



CONGRESSIONAL MEDAL OF HONOR FOUNDATION

Perpetuating a legacy of Courage, Sacrifice and Patriotism



BOARD OF DIRECTORS

MINUTES OF THE MARCH 21, 2018 MEETING

The Board of Directors of the Congressional Medal of Honor Foundation convened for the Spring Meeting at 1 p.m. on March 21, 2018, in the Manhattan Ballroom at the Ritz-Carlton, Battery Park, New York, NY, and via telephone conference call. With 20 directors attending, there was a quorum present to conduct the business of the Foundation.

Directors in attendance:

Kevin N. Ainsworth (via telephone)
MOHR Patrick H. Brady
Bruce D. Brereton
MOHR Paul W. Bucha
John Catsimatidis (via telephone)
Louis R. Chênevert
MOHR Bruce P. Crandall
MOHR Drew D. Dix
John L. Glotzbach
MOHR Florent Groberg
MOHR Walter Marm
General Ray Odierno (via telephone)
Janis Pamiljans
MOHR Leroy Petry (via telephone)
Ronald T. Rand
MOHR Clinton Romesha
David Seymour
Chris Sultemeier
MOHR Michael Thornton
MOHR Jay Vargas

Emeritus Directors in attendance:

Edward L. Diefenthal
John E. Town
Bruce N. Whitman

Society Members in attendance:

MOHR Gary Beikirch
MOHR Roger Donlon
MOHR Charles Hagemeister
MOHR Gary Littrell
MOHR Robert Patterson
MOHR William Swenson

Staff in attendance:

Michael Caldwell
Kristine Hamilton
Noel Wall

Directors absent:

MOHR Harvey C. Barnum, Jr.
MOHR Edward Byers
Alex Gorsky
Marillyn A. Hewson
David L. Joyce
Thomas A. Kennedy
Bruce McCaw
David J. McIntyre, Jr.
Brian Moynihan
Dennis Muilenburg
Duncan Niederauer
Phebe Novakovic
MOHR Ryan Pitts
Alex Rangos
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 – Ron Rand

Agenda Item III: Moment of Silence – MOHR Drew Dix

Agenda Item IV: Pledge of Allegiance – MOHR Dix

Agenda Item V: Opening Remarks – Louis Chênevert

- Welcomed 10 new board members; seven Recipients which consists of all the Society Regional directors and three non-Recipient directors, Pamiljans, Roski and Seymour.
- Stated the fundraising goal and emphasized challenges in 2018 and the accomplishments of the Foundation in 2017. We were approximately \$300,000 short on receivables. Expenses were covered using operating account carry-over from prior years.
- Reported the Foundation has committed to increase support to the CMOHS and fund their entire operating budget totaling \$950k in 2018.
- Stated that we lost 10% of living Recipients in 2017 and that perpetuating the legacy is more important than ever.

Agenda Item VI: Approval of Minutes of the previous meeting

- Motion to approve September 16, 2017, minutes as written.

Action: Motion seconded and approved unanimously.

Agenda Item VII: Foundation President's Update: Ron Rand

- Reported that we raised nearly \$6M in 2017; the most in our history. We had \$4.4M in donations receivable which left us \$290k short of cash but that we were able to pay all bills using funds from our operating account.
- Stated that first Circle of Honor Gala in LA successfully netted \$950k and thanked Brian Moynihan of Bank of America for helping raise funds for that event.
- Stated the Foundation contributed \$400k to the Society in 2017 in direct support, and an additional \$190k in program support including Philips Lifeline, the Advocate and Care Coordinator, Medal of Honor Grove etc. The Foundation will issue a check to the Society in the amount of \$41k to complete 10% contribution for 2017.

- Stated the Foundation will extend support of \$50k to the Medal of Honor Grove each year for an additional three years.
- Briefed on CDP - 70 national trainings and 3,015 teachers trained in 42 states, and LiveUp – 1,600 users since October, 2017, with 780 activities completed. Research shows that the largest demographic is 13-14 year olds and 70% are female.
- Jay Vargas added that all Recipients should always emphasize CDP and LiveUp in all speeches and appearances.
- Drew Dix stated that the Society will provide their budget in the 3rd quarter of 2018 to determine needed financial support from the Foundation in 2019.

