



CONGRESSIONAL MEDAL OF HONOR FOUNDATION

Perpetuating a legacy of Courage, Sacrifice and Patriotism



BOARD OF DIRECTORS

MINUTES OF THE SEPTEMBER 14, 2018 MEETING

The Board of Directors of the Congressional Medal of Honor Foundation convened for the Fall Meeting at 1 p.m. on September 14, 2018, in the Caucus Room at the Westin Hotel, Annapolis, Maryland, and via telephone conference call. With 24 directors attending, there was a quorum present to conduct the business of the Foundation.

Directors in attendance:

Kevin Ainsworth (via telephone)
MOHR H.C. Barney Barnum
MOHR Patrick H. Brady (via telephone)
MOHR Paul W. Bucha (via telephone)
MOHR Edward Byers, Jr.
John Catsimatidis (via telephone)
Louis R. Chênevert (via telephone)
MOHR Bruce P. Crandall
MOHR Drew D. Dix
John L. Glotzbach
Alex Gorsky (via telephone)
MOHR Florent Groberg (via telephone)
Marilyn Hewson (via telephone)
Karl Horst
Tom Kennedy (via telephone)
Bruce McCaw (via telephone)
David McIntyre (via telephone)
Brian Moynihan
Janis Pamiljans
MOHR Leroy Petry
Alex Rangos (via telephone)
David Seymour
Chris Sultemeier (via telephone)
MOHR Michael Thornton
MOHR Jay Vargas

Emeritus Directors in attendance:

Edward L. Diefenthal

Society Members in attendance:

MOHR Roger Donlon
MOHR Charles Hagemeister
MOHR Gary Littrell
MOHR Robert Patterson
MOHR William Swenson
MOHR Woody Williams

Staff in attendance:

Michael Caldwell
Kristine Hamilton
Cathy Metcalf

Directors absent:

David L. Joyce
Dennis Muilenburg
Phebe Novakovic
MOHR Ryan Pitts
MOHR Clint Romesha
Edward Roski, Jr.
Lenny Sands

Agenda Item I: Convene the Board: Louis R. Chênevert presiding

- Louis Chênevert called the meeting to order

Agenda Item II: Roll Call – Mike Caldwell

Agenda Item III: Moment of Silence – MOHR Drew Dix

Agenda Item IV: Pledge of Allegiance – MOHR Drew Dix

Agenda Item V: Opening Remarks – Louis Chênevert

- Welcomed Karl Horst, President & CEO, to his first Board of Directors meeting.
- Stated the Foundation has made continued progress with the Character Development Program (CDP) and LiveUp.
- Reported the Foundation has a \$3 million shortfall for the end of 2018.
 - Stated the Foundation must have expectations for meeting fundraising goals for events and that the Directors must help the Foundation eliminate shortfalls.
 - Informed the Directors that the Foundation hired a National Director of Development which was approved by the Board in the March 21, 2018 meeting in New York City.
 - Congratulated the Foundation on achieving its third consecutive top 4-star rating from Charity Navigator.

Agenda Item VI: Approval of Minutes of the previous meeting

- Motion to approve March 21, 2018 minutes as amended, to change IRA to IRS on page 3.

Action: Motion seconded and approved unanimously.

Agenda Item VII: Foundation President's Update: Karl Horst

- Shared priorities and vision for the Foundation.
- Reported the hiring a National Director of Development, a new Western Region Office Executive Director and a Web/Social Media Manager.
- Reported that the Foundation has undertaken austerity measures to ensure we can meet our obligations through the end of 2018.
- A detailed and lively discussion occurred about the status of CDP and LiveUp, the evolution of LiveUp and the status of the Delta Air Lines agreement regarding LiveUp.
- There were several comments made regarding the history, development and effectiveness of LiveUp.

Agenda Item VIII: Society President's Update: MOHR Drew Dix

- Provided an update on the Society.
- Reported the Society has created two new programs.
 - The Veterans Scholarship Program will benefit family members of those who have received either/or the Medal of Honor, Service Crosses and the Silver Star
 - The Veterans Outreach Program will also include support to active duty military personnel.
- Provided the Society budget for 2019.
 - Foundation obligation to Society in 2019 is \$806k.
- Presented Society views about Foundation funding of the Society.

Agenda Item IX: Treasurer/Investment Update: John Glotzbach

- Walked the Directors through investment reports included in the Board Book.
- Reported the Foundation has used \$1 million from the Short-term Bond Fund in 2018 to pay bills due to a shortfall in cash. This leaves the Foundation with only \$8,000 in the fund.
- Reported Director Bruce Brereton is resigning from the Investment Committee and asked for recommendations for a replacement.

Agenda Item X: Old Business

a. CDP/LiveUp Update: Cathy Metcalf and Mike Caldwell

- Cathy Metcalf and Mike Caldwell provided updates on CDP and LiveUp, to include that LiveUp has 3,000 teens actively using the site.

b. New York City Circle of Honor Gala Update: Karl Horst

- Stated the Circle of Honor Gala in March 2019 will be at Cipriani instead of the NYSE in order to increase the fundraising opportunity for the Foundation.
 - Emphasized the priority to maintain a relationship with the NYSE.
 - Discussion occurred about forming an event committee.
- Provided an update on Medal of Honor Day activities and stated the Citizen Honors Awards would be held at the Institute of Peace on the evening of March 25, 2019.
- Reported the Recipients and Citizen Honors winners were invited to attend the USO Awards Dinner on the evening of March 26, 2019.

- A recommendation was made to limit the number of Recipients at events outside of NYC Circle of Honor and Washington, DC Medal of Honor Day activities.

c. Board Engagement: Louis Chênevert

- Briefed potential candidates to fill vacant Board positions.

Agenda Item XI: New Business

a. Fundraising: Karl Horst

- Karl reported the following:
 - Foundation needs the help of Directors to meet 2018 fundraising and cash goals.
 - Director Alex Rangos pledged \$100k.
 - Foundation is fundamentally changing the way it does business.
 - Newly hired National Director of Development is laying the groundwork for a long-term fundraising strategy.
 - We must rely on multi-year commitments and that Foundation chairman Louis Chênevert is leading with way with a \$250k commitment over the next five years.
 - Foundation is stepping-up grass-roots campaigns such as 72 for 72 to include smaller who want to support the Foundation.
 - Stated Foundation will hold events in Atlanta, Chicago and Houston to raise more funds and expand the reach of the Foundation.
 - Foundation will pursue dollars pledged but not yet delivered.
 - Foundation will provide Directors with a fundraising scorecard each month beginning October 1.
 - Short-term goal for 2019 is to focus on maximizing fundraising for events in NYC, LA and other locations.
 - Mid-term goals for 2020-2024 is to focus on establishing donors from hedge funds and family foundations.
 - Long-term goal is to grow the endowment to \$30 million.
 - Recommended the Directors establish and ad-hoc Development Committee.
- Motion to approve creation of an ad-hoc Development Committee.

Action: Motion seconded and approved unanimously.

b. Audit Report: Chris Sulzemeier

- Reported the Foundation received a clean audit for 2017 and that our dollars to programs ratio remained greater than 80 percent.

c. Calendar of Events: Karl Horst

- Reviewed Calendar of Events for remainder of 2018 and 2019.

Agenda Item XIII: Adjourn

There being no further business, with a motion duly made and seconded, the Chairman adjourned the meeting at approximately 3:45 p.m. EST.

Respectfully submitted,



Bruce D. Brereton
Secretary