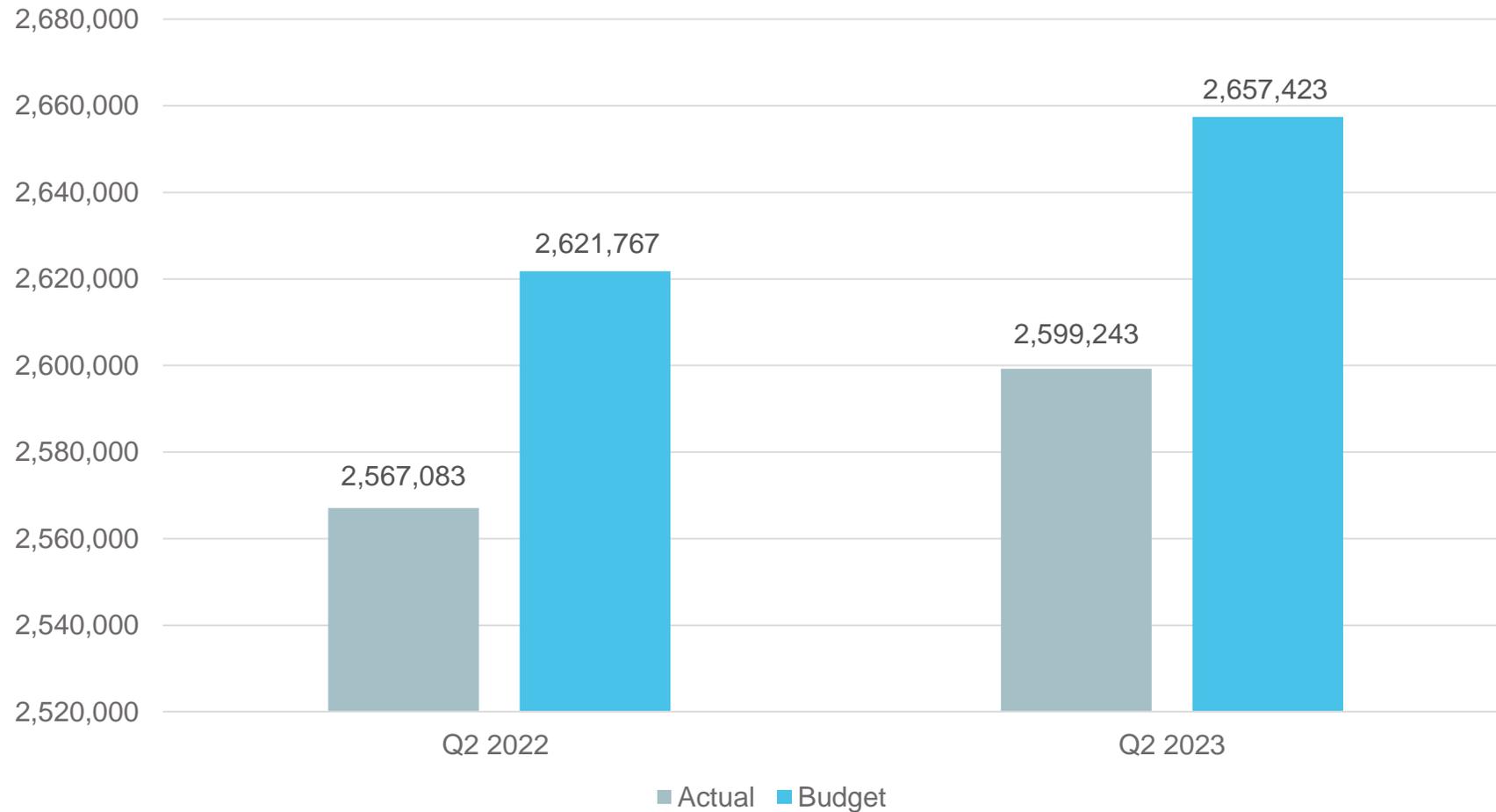
ASSOCIATION OF GRADUATES
UNITED STATES AIR FORCE ACADEMY



**June 2023 Financial
Update**

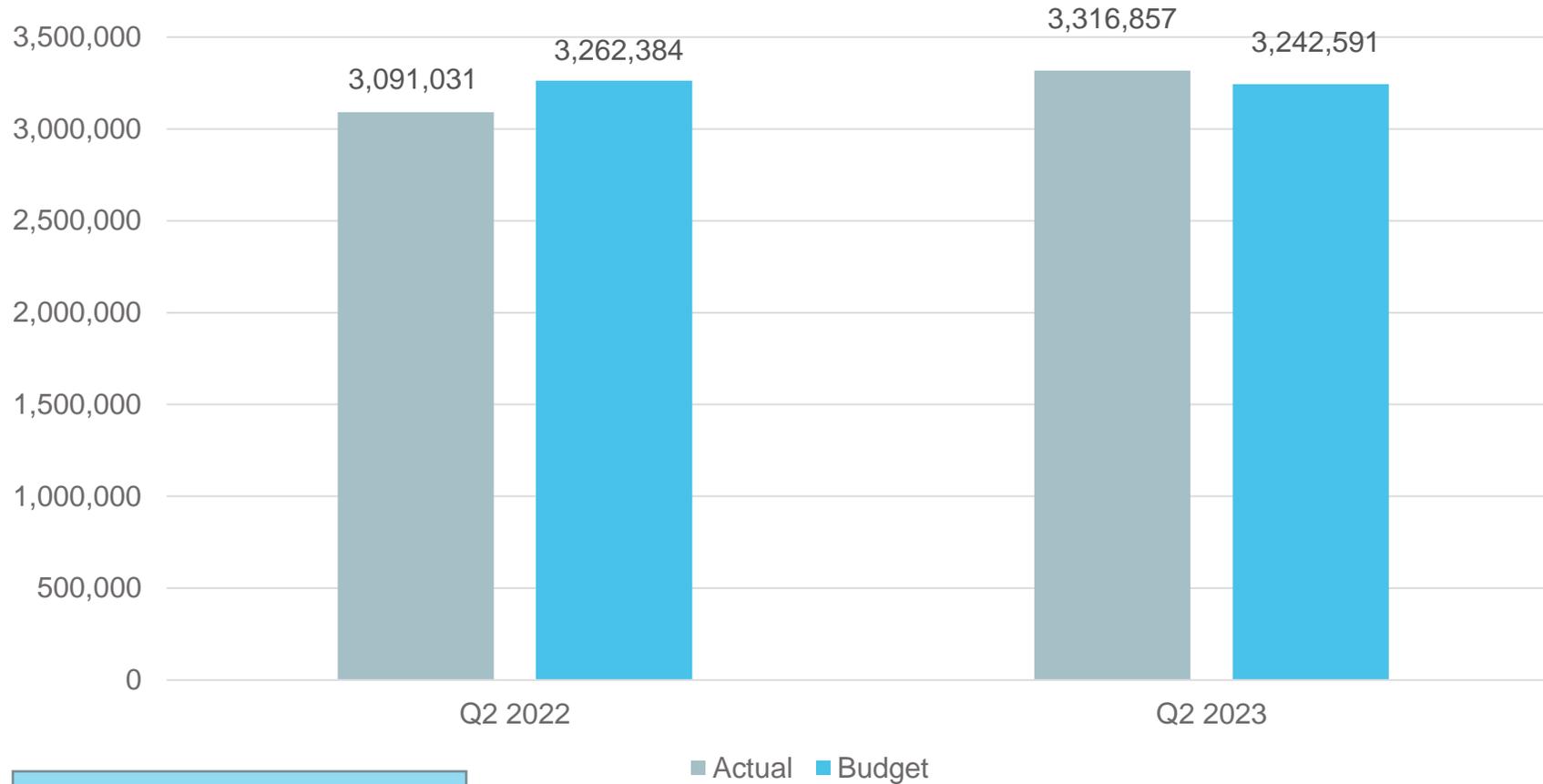
Total Operating Revenue

Budget to Actual



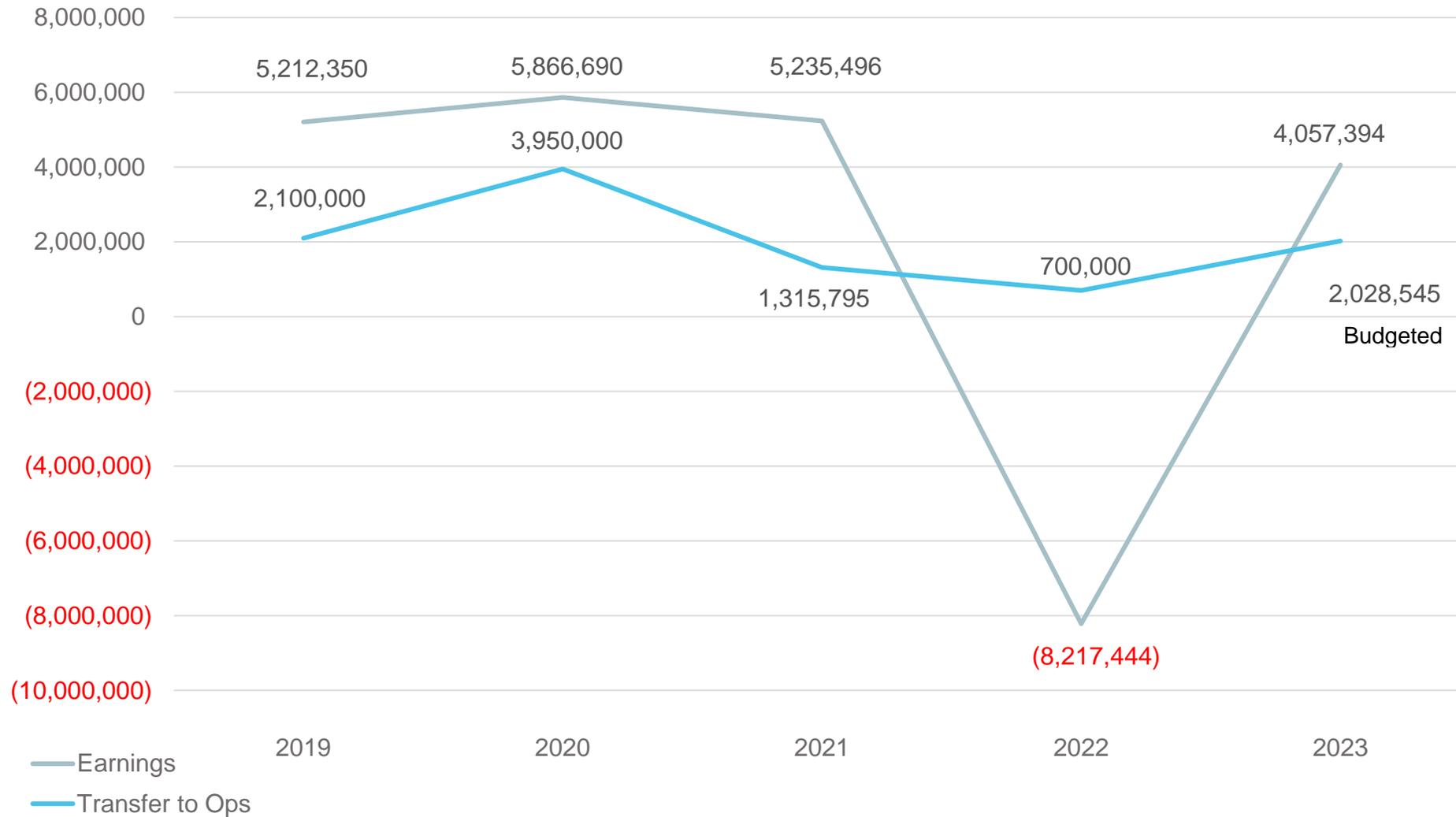
Total Operating Expenses

Budget to Actual



Net Income/(Loss)	
Q2 2022	(\$524,948)
Q2 2023	(\$717,614)

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)	(\$717,614)	(\$2,283,004)
Investment Income (Loss)	\$5,212,350	\$5,866,690	\$5,235,496	(\$8,217,444)	\$4,057,394	\$12,153,486
Investment Income Used for Operations	(\$2,100,000)	(\$3,950,000)	(\$1,315,795)	(\$700,000)	(\$250,000)	(\$8,315,795)
Investment Income to Reserves	\$3,112,350	\$1,916,690	\$1,594,378	(\$8,917,444)	\$3,807,394	\$1,513,368

Statement of Activities – For the period ended June 30,

	2023 Actual	2023 Budget	Variance	2022 Actual
Operating Revenue	\$2,599,243	\$2,657,423	(\$58,180)	\$2,567,083
Salary & Benefits	1,692,408	1,753,760	(61,352)	1,613,473
Other Expenses	1,692,408	1,488,831	135,618	1,477,558
Total Operating Expenses	3,316,857	3,242,591	(74,266)	3,091,031
Operating Income (Loss)	(717,614)	(585,168)	(132,446)	(524,948)

Investment Income for Operations
 4 Year Average \$2,016,449
 2023 Available \$2,028,545

Statement of Financial Position- As of June 30,

	2023	2022
