



USNA ALUMNI ASSOCIATION AND FOUNDATION COUNCIL OF CLASS PRESIDENTS DECEMBER 6, 2019 MEETING



BYRON MARCHANT '78

PRESIDENT AND CEO



ADM James L. Holloway III '43, USN (Ret.)

(23FEB22 – 26NOV19)

20th Chief of Naval Operations (1974-1978)

ADM Holloway served as the first chairman of the modern Naval Academy Foundation, and remained chairman emeritus until his death.

ADM Holloway spearheaded the amalgamation of the original U.S. Naval Academy Foundation and U.S. Naval Academy Endowment Trust into what has become today's Naval Academy Foundation, a powerful engine of philanthropy that has raised more than \$800 million for the Academy since its inception in 2000.

Fair Winds and Following Seas:
Funeral will be held 18DEC @ 1000 in the USNA Chapel



THANK YOU FOR YOUR SERVICE— *TERMING OFF BOARD OF TRUSTEES MAY 2020*



Maj Murphy McCarthy '00, USMC (Ret.)
COCP Chair



CAPT Gary Storm '68,
USN (Ret.)
COCP Vice Chair



CDR Mike Novak '70



CAPT David Cooper '57
USN (Ret.)
eligible for re-election

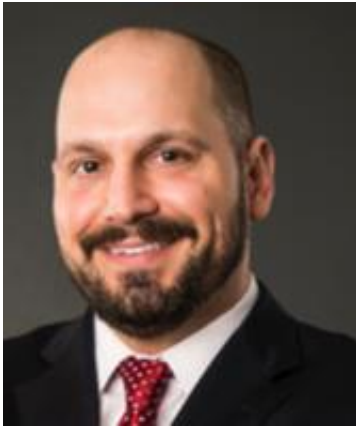
WELCOME TO OUR NEW STAFF



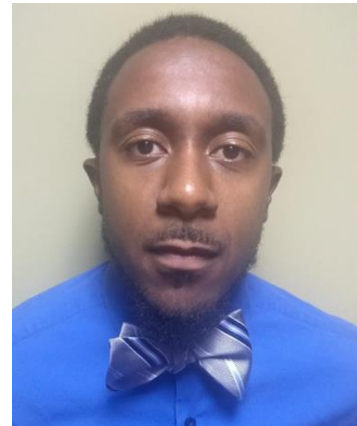
Jimmy DeButts
Senior Writer



Caroline Rossiello
Assistant Director, Corporate and Foundation
Relations



Scott Gaiser
Director of Operations



Elliott Saunders
Business Analyst, Strategy & Special
Projects

WELCOME TO OUR NEW STAFF



Hannah Geib
Donor Relations and Stewardship Intern



Dean Castaldo
Major Gifts Officer



CAPT Don Hughes '88, SC, USN (Ret.)
Vice President, Athletic & Scholarship Programs



