



October 27, 2023, Board of Trustees Fall Meeting; Summary Minutes

Mark Ferguson acted as Chair for the meeting. Wes Huey acted as Secretary for the meeting.

Chair welcomed trustees, trustee elects, and committee members, noting the first ever meeting at the Fluegel Alumni Center.

Chair noted the President's and his team's efforts to align Alumni Association operations with the four strategic pillars, and the requirement for the Board and the staff to get two things right: 1) measure what success looks like in terms of engaging our members; 2) align our board composition to the strategy. He noted the decision on the table for the Board to add two new trustees to represent Shared Interest Groups, and to conduct the first formal review of Board composition in 25 years.

Chair confirmed a quorum and called the meeting to order at 8:05AM EDT.

Chair noted the addition of a timer to help speakers stay on track.

Chair noted the agenda at Tab 1 of electronic board book and asked if any trustees would like to move items from the consent agenda. Chair noted a request from Executive Committee to move one item from the consent agenda due to a pen-and-ink change to the Joint Operating Agreement at Tab 11. Secretary noted the nature of the change and that change would be covered in the working agenda before vote.

Chair noted there were no additional requests to move items from the consent agenda and asked for unanimous consent to approve the consent agenda. Consent was granted.

Chair reaffirmed ground rules for meeting and recognized the most senior member (Gordon Gerson '58) and most junior member (Ian Cameron '12) present. Chair recognized Vice Admiral D.C. Curtis, 2021 Distinguished Graduate and member of the Membership and Alumni Services Committee.

Chair reviewed the Last Call list at Tab 2 and asked for a moment of silence.

Chair noted the approval of the Authorization to Transact Business at Tab 3 signed on Thursday 26 October at the Executive Committee meeting.

Chair made his Executive Committee report:

- 1) Reviewed the Board composition report from MASC and Governance committees at Tab 20.
- 2) Discussed the Governance committee resolution at Tab 19.
- 3) Discussed Trustee Vida's resignation.
- 4) Discussed the Nominating Committee report and candidate slate.
- 5) Discussed the Board assessment tool.

Chair proceeded to the working agenda beginning with recognition of distinguished chapters. TJ Grady read the citations while each distinguished chapter trustee was congratulated by the Chair. Those chapters were:



Columbus (OH)

Greater Washington DC

Hampton Roads

Oregon/Southwest Washington

Quantico

San Diego

Tampa Bay

Triangle

Tulsa

Chair moved to staff briefs.

Jeff Webb provided his president's report, noting his remarks at Wednesday's joint session are germane to his report. Jeff thanked the Board for their preparation for the meeting, including the joint session on Wednesday and for the decade representatives the Council of Class Presidents on Tuesday. Jeff noted the amount of change experienced over the past year in staff and in strategy, a new mission, and a new facility. He credited the Board and the Chair's leadership in navigating the change, noting how necessary it was to execute those changes to best position the Association to serve its members. He noted the significant events executed by the staff in the last several months, including the trip to Ireland and the fall football season. He noted his appreciation for feedback and for compliments he receives from the membership and from the Boards. Lastly, Jeff noted the synergy between the Alumni Association strategy and the Foundation campaign plan through the Anchor initiative, designed to ensure the financial health of the entire enterprise.

TJ Grady began his staff report with a video produced by the Communications team featuring the Fluegel Alumni Center. TJ reported progress on the Strategic Plan 2030 initiatives, noting the use of Objectives and Key Results to track progress in each pillar. TJ introduced the staff leads for each initiative: Mike Lowe '98 and Wes Huey '87 lead the Support pillar; John Schofield leads the Communication pillar; and Nancy Murray and Isaac Phillips '19 lead the Connect pillar. TJ reviewed each of the ten FY2024 strategic goals. He discussed efforts to better communicate enterprise roles and functions to the membership through Rhumblines. He reviewed Mike Lowe's efforts to expand alumni services, and the development of affiliate handbooks to enhance capability to connect members with each other. He noted progress in developing alumni awards programs beyond DGA. TJ finished by noting remaining challenges in executing the strategic plan: developing a data plan and having it inform our communications strategy will likely not be accomplished in the first year; we are still developing a sponsorship strategy as part of the Anchor initiative; we are finding that the measurement of engagement is a difficult task for all alumni associations.