Assets		
Cash	\$1,239,132	\$1,406,839
Investments	54,149,674	49,253,554
Beneficial Interest in Trust	52,144,214	64,854,207
Other Assets	4,868,427	4,396,979
Total Assets	\$112,401,447	\$119,911,579
Liabilities & Net Assets		
Total Liabilities	\$3,691,674	\$3,679,115
Net Assets Without Donor Restriction	36,638,002	36,358,614
Net Assets With Donor Restriction	72,071,771	79,873,850
Total Net Assets	108,709,773	116,232,464
Total Liabilities and Net Assets	\$112,401,447	\$119,911,579

Brand Assessment and Plan (Hornsby)

August 2023

Communications Focus

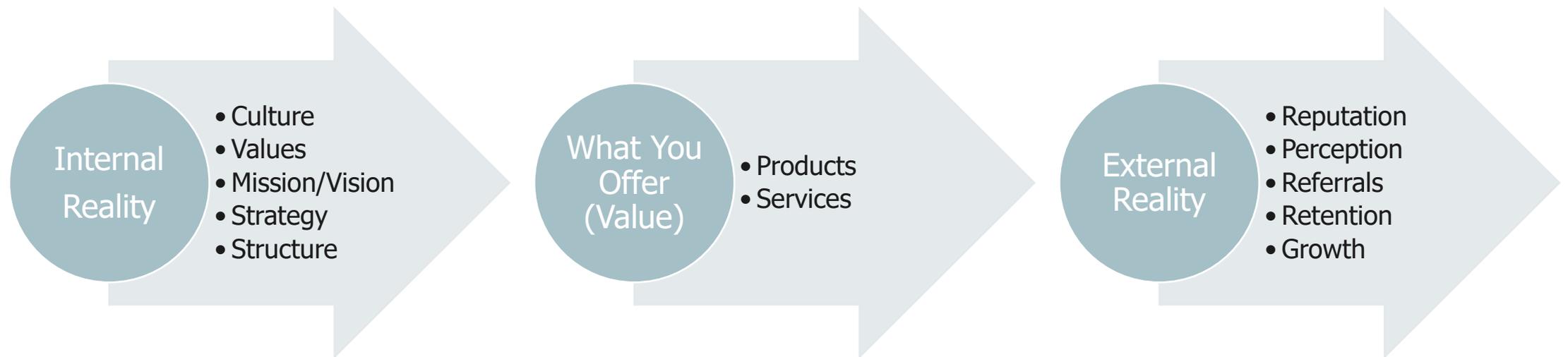
Tell the story of our Academy, our graduates and the Leader of Character mission with our words and actions.

Enhance and safeguard brand and reputation

Share story of Academy and graduates in diverse and effective ways

Maintain readiness for successfully navigating crises and adverse developments

Brand = Inside-Out Job



Authentic, believable, effective

Elements of a Good Brand

Already in place	Opportunities
<ul style="list-style-type: none">✓ Mission✓ Vision✓ Strategic plan✓ Core values✓ Pride in USAFA	<ul style="list-style-type: none"><input type="checkbox"/> Value<input type="checkbox"/> Positioning<input type="checkbox"/> Personality<input type="checkbox"/> Voice<input type="checkbox"/> Transcendence