Bridie Bryant
Communications Coordinator

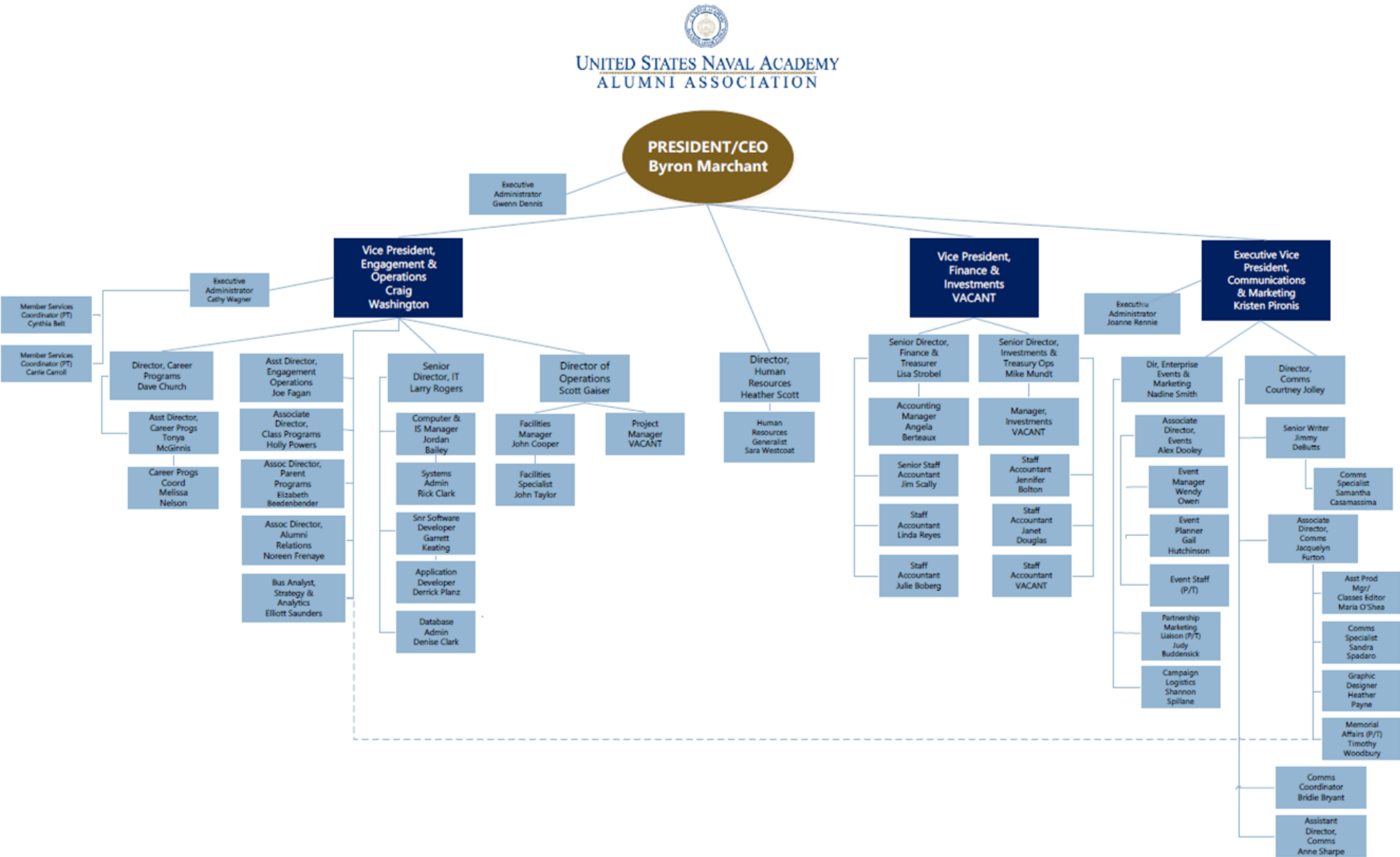


Shirley Crawford
Gift Administrator



Gail Hutchinson
Event Planner

ORGANIZATIONAL CHANGES



CAMPAIGN IMPACT: BY THE NUMBERS

28
Major
Project Areas

11
Programmatic
Initiatives
Enhanced: \$137
Million Raised

8
New/Enhanced
Facilities: \$95.8
Million Raised

9
Faculty/Administrator
Positions Funded:
\$22.4 Million Raised

FINANCIAL SNAPSHOT

- Record support to USNA and Alumni in FY19
- Strong start to FY20
- \$1.6M budget surplus in FY19
- Excellent audit results – no adjusting entries (Vote)
- Joint Investment Committee Leadership Change
 - John Young '78 succeeds Tim Sullivan '80



ALUMNI ASSOCIATION AND FOUNDATION CENTER

RECENT DEVELOPMENTS

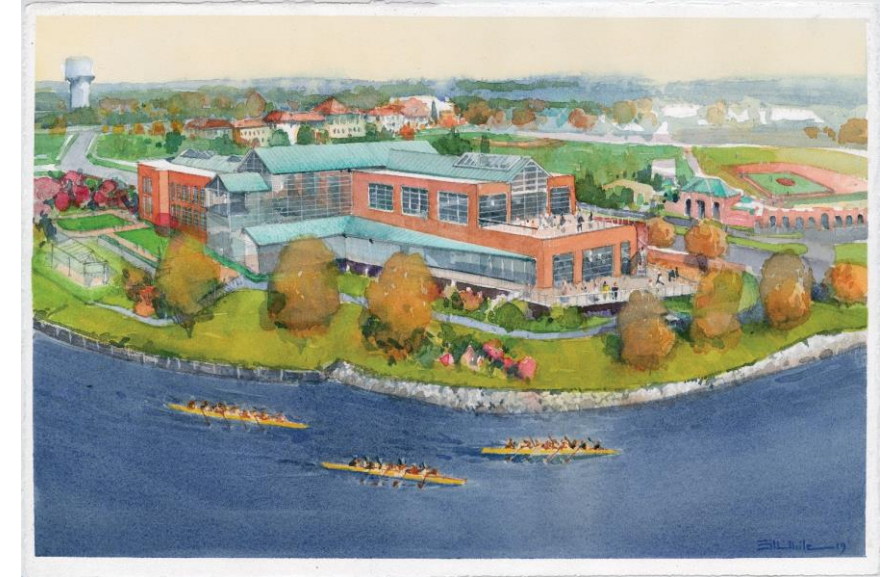
Alumni Association & Foundation Project Management

- **Byron Marchant '78 – CEO & President**
- **Craig Washington – VP, Executive Sponsor**
- **Scott Gaiser '05 - Lead: Project Execution and Operations**
- **Project Owners Representative: Peter Nowland**



ALUMNI ASSOCIATION AND FOUNDATION CENTER *RECENT DEVELOPMENTS*

- New resolution increasing authorization for chairs committee from \$20M to \$36M (vote). Cost increase driven by:
 - Formal estimates from RFP by general contracting firms
 - Several items not originally included: FFE, IT, landscaping, parking, bulkhead
 - SQFT of decks, lower level and parking not originally included in estimates
- New architectural firm chosen: Perkins Eastman
- General contractor selected: Coakley Williams
- Resolution recommending sale of legacy assets. Extensive due diligence on cost model of retaining or selling assets
 - Fixed overhead is prohibitive; capital infusion need to maintain properties
 - Duplication of services with new alumni center



ALUMNI ASSOCIATION AND FOUNDATION CENTER

KEY TAKEAWAYS

Due Diligence

- Each Alumni Center resolution:
 - Vetted by Alumni Board House Committee in spring/summer 2019.
 - Vetted by JFAC in fall 2019
 - Vetted by Foundation Governance Committee in fall 2019
 - Foundation BOD Formally approved 11/8
 - Shared with BOT Trustees on 11/8 – read ahead
 - Will be presented to Alumni Association BOT on 12/12 for vote



ALUMNI ASSOCIATION AND FOUNDATION CENTER

KEY TAKEAWAYS

Naming Opportunities and Maintenance Fund

- The goal is to raise the entire cost of the project from major gifts using these naming opportunities.
- Additionally, we will incorporate a class giving program similar to the Battle Arch/Class crest effort in the first campaign.
- The class giving program will be part of our effort to build a \$4M sustainability fund for the building to support its future operations and maintenance.





BILL O'CONNOR

EXECUTIVE VICE PRESIDENT, DEVELOPMENT

CAMPAIGN IMPACT: 28 MAJOR PROJECT AREAS

New and/or Enhanced Facilities – 8 major initiatives, \$95.8M raised

- Grace Hopper Hall
- J. Ronald Terwilliger Center for Student-Athletes at Ricketts Hall
- AA&F Alumni Center
- Navy Marine Corps Memorial Stadium
- Naval Academy Prep School
- Additional Physical Mission Capital Projects, including:
 - Terwilliger Brothers Baseball Stadium
 - Golf Course Renovations
 - Doubles Squash Court and Halsey Field House Renovations



DVPs, DMPs and Distinguished Chairs – 9 positions funded, \$22.4M raised

- Robert and Mary M. Looker Distinguished Visiting Professor in Cyber Security Studies
- Maryellen and Richard L. Keyser Distinguished Visiting Professor in Cyber Security Studies
- Class of 1960 Distinguished Visiting Professor in National Security
- Director of Cyber Security Studies
- Krekel Space Chair
- Davis Distinguished Chair in Mathematics
- Class of 1961 Chair in Leadership Education
- Herres Distinguished Military Professor in Leadership & Ethics
- Class of 1972 Distinguished Military Professor for Character Development