Chair asked if TJ is looking for strategic partnerships in providing support services to members. TJ responded that Mike Lowe is leveraging partnerships with several organizations for that



purpose.

A trustee noted classmate engagement is the most effective. Another trustee asked what support classes are getting to organize and run reunions. TJ noted his initiative to provide handbooks and contacts for class leaders with a 'menu of support' to help organize and run reunions.

A trustee noted the potential for myUSNA.com to drive data collection and analysis. TJ acknowledged and described progress in implementing myUSNA across the community.

TJ moved to management review of Ad Hoc Committee for Alumni Culture, Diversity, and Inclusion recommendations at Tab 14. He summarized how the Ad Hoc Committee was formed and the process to date in reviewing the committee's recommendations, including the Board standing committee's summary of actions on those recommendations. TJ summarized the staff's response to the standing committee summary of actions on each of the Ad Hoc committee's recommendations. In total, TJ assured the Board that all standing committee action recommendations were complete or being actively pursued as part of the Strategic Plan 2030, except two. The staff did not concur with the following two standing committee recommendations for staff action:

- 1) The staff did not concur with the standing committee recommendation that the Association publish policy regarding the reporting of misconduct among members deemed racist or sexist, noting such monitoring and enforcing of member conduct is outside the purview of the Association, and would be difficult and counterproductive to enforce.
- 2) The staff did not concur with the standing committee recommendation for the Association to provide communications skills training to the whole membership, noting the Association is not resourced or postured to provide such training.

Chair reinforced both of TJ's non-concur points above, and welcomed comments from trustees on the management review just briefed.

A trustee noted that TJ's non-concur regarding reporting misconduct notwithstanding, myUSNA may require some policing and monitoring of behavior while using the online forum. Chair acknowledged and asked TJ if we are developing a protocol for acceptable conduct while using myUSNA. TJ noted a protocol will be included in the myUSNA handbook. Chair noted he will ask for an amendment to a resolution in accepting the staff's review to provide policy for online standards of behavior.

A trustee questioned who made this recommendation to begin with. Vice Chair summarized the process used by the Special Committee to develop the original recommendations, noting the original thinking was to have standards of conduct apply to the Board and staff. Trustee Lowndes reinforced Vice Chair's summary, adding that the committee felt policing conduct for the whole community may be a step too far.

A trustee asked if the standards of conduct apply to the class presidents. Trustee Comiskey answered the standards of conduct do not apply to class presidents, except when the class uses the Alumni Association communication channels. The first trustee recommended we apply the standard of conduct to class presidents to further enhance conduct across the community. Chair deferred to Trustee Comiskey to consider that recommendation.



A trustee noted the conversation in Executive Committee on 26 October to apply the standards of conduct to all volunteer leader positions and recommended we take that step. Chair noted as an action item going forward, with caution on the legal limits of our actions as a chartered 501c3. He again noted members must comply with behavior standards when actively using our communications platforms and facilities. A trustee reinforced the first trustee's point about volunteer leaders being held accountable to standards of conduct. Another trustee noted standards of conduct for volunteer leaders will help keep community conversations civil. Chair asked TJ to clarify what is going in the handbooks regarding online standards of conduct. TJ answered the standards going in the handbooks are in development and would be run by counsel.

Chair asked for motions to amend the recommendations of management at Tab 14. A trustee made a motion to amend the item relating to established process to report racism, sexism, and discrimination among members – amend to read “we will establish community standards for online forums for myUSNA.com.” That motion was seconded and unanimously approved.

Chair asked for a motion to include standards of conduct for volunteer leaders in affiliate handbooks. A trustee asked if these standards would be binding or just recommendations. Chair noted that would be something staff will work out with counsel. Management will include the standards of conduct in affiliate handbooks and provide the social media policy to the trustees as endorsed by counsel. That motion was offered, seconded, and unanimously approved.

Chair asked for a motion to accept as amended management's review of recommendations at Tab 14. That motion was offered, seconded, and unanimously approved. Chair thanked TJ for management's review at Tab 14. Chair noted the management review of standing committee actions to date on Ad Hoc committee recommendations at Tab 14 serves as the closeout report on Ad Hoc Committee recommendations. Any further action by the Board are done in the standing committee's oversight function.

Chair yielded the floor back to Jeff to continue with management updates.

Donnie Kennedy provided the Fluegel Alumni Center update, reviewing events in the center since it opened in September and summarizing the move. Donnie noted the property management cost of \$175K annually, and \$325K annual service and maintenance costs. CFO noted these costs are on par with benchmarks. Donnie summarized the business side of the Center, noting that we are working with preferred caterers rather than an exclusive agreement with NABSD. He summarized how the building is scheduled for internal and external events, and summarized the pricing model for use of Center facilities, working with an external consultant to be sure we fit the market. Donnie noted members enjoy a 35-40% discount on market rates, and classes and other alumni groups get a 70% discount “engagement rate.” Donnie provided the Reinemund conference room pricing structure as an example. The full rack rate is \$5K per full day; membership rate is \$3.5K per full day; engagement rate is \$1.5K per full day. Half-day rates are \$3.5/\$2.5/\$1K. These rates include A/V, tables and chairs. Custom pricing is available for all customers. He noted we have 92 events scheduled for the rest of the fiscal year with about \$70K in deposit revenue.

A trustee asked the smallest and largest capacity for events in the Center. Donnie answered there is no minimum number; max event capacity is 600-700 to use the whole property, and



noted there were 500 during the President's Circle reception a few weeks ago.

A trustee thanked Donnie and the staff for their work making the building ready for use, then asked about the status of the crosswalk across King George Street and about parking. Donnie noted the completion of the crosswalk at the main entrance, and plans to create a 'punch-through' the fence at that crosswalk to get to the parking lot near the baseball stadium. Lighting at the crosswalks is still pending, awaiting the formal completion of the building. Permitting with the state and county for lighting at the crosswalk is the next step, and we'll report as that process unfolds. In the interim we can use SAFE event management to assist with crossing if required.

A trustee asked if there were any remaining major punch list items. Donnie noted he was beyond his allotted time and would follow up on that question offline.

Chair called for committee reports.

Trustee Steve Comiskey, COCP chair, gave this COCP update, noting they are in their 25th year as an entity. Steve summarized the COCP just concluded. He noted Jim Schwab as vice chair, and Dave Jackson is being replaced as secretary by Bob Kuberski. Steve reviewed the highly successful COCP in the new Center on Tuesday 25 October, including guest speaker ADM James Ellis '69.

Trustee Todd Nichols, Governance committee chair, provided a Governance committee update. Governance approved the Wichita and Northern Arizona chapter applications at Tab 10. They produced a bylaw update at Tab 19 establishing a process for member readmission following expulsion for cause. They reviewed in partnership with MASC a joint committee report on board composition and proposed the two resolutions at Tabs 20 and 21 to add two trustees to represent SIGS and conduct a more formal review of board composition. They reviewed chapter bylaws to determine and disseminate best practices. They reviewed the Admissions, Communications, and House/Alumni Center committee charters. They reviewed the Board Policy Concerning Trustee Communications. And finally, they reviewed the Joint Operating Agreement. Todd noted there were a few proposed edits to the JOA since it went out as read ahead at Tab 11, and so it was pulled from the consent agenda. Todd reviewed each of those edits.

Chair asked for a motion to approve the resolution at Tab 12 reaffirming the governance principles of the revised JOA, as amended. That motion was offered, seconded, and unanimously approved.

Todd covered the resolution at Tab 19 in greater detail, the bylaw change establishing a process for member readmission after expulsion for cause. Chair asked the Secretary to note the conditions under which this process would apply. Secretary noted the process applies only to those cases where members are expelled for cause by affirmative vote of 2/3 of the entire board.

Vice Chair asked why Governance determined 5 years the right waiting period. Chair answered this period allowed enough turnover among trustees to provide a fresh look at the case for readmission.

Chair asked for a motion to approve the resolution at Tab 19. That motion was offered, seconded, and unanimously approved.



Steve Comiskey offered his belated thanks for the record to Wendy Owen for her role in organizing the COCP.

Trustee Barbette Lowndes, MASC committee chair, provided her MASC report. They transferred responsibility for SIGs to Isaac Phillips '19. They worked in conjunction with Governance to produce a report on Board composition. They expect continued work with Governance on that review, and also review the process for non-trustee committee member selection. Nancy Murray provided key statistics the staff is tracking to measure engagement, and Isaac provided updates on possible new SIGs. Mike Lowe updated us on alumni support services, and excited to see that develop.