2020-Present



2023 – Limited-Use Single-Employer Logo





ASSOCIATION OF GRADUATES
UNITED STATES AIR FORCE ACADEMY



ASSOCIATION OF GRADUATES
UNITED STATES AIR FORCE ACADEMY



giveafaf.org



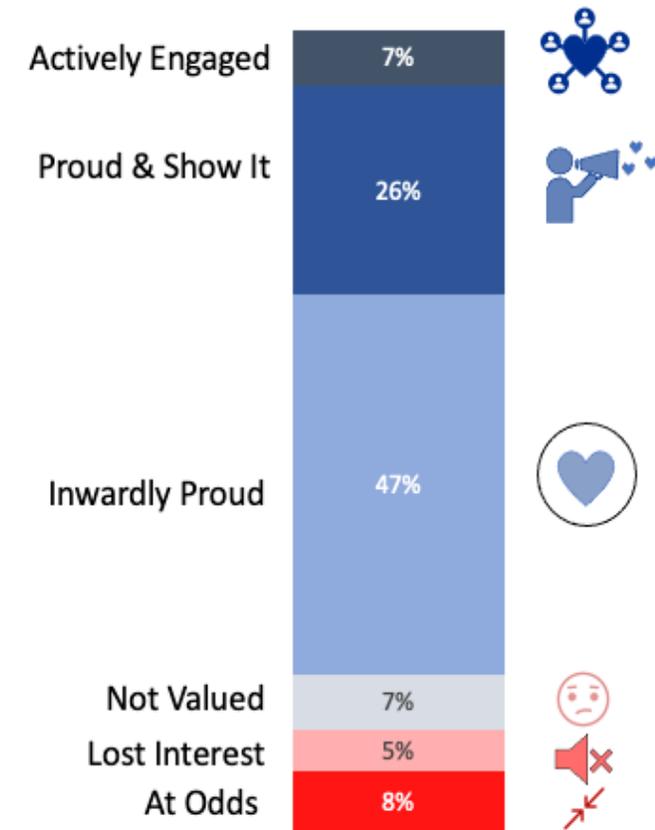
MORE THAN A MARGIN



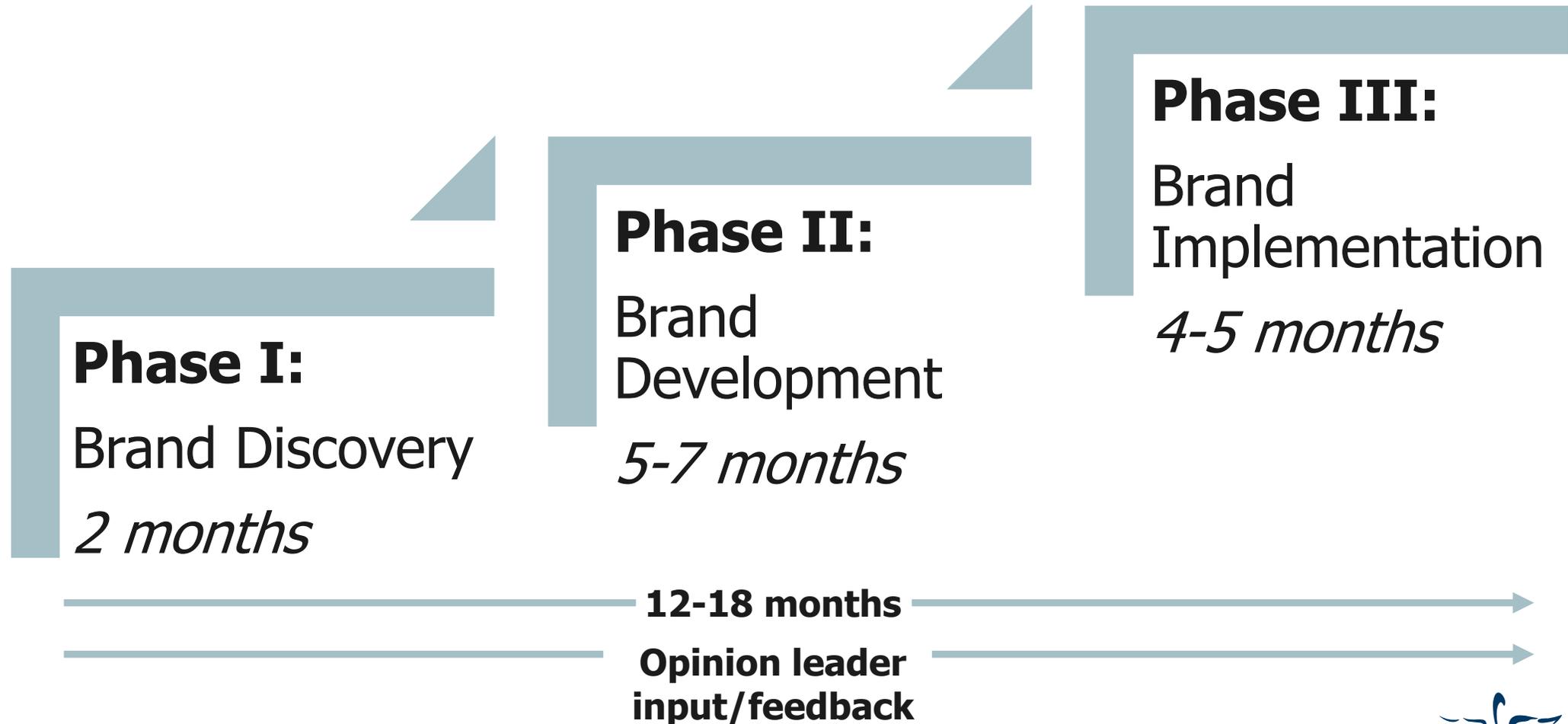
A Way Forward

- Our why
- Connection
- Pride
- Strength
- Sophistication
- Excellence on par with USAFA, one of the greatest institutions in the world

Q. "Which of these descriptions best describes you?"



What Does a Rebrand Process Look Like?



Ingredients for Success

Process

Clear end
goal

Stakeholder
engagement

Forward
progress

Flexibility

Grit

Budget

Benefits

- Stakeholder engagement
- Increased brand recognition
- Stronger market position
- Increased loyalty
- Foundational to engagement and participation goals
- Better financial performance
- Greater organizational pride
- Greater efficiency





Thank You

Award Presentation (Walkewicz)

ASSOCIATION OF GRADUATES
UNITED STATES AIR FORCE ACADEMY



Academy Awards Night

A New Way Ahead

August 2023

Academy Awards Night

A New Way Ahead

May Board Meeting Recap

- Director Bledsoe briefed concept for a single awards night held annually
- Replaces DG Award Night and encompasses a broader slate of awards
- Partners with USAFA to support active-duty recipients

Desired Outcome(s)

- Increased awareness, engagement and connection with the Long Blue Line and Academy

Academy Awards Night

A New Way Ahead

Proposed Way Forward

- One singular date (3rd weekend of August every year)
- Broader band of awards
 - Streamlined nomination and selection process
 - Sync'd timeline for awards
- 2024 (Arnold Hall)
 - Consolidation of all current awards (YAEA, Jabara, DSA and DG)
 - Addition of Mid-Tier Award
- 2025 (Polaris Hotel)
 - All awards from 2024 in addition to STEM and Athletic awards

Academy Awards Night

A New Way Ahead

Current Awards

- Sullenberger (NCLS)
- Jabara (Varies)
- Young Alumni Excellence (Varies)
- Distinguished Service (Varies)
- Distinguished Graduate (August)

Proposed Awards*

All on the 3rd Weekend of August:

- Jabara
- Young Alumni Excellence
- Distinguished Service
- Distinguished Graduate
- Mid-Tier (16-39yrs post grad)
- STEM (Cyber, Space, Engineering)*
- Athletic*

*Debut in 2025 (proposed)

Academy Awards Night

A New Way Ahead

Next Steps

- Approval on new way ahead
- AOG Board Nomination Committee partnership (selection criteria, committee members and process)
- USAFA Approval and updated MOU

Timeline

- August: Board & USAFA approval, MOU and Mid-Tier Award finalized
- September: Nominations open for 2024 awards
- October 2023-March 2024: Nomination Committee partnership with AOG staff and work for new awards
- April 2024: Marketing of new awards begins

Graduate War Memorial Policy

Committee Updates

Governance Topics

- Bylaws Review
- Governance Policies Review
- Governance Models Discussion
- Access to Board Meetings Discussion

Bylaws Review

- Present plan to periodically review each bylaw article
 - Two-year process
- July 2023 Articles I and II review, proposed changes and motion to adopt

Bylaws Review Plan

Presentation:	ARTICLE
Aug 2023	Article I. Purpose
Aug 2023	Article II. Definitions
Oct 2023	Article III. Membership
Oct 2023	Article IV. Corporate Officers
Feb 2024	Article V. Board of Directors
Feb 2024	Article VI. Nominations and Elections
Feb 2024	Article VII. Class Advisory Senate
May 2024	Article VIII. Committees
May 2024	Article IX. Chapters, Affinity Groups, and Other Organizations
May 2024	Article X. Indemnification
May 2024	Article XII. Amendments to Bylaws and/or Articles of Incorporation
May 2024	Article XIII. Transition

Bylaws Review: Article I

ARTICLE I. Purpose

REVISED: Vision, Mission, Guiding Principles

Section 1. Vision: The Association of Graduates (AOG) is the primary organization of United States Air Force Academy (USAFA) graduates and friends of the Academy, dedicated to supporting the Academy mission of building leaders of character for the Air Force and the nation, and providing service and support to graduates, friends, and cadets.

REVISED: To be an Association 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.

SOURCE: Joint Strategic Plan

Section 2. Mission: To pursue our vision and to serve and support the United States of America, the United States Air Force, the United States Air Force Academy, and the graduate community by:

REVISED: To serve graduates, preserve the heritage of the Academy and Long Blue Line, and support USAFA in its mission to develop leaders of character for the Air Force, Space Force and nation. We do this by:

- a. Working in partnership with the Academy to produce and foster graduates with an enduring commitment to integrity, excellence, and service to country.
- b. Providing leadership, communication, and support to all Academy graduates and friends of the Academy ~~and~~ **while** promoting camaraderie among them.
- c. Promoting the heritage of the Academy, our common traditions, and the accomplishments of our graduates.

SOURCE: First sentence Website

Section 3. Guiding Principles:

1. Offer membership to all USAFA graduates at no cost.
2. Provide an appropriate forum to address graduate perspectives.
3. Support the Long Blue Line throughout their lifetime.
4. The AOG will foster supportive relations with USAFA and the U.S. Air Force while maintaining neutrality towards and refraining from comment on policy decisions of either organization.
5. The AOG will foster supportive relations with non-profit entities that contribute to Academy programs consistent with the AOG's Guiding Principles, stated herein, and work closely and collaboratively with the Foundation including, as agreed by the AOG and the Foundation, sharing staff, officer, facilities, resources and participating in joint AOG/Foundation committees.

SOURCE: 4 & 5 from Foundation Bylaws

Bylaws Review: Article II

ARTICLE II. Definitions

Section 3. Member: Any graduate **who has opted into AOG membership**, and certain others, who have ~~paid dues and~~ satisfied all other membership requirements as determined by these Bylaws and the Board of Directors (the Board).