CAMPAIGN IMPACT: 28 MAJOR PROJECT AREAS

Key Programmatic Initiatives – 11 projects, \$137M raised

- Class of 1963 Center for Academic Excellence
- Cyber Program Support
- Faculty Development and Recruitment
- International Programs Office, Regional Forums and NAFAC
- Project-Based Learning
- STEM Programs and Admissions Excellence
- Experiential Leadership Development
- Stockdale Center for Ethical Leadership
- Midshipman Activities Fund
- The Fund for Athletic Excellence
- Information Technology



CLASS GIVING DURING CAMPAIGN

Class Giving during the campaign (7.1.12-9.30.19)

- Total Commitments: **\$47.5M**
- Class Giving to USNA Priorities:
 - Admissions Excellence and Summer STEM
 - Academics
 - IPO
 - Center for Academic Excellence
 - Cyber
 - Athletics
 - Leadership and Ethics
 - MAF, MAG
 - Naval Academy Fund



ALUMNI CENTER RECOGNITION

- **Class Crest Projects**
 - \$250,000 – recognition to be built into design by architects
 - \$100,000 – recognition to be built into design by architects
- **Individual Giving Recognition for President Circle Level Donations**
 - \$12,500 (\$2,500 per year for five years)
 - \$25,000 (\$5,000 per year for five years)
 - \$50,000 (\$10,000 per year for five years)
- **Individual Giving Recognition for Young Alumni President Circle Level Donations**
 - \$5,000 (\$1,000 per year for five years)

