During 2004 the SSA Foundation began a number of initiatives, reacted to new opportunities and continued on-going programs. The Foundation was extremely fortunate to have benefited from a single large bequest and from notification of another significant bequest in process.

The roster of Current Foundation Trustees and Advisors and their roles and terms are:

Jim Short – Chair. Jim is a Region 7 Director and was formerly Chairman of the SSA and the SSA Government Liaison Committee. He manages corporate aircraft in Chicago, having previously spent 15 years in the soaring industry. He flies both modern and vintage sailplanes in Illinois and California. Term expires February 2006.

Bill Sproull – Vice Chair of the Foundation and Chair of the Fundraising Committee. Bill is a former long time SSA board member, President and Secretary of the SSA. He was a founding Trustee of the SSA Foundation, retired Honeywell executive and university business school professor. He is a member of the Minnesota Soaring Club, towpilot and co-owner of an LS-6. Term expires February 2007.

Steve Wasilowski – Treasurer. Steve is a Region 7 Director and member of the SSA Finance Committee, former President of the Sky Soaring Club in Hampshire, IL and owner of a DG-300 and Luscombe 8A. His background includes financial reorganization, development and legal protection of soaring sites. He is a financial executive with Northern Trust Company in Chicago. Term expires February 2006.

Eric Mozer – Secretary. Eric is a Director-at-Large of the SSA. He has been a competitive member of the United States Soaring team and is currently the American representative to the International Gliding Committee (IGC) of the Federation Aeronautique Internationale (FAI), which is concerned with the development and competitive aspects of soaring worldwide. He is a manufacturing executive and has a lifetime of experience in soaring. Term expires February 2005.

Larry Tuohino – Advisor. Larry is a former Director-at-Large of the SSA, former Region 12 SSA governor and heads up much of the marketing effort of the Foundation. He is a financial executive with Smith Barney and has become one of the SSA’s prime experts on operation of not-for-profit foundations. He flies from Tehachapi, CA with his P1K-20D. Because of his employment he has asked to remain as an Advisor and volunteer.

Al Gold – Trustee. Al has considerable professional and volunteer experience in the organization and operation of charitable foundations. He has been involved with fundraising activities for universities. Al is an active and knowledgeable member of the Foundation and his background and expertise in Foundation matters and fundraising in his professional life has been exceptionally valuable. He was unanimously elected a Foundation Trustee by the SSA Board of directors at the October 2004 meeting in
Denver, CO. When not working and advising in this sector, he flies a Discus in the greater Boston area. Term expires 2008.

During 2004 John Seaborn resigned his tenure as a Trustee due to professional commitments. The Foundation appreciates his past efforts and counsel, particularly in regard to the US Team and Robertson funds, and hopes that he will remain an advisor to the Foundation as time allows.

Meetings

The Foundation held a formal meeting at the Denver Board Meeting (draft minutes attached) and will meet at the Ontario Board Meeting (its official Annual Meeting) in February 11, 2005, during the Denver Meeting Larry Tuohino spoke to the assembled directors about their responsibilities in handling potential gifts to SSA and in contacting potential new donors. He wrote, produced and distributed an SSA Philanthropy Operating Handbook personalized for each region, which outlines methods and responsibilities on a customized basis.

Endowment Campaign

The Foundation has prepared a series of documents that allow it to start on the foundation’s first endowment campaign. Two of the documents are attached which include a set of Strategic Initiatives which is basically aligned with the fundraising needs of the SSA Strategic Plan, and a Case Statement that describes "The Distant Horizon" of the SSA Foundation endowment campaign. The Strategic Initiatives are intended to give a potential donor an overview of the Foundation efforts to support the SSA’s Strategic Plan. The case statement is intended to describe the mission of the Foundation to a prospective donor.

SSA Foundation General Brochure. Also enclosed in this Blue Book is the Foundation’s general information brochure. This is was rewritten by Larry Tuohino, to keep it up-to-date with the current Strategic Initiatives and goals of the Foundation.

SSA Foundation Marketing Plan. Developed by Al Gold, this document lays out procedures for endowment fundraising from the perspective of an individual who has spent a lifetime in this line of endeavor.

The above four documents are intended for use during the first year of the endowment capital campaign with the intent of receiving feedback for modification after the first round of use.

2005 Convention at Ontario, CA The Foundation is planning another Contributor’s Reception at the SSA convention in Ontario, drawing on last year’s prototype event. Trustees will be available to answer questions so that new donors can find answers to their questions from Foundation from knowledgeable foundation members and financial planners. In addition the Foundation will sponsor an exhibits booth at the Convention to increase awareness about the foundation and so individuals can engage in one-on-one questions regarding estate planning and personal donor issues. An art vendor has been engaged to provide visual interest to the booth. Part of the proceeds of booth sales will be donated to the SSA Foundation.
Training for Directors. The Foundation is planning informational events for SSA Directors regarding the aims and processes of the Foundation. The first of these occurred at the Fall Board meeting in Denver with the unveiling of the Philanthropy Operating Handbook, otherwise referred to as the Foundation’s POH. A follow-up is planned in February 2005 in Ontario, CA.

Annual Campaign.