~~**Section 6. Replacement Directors:** AOG graduate members appointed to the Board of Directors pursuant to the requirements set forth in Article V Section 13c to fill elected or appointed director positions.~~ **DELETE**

Section 76. Membership Benefits: All offered/advertised services of the AOG, **which may be updated periodically. Benefits may vary by type of membership.**

Motion to Approve Changes to Bylaws

MOTION: The Governance Committee moves that the Board approve the changes to Bylaws Articles I and II as presented.

Governance Policies

Review spelled out in Table 4.2, Board Two Year Schedule

- Odd Years May — Category 1 Review assigned
- Odd Years October — Category 2 Review assigned
- Even Years May — Category 3 Review assigned
- Even Years October — Category 4 Review assigned

Proposed Change to Category I:

Current verbiage:

PURPOSE: The Association of Graduates (AOG) is an engaged, unifying force of United States Air Force Academy (USAFA) graduates chosen to serve our Nation.

Revised verbiage:

PURPOSE: The Association of Graduates (AOG) is an engaged, unifying community supporting the Long Blue Line and the Academy's enduring mission of developing leaders of character for the nation.

Motion: The Governance Committee moves that the Board approve the changes to Governance Policies Category I as presented.

Governance Model: Committee Process and Considerations

- History of 15 directors contacting CEO
 - 2010 time frame — Board was dysfunctional
- What is the purpose of the AOG? How does the Board engage with this purpose?
- What are Board's roles and what are not?
- What form of Governance Model serves these functions best?

Governance Models

Advisory Board Model

- Help/advise CEO in roles the org needs but doesn't want to pay for
- Board members exposed to significant liability

Patron Model

- Wealthy/influential individuals serve as figureheads for fund raising purposes

Co-operative Model

- All responsibility shared throughout organization, with no CEO

Management Team Model

- Committees and activities organized along functional lines, mirroring structure of org
- Board becomes org's admin where there is no paid staff and take on mgt and operational tasks

Policy Board Model

- **Job of Board is to establish guiding principles and policies for the organization**
- **Delegate responsibility and authority to those responsible for enacting policies**
- **Monitor compliance and performance**

Notes for Discussion

Vision: To be an Association 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: To serve graduates, preserve the heritage of the Academy and Long Blue Line, and support USAFA in its mission to develop leaders of character for the Air Force, Space Force and nation. We do this by:

- a. Working in partnership with the Academy to produce and foster graduates with an enduring commitment to integrity, excellence, and service to country.
- b. Providing leadership, communication, and support to all Academy graduates and friends of the Academy while promoting camaraderie among them.
- c. Promoting the heritage of the Academy, our common traditions, and the accomplishments of our graduates.

Access to Board Meetings

- Currently “All Board meetings shall be open to all members who are able to attend in person.” (Article IV Sec 8)
- Pros and Cons related to streamed and/or recorded meetings
 - Transparency (+)
 - Increased engagement (+)
 - Better informed membership (+)
 - Executive session (-)
 - Freeform discussion – Reduced ability for board to discuss topics privately (-)
 - Interest vs. effort uncertain (-)
- Options:
 - No change to bylaws
 - Record meetings
 - Stream meeting(s)
 - Membership Hour
- **Recommendation:** Chair designate a task force to further explore access to board meetings and transparency.

Finance and Investment Committee Update (Strebe)



AOG Investment Update

Special Guest: Rod Hennek- Investment Committee Chair
August 2023

Investment Committee Members

Rod Hennek, Chairman

William Jennings, PhD

Kathleen Barchik

Glenn Strebe

Rusty Yerkes

Mark Hille, Ex-Officio

Katie Willemarck, Ex-Officio



Investment Report as of June 30, 2023

Q2 2023: Economic Resilience Sparks Rally



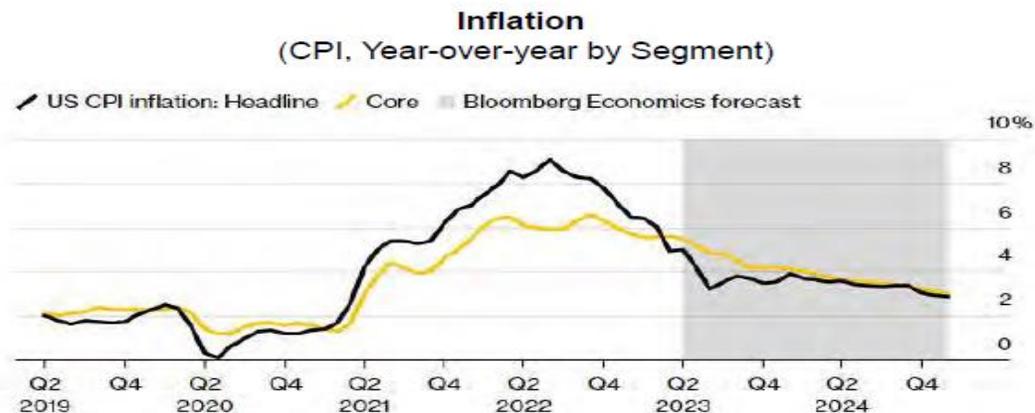
Source: Hedgeye, ACG



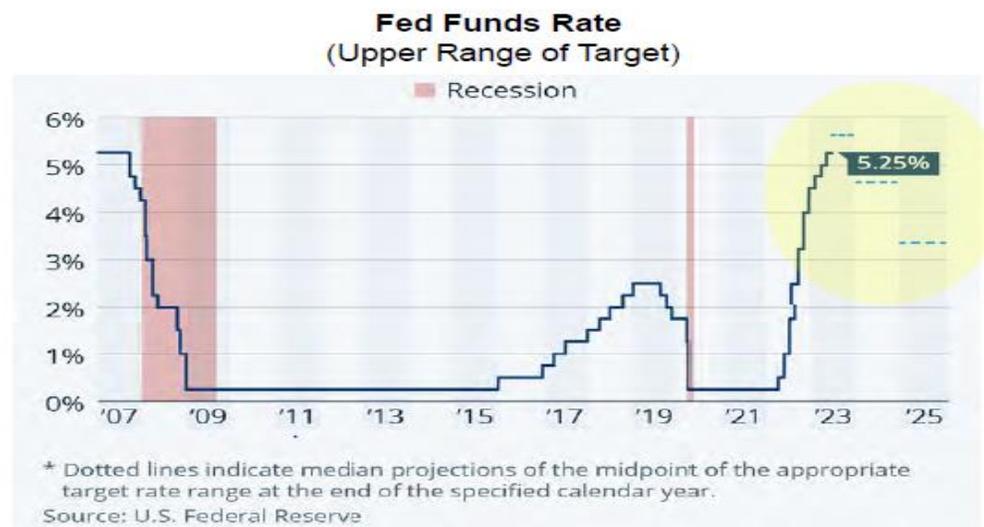
Investment Report as of June 30, 2023

Slowing Inflation Allows Fed to Pause Rate Hikes

- The most recent reading on inflation as of the end of the second quarter of 2023 shows an annual headline Consumer Price Index (CPI) rate near 4%, which is down significantly from the 8% plus annual rate at the same time last year. This decline has allowed the Federal Reserve to slow the pace of rate hikes and effectively pause rate hikes at their June 2023 meeting



- Despite the Fed's recent "pause," Federal Open Market Committee (FOMC) members, who set policy, remained hawkish over the intermediate term and raised their "dot plot" projections for 2023 year-end rates to 5.50 to 5.75%, implying two additional rate hikes of 25 bps in 2023. The market, however, disagrees with the most recent market implied pricing, suggesting rates stay at their current levels through 2023 and then decline in 2024 and 2025



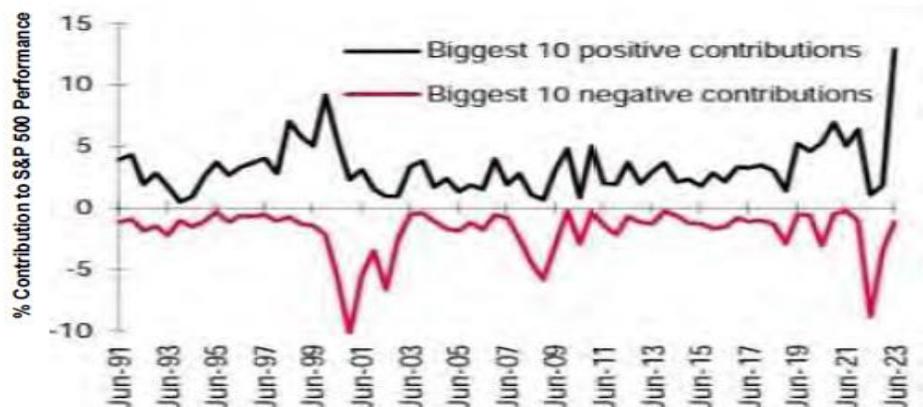
Source: Bloomberg, Federal Reserve, ACG



Investment Report as of June 30, 2023

U.S. Equity Market Breadth Remains Very Narrow

Top & Bottom 10 Contributors to Performance
(Overall % Impact on S&P 500, 6 Months)



Return of Top 7 Stocks vs. S&P 500
(First half 2023, Cumulative Return)