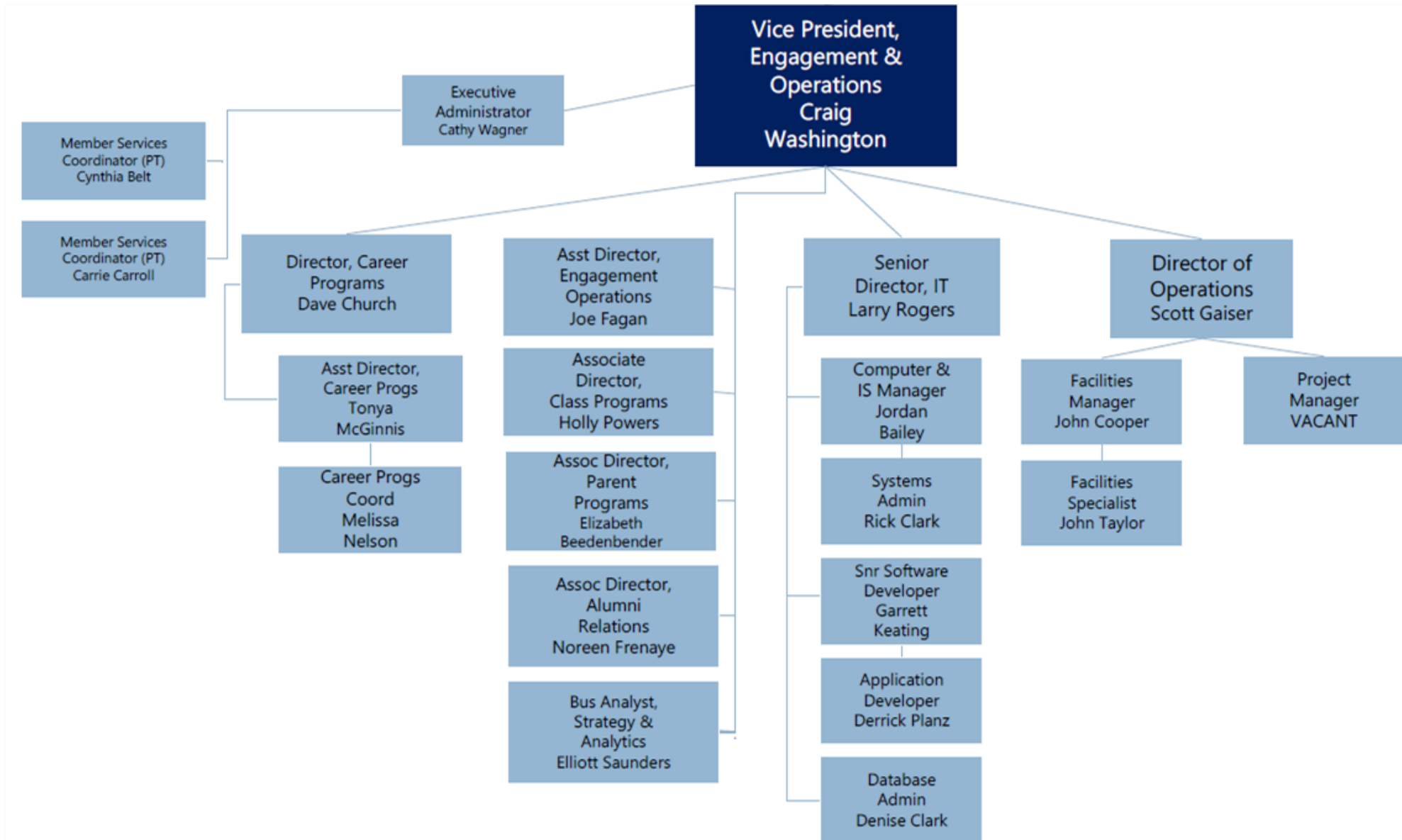




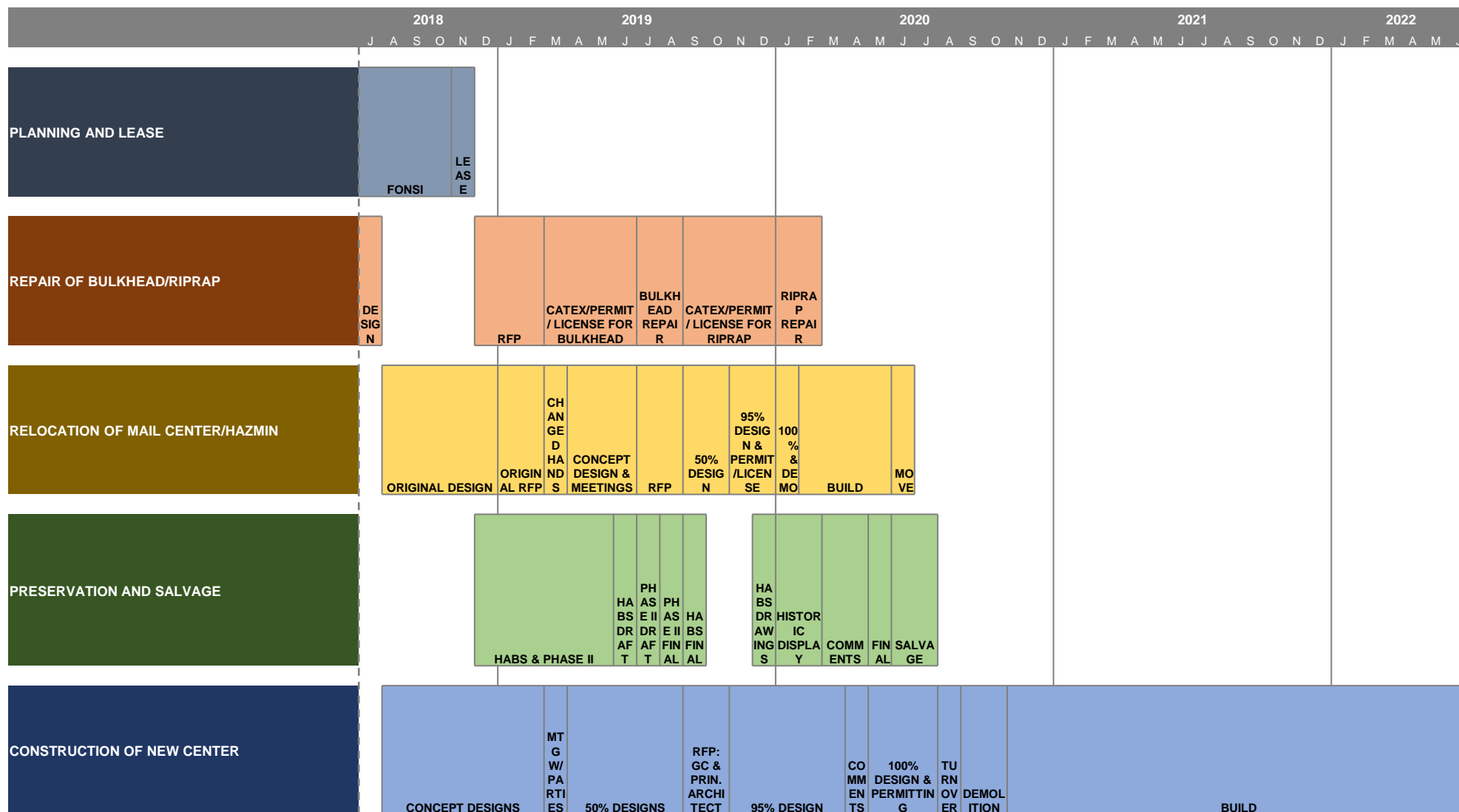
CRAIG WASHINGTON '89

VICE PRESIDENT, ENGAGEMENT AND OPERATIONS

Engagement & Operations Organizational Changes



AAC Center



Chapel Dome Project

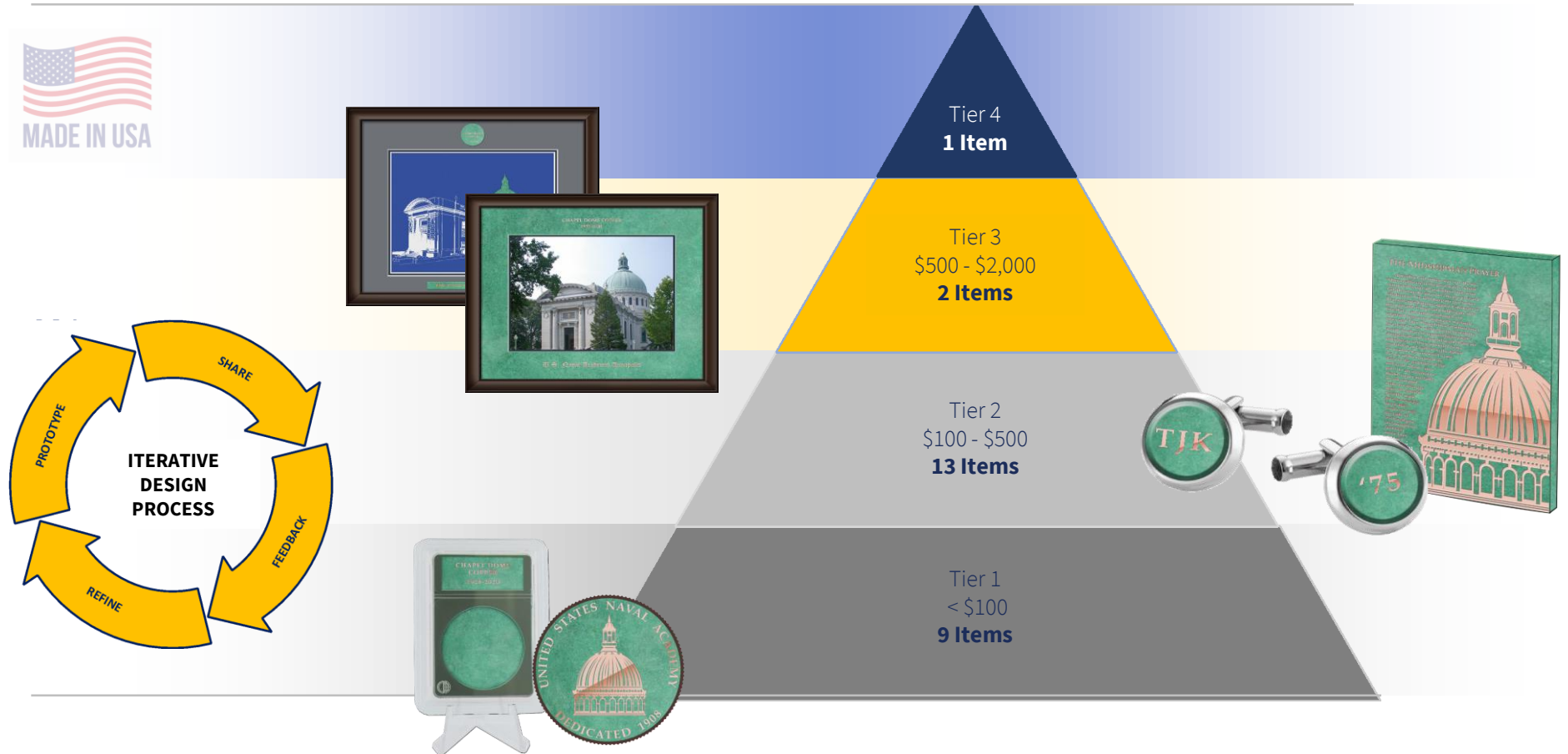
BACKGROUND

- NAVFAC/GC **began repairs to Chapel Dome** in November 18, but **project turned into replacement** based on GC findings.
- Based on amount of alumni interest expressed, USNAAA **began to explore options to salvage, transform, and preserve the history** of the copper.
 - Calls and inquiries from Alumni across the country
 - Calls and inquiries from USNA faculty and staff
 - Superintendent and his staff have been questioned about the copper during meetings with Alumni, etc.
- USNAAA **staff conducted Due Diligence and Competitive Bid** to select best partner.
