

**USMA Class of 1958 Perpetual Endowment Fund
Board Meeting
24 October 2006
Army-Navy Country Club
Arlington, Virginia**

Board Members Present: John Evans (Chairman), Ed Weckel (Treasurer), Lee Miller, Bob 'Dusty' Rhodes (Secretary), Meg Roosma (Descendant Member)

Board Members Absent: Jason Affolder, William 'Pat' Connelly

Others Present: Andy Andreson (Outgoing ExCom Liaison Member), Tony Smith (Incoming ExCom Liaison Member), Pete Brintnall (Immediate Past Chairman)

Chairman John Evans called the meeting to order at approximately 1645 hours.

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SUBJECT #1: *John Evans welcomed Bob 'Dusty' Rhodes as the newest board member and secretary whose duties on the board will expire in 2012.*

SUBJECT #2: *Andy Andreson (Outgoing ExCom Liaison Member) turned over his responsibilities to Tony Smith (Incoming ExCom Liaison Member).*

SUBJECT #3: *Recognition of 100% endowment fund participation by cadet companies.*

DISCUSSION:

Lee Miller noted that five cadet companies (B2, D1, I2, M2, A1) had achieved 100% participation in the fund and should be recognized in an appropriate way at the 50th reunion in May, 2008. It was also noted that Company B2 was the first company to achieve 100 percent participation and the question arose whether B2 should receive special recognition for its achievement. Lee Miller will study the matter and agreed to prepare a draft certificate for approval at or before the next board meeting.

SUBJECT #4: *Whether or not to actively solicit additional endowment funds from classmates between now and the 50th reunion.*

DISCUSSION:

It was agreed that no additional funds would be actively solicited from classmates prior to the 50th reunion in May of 2008, however, additional contributions are welcomed and may continue to be made by classmates who desire to do so. Meg Roosma suggested that following the 50th reunion the board should encourage classmates to consider the use of last wills and testaments as a financial vehicle.

SUBJECT #5: *Perpetual Endowment Fund Status Report*

DISCUSSION:

Ed Weckel provided the board with a report of the latest fund status including historical data dating back to 1998. In retrospect, according to Ed, the choice of Fidelity's Investment Charitable Gift Fund was a good one and one of the few funds of its kind at the time of inception. John Evans noted that Fidelity charges no management fees and that the board's selection of funds provides for a highly diversified portfolio. In the early years the board invested 75 percent of its portfolio in growth funds and 25 percent in equity-income funds. Two years ago the board added international funds to the portfolio up to a maximum of 15 percent. Ed now recommends the following change: Equity-Income Funds (40%), Growth Funds (40%), International Funds (20%).

Ed made a motion to accept his recommendation (above).
Lee seconded the motion.

John Evans will e-mail Patrick Connelly (First Captain, USMA 1998) and Jason Affolder (Captain, USCC) for concurrence.

SUBJECT #6: *Lee Miller's replacement and a decision as to whether to integrate descendants onto the board now or later.*

DISCUSSION:

Lee Miller's service on the board will expire in October, 2007. Most of the discussion that followed focused on the appropriate time to begin integrating descendants of classmates onto the board. Ed Weckel noted that a class vote was not necessary to add a descendant onto the board, only a majority vote by board members. Pete Brintnall's letter to all descendants of classmates soliciting interest in joining the board did not produce any results although Meg Roosma and others encouraged personal contact such as phone calls could make a difference in the response. John Evans noted that three choices were available to the board: (1) replace Lee Miller with a classmate, (2) replace Lee Miller with a descendant, (3) replace Lee Miller with a classmate and a descendant. Lee encouraged the board to consider a classmate, if applicable, who is financially savvy as a replacement when faced with a choice.

John Evans made a motion to change the by-laws, which would include two descendant members on the board.

Ed Weckel seconded the motion.