- When the S&P 500 return is driven by a wide range and number of stocks, the index is said to have good “breadth.” When the market is driven by only a few stocks, market breadth is said to be “narrow.” During the first six months of 2023 the top 10 contributors accounted for approximately 14 points of the +16.9% year-to-date S&P 500 return. This was the highest contribution seen for the top 10 over the last 30+ years

- The top seven stocks (the so called “Magnificent 7”) in the S&P 500 Index make up over 30% of the index by market capitalization but were responsible for approximately 85% of the return through the first half of 2023. In addition, many of these larger stocks are classified as growth stocks and have played a large part in driving the year-to-date recovery in growth stocks vs. value



Investment Report as of June 30, 2023

Total Account



Fund ID: 1000
 Report Period: 10/31/2003 to 06/30/2023
 Fiscal Year Ends: December

Page 1

Account Activity Summary: Total Fund

	Latest Month	Latest Quarter	Fiscal Yr to Date	Cal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	From 10/31/03
Beginning Market Value	51,801,518	51,848,467	48,582,023	48,582,023	49,161,324	45,094,440	47,366,998	8,198,683
Contributions	0	3,619,702	8,575,068	8,575,068	8,575,068	28,757,452	38,561,110	269,115,147
Withdrawals	0	3,869,677	8,880,084	8,880,084	9,580,084	29,341,153	44,674,902	261,893,505
Net Flows	0	-249,975	-305,016	-305,016	-1,005,016	-583,701	-6,113,792	7,221,642
Interest/Dividend Income	159,513	224,642	415,084	415,084	1,412,558	6,245,884	10,286,292	24,291,259
Gains/Losses	1,995,605	2,133,502	5,264,545	5,264,545	4,387,770	3,200,013	2,417,138	14,245,052
Total Earnings	2,155,118	2,358,144	5,679,629	5,679,629	5,800,328	9,445,897	12,703,430	38,536,311

As of 06/30/23

Ending Market Value	53,956,636	53,956,636	53,956,636	53,956,636	53,956,636	53,956,636	53,956,636	53,956,636
Time Weighted Return	4.16	4.57	11.76	11.76	12.06	6.59	5.36	6.14
Balanced Index	4.56	4.62	11.13	11.13	13.36	8.69	5.97	6.25

Fund data is on a trade date basis and income is included in the fund returns on an accrual basis

07/17/23

Fund returns are gross of management fees

All returns include the effects of all principal change and income, and returns for longer than one year are annualized

Total Fund Balanced Index: Policy allocations

10/31/03 - 12/31/14

35% S&P 500, 30% MSCI EAFE -Net, 3% MSCI EM - Gross, 21% BB Aggregate, 11% Fund of Funds

12/31/14 - 02/28/22

30% S&P 500, 5% Alerian MLP, 30% MSCI EAFE -Net, 5% MSCI EM - Gross, 15% BB Aggregate, 10% Fund of Funds, 5% NAREIT All REIT

02/28/22 - 06/30/23

5% FTSE T-Bill 3-Mo, 14% S&P 500, 14% S&P 500, 14% S&P 500, 10% BB Aggregate, 5% Fund of Funds, 5% NAREIT All REIT, 28% MSCI EAFE -Net,

5% MSCI EM - Gross



Investment Report as of June 30, 2023

Total Account



Fund ID: 1000
 Report Period: 10/31/2003 to 06/30/2023
 Fiscal Year Ends: December

Page 2

Portfolio Composition



Account Activity Summary

	Latest Month	Fiscal Yr to Date
Beginning Market Value	51,801,518	48,582,023
Contributions	0	8,575,068
Withdrawals	0	(8,880,084)
Net Flows	0	(305,016)
Earned Income	159,513	415,084
Gains/Losses	1,995,605	5,264,545
Total Earnings	2,155,118	5,679,629
Ending Market Value	53,956,636	53,956,636

Performance Summary

	Inception Date	Market Value	% of Total	Target	Latest Month	Latest Quarter	Fiscal Yr to Date	Cal Yr to Date	Latest 1 Year	Latest 3 Years	Latest 5 Years	Since Inception
Total Fund	10/31/03	53,956,636	100.00		4.16	4.57	11.76	11.76	12.06	6.59	5.36	6.14
Policy Allocation Index					4.56	4.62	11.13	11.13	13.36	8.69	5.97	6.25
Average Allocation Index					4.17	4.20	10.62	10.62	12.09	7.13	6.29	6.82
Domestic Equity	10/31/03	21,288,240	39.45		6.86	9.94	18.71	18.71	20.74	14.11	11.75	10.24
S&P 500					6.61	8.74	16.89	16.89	19.59	14.61	12.31	9.77
Developed Market	10/31/03	13,130,885	24.34		4.63	2.78	12.84	12.84	16.54	8.14	4.04	6.15
MSCI EAFE -Net					4.55	2.95	11.67	11.67	18.77	8.93	4.39	5.90
Emerging Markets	01/31/11	2,911,982	5.40		0.00	-3.27	3.73	3.73	-1.95	-1.89	0.07	0.82
MSCI EM - Gross					3.89	1.04	5.10	5.10	2.22	2.72	1.31	1.84
Fixed Income	12/31/05	7,298,299	13.53		0.10	0.17	2.23	2.23	0.23	-2.07	0.99	3.37
BB Aggregate					-0.36	-0.84	2.09	2.09	-0.94	-3.96	0.77	3.04
Real Estate	10/31/03	2,455,675	4.55		5.34	3.13	6.01	6.01	-2.01	8.92	6.19	N/A
NAREIT All REIT					5.69	1.60	3.12	3.12	-4.29	6.16	4.32	7.86
Alternatives	11/30/03	3,085,037	5.72		1.98	2.01	2.76	2.76	4.00	4.23	2.56	N/A
Fund of Funds					1.16	0.96	3.25	3.25	4.68	5.38	3.52	3.31
Cash	10/31/03	3,786,518	7.02		0.43	0.92	N/A	N/A	N/A	N/A	N/A	N/A
FTSE T-Bill 3-Mo					0.43	1.25	2.39	2.39	3.75	1.33	1.57	1.31



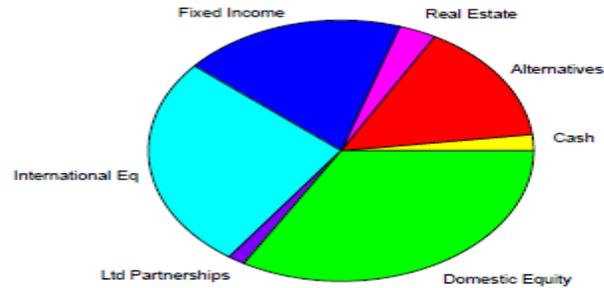
Investment Report as of June 30, 2023

Total Account

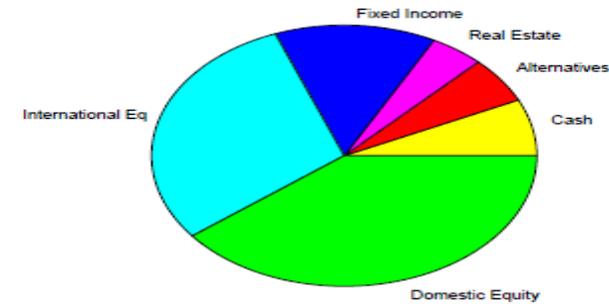
Fund ID: 1000
Report Period: 10/31/2003 to 06/30/2023
Fiscal Year Ends: December

Policy Versus Actual Asset Allocation Comparison

Current Policy Allocation



Current Asset Allocation



	Market Value	% of Total		Market Value	% of Total	Policy MV - Current MV	Policy Allocation - Current Allocation
Domestic Equity	18,032,308	33.42	Domestic Equity	21,288,240	39.45	-3,255,932	-6.03
Ltd Partnerships	776,976	1.44	Ltd Partnerships	0	0.00	776,976	1.44
International Eq	14,233,761	26.38	International Eq	16,042,867	29.73	-1,809,106	-3.35
Fixed Income	10,079,100	18.68	Fixed Income	7,298,299	13.53	2,780,801	5.15
Real Estate	1,699,634	3.15	Real Estate	2,455,675	4.55	-756,041	-1.40
Alternatives	8,061,121	14.94	Alternatives	3,085,037	5.72	4,976,084	9.22
Cash	1,073,737	1.99	Cash	3,786,518	7.02	-2,712,781	-5.03
Total Fund	53,956,636	100.00	Total Fund	53,956,636	100.00		