The annual Eagle Fund campaign of the Foundation was conducted by SSA office staff and particularly Kara Dionne. The first magazine article announcing the thrust of the 2004 campaign, by foundation Chair Jim Short, was published in the October 2004 issue of Soaring magazine, and follow-up articles by SSA Executive Dennis Wright and SSA Chairman Dean Carswell were published in the November and December magazines. A departure in this year’s campaign was that it sought funds for specific projects that cut across the traditional SSA needs for fundraising campaigns. The October Soaring magazine article denoted these plans as: Direct Member Representation, Enhanced Soaring Education and Enhanced Infrastructure for more Efficient Operation. The option of giving undesignated funds to the SSA General fund remains as it always has. Members were reminded that traditional buckets for annual Eagle Fund giving to the US Team Fund and the Soaring Safety Foundation remain, as before.

Your attention is directed to Bill Sproull’s Fundraising Committee report included with this report.

Activities Relating to SSA’s Strategic Plan

Strategic Plan. The Foundation is committed to support the SSA Strategic Plan and will conduct its fundraising and reporting activities accordingly. The SSA objectives of achieving and maintaining financial credibility in financial management and reporting are underway. A review of the SSA Strategic Plan of Spring 2004 indicates that The SSA Foundation is performing its reporting and communicating according to the plan.

Status of Funds and Fund Managers. In order to better control and report expenditures from the funds in line with the Strategic Plan, Fund Managers will be appointed who will each be responsible for “keeping an eye” on their funds. As needs come to withdraw funds, that manager will make sure the expenditure has proper authorization and is being responsibly spent, according to forms prepared during 2004 by Foundation Treasurer Steve Wasilowski. The Fund Manager will be responsible for reporting to the Foundation and the SSA Board how the withdrawn funds are used and how they help the authorized purposes of the SSA and the Strategic Plan. The specific Fund Managers will be announced and will become, as a group, part of the Advisors of the Foundation.

Donor Bill of Rights. A Donor’s Bill of rights was modified to SSA Foundation needs by Larry Tuohino and unanimously approved by the Trustees. A copy of this document will be located on the New Foundation Pages in the SSA web site.

Web Page. The new SSA web page will provide the opportunity for the Foundation to update the information and financial reports that belong on the SSA web site. This is another part of the communication initiatives aligned with the SSA Strategic Plan. The SSA site is being revamped by SSA staff and should be finished during the first quarter
of 2005. It will provide considerable, readily available, information for prospective donors and members alike.

**SSA Support from the SSA Foundation Funds**

As the SSA Foundation seeks to build up its endowments to support on-going programs and strategic initiatives of the SSA, its funds are already providing operating support through annual earnings. The General Endowment provides revenue of 5%, covered by annual investment earnings, to aid SSA operations in manners as determined annually by the SSA Board of Directors. The SSA Life Member Fund, likewise, provides income to the SSA General Operating Fund to support of Life Membership costs. Likewise, US Team funds invested by the Foundation support its on-going efforts. Soaring Safety Foundation funds have primarily had their earnings re-invested to build their endowment more quickly. Trophy endowment funds have had their small income tapped from time to time to pay expenses involved in refurbishment and shipping.

The intent of the SSA Foundation is to raise the amount of the endowments of the SSA to provide significant revenue to support major SSA programs, including the Strategic Initiatives of the SSA. During the period 2001 – 2004 the SSA Foundation has provided lines of credit to help SSA with needs concerned with computer procurement and maintenance and to minimize the cost of overdraft facilities. Helping with these costs is part of the purpose of the SSA Foundation, to help SSA conserve capital by avoiding external financing. Interest has been paid internally, particularly with the Life Member Loan (see below) so that the corpus of the fund will be rebuilt to allow it to support SSA functions as if the funds had been invested professionally. This method of financing was approved by SSA Board Action at the inception of the Life Member Loan.

**Line of Credit.** The Foundation approved a line of credit to the SSA specifically to enhance the staff's ability to complete timely financial transactions without resorting to costly bank facilities. This action was approved by the SSA Board of Directors at their Spring 2004 Board Meeting in Atlanta and is currently in place. The current outstanding amount of this line of credit is reported in the SSA financial documents to be reported at the Board Meeting in Ontario, CA.

**Life Loan.** Progress continues on the Life Member Fund Loan. Repayment reduced the principle amount from $50,861 in January 2004 to $24,216 as of September 1, 2004. Full repayment of the loan is scheduled for the first quarter of 2005. The SSA financial notes attached report the exact amount outstanding until the repayment is complete.

**Bequest from Rudy Kunda**

The SSA (through the Foundation) has received a sizeable bequest from the estate of Rudy Kunda, a well-known Chicago-area sailplane pilot who was a long-term SSA State Governor for Illinois and State Record Keeper, as well. More will be reported on the endowment, which was in the form of stock to be liquidated by the Foundation and added to the trust funds that are managed by Fidelity. A Soaring Magazine article is being prepared about Rudy and his contributions, both during his lifetime and through his estate. To our knowledge, this is the largest single contribution received by the Foundation to date.
Prospective Donations

Prospective Donations. The Foundation has had the pleasure to discuss and consider a number of offers of future trust funds and properties throughout the year and has made trips to visit with prospective donors on the details of these gifts. Some of which are potentially very beneficial to the SSA.

The Foundation has been notified of planned bequests from the estates of deceased members during 2004. It has also been notified that estate plans by current members have been written to specifically include donations of funds and property. These will be reported to the membership when the estates involved authorize release of the relevant information.

Questions about the SSA Foundations are encouraged and can be addressed to any of the Trustees. Questions concerning potential bequests and estate planning will be kept strictly confidential in accordance with donor wishes.

Jim Short
January 2005