- The **copper will be removed over a 6-8 month period**, and we will implement a joint process with the GC, USNA, and Herff Jones to **ensure chain of custody and authenticity of all heirlooms created**.



PRODUCTS

100% Designed and Manufactured in the USA



Product & Pricing in Line with Quality, Personalization, and Copper Usage

**CALLED TO
SERVE**
**DARING TO
LEAD**



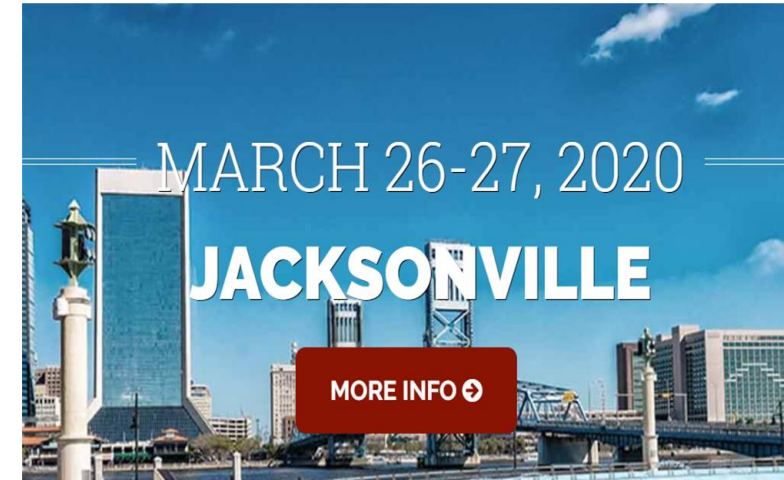
HONOR OUR FALLEN HEROES WEEKEND

- 33 Families represented
- 300+ guests
- Class representation & participation
- <https://usnamemorialhall.org>
- First Link Program

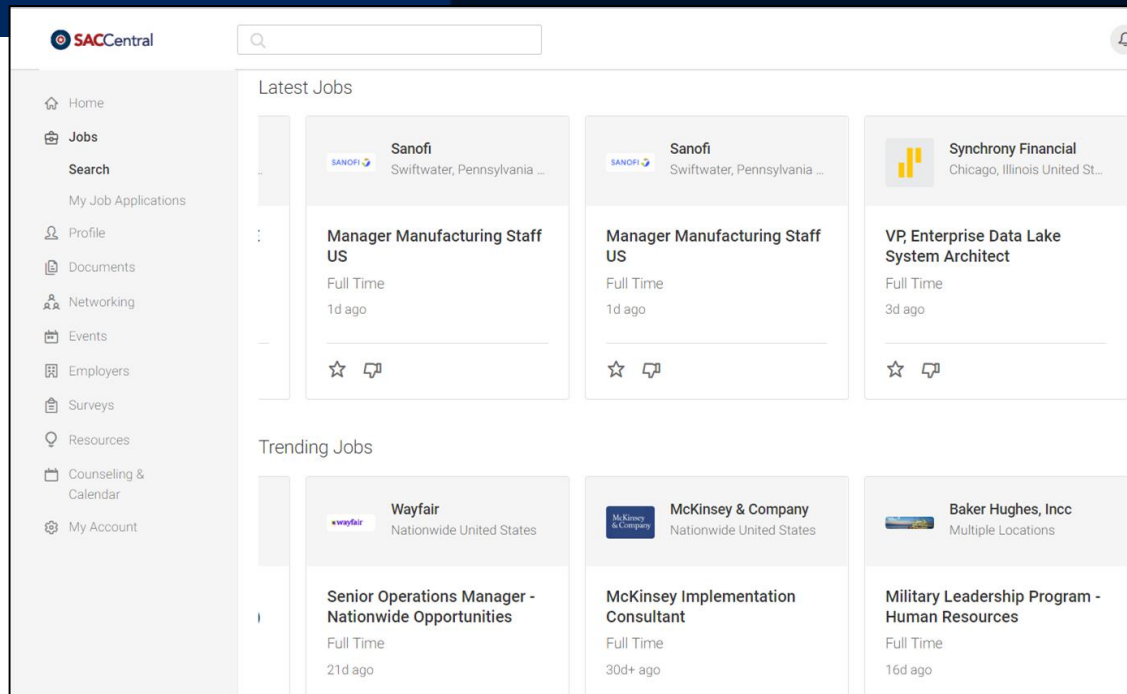


SACC

- New Staff in place (Tonya McGinnis & Melissa Nelson)
- 25th Anniversary
- >30k service academy alumni attended (~ half USNA grads)
- San Antonio SACC
 - 143 companies / 369 attendees (largest non-DC ever)
 - Moving to Dallas in 2020
- B/L: Hire our own alumni



SACC CENTRAL: (*new feature)

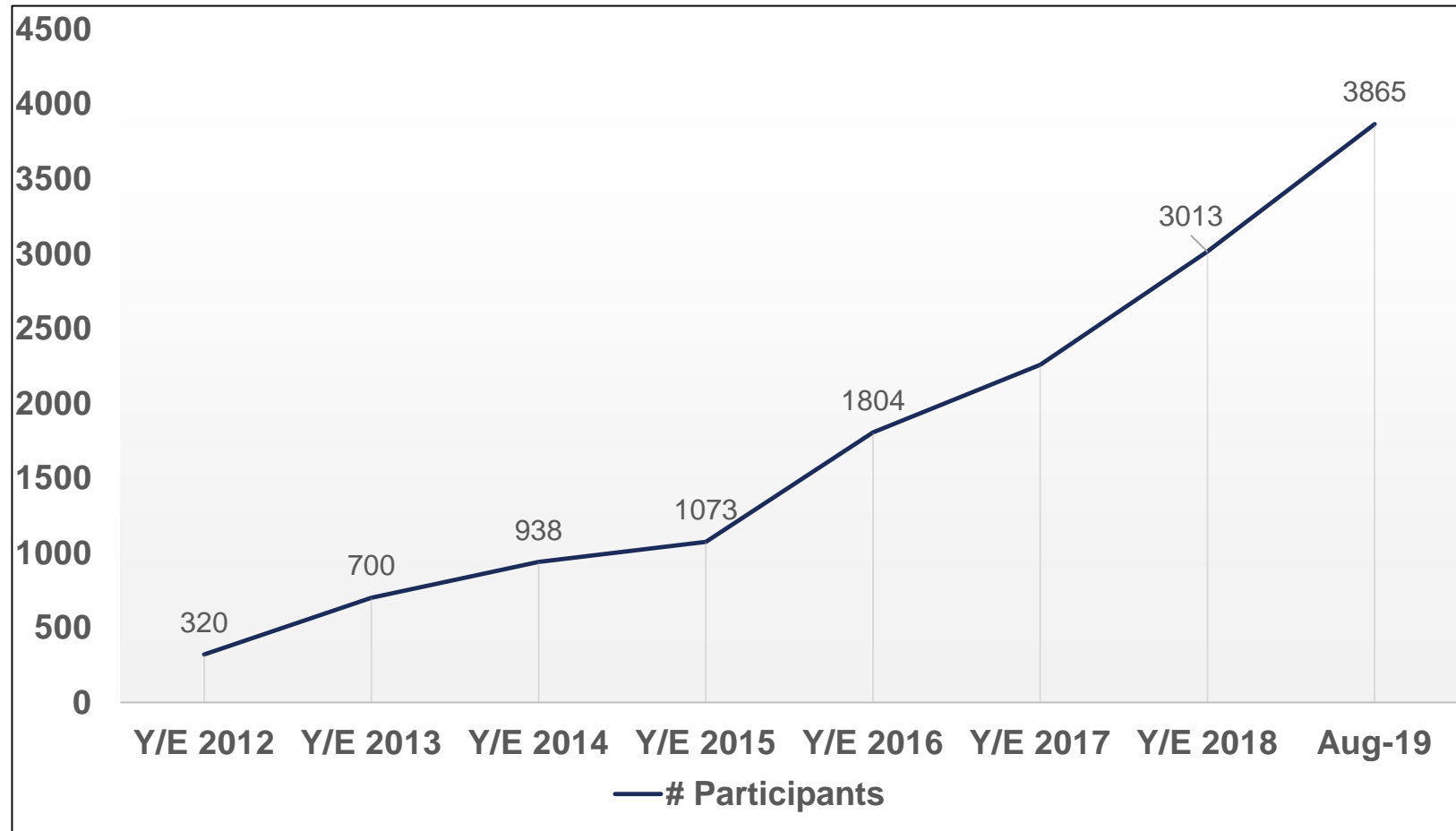


SACC Central

- 356 Current Postings
- Jobs only available to Service Academy grads
- Searchable
- Post your resume
- Publish when you want to be “searchable”



AMP: ALUMNI MENTORING PROGRAM



	August 2019	August 2018
All participants	3,865 (2,165)	2,887 (1,357)



DEMOGRAPHICS OF 2020 DGA NOMINATIONS

Decade	Noms	Rcpts	2020
30's	13	8	0
40's	40	14	0
50's	111	34	1
60's	106	25	8
70's	73	12	10
80's	6	3	1
90's	3	0	0
00's	0	0	1
Totals	352	96	21

Community	Historical	2020 Noms
SUB	20	4
N Aviator	33	4
SWO	19	5
USMC	14	3
SEAL/EOD	1	1
Other (EDO/CEC/Supply)	7	4
USAF	2	
	96	21



VALUE PROPOSITION

Create a **one-stop shop for members** through usna.com that...

Facilitates engagement,

Provides satellite organizations with centralized autonomy,

And is protected by the enterprise's privacy and security protocols.

Centralized autonomy:

Satellite organizations would manage their own activity using the same enterprise tools and branding and sharing all data with the enterprise.





LISA STROBEL
SENIOR DIRECTOR,
FINANCE AND TREASURY OPERATIONS

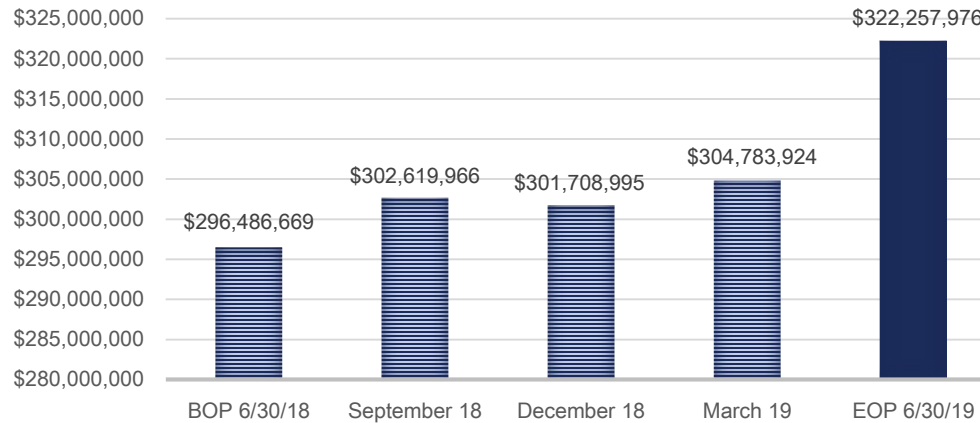
KEY TAKEAWAYS

- Record support to USNA and Alumni in FY19 and strong start to FY20
- Growth in net assets in FY19
- \$1.6mm budget surplus FY19
- Excellent audit results – no adjusting entries (Vote)
- Executing with intent across enterprise

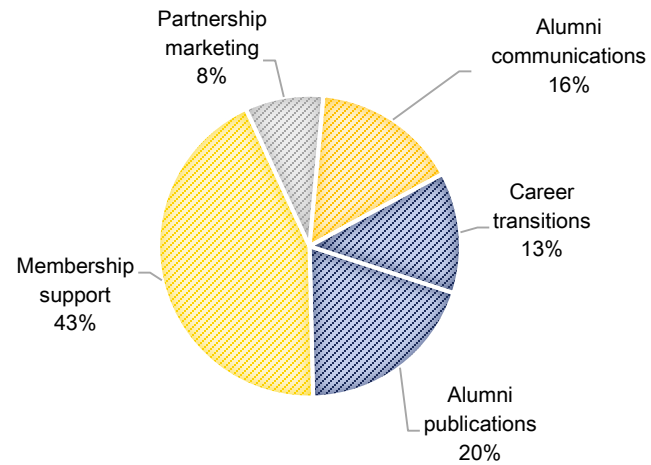


TREASURY & FINANCE UPDATE

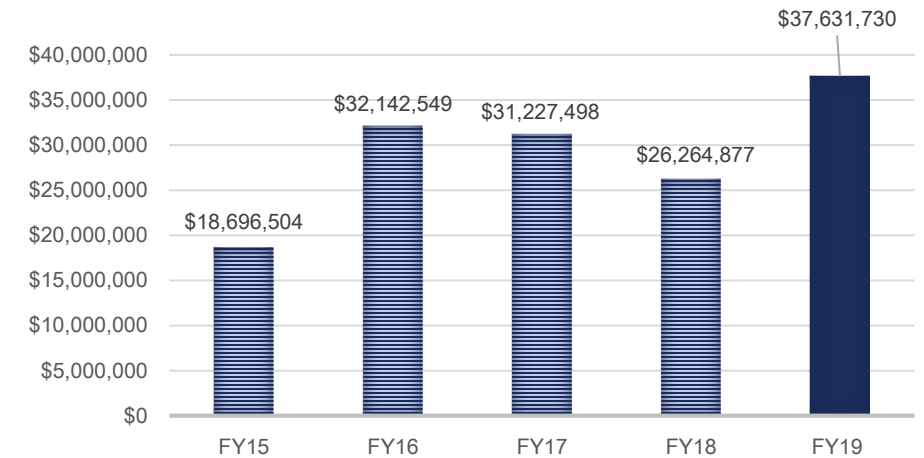
FY19



- Growth in net assets
- Record support to USNA
- Continued strong alumni programmatic support



\$6.1mm alumni programmatic support



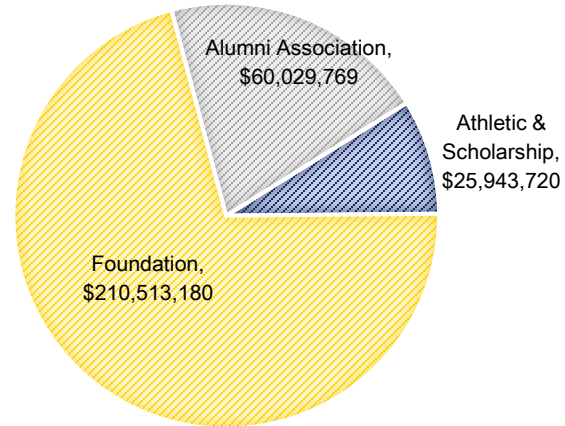
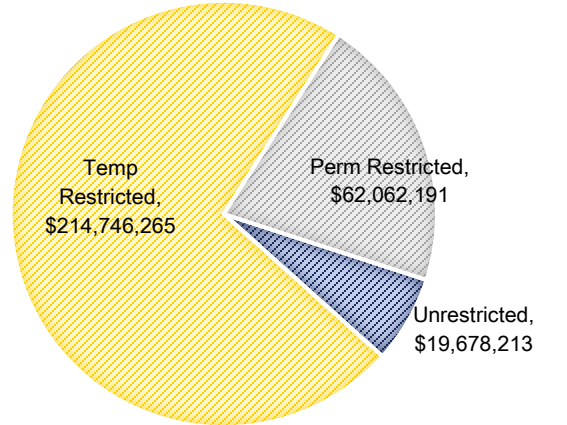
USNA Support



PROPRIETARY

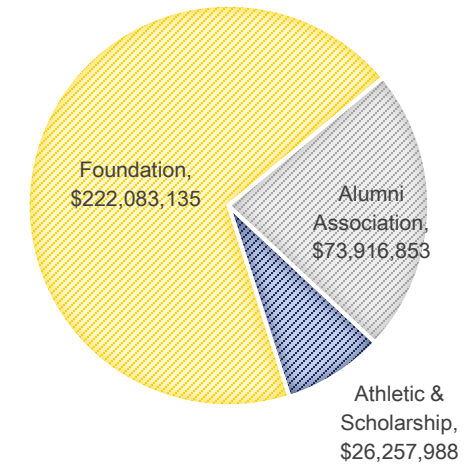
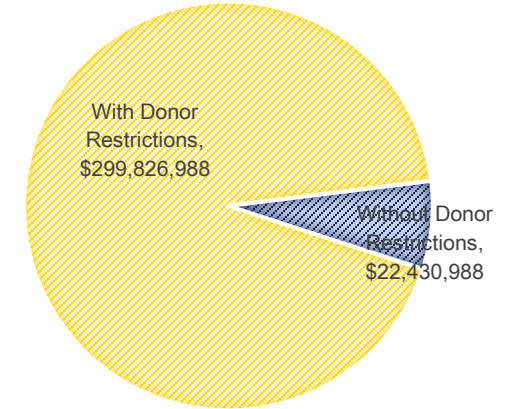
TREASURY & FINANCE UPDATE