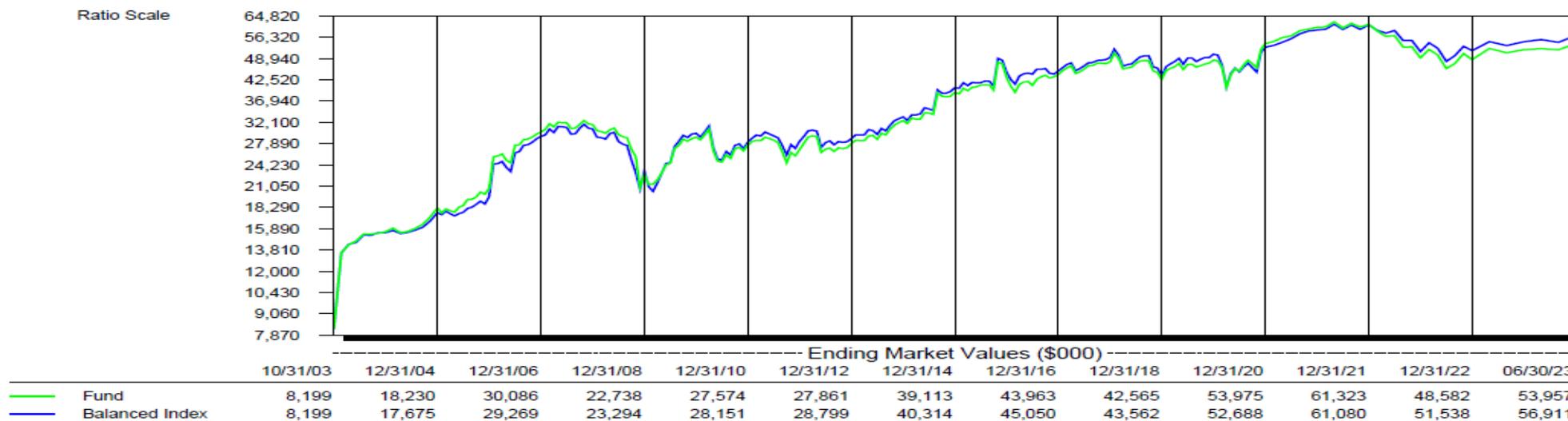


Investment Report as of June 30, 2023

Total Account

Fund ID: 1000
Report Period: 10/31/2003 to 06/30/2023
Fiscal Year Ends: December

Portfolio Growth Comparison: Total Fund



Fund data is on a trade date basis and income is included in the data presented on an accrual basis

Fund data is gross of management fees

Index Market Value growth represents monthly fund market values if the fund had grown at the Index rate of return

Total Fund Balanced Index: Policy allocations

10/31/03 - 12/31/14 35% S&P 500, 30% MSCI EAFE -Net, 3% MSCI EM - Gross, 21% BB Aggregate, 11% Fund of Funds
12/31/14 - 02/28/22 30% S&P 500, 5% Alerian MLP, 30% MSCI EAFE -Net, 5% MSCI EM - Gross, 15% BB Aggregate, 10% Fund of Funds, 5% NAREIT All REIT
02/28/22 - 06/30/23 5% FTSE T-Bill 3-Mo, 14% S&P 500, 14% S&P 500, 14% S&P 500, 10% BB Aggregate, 5% Fund of Funds, 5% NAREIT All REIT, 28% MSCI EAFE -Net, 5% MSCI EM - Gross

07/17/23



Nominating Committee: Election Preparation

EMMA PRZYBYSLAWSKI '10

HANS MUEH '66

TRAPPER CARPENTER '73

NATE DIAL '10

JOE BLEDSOE '11

Agenda

- Tasking Overview
- 2023 Election Hot Wash
- Potential Future COAs
- What's next?

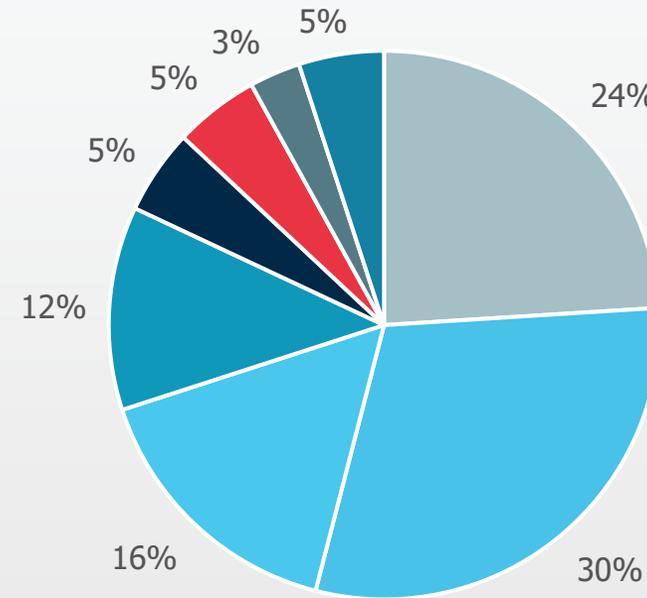
Tasking

- May 2023 Board Meeting request for committee to create a wholistic overview of the last election
 - Hot wash of last election
 - Begin to explore how the board can shape the next election to get better member engagement and diverse candidate interest
 - Present informative potential future courses of action from the committee for further investigation and analysis

2023 Election

- Election
 - 2/6/23 – 3/6/23
 - Participation: 35,640 eligible voters; 6,292 voted → 17.6%
- Special Election
 - 4/10/23 – 4/24/23
 - Participation: 35,740 eligible voters; 4,950 voted → 13.85%

% Participation by Class Decade



■ 1960s ■ 1970s ■ 1980s ■ 1990s ■ 2000s ■ 2010s ■ 2020s ■ Assoc

2023 Election Comparison

SBS – National Elections

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

Comparable # of members (25K – 50K) – response rate is 8.98%

AOG

Average voting participation 2015 – 2023: 21.44%

AOG (no bylaw change) average: 15.76%

SBS Recommendations for 2025

Include text voting

Increase voting time from 30 to 60 minutes

Links to candidate bios and standardized candidate Q&A

Committee Discussion

- We need to start working the next election now
- How can we include more directors from each decade of graduates?
- How can we include this in future published desired skillsets and traits?
- What other additional skillsets and traits are important to include?
- Any election changes should be structured over a four-year cycle to ease the transition and provide opportunities for lessons learned / tweaks to our COA

Election Challenges

- False expectation on members to research all candidates and make an informed decision
- Board skillset gaps not readily apparent outside of published desired skillsets and traits (generic)
- Shaping election must be thoughtful and sensitive to optics to membership
- Bylaws will likely need to be changed with certain COA choices
- Building cross-decade representation in a member-voting election system while getting the skillsets needed

- So, we would like to present two ideas as board consideration...

Big Idea #1: All Decade Representation

- Gain cross-decade representation on the board by structuring the election differently:
 - No more than 3 directors per decade on the board
 - If there are 3 directors in a decade, that decade cannot have a candidate on the ballot
 - The top voted candidates will be prioritized based on which decade they come from and needs of the board
 - Desired Board Attributes: can use Big Idea #2 Board Endorsement as a way to cross-check attributes and use appointed positions to get the skillsets needed

