

**USNA Alumni Association  
Spring Board of Trustees Meeting  
May 13, 2022  
Draft Summary Minutes**

The U.S. Naval Academy Alumni Association Board of Trustees met for its Spring meeting at 0800 on 13 May 2022. ADM Mark Ferguson '78, USN (Ret.), chairman of the Board of Trustees, acted as chair of the meeting and CDR Craig Washington '89, USN (Ret.), acted as secretary of the meeting.

The Chair convened the Board in 0800. All trustees were present except Juliana Vida '94 (Mid Atlantic Trustee), Brian DeJarnett '98 (Los Angeles Chapter) and Ian Cameron '12, (incoming decade representative for the 2010s). A quorum was established. The Chair called the meeting to order.

The Chair noted the agenda and asked for unanimous consent for approval. Consent was granted.

The Chair asked for a moment of silence and last call for Aaron Fowler and departed DGAs.

The Chair asked for a motion to approve the 2021 Board Minutes from 12/9/21 and Special Board Meeting minutes from 1/19/22. The motion was offered and seconded; there were no objections; the motion carried.

The Chair recognized the new trustees Tom Wagner '97, decade representative for the 1990s, and Ian Cameron '12, decade representative for the 2010s, and noted that both Tom and Ian had previously served on the Board.

The Chair provided the Executive Committee report from its meeting on Thursday 12 May, including of approval of the Resolution for the Authorization to Transact Business.

The Chair asked for a motion to recognize the Ad Hoc committee. The motion was offered and seconded; there were no objections; the motion carried.

The Chair presented tankards to each Ad Hoc committee member as a gesture of thanks to the Ad Hoc committee. Ad Hoc chair Tim Wolf offered brief remarks thanking members of the committee for their work. Receiving tankards were those members of the committee who were present:

- Tim Wolf '87, chair
- LtCol Gordon Gerson '58, USAF (Ret.)
- CDR Mark Rupprecht '76, USN (Ret.)
- Janie Mines '80
- Matice Wright-Springer '88
- Jim Schwab '88
- Don Horner '08
- Caleb Cronic '11
- LT John-Rex Spivey '13, USN

The Chair asked GOV to review a few other pressing matters that need review:

- A Trustee Code of Conduct and expectations of a trustee to go along with our already established Conflict of Interest Policy.

- The Alumni Association DGA policy and nomination procedures. The Chair desires to be very transparent in the DGA governance and nomination practices on exactly how that information is received.

The Chair introduced a Resolution to approve the election of USNA Alumni Association officers.

- Bob Gast – EVP/CFO Finance & Investments
- Craig Washington '89 – Secretary
- Wes Huey '87 – Assistant Secretary

The motion was offered and seconded; there were no objections; the motion carried.

The Board of Trustees Vice Chair LtGen Dave Beydler '81, USMC (Ret) provided the Joint Finance and Audit committee report, jointly with CFO Bob Gast. The Vice Chair noted JFAC reviewed and approved the Board of Trustees FY23 budget. The Vice Chair noted the desire to do things professionally and soundly and take a prudent approach to financial matters. The committee expects a surplus in this year's budget, intends to use no reserves nor lines of credit to execute the budget. LtGen Beydler noted the budget accounts for inflation, and that the organization is less likely to be exposed to inflationary risk due to the budget being salary and service intensive. The Vice Chair recognized Enterprise CFO Robert Gast for his additional comments on the FY23 Budget. The CFO noted the annual support to the Naval Academy is now back to normal ranges after the pandemic; \$32-35M. CFO anticipates a \$2M contribution to the Superintendent's unrestricted fund. The CFO sees three strategic themes in the next year that will drive enterprise operations: Transition, Strength and Opportunity. He noted the Joint Investment committee led by John Young has provided exceptional advice on the market to continue strong investment portfolio performance, and that financial strength is allowing us to get annual support to USNA back to normal. The CFO noted strong opportunity for alumni service support in FY23 budget. CFO noted investment portfolio of \$300M and total FY23 budget of \$17M, with protection against inflationary risk as noted earlier. The CFO noted the wisdom of having the Alumni Center construction contract locked in as fixed-price, so that the builder assumes the risk of inflation. The CFO noted the organization benchmarks itself via audit, performance, and transparency. Enochia Anderson '94 asked how the investment portfolio is doing in the current volatile market. The CFO responded that after a 26% return last year, we expect lower returns this year, but also expect slightly above average performance this year. The CFO noted we have a lower (better) General and Administrative (G&A) ratio than the national average for higher education fundraising activities – we hover slightly below 15% compared to over 20% national average.