Barbette and Todd provided their joint report on the board composition review provided by the Composition Working Group, a joint MASC/Governance working group. They summarized the purpose of the group – tasked by the Chair, through the chairs of MASC and Governance, to respond to the Ad Hoc committee recommendation to review board composition. They congratulated Brain DeJarnett as lead for the working group and the group itself for their great work. They summarized the due diligence performed by the working group in reaching their conclusions and recommendations, including research of five other alumni associations: West Point, USAFA, Kansas State, Texas A&M, and UVA. They concluded by summarizing the group's recommendations:

- 1) Add two trustees to represent SIGs on the Board, in a resolution at Tab 21 requiring a 2/3 vote.
- 2) Oversee the development of engagement metrics that will help determine board composition and structure going forward.
- 3) Have MASC and Governance conduct a more formal review of Board composition and structure summarized in the resolution at Tab 22 and guided by Appendix A of that resolution.

A trustee clarified that the resolution at Tab 21 does not in fact specify the SIG(s) from which the new trustees are to be drawn.

Chair noted his discussions with the MASC and Governance chairs and with the working group throughout their work and congratulated their efforts. Chair noted he has spoken with representatives of the NAMA and Women's SIG (both DGAs) about adding two new SIG trustees to the Board and brainstormed a process through which SIGs seeking to fill these two potential new trusteeships would nominate one or two members from the SIGs as recommendations for Chair approval. Chair stipulated he would require nominees from the SIGs to be alumni, and also to meet three conditions before he approves them:

- 1) They agree to serve as fiduciaries on the Board.
- 2) They agree to the standards of conduct governing trustee behavior.
- 3) They agree to the communications policy.

Chair noted in these conversations the SIG representatives expressed a desire to compete on



terms of engagement with other affiliates, that they welcome this chance to compete for seats on the Board in order to reach more members.

A trustee asked about which SIGs would be represented by these trustees and the process by which that would be determined. Chair noted the pending Board composition review by MASC and Governance, detailed by the resolution at Tab 22, would determine that selection process.

A trustee recommended the Board composition review consider the inclusion of SIG members on standing committees as non-trustee committee members to round out SIG representation on the Board. Chair concurred and noted the many ways SIGs are enhancing alumni engagement across the community.

A trustee asked about tenure for these two new SIG trustees. Chair noted the new SIG trustees would be appointed for a single three-year term, with subsequent terms determined by the Board composition review to be conducted by MASC and Governance per the resolution at Tab 22.

A trustee noted his experience on the working group leading the benchmarking effort with other alumni associations. We discovered our board was generally larger in size than other boards, and that we shouldn't grow larger, though we could not in our short time make a definitive conclusion about that. Chair noted in the resolution at Tab 22, guidance for the Board composition review is provided that the Board shall not grow above 30 voting trustees. Chair noted he welcomed discussion on that when we consider the resolution at Tab 22.

A trustee asked for confirmation that the two SIG trustees being added to the Board is for a single term of three years. Chair affirmed the two SIG trustees would be added for a single three-year term.

Chair asked for a motion to approve the resolution at Tab 21 adding two trustees to represent SIGs. The motion was offered and seconded. Chair asked for discussion.

A trustee who had served on the composition working group and conducted the analysis to measure SIG engagement relative to chapters noted the details of that analysis, affirming NAMA and Women's SIG would rank with top chapters in terms of engagement.

A trustee noted this resolution would be a stop-gap measure to address Special and Ad Hoc committee recommendations for action on Board composition. Chair cautioned that any resolution voted on by the Board should not be considered stop-gap or temporary, but rather in force until amended or changed by the Board.

Chair asked for a vote on the motion to approve the resolution at Tab 21. The motion was unanimously approved.

Chair noted he will send a letter to each of the SIGs outlining the conditions for nomination and selection of the two new SIG trustees discussed earlier. Those nominees will be provided to the Board for approval and will be seated at the May 2024 meeting.

Chair moved to consider the resolution at Tab 22 to conduct a review of Board composition. Chair summarized the resolution and guidance provided in Appendix A of the resolution. Chair asked for the CEO to comment on how the other service academy Association of Graduates



boards are structured.