2025 Election Example

Term Ends May 2025

Term Ends May 2027

Mueh '66

Tonneson '80

Bishop '83

Strebe '87

Przybyslawski '10

Bledsoe '11

Walters '11

Appointed
Directors

Hoffman '63

Dudley '68

Lowe '71

Krauth '72

Carpenter '73

Almand '90

Evans '08

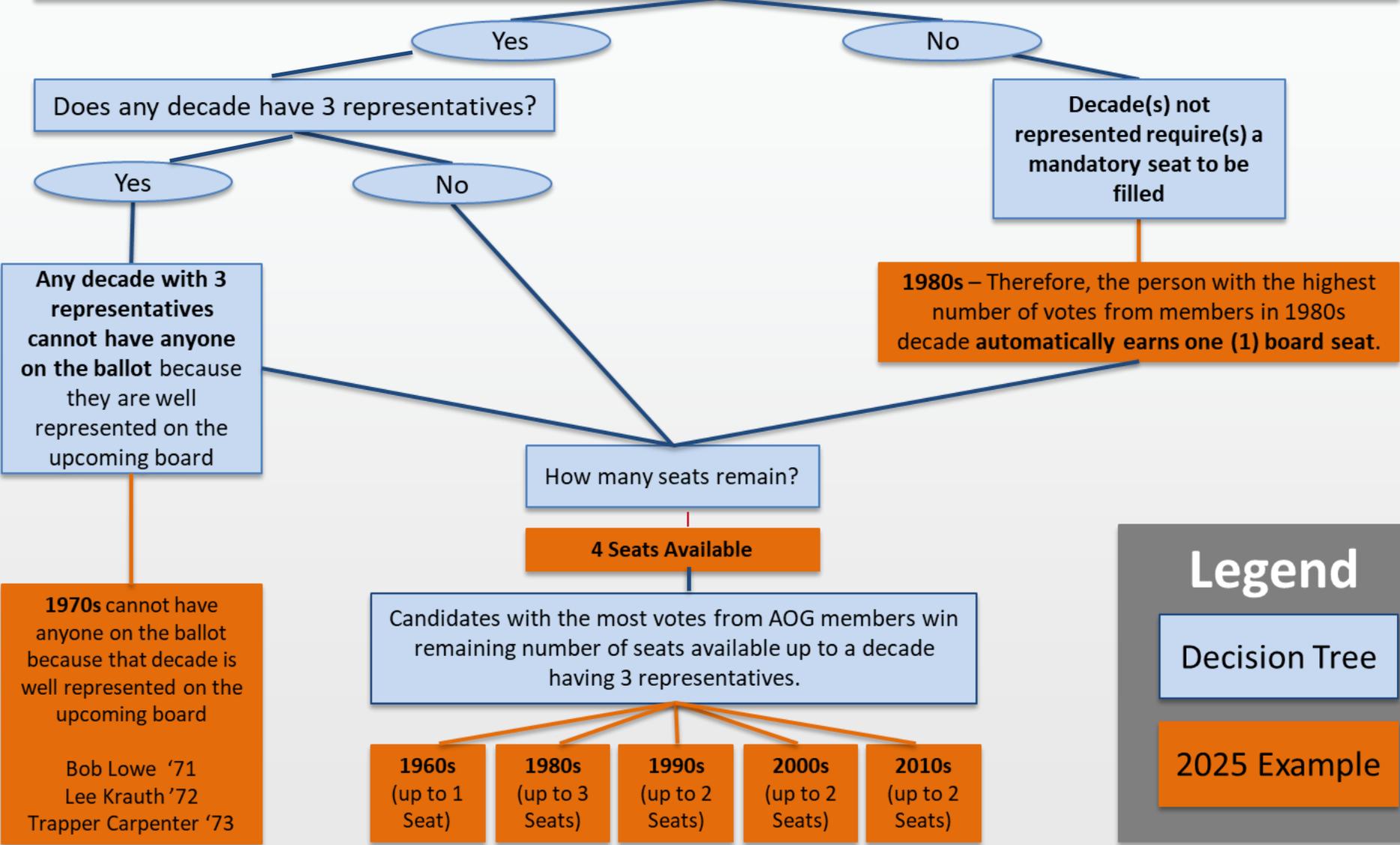
Dial '10

CAS

Helms '79

Class Decade	# Directors	# of Vacancies in 2025 Election
1960s	3	1
1970s	3	0
1980s	3	3
1990s	1	2
2000s	1	2
2010s	4	2

Is every decade (60s, 70s, 80s, 90s, 2000s, 2010s) represented in subsequent year's 2-year board cycle?



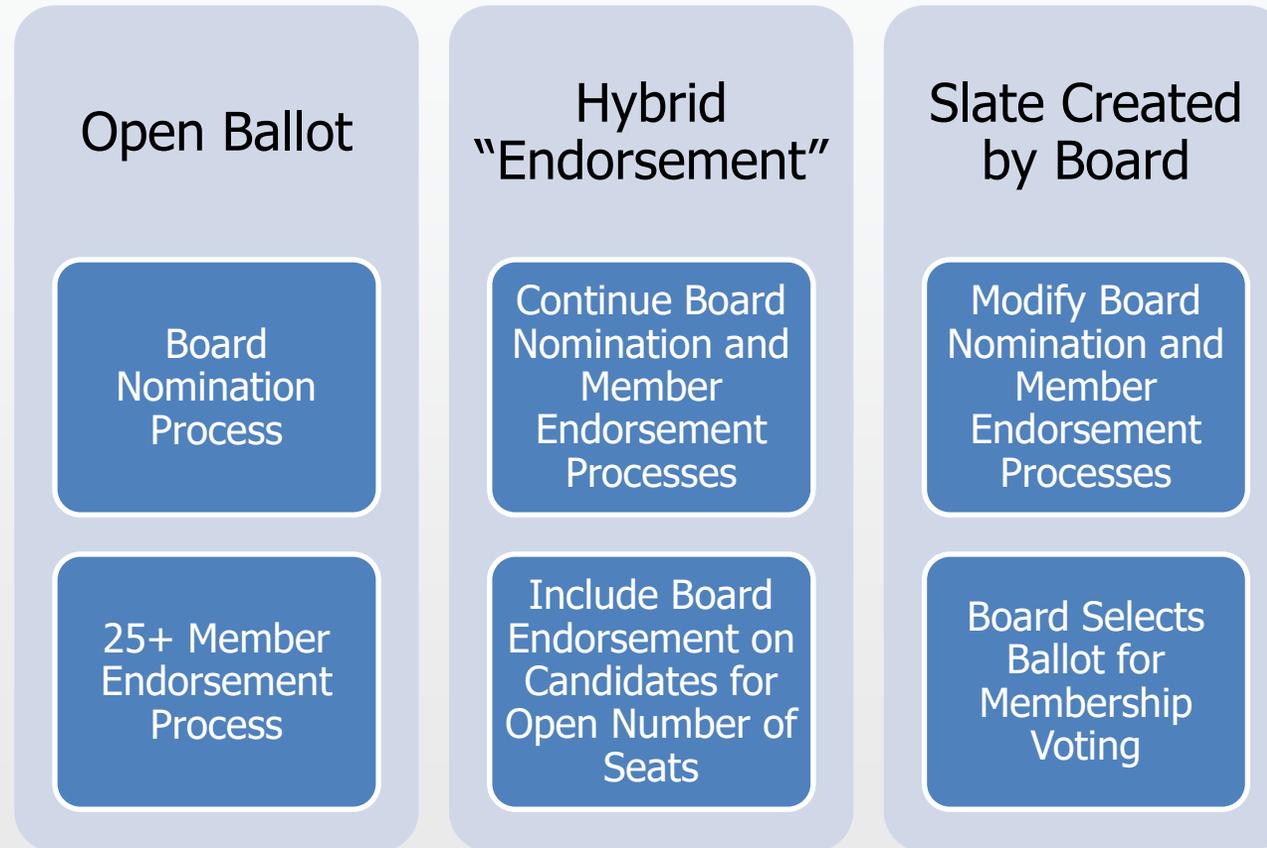
Legend

Decision Tree

2025 Example



Big Idea #2: Board Endorsement



Come one,
come all



Board
Controlled 80



What's next?

- Based on this discussion or “sense of the board,” this committee will present further refinement of interesting COA(s)
- Include:
 - Pros and Cons of Big Ideas
 - Red Teaming
 - Lay Down Initial COA(s) Plan
 - Identification of Potential Bylaw Changes (for advance consideration)
 - Motion for Decision Brief on Desired COA

Guaranteed Board Seats by Decade

Goal for New Election Process:

- To reflect the broad range of graduates moving forward the board should have at least one person from every decade represented starting with the May 2027 Board of Directors.

To Accomplish the Goal:

- We should make a fundamental change to the by-laws (ARTICLE VI) in two ways:
 1. The board will be comprised of **at least one** grad from every decade **not to exceed three (3)**.
 2. A decade becomes eligible when the "8" year graduates.
 - Example: 2020s decade becomes eligible when Class of 2028 graduates USAFA.

Why Do We Need the Changes?

- *We must make a **BOLD** change and create dedicated space for the younger classes/generations to have guaranteed service to ensure the longevity of the Association of Graduation in perpetuity.*
- *The goal of this change is to **combat** the **drop in pride** immediately after graduation with a clear change to our operating procedures and clear signal that younger voices are welcome/needed.*
- *The benefit of the proposed changes is ensuring our board reflects the range of ideas within our alumni community along our most important attribute – **Our Range of Ages.***
- *Guaranteed representation by decade ensures every generation has the **opportunity for Chair & Vice Chair positions**. Also, it allows the **appointed seats to be strategic improvement** tools for the AOG & Board.*

Example of Guaranteeing Seats By Decade

Term Ends May 2025
*2025 Election mandates one (1) 80s Rep
 No More 70s Reps + 4 Seats*



Mueh '66



Tonneson '80



Bishop '83



Strebe '87



Przybyslawski '10



Bledsoe '11



Walters '11

Term Ends May 2027
*2027 Election mandates one (1) 70s Rep
 Remaining Mandates TBD on 2025 Election
 Results*



Hoffman '63



Dudley '68



Lowe '71



Krauth '72



Carpenter '73



Almand '90



Dial '10



Evans '08

CAS Pres



Helms '79

Appointed Directors
Cannot be Chair Or Vice Chair

Limited Board Endorsements

Board *only* endorses the top candidate in a decade when a mandatory vote exists.

1. Mitigates voter fatigue when reading 20+ candidate bios.
2. Provides voters who are unfamiliar with decades, a place to start when evaluating candidates.
3. Signals to voters the skillsets the current board desires/needs for the next session.
4. Provides the board feedback & direct comparison on our constituents' view of "endorsements."