Rocky Goins '84 asked if our third party Chief Investment Officer has a plan to 'pull us out of the market' if necessary. The CFO responded the Joint Investment Committee works closely with the CIO for market advice to include hedging against market volatility, and just completed a process of due diligence through a subcommittee. Mark Rupprecht '76 asked CFO to discuss the impact of new hires on the budget, and whether that would result in a change to the G&A percentage. The CFO said he expects G&A to rise, but not significantly.

The Chair asked for a motion to approve the FY23 budget. The motion was offered and seconded; there were no objections; the motion carried.

The Chair requested the Alumni Association and Foundation Senior Leadership Team report. The Executive Vice President for Development, Bill O'Conner noted the transition of the Foundation Board of Director leadership in 2022. O'Conner identified new Board of Directors leadership, noting strong liaison between the Foundation board, Navy leadership and USNA, with Jerry Miller focusing on internal board staffing. Bill noted main driver of Foundation success through last campaign and into the coming campaign is strong board leadership. Bill provided what he called his 'last word' on the campaign, reviewing activities in the Year of

Gratitude and the importance of showing the impact of philanthropy. Bill noted the strength of class giving throughout the campaign, and that 45 classes gave a total of \$70M. Bill reviewed the philanthropy associated with the Alumni Center, tracking a total of \$41M in contributions and almost 400 plankowners, which is a gift of \$12.5K or more and can be spread over 5 years. Dan Quatrini will begin a final plankowner drive on 1 July.

Bill briefed total alumni participation in fundraising is 25%. The Vice Chair asked how we might improve how we explain the impact of giving. Bill responded we are looking into more precise communications and better ways to explain the impact of philanthropy in support of USNA.

Fred Latrash asked if we are considering an endowment model for the next campaign. Bill said endowments are one of the organizing principles in the next campaign, and said it was natural for us to evolve toward endowments as our enterprise has matured.

Craig Washington '89, EVP for Engagement and Communications, briefed his slides. Craig discussed the engagement mindset we are building in the enterprise. He said 'SACC is back' referring to the recent June Service Academy Career Conference in DC. He briefed the staffing updates to the Engagement and Communications teams, noting the addition of a Young Alumni coordinator, a future SIG coordinator, hiring two new staff from Governor Hogan's communications and events team, and a new digital communications specialist.

Craig reviewed the engagement calendar for Fall 2022, including away games in Dallas, Cincinnati, and East Carolina, where we will host a chapter event in Hampton Roads. Fred Latrash asked if after the alumni center opens, will there be a jump in headcount. Craig answered we are considering a number of 'make versus buy' decisions on people and are using Pete Canalichio's expertise in the marketing space. We will work through that strategy over the summer. Bob Gast added that the FY23 budget includes an expected rise in headcount associated with the center.

The Chair recognized the 89<sup>th</sup> Commandant of Midshipmen, Col J. P. McDonough '94. The Dant showed a 'Day in the Life of a Midshipman' video created by Fox Sports when they visited the Yard last fall. Dant recounted his experience coming in just as COVID was abating – described the challenge of catching up the classes of 2023 and 2024, who have been the most impacted by COVID. The Dant emphasizes character development as first priority, focusing on professionalism in and out of uniform, and developing the Warrior Spirit. His focus is the Moral aspect of the mission through small unit training, Dignity, Honor and Respect training, Accountability and professionalism. This was particularly challenging in Bancroft Hall during COVID. Academics did not lose pace during pandemic. New data science and foreign area studies majors have been established. Athletics is thriving – record result of 20-4 in N-Star series. Summer training is strong, much of it gift funded. The Dant sees Plebe Detail as much about training the detailers to lead than training the plebes to follow. Service assignment versus service selection – more emphasis on placing midshipmen where we think they best fit. Half the class of 2025 will attend Leatherneck this summer. Rich Cataldi asked how many mids participate in plebe summer. The Dant answered almost 600. Matic Wright-Springer '88 noted her experience with NRO midshipmen interns and their impact on real-world problems. Rocky Goins asked if we still do exchanges with Army and Air Force. The Dant said yes, and also with Coast Guard Academy. Rocky Goins asked about medical waivers for upcoming graduation. The Dant said he thinks there are about 20 mids awaiting medical clearance for commissioning – those who complete the academic program but fail the medical screen with graduate but not commission. Kevin Stone '76 asked if Fleet had a vote in a midshipman's selection to a particular community. The Dant noted there are still screeners for SEAL and EOD, and submarine interviews. Dave Paddock asked about the Class of '77 Gettysburg Leadership Encounter (GLE). Dant replied it is very impactful for a number of reasons – builds comradery between athletes and brigade, and provides the opportunity for midshipmen leaders to hear commander's intent direct from him. Next GLE

is June 24-25. Also do one in the late fall for spring set. Greg Colandrea '90 asked about Honor program. Dant reviewed the SP211 cheating scandal. He is a big believer in the remediation program – the process works, and not everybody gets a second chance.

The Chair next called for Committee reports per the agenda.

The Chair recognized Jim Schwab '88 as chair of the Nominating Committee. Jim thanked Tim Wolf '87 for a great turnover. Jim said there was not much activity for the committee in previous 6 months. He is working with the committee to be prepared to build a slate for the upcoming election for 2 regional trustees, replacing Bill Squires (Eastern Region) and Rich Cataldi (Central Region). The NOM Committee is reviewing ad hoc committee recommendations.

Governance Committee, led by Greg Colandrea '90 reported that the Governance Committee arrived one day early for committee work and recommended the practice to other committees. The Committee produced a draft trustee code of conduct for other committees to review, and anticipates a resolution to adopt the revised standards by next board meeting. The Committee is reviewing questions from last DGA cycle, ad hoc committee recommendations, including overall board composition, clarity about diversity and inclusion, and revocation/reinstitution policies for trustees. Greg reported the committee was considering operations manual changes involving when to seat class representatives, specifically the youngest decade rep, and noted that change would require board approval. Greg recommended all committee chairs read appendix D of operations manual annually. The Chair noted that is standard practice on most boards and recommended chairs be prepared to report on their review of the charter at the December meeting.

The Chair next recognized Barbette Lowndes '80, chair of the Membership, Activities, and Services Committee. Committee has been reviewing the shared interest group handbook. The Detroit chapter was renamed the Michigan chapter. The Blue and Gold Pride Shared Interest Group has applied to represent the LGBTQ+ Allies community, first SIG application since the establishment of the original three. The committee will be encouraging participation in the Run to Honor Memorial Day event, and looking at ways to enhance participation in the Alumni Mentoring Program. Barbette noted only 15% of the total alumni community is aligned with a chapter, and that engagement in chapter activity is not linear – tend to be more engaged with age. SIGs are a great touchpoint, and we've been waiting too much for SIGs to 'come to us' – looking at ways to be more proactive in encouraging SIG establishment. Steve Swift '87 noted Run To Honor is a great way to engage while honoring fallen alumni.

The Chair next recognized Bill Squires '69, chair of Admissions Committee. Bill welcomed RDML Alma Grocki '82 to the committee. The Committee met with Dean Latta for an update on USNA Admissions – Dean noted admissions numbers are down 20% in 2022 across all service academies – suspect the lingering effects of COVID and more students electing gap years and delaying matriculation in college. Bill noted activity in fundraising for foundation scholarships.