NET ASSETS FY19



Total = \$296.49mm
6/18

Increase in UR Net Assets



Total = \$322.3mm
6/19

TREASURY & FINANCE UPDATE

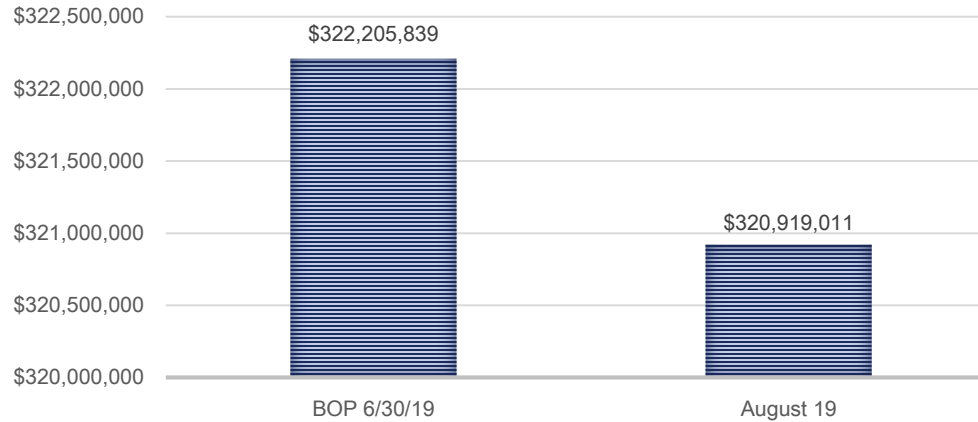
FY19



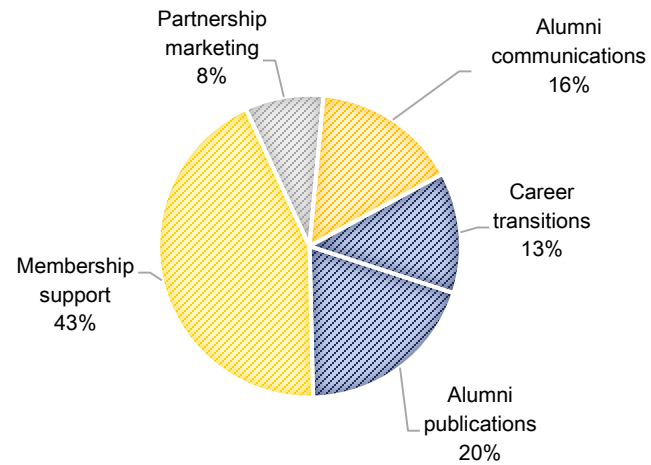
PROPRIETARY

TREASURY & FINANCE UPDATE

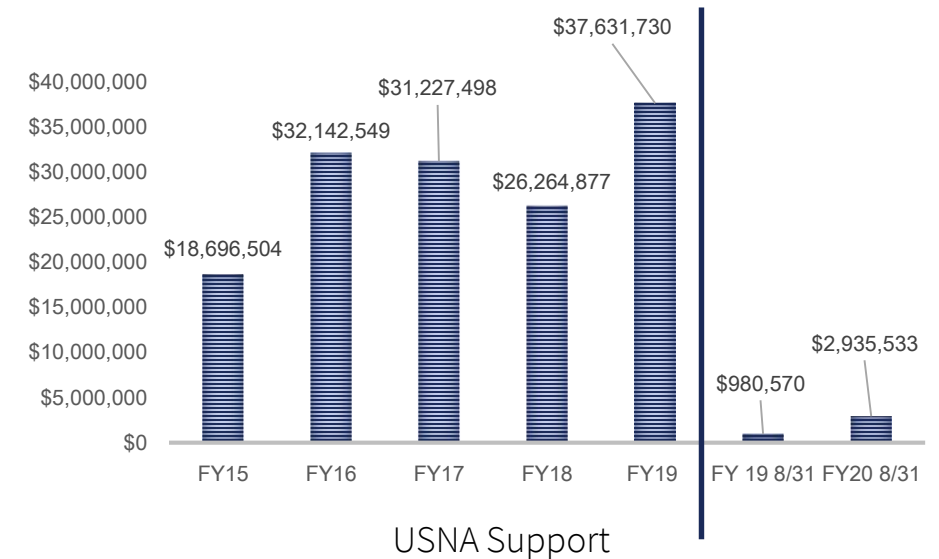
FY 2020 (8/19)



- Decline in net assets driven by revenue and USNA request timing
- Continued strong alumni programmatic support



\$863k alumni programmatic support YTD



PROPRIETARY



SUMMARY

- Excellent audit results – no adjusting entries
- FY19 record breaking year
- FY20 good start – continued strong support to USNA





KRISTEN PIRONIS
EXECUTIVE VICE PRESIDENT,
MARKETING AND COMMUNICATIONS

SHARING STORIES



**CALLED TO
SERVE**
**DARING TO
LEAD**



**THE NAVAL ACADEMY
CAMPAIGN**

CREATING EXPERIENCES



SHAPING FUTURE EVENTS

Upcoming

- 13-14 December: Army/Navy reception, gala, tailgate and game
- 18 December: Admiral Holloway's Funeral at USNA

And in 2020

- 20 March: Distinguished Graduate Award Ceremony
- 15-22 May: Commissioning Week 2020
- Summer/Fall: Alumni Association and Foundation Groundbreaking
- 27 – 29 August: Navy Football vs. Notre Dame in Ireland
- October: Campaign Celebration activities (*tentative*)
 - 175th Founder's Day
 - Hopper Hall Dedication





QUESTIONS?