The President noted the West Point AOG has a 16-member board that is self-selected, like our Foundation board. The USAFA AOG has open elections for all of their board members, who then elect the Chair. USAFA AOG's model makes it vulnerable to vocal minority elements taking over the board. Our system is well protected against that. The President noted that while our composition model is not broken, it can be improved.

Chair summarized the deliverables required from the Board review, noted in Appendix A of Tab 22:

- 1) The report is due by Fall 2024, though Chair expects the committees to ask for more time.
- 2) A methodology to measure engagement, in collaboration with MASC.
- 3) Recommendation on Board and standing committee structure, including the option to preserve the current structure.
- 4) Recommended bylaw and Operating Manual changes, if changes are recommended.
- 5) Recommended transition plan, if changes are recommended.

Chair asked the chairs of MASC and Governance if they were comfortable with the mandate provided in Tab 22. Governance chair replied "very much so."

Chair asked for discussion on this resolution.

A trustee asked that the mission of the Board be added to the mandate to be reviewed, to reflect the maturing of our organization that required an operational board to one that now requires a strategic board. Chair agreed with that change and noted the amended resolution at Tab 22 should include the addition of the mission of the Board along with the composition and structure to be reviewed, both in the deliverables and in the title of the resolution.

A trustee noted the review is timely to set us up for where we want to be in 10 years as a Board.

Chair asked for a motion to approve the resolution at Tab 22 as amended. That motion was offered and seconded. Chair asked for discussion.

A trustee noted he was briefed by the composition working group that the strategy we approved in the spring was not aligned with the current Board composition, and asked if this board review under consideration would align the Board with the strategic plan for that purpose. Trustee Schwab, who chaired the Plan 2030 committee, noted that reconstituting the Board was NOT an explicit or implicit part of the strategic plan. Trustee DeJarnett, who led the composition working group, noted that the strategy was written for the organization we intend to be, and part of that process is to ensure the Board is set up to govern the organization we intend to be. Chair affirmed this review was part of good governance and that whatever recommendations coming out of the review will be reviewed for decision by the Board.

A trustee asked for confirmation that the purpose of the review was not to make us a strategic board, but rather to determine the right board for good governance of the approved strategy,



including no changes. Chair affirmed that purpose for the review.

Chair called for a vote on the motion to add the mission of the Board to the deliverables and the title of the resolution at Tab 22. The motion was unanimously approved.

A trustee offered a motion to amend the deliverables in Appendix A of the resolution at Tab 22 to “Recommend methodologies to measure Alumni Association member engagement in collaboration with Alumni Association staff and MASC.”

Chair asked for a motion to accept that change to Appendix A, line one, page four item one. The motion was offered, seconded, and unanimously approved.

Chair asked for a motion to approve the resolution at Tab 22 as amended by the previous two motions. That motion was offered, seconded, and unanimously approved.

Chair thanked Trustee Brian DeJarnett and the composition working group for their efforts in this important work.

Trustee Steve Swift, chair of the Admissions committee, provided his committee report. They updated their charter, noted USNA admissions is understaffed at the moment, appealed for support to recruit new BGOs, and reviewed the Admissions program support for NASS and STEM. Steve summarized chapter outreach to support Admissions programs, especially in underserved communities. Dale Lumme provided a short summary of NESA SIG efforts to support Admission programs, especially STEM outreach. Steve thanked the San Diego chapter for their work on the BGO brochure to be distributed at reunions and SACCs to recruit more BGOs, and the focus of getting younger alumni engaged as BGOs.

Trustee Kevin Stone, chair of the Alumni Center committee, provided his committee report. Chair thanked Kevin and the committee for their work in transition to the new Center. Kevin noted the name change for the committee in the consent agenda and summarized the committee’s transition to oversight of Center operations, including reviewing Donnie Kennedy’s monthly reports to Jeff.

Trustee Tony Konecny, chair of the Other Chapter Selection committee, provided his committee’s report. He reviewed the process to select the next set of three Other Chapters to be seated at the May 2024 meeting. Those chapters are the Cape Fear chapter (Ray Decker ’72 trustee elect), the Quantico chapter (Bob Taylor ’74 trustee elect), and the Las Vegas chapter (Bobby Brown ’97 trustee elect). He recommended a review of the Other Chapter and Distinguished Chapter selection process to reduce complexity and improve transparency, and the use of myUSNA data to help with scoring. Finally, he recommended a bylaw change to reduce the ‘elimination period’ for Other Chapters to recompile for seats from 6 to 3 years. Chair referred the last recommendation to the Board composition review.