- Article IV, Section 1., para (a) (2)

“Two elected Descendant Members who are West Point Graduates descended from a member of our Class. (3.2)”

SUBJECT #7: *Results of an open invitation to classmates to offer items for discussion by the Perpetual Endowment Fund Board.*

DISCUSSION:

An open invitation to classmates to provide items for board discussion resulted in two suggestions via e-mail. Both suggestions, related to financial decisions and for asset allocation, were discussed and it was agreed that no changes would be made at this time.

SUBJECT #8: *Jack Downing's proposal that the Perpetual Endowment Fund Board begin planning on the occasion of our first donation to West Point in 2058.*

DISCUSSION:

Ed Weckel felt that Jack's proposal was a good one however the suggested change to the by-laws was too long and would have to be shortened. Additionally Ed, John and Lee expressed the view that key players e.g., Association of Graduates (AOG), Perpetual Endowment Board (PEB), and class descendents must be aware of our plan since the mechanism for implementation was the key issue.

Additional unresolved questions discussed included:

- Would there be an appropriate ceremony?
- How would that ceremony be financed? ExCom Operating funds? Others?
- How would or will AOG or others maintain a list of descendents of classmates?
- How insure that all descendents of the class are invited to the ceremony?
- What should be the role of Patrick Connelly, USMA 1998 First Captain, in reminding descendents and future graduates of the plan?

It was agreed by unanimous vote of the board that Ed Weckel and John Evans would draft a change (below) to the by-laws and once adopted the board would prepare a letter to all classmates outlining the proposal and the plan's mechanism.

- Article III., Section 3. 100th Anniversary Gift Presentation (3.1)

“The Class of 1958 desires that the initial presentation of its gift to the United States Military Academy, beginning on the 100th anniversary of our graduation and at ten year intervals thereafter, be a suitably recognized ceremony at West Point, which allows our descendants to attend. The point of contact for information concerning this event for our descendants should be the Association of Graduates, or its successor organization.”

SUBJECT #9: *Report from Andy Andreson, ExCom Liaison Member*

DISCUSSION:

This was Andy Andreson's last board meeting as the ExCom's Liaison Member to the Perpetual Endowment Fund board. On this occasion he along with Tony Smith discussed the current fund raising drive initiated by the ExCom and specifically by Jack Bradshaw to raise sufficient funds for improvements, not maintenance, to the First Class Club (FCC). Tony is working with Dale Hruby, FCC CINC, and the authorities at West Point to differentiate *maintenance* items from *improvement* items and then develop a plan for implementation.

John Evans thanked Pete Brintnall for his untiring service as chairman of the board.

The board meeting adjourned at approximately 1945 hours since there was no further business to discuss.

VOTING RESULTS:

Following the 24 October 2006 meeting the board members voted electronically on proposed changes to procedures and by-laws as follows:

SUBJECT #5: *Perpetual Endowment Fund Status Report*

Proposal to change fund asset allocation to:

Equity-Income Funds (40%)

Growth Funds (40%)

International Funds (20%)

YES: 7

NO: 0

SUBJECT #6: *Lee Miller's replacement and a decision as to whether to integrate descendants onto the board now or later.*

Proposal to change Article IV, Section 1., para (a) (2):

Two elected Descendant Members, who are West Point graduates, descended from a member of our Class. (3.2)

YES: 7

NO: 0

SUBJECT #8: *Jack Downing's proposal that the Perpetual Endowment Fund Board begin planning on the occasion of our first donation to West Point in 2058.*

Proposal to change Article III., Section 3. 100th Anniversary Gift Presentation (3.1):

The Class of 1958 desires that the initial presentation of its gift to the United States Military Academy, beginning on the 100th anniversary of our graduation and at ten year intervals thereafter, be a suitably recognized ceremony at West Point, which allows our descendants to attend. The point of contact for information concerning this event for our descendants should be the Association of Graduates, or its successor organization.

YES: 7

NO: 0

/signed/

Robert G. Rhodes
Secretary
USMA Class of 1958
Perpetual Endowment Fund Board

/signed/

John G. Evans
Chairman
USMA Class of 1958
Perpetual Endowment Fund Board