The Chair next recognized George O'Garro '05, chair of the House Committee. The House Committee met with Scott Gaiser and Peter Nolan and received an update on the Alumni Center. Ogle Complex turnover to new ownership is ongoing – expect to remain in lease-back agreement until we relocate to Alumni Center.

The Chair next recognized Tim Wolf '87, chair of Communications Committee. Tim thanked the other committee chairs for the work and reports. Tim noted that the Comms committee meets virtually each month, and stated communications touches every aspect of enterprise work and is critical to the strategic success of the enterprise. The Committee tries to be helpful to the AA&F Comms staff and enterprise. This has been a year of transition for the staff; are fortunate for comms staff and Craig's leadership. Comms leverages

many platforms – Shipmate primarily but growing capability in digital communications for outreach to all alumni audiences. The ‘Becoming Blue and Gold’ series speaks to our culture and history in a unique way. We discovered the need to update our communications policy for trustees. Greg Colandrea is a model trustee in cascading Board activity information to his North Texas alumni. Tim discussed the new CEO announcement and FAQs, noting that our volunteer leaders were appreciative of advanced notice and FAQs. Comms Committee continues working on ad hoc report recommendations, including how to best coordinate responses with MASC and Governance. Tim recognized NAMA for their recent successful symposium. As Craig noted, we are not waiting for report results to take proactive steps to improve our service to the community. We have a great opportunity as Jeff Webb onboarded to introduce him to the community in a thoughtful way. Also being thoughtful about our branding in transition from Year of Gratitude to FY23.

The Chair recognized Tony Konechni ’79, chair of Other Chapters. The Committee has been working on the Distinguished Chapters/Other Chapter application (Appendix A of operations manual). A future edition will require chapters to grade themselves on criteria as part of application for Distinguished Chapter. Other changes and updates forthcoming to Appendix A. In future, will seek to change name of ‘Other Chapter’, probably to include ‘engagement’ in the title. The Committee is continuing its ‘chapter best practice’ project.

The Chair next recognized Steve Comiskey ’69, Chair of COCP. Steve explained COCP is not a committee, but a separate entity governed by its own independent set of bylaws. COCP meets twice per year. Steve has three priorities emerging from alumni survey findings: Welcome, Educate, Communicate. Classes are fundamental to who we are as a community, with seven seats on the Board in decade reps. Steve explained his 3-legged stool metaphor for the AAF-USNA relationship – AA&F, NAAA, and COCP as the three legs supporting USNA. COCP enjoys a strong relationship with the Supe and USNI. Grateful for sponsors of COCP events as the organization does not have its own source of funds.

The Chair provided closing remarks. Noted his great pleasure to attend NAMA symposium, at which NAMA gave the Alumni Association and Foundation a check for \$50K in support of the Naval Academy Minority Affairs Fund. This was the first event in our history sponsored by alumni, not by the Board or by USNA. Matice Wright-Springer noted the event emerged from the Special Committee recommendations. The Chair recognized Vice Admiral DC Curtis, one of the founders of NAMA, a recent Distinguished Graduate Award recipient and also the leadership of Rear Admiral Julius Caesar. The Chair welcomed volunteers to service on the development of Strategic Plan 2030 and indicated committee assignments for all trustees would be finalized by the end of the summer.

The Chair asked for a motion to adjourn the Spring Session. The motion was offered and seconded; there were no objections; the motion carried.

The Chair next called for the new Trustees to be seated – Tom Wagner ’97 and Ian Cameron ’12 (not present). John Rex Spivey ’13 and Bob Kuberski ’93, vacated their seats and Tom Wagner took his seat.

The Chair reconvened the Board with the new trustees seated. The Chair mentioned how impressed he is with energy and focus of the board as we enter the strategic planning phase, noting our next meeting will be toward the end of the summer via Lifesize. Chair informed the board the Winter meetings are scheduled for 12/7/22 for committee work, and 12/8/22 for meeting.

The Chair asked for a motion to adjourn. The motion was offered and seconded; there were no objections; the motion carried.