Trustee Donnie Horner, chair of the Communications committee, provided his committee’s report. He mentioned the initiative to add a Foundation member and A&SP member to the committee. He noted the update made to the communications policy at Tab 7 and approved with the consent agenda. Donnie introduced the new Executive Director for Communications and staff liaison John Schofield. John summarized his team’s efforts to enhance storytelling and to align



communications resources with strategic initiatives and goals. John noted the website redesign underway. He ran through several examples of current stories and the emphasis on video and digital platforms. He mentioned the effort to drive revenue with Shipmate.

The President clarified that we are not yet talking publicly about the leadership institute at the Naval Academy. That is still a concept under discussion by the Naval Academy and is not a term that should be used in public forums.

A trustee noted a recent incident involving a question he was asked by local media about USNA Admissions – he forwarded the question to USNA Admissions and was told by them that he was not allowed to talk to the media about USNA admissions. Chair advised this trustee to direct any inquiries from the press to John Schofield rather than to USNA to get answers that will be understandable to our audience.

A trustee asked about how we define World War II veteran, related to a communications initiative to tell the story of our remaining World War II veterans. John answered there are eleven remaining living alumni who served during World War II.

Chair and Trustee Lowndes, as nominees for re-election as trustees, recused themselves from the following discussion and left the meeting.

Vice Chair took the gavel for this portion of the meeting.

Trustee Tom Wagner, chair of the Nominating committee, provided his committee's report. He summarized the process to select a single nominee for Chair, three nominees for mid-atlantic region, and four nominees for the western region. There were 21 total nominees for the regional trusteeships.

A trustee asked why four and not three nominees in the western region. Tom answered it was because one of those nominees is the incumbent. Another trustee noted the quality of those not selected for the slate (from Tom's summary) and concern about having those individuals disengage after not being selected. One of the sitting regional trustees and Nominating committee members noted that a large criterion for selection was current engagement with the community, and part of the discussion during the process was how to counsel non-selects on how they can bolster their engagement for next cycle. Another committee member noted how objective he believed the process was. Another trustee who was last year's Nominating committee chair noted how those non-selects he called last year took the news in stride and asked how they could serve otherwise. Vice Chair noted there is no 'b team' and nobody 'didn't make the cut' in this process. During notification calls our non-selects should be welcomed at the chapter level and as non-trustee committee members.

A trustee asked if we should publish selection criteria for the regional trusteeships. Tom answered that could dissuade nominations when members believe themselves unqualified. Another trustee noted this could be part of the Board composition review and the selection of non-trustee committee members, to avoid real or perceived bias in the process.

Vice Chair called for a motion to approve the resolution at Tab 23 naming the slate of nominees for the Chair and the two regional trusteeships. The single candidate for Chair is Mark Ferguson '78. The candidates for Mid-Atlantic region trustee are David Bethel '79, Ingar Grev '89, and Alonzo Barber III '97. The candidates for Western region trustee are Kennon Temple '79, Barbette Lowndes '80, James Brennan '84, and Enrique Molina IV '95. Vice Chair noted a vote in favor of the resolution was both a vote in favor of the slate and a vote in favor of naming Mark



Ferguson to a second term as chair, being seated in May 2024. The motion was offered, seconded, and unanimously approved.

Chair Ferguson and Trustee Lowndes returned to the meeting. Chair Ferguson took the gavel for the rest of the meeting.

Vice Chair congratulated Chair for his selection to a second term as Chair.

Vice Chair provided his Joint Finance and Audit Committee report. He noted the robust read ahead package containing financial and audit materials at Tab 24. He reviewed the 'ins versus outs' over the past three years. He noted a return to positive portfolio performance after a down year in 2022. He noted an operational deficit of \$400,000 for the past year due to unbudgeted expenses. He noted an overall value creation of \$37M for FY2023. He noted an expected \$10M surplus on the overall Fluegel Alumni Center project, with decision pending on how best to allocate that surplus. He noted coming improvements in payment processing. He noted the \$2M per year contribution to the Supe's unrestricted fund, with total outflows split 2/3 to USNA and 1/3 to NAAA. He noted the operating reserves for Alumni Center construction and maintenance and campaign. He noted the line of credit of \$30M at low interest, taken as a buttress during COVID and during building construction and not used. He noted our Composite Finance Index (CFI) near 7, with 5 and above being the benchmark for solid financial position.

