

CEO Report
Board of Directors
2021 Winter Virtual Board Meeting

COVID-19. I begin my Winter 2021 report the same as I did at last Summer's meeting, by talking about COVID-19. Specifically, the pandemic's impact on our organization, both on our individual employees and our overall MCA operations. Even with our mandated wearing of masks in MCA facilities, frequent cleaning of facilities, positioning of hand sanitizers throughout buildings including conference rooms and bathrooms, and maximizing the use of telework wherever feasible, we still had employees become sick with the virus. I am happy to report that all of these have since fully recovered and are back at work. We currently have one employee who is ill with the virus and he appears to be on the mend. With the vaccine rollout, there is room for optimism. That said, I believe the first half of 2021 will continue to be challenging for us as we move closer to normal Foundation operations.

Financial Overview. The 2020 Foundation financial activities were largely unaffected by the pandemic. Total support was within \$66K of the budget plan and \$16K more than 2019. Revenue highlights include a \$79K gift which endows a new excellence award, continued outstanding support from our board members and major donors, new donors and increased giving through direct mail efforts, and sustained support for our golf tournament and virtual races. Although corporate support for our awards and professional event attendance were lower than plan, these corporations stand ready to reengage when we resume professional dinners later this year. Total expenses were \$200k less than budget. Foundation program delivery reached more than 65,000 Marines costing more than \$800K. Libraries, writing and excellence awards performed to plan, but PME expense was nearly \$200k less than budget because Marines were unable to participate in planned battlefield studies and attend professional dinner events. Overhead expenses were executed to plan. We closed 2020 with a surplus of \$160k which is available to support 2021 programs and operations.

Strategic Plan Development. We have completed the final draft of our Strategic Plan and I want to thank all board members for your review, comments and recommendations. Without question, the strategic plan is a better document with your assistance and input. The new strategic plan includes a revised vision and mission statement and nine goals and supporting objectives which cover the entire MCA organization. The plan is forward looking, aggressive, and lays out a roadmap for the next five years. It is closely aligned with the 2021 budget and includes guidance for periodic assessments and status reports to include during board meetings such as this. Finally, it is in line with where we believe the Commandant and the Marine Corps are going in the future, which we believe is vitally important. There will be more time to talk about the strategic plan during this week's board meeting discussions.

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Professional Development. Program delivery in terms of dollars spent is down in 2020 from historic end of year levels. This is primarily due to the inability of Marine units to conduct Commanders' Forums Programs like battle studies and staff rides. This is one area where COVID impacts were felt. However, our other programs continued on track and in some cases even expanded, especially our library program with the books and magazines we've been able to place in the 4th phase of Recruit Training at both Depots. The number of Marines served by our programs in 2020 is slightly higher than where we were in 2019.

Fundraising. Overall we had a relatively successful fundraising year. COVID impacts continued to be a concern but our thousands of loyal donors continued to show their support and we've also maintained the majority of contributions from our group of major donors. From what we can tell at this point, our 2020 end of year Matching Gift Campaign was another great success. The message of what we do to support the professional development of Marines is resonating and resulting in financial support from our many donors.

Events. The Events Team worked hard to produce events in the COVID-19 environment which included providing every guest with hand sanitizer and KN-95 masks at our contactless registration tables. Individual event programs and commemorative coins were also packed in the registration packs for the attendees to pick up as they arrived. With the exception of the Acquisition Awards, all 45 of the Premier award presentations were made in-person with audiences ranging from 25-100. These included the Wounded Warrior Leadership Awards, Ammo Tech Awards, Ground Awards, Information Awards, and the Logistics Awards. The Commandant's support of these rescheduled events, both through his presence as guest speaker and his guidance to his senior leaders, was outstanding and without which there would have been zero events in 2020.

Relationships and Partnerships. Relationships with our sister service professional associations including AUSA, AFA, USNI and Navy League continue to get stronger and will be particularly important this year as we ramp up efforts to build our knowledge base related to the conduct of expositions. My counterparts at these organizations have already offered to share their lessons learned and recommendations.

Outlook. In closing, although there still remains much uncertainty this year due to continued fallout from COVID-19, we believe the worst is behind us. It is my personal belief that our Foundation's longer-term, strategic picture shows considerable promise and opportunity for financial stability, growth, strengthened relationships with HQMC and most importantly, support to more Marines and other Friends of the Corps. This is on the backs of our amazingly talented and dedicated MCA team and supportive Board of Directors.

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Semper Fidelis,

William M. Faulkner
LtGen USMC (Ret)
President & CEO MCA

Motion: That the CEO Report be accepted as written and presented.

Approved: _____ Date: _____