Action: Foundation will provide formal update on LiveUp at next board meeting.

Action: Foundation will work with Janis Pamiljans to match Northrup Grumman POCs with locations to help in mapping schools near Northrup Grumman offices, especially in states where CDP trainings have not occurred, to tie together the CDP/LiveUp programs with his company's efforts.

Action: Send Ned Diefenthal a list of states where teacher trainings have not occurred.

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

- Reported that there is a good flow of information between the Society and the Foundation resulting in both organizations working closely together.
- Stated that Society board ExCom discovered a potential issue with their Special Use Fund and how they provide direct financial support to Recipients. Society hired a tax attorney to review the problem and the Society has terminated the Special Use Fund. They will cover certain requests through the general fund.
- The Society is considering submitting a FOIA request to the IRS for original 501(c)3 application, but this has not been initiated until tax attorney advises of risk.
- The Society will continue aid to widows of Recipients and scholarships for Recipient family members.
- Society has increased yearly reimbursable fund for coins, books, travel etc. to \$10,000 per year, per Recipient.
- Stated the Society is investigating offering honorariums to Recipients for non-Foundation events, such as their work with a new program called Veterans Outreach Project. Honorariums would be funded by the organizations Recipients are directly supporting.
- Reported the Society has hired a Travel Coordinator to assist Recipients with their travel arrangements.

Agenda Item IX: Treasurer/Investment Update: John Glotzbach

- Reported we had a goal to raise and spend \$6M in 2017 and that we were effective in controlling expenses.
- Stated the goal will be to have a 70/30 portfolio if we approve use of endowment fund returns.
- Reported that the portfolio had a return of 16% in 2017, with returns equaling \$1,368,412.
- Reported that Lockheed-Martin and Delta Air Lines have agreed to pay their annual grant allotments in the first quarter of every to help us alleviate cash-flow issues to start the new year.

Agenda Item X: Old Business

a. CEO Search & Board Engagement: Louis Chênevert

- Announced that the search for a new CEO was underway. The ExCom will reduce the list of 10 candidates to three or four to attend in-person interviews.
- Stated the new Foundation CEO will pursue hiring a Director of Development to help with fundraising.

Action: Send CEO candidate profiles to the Board of Directors.

b. NYSE/COHG Update: Ron Rand

- Stated that we would be pursuing an alternate location for the 2019 Circle of Honor Gala to find a venue that would seat at least 300 people.
- Chênevert will discuss further with Tom Farley of NYSE alternate ideas to expand the attendance at the NYSE as opposed to finding a new venue.

Action: Make a recommendation to ExCom on venue for 2019.

c. General Counsel's Discussion: Kevin Ainsworth

- Called attention to his annual disclosure included in the Board Book.
- Discussed IRS application and compliance. Ainsworth will talk to accountants about preparation of IRS 990 for the 2017 audit.

Agenda Item XI: New Business

a. 2018/2019 Goals: Ron Rand

- Reviewed goals included in board book.

b. Election of Directors & Officers: Louis Chênevert

- Called for motion to approve the election of directors and officers as presented.

Action: Motion to approve the D&O slate as presented was seconded and approved unanimously.

c. Endowment Fund Policy & Resolution: Ron Rand

- Call for motion to allow the Foundation to spend up to \$400k in returns per year.

Action: Motion to approve the Endowment Policy resolution was seconded and approved unanimously.

d. Fundraising/Sponsorship Opportunities: Ron Rand

- Reviewed opportunities sheet included in board book.

f. Calendar: Ron Rand

- Stated that the next foundation board meeting will be held on September 14, 2018 at the Annapolis, MD convention.

Agenda Item XIII: Adjourn

There being no further business, with a motion duly made and seconded, the Chairman adjourned the meeting at approximately 3:30 p.m. EST.

Respectfully submitted,



Bruce D. Brereton
Secretary