The CFO provided the Joint Investment Committee report. He noted the effort to reduce exposure to Chinese companies and equities. He noted the outsourced chief investment firm TIFC made changes to their governance structure we are evaluating, but should not effect portfolio performance. He noted increased collaboration between JFAC and JIC being one of the main factors driving our \$700K return on investments this past fiscal year.

Matt Hemelt from RSM provided his audit report. He noted the unqualified opinion on the FY2023 audit, with no significant deficiencies or material weaknesses in internal controls, and no audit adjustments this year. He noted the audit process actually functions all year, with on-site visits in August and September.

Chair asked for a motion to accept the audit through the resolution at Tab 25. That motion was offered and seconded. A trustee noted her appreciation for the completeness of the financial documentation in the read ahead materials. Another trustee noted we should prepare for questions in the next campaign about why we need more money when we are so solid financially. Another trustee thanked the Vice Chair, the CFO, and the finance committees for their efforts in sustaining our sound financial picture and as a result the significant contributions to the Naval Academy and NAAA.

Chair called for a vote on the motion to approve the resolution accepting the audit at Tab 25. The motion was unanimously approved.

Chair noted the set of talking points at Tab 27 provided to help guide trustee communications through the election season. Chair urged trustees to consult with John Schofield or Matt Dolan when engaging with the media. Chair noted the Enterprise calendar at Tab 28 for awareness of upcoming events.

Chair moved to new business.

Chair advised the Board about the resignation of Trustee Juliana Vida. He summarized her 9



October email resigning her trusteeship effective immediately. He noted EXCOM discussed options to fill the vacancy and recommended we leave the seat vacant given the election in the spring to name the next Mid-Atlantic trustee. Chair invited questions on this point.

A trustee asked the reason to leave the seat vacant. Chair responded the work required of the regional trustees is largely complete by this time of year, and the gap would only be until May. He noted the bylaws limit those who can be assigned as interim regional trustees as another reason to leave the position vacant. Chair noted his intent to send a letter of thanks to Trustee Vida along with the traditional departure gift.

A trustee read a resolution signed by the Board before the meeting congratulating the staff on their performance planning and executing events in support of the Navy-Notre Dame football game in Dublin in August.

Chair noted the next board meeting on May 10, 2024, where we will seat new trustees, including the two new SIG trustees; review and approve the new alumni awards; and get an update on the Board composition review.

Chair noted between now and the meeting on May 10, you will see and be asked to approve the management review items on the closeout report for the Ad Hoc committee recommendations, as amended today. He noted we will see a new board assessment tool, developed jointly with the Foundation BOD. He noted the NAMA leadership forum slated for 18-20 April 2024 focused on Asian and Pacific Islanders in the alumni community, and especially welcome board members to participate in discussion forums. The Navy Entrepreneurs Group will meet on 24-25 July 2024 at the FAC. The President noted the Entrepreneurs group is not a SIG but they are imitating their West Point counterparts with a conference of their own at the FAC.

Chair noted he will send a formal letter to NAMA and Women's SIG requesting nominations for the two new SIG trusteeships. Chair noted the unfortunate passing of Greg Colandrea's father. He noted our intent to turn minutes around quickly and provide the necessary materials to keep your constituents informed.

Chair closed by thanking the members, reflecting on the journey since the first training session in December 2021 and the effort required to get us to this point. He expressed his gratitude for those who laid the solid foundation for the Association.

Vice Chair noted this was the most effective and efficient board meeting he has attended, and thanked the Chair for his leadership. He noted the concrete action taken on recommendations from the Special and Ad Hoc committees.

Chair expressed his intent to be worthy of the Board's confidence in serving a second term as Chair.

Chair asked for a motion to adjourn. That motion was offered, seconded, and unanimously approved.

Meeting adjourned at 12:35PM EDT.