Example 1: In the 2025/26 election the board will only endorse one (1) candidate in the 1980s decade

Example 2: In the 2027/28 election the board will only endorse one (1) candidate in the 1970s decade

• **AOG Board Establishes An *Internal* Endorsement Evaluation Criteria**

1. Professional Skillsets
 - Legal, Finance, Marketing, Private & Public Board Experience
2. USAFA/AOG Connection
 - Former Supt/Comm/Dean/AOC
 - Service Academy Selection Committee
 - Class Advisory Senate Member
 - USAFA Admissions Officer
 - Former Board Chair/Vice-Chair
 - Officer of AOG Chapter Organization
 - AOG Affinity Group Officer
 - Air Liaison Officer
 - USAFA Sponsor Family
 - Former AOG/Foundation Employee
3. USAFA/AOG Recognition
 - Won an USAFA/AOG Award post-graduation (Jabara, YAEA, DG, Sullenberger, etc.)
 - NCLS Speaker (Leader who USAFA wants in front of cadets/USAFA staff)
 - Cadet Leadership Experience (Wing Staff, Group Staff, CS/CC, Team Captain, Class Officer)

AOG Staff Request

Request For Additional Information from the last 3 Elections (2018/19 - 2020/21 - 2022/23)

1. Number of Living Grads & Number of Graduates who voted
 - Together they show us how close we are getting to “Quorum” for elections to ratify.
2. Person with the most votes and the number of votes received. Last person who was elected and the number of votes received
 - Together they show us the range of votes needed to get elected (**First In & Last In**)
 - This will show us if we need to change what constitutes a quorum for elections
3. First person who missed the bar to get elected and the number of votes received. Person who missed the bar and received the lowest number of votes
 - Together they show us the range of votes who were not elected (**First Out & Last Out**)

CAS Update (Almand)



Brig. Gen. Linell Letendre '96
Dean of the Faculty, USAFA

Executive Session

Nominate non-Director Committee Members

COOPERATIVE OPERATING AGREEMENT

between

**ASSOCIATION OF GRADUATES
OF THE UNITED STATES AIR FORCE ACADEMY**

and

AIR FORCE ACADEMY FOUNDATION

PREAMBLE

The Association of Graduates of the United States Air Force Academy (the "AOG") and Air Force Academy Foundation (the "Foundation") adopt this Cooperative Operating Agreement (the "COA"), dated and effective as of August __, 2023 (the "Effective Date"). This COA amends and restates that certain Cooperative Operating Agreement dated and effective as of January 1, 2022, superseding both the Memorandum of Understanding, dated January 1, 2021, and the Single President and Chief Executive Officer Agreement, dated August 3, 2018.

PURPOSE

The purpose of this COA is to continue a collaborative, comprehensive friend-raising and fundraising process designed to (1) better serve the graduate community, (2) promote the heritage and value of the United States Air Force Academy (the "Academy") and its graduates, and (3) raise increasing levels of philanthropic and charitable support for the Academy.

KEY ELEMENTS

The structure for effectively achieving our purpose has the following key elements:

1. The AOG and the Foundation are two legally independent organizations with separate boards of directors, working together through this COA in a collaborative, cooperative effort and whose mutual success relies on close cooperation in friend-raising and fundraising activities.
2. The AOG is responsible for maintaining and directing an organization of Academy alumni with the principal objectives of supporting the Academy through financial gifts and grants, graduate and cadet services, and promotion of the Academy's heritage. The AOG receives and retains revenues from other sources, including family plan membership dues, merchandise sales, ticket sales, sponsorships, and services.
3. The Foundation is responsible for maintaining and directing a fund-raising organization in support of the Academy and its programs. The Foundation, through its fundraising efforts, is further committed to assisting and supporting the AOG and the other Academy-related nonprofit organizations in support of their programs and operations.
4. Toward the success of the AOG and Foundation missions, both organizations will work together to their mutual benefit in the following ways:
 - a. The Foundation has responsibility for the solicitation, receipt, and stewardship of tax-deductible donations, including unrestricted gifts, restricted gifts and estate gifts. The Foundation commits to actively solicit for gifts that support AOG programs and operations along with the Foundation's other fundraising priorities for the Academy.

- b. The AOG retains the ability to accept, steward, and manage tax deductible donations to support AOG operations and to establish or enhance its Long Blue Line endowment. However, solicitation of gifts to and operation of the Air Force Academy Fund will be the responsibility of the Foundation as long as this COA is in effect. Gifts to the Air Force Academy Fund which the AOG receives directly from donors will be forwarded to the Foundation on a monthly basis. When making gifts to the Academy from the Air Force Academy Fund, the Foundation will give specific recognition to the cooperation and support of the AOG.

FINANCIAL SUPPORT

In order to assist the AOG in its friend-raising activities, the Foundation will make an annual grant to the AOG from the Foundation's available unrestricted net assets. The grant amount will be paid to the AOG on an as-needed basis and out of the Foundation's available unrestricted resources, and within the parameters of the Foundation's Board-approved annual budget. In addition, the Foundation will actively solicit restricted donations which supports the AOG in its friend-raising activities, e.g., membership for all graduates, alumni events and *Checkpoints* production.

In order to assist the Foundation in stewarding its donors, and as in standard industry practice between granters and grantees, the AOG will provide information to the Foundation as to the use and impact of the grants in the AOG's friend-raising activities.

SHARED LEADERSHIP

The AOG will enter into an employment agreement with an individual who will serve as the Chief Executive Officer (the "CEO") of both the AOG and the Foundation. The costs of employment will be shared equally by both organizations. The CEO's compensation and related benefits must be approved by the Chair (or other designated members, e.g., compensation and/or executive committees) of each organization's Board of Directors. The individual who serves as the CEO must have the ongoing approval of the Board of Directors of each organization. The duties of the CEO will be set forth in the CEO's employment agreement, which must be approved by the Chair of each organization's Board of Directors.

SHARED COSTS

The AOG and Foundation will continue to provide operating support to each other by providing office space and infrastructure support, including information technology, communications, database management, meeting spaces, and a range of other services as have been provided by the organizations to each other for the past several years. These staff costs will be allocated based on each organization's use. Staff costs will also be allocated based on job function and time spent working for each organization.

~~The staff costs of certain AOG and Foundation employees who serve both organizations in the normal course of operations will be included in a combined pool of shared costs.~~ At the end of each calendar year, the organizations will evaluate the staff and other shared costs and determine what, if any, remuneration is necessary by one organization to the other to ensure a reasonable sharing of costs that are mutually beneficial.

JOINT COMMITTEES

The Joint Executive Committee ("JEC") will consist of eight (8) voting members from the organizations' boards of directors; the eight (8) members will be the Chair, Vice-Chair, Secretary and Treasurer from each organization's Board of Directors. The JEC will meet as deemed necessary by the CEO or either of the board chairs. The JEC is charged with mediating disputes, conflicts of interest, or other issues between the

AOG and the Foundation, including recommending solutions for consideration by the CEO or board chairs. During the first and third years of this COA, the AOG's Chair will serve as the JEC Chair and during the second year of this COA, the Foundation's Chair will serve as the JEC Chair.

The Joint Finance Committee ("JFC") is an advisory committee consisting of six (6) voting members from the organizations' boards of directors; the six (6) members will be the Treasurer and two additional members from each organization's board or finance committee. The JFC will meet as necessary or at the request of the CEO, and will be available to assist the CEO, ~~President~~ and chief financial officers ("CFOs") in establishing financial priorities, resolving budget issues, identifying financial risks and proposing reasonable alternatives. On an annual basis, the CEO, ~~President~~ and CFOs will provide the members of the JFC with each organization's historical financial reports, operating budgets, and financial projections for not less than five (5) years beyond the end of the current year. During the first and third years of this COA, the Foundation's Treasurer will serve as the JFC Chair and during the second year of this COA, the AOG's Treasurer will serve as the JFC Chair.

ONGOING ACTIONS

The AOG and Foundation will adopt a single employment model under a common paymaster agreement. In addition, ~~Each~~ each organization's staff will be encouraged to explore new methods of cooperation and collaboration and may make separate agreements to that end. The staffs may develop additional policies and procedures necessary for efficient and effective implementation of this COA. The organizations may choose to share staff personnel or create joint staff positions to the benefit of this COA and/or the missions of both organizations. Any agreements will be based on the principles contained in this COA, and what is in the mutual best business interest of both organizations.

To the extent that the Foundation receives gifts that are donor-designated for the AOG, but which are otherwise unrestricted, the Foundation will transfer funds available for distribution, to the AOG on a monthly basis. The Foundation will also report monthly to the AOG all pledges, bequests, and other deferred gifts that are donor-designated to the AOG, and will distribute available cash to the AOG in accordance with donor or fund agreements.

Bequests and other deferred gifts, such as funds received from a will or trust or a life insurance policy, will be handled as follows: Designations to an organization, such as "to the Foundation" or "to the AOG," without additional legal documentation of a more specific intended use, either from the donor or from the donor's personal representative/trustee, will be passed through to the respective organization. All such donations will be applied/distributed at the exclusive direction of the Board of Directors of the designated organization.

Designations to an organization, such as "to the Foundation" or "to the AOG" with additional legal documentation of a more specific intended use, either from the donor or from the donor's personal representative/trustee, will be applied by the designated organization towards the designated purpose, with donor intent being paramount.

Both organizations will share responsibility for the constituent database (the "CDB") updates and maintenance, although the ultimate responsibility for CDB integrity rests with the AOG. The AOG and Foundation staffs shall share full ownership, use of and access to the CDB.

LENGTH OF COA AND TERMINATION

This COA will remain in effect through December 31, 2024, after which it shall automatically renew for successive one (1) year terms. Notwithstanding the foregoing, either organization may terminate this COA with sixty (60) days prior written notice to the other organization. If COA is terminated, staff will revert to employment by either the AOG or Foundation based on the percentage of their most recent time allocation.

LEGAL CONSIDERATIONS

Nothing contained in this COA:

- is intended to eliminate or interfere with the fiduciary duties and responsibilities of each organization's Board of Directors
- shall be construed to create any rights of any third party that is not a signatory to this COA
- shall be construed to create a joint venture, partnership or other legal status potentially giving rise to joint and several liabilities between the Foundation and the AOG.

AIR FORCE ACADEMY FOUNDATION

ASSOCIATION OF GRADUATES OF THE
UNITED STATES AIR FORCE ACADEMY

Jack Kucera
Chair of the Board of Directors

Brian Bishop
Chair of the Board of Directors