LECTURE FUNDING
2010 Jahns Lecturer, Paul Marinos

SPECIALTY CONFERENCES

RESEARCH GRANTS

STUDENT SCHOLARSHIPS

AEG Foundation
Annual Report
For Fiscal Year Ending
June 30, 2010
Accomplishments in FY 2009-2010

FISCAL YEAR 2010 AT A GLANCE

- Received over $61,000 in contributions
- Awarded 14 scholarships totaling $15,750, an increase of $2,750 distributed over the previous fiscal year
- Increased net assets by over $137,000 over the previous fiscal year
- Awarded the first Beardsley-Kuper Field Camp Scholarship
- Funded a Shlemon Specialty Conferences on Modern Subsidence, Sea Level Rise, and the Future of the Gulf Coast

AEG Foundation's Relative Metrics

<table>
<thead>
<tr>
<th>Date</th>
<th>Net Assets ($)</th>
<th>Donation Income ($)</th>
<th>Scholarship Recipients (#)</th>
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<tbody>
<tr>
<td>6/30/2006</td>
<td>$229,621</td>
<td>$57,500</td>
<td>5</td>
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<tr>
<td>6/30/2007</td>
<td>$344,200</td>
<td>$94,643</td>
<td>6</td>
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<td>6/30/2008</td>
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<td>6/30/2009</td>
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<td>6/30/2010</td>
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<td>$61,687</td>
<td>14</td>
</tr>
</tbody>
</table>
Letter from the President

There is good news to report! The AEG Foundation, in spite of slow economic recovery is strong. The hard work of the Foundation’s nine-member Board of Directors, Executive Director and committees, and the support of its generous donors and supporters paid off. As President of the AEG Foundation, I extend my thanks to the many who have contributed to a very successful 2010.

The AEG Foundation’s goals are to honor donor intentions, while being transparent and fiscally sound; have benefits reach more students, young professionals, and mid- to late-career specialists; and obtain support from a larger membership and non-membership base. I am pleased to report that we made significant strides towards achieving our goals this year.

A few highlights for FY 2010…

- Increased the number of scholarship awards and monetary sums again in 2010
- Professor Paul Marinos spent a very busy year as the Jahns Lecturer. He traveled extensively and gave a record number of lectures.
- With the AEG Texas Section sponsored a successful Shlemon Specialty Conference, Modern Subsidence, Sea-Level Rise, and the Future of the Gulf Coast.
- Finances continue to be sound and financial goals for the individual funds were met. With fund balances at the end of 2010 totaling more than $725,000 and unrealized gains over $30,000 the Foundation is in a position to support more scholarship awards than ever before. Without you, our generous donors, this would not be possible!

This remarkable success would not be possible without the Finance Committee chaired by John Peck. Under John’s leadership the Finance committee invested wisely and developed an investment policy that provided sound guidance even in these tumultuous economic times.

The 2010 contributions of the Foundation’s other active committees were vitally important:

- The Programs Committee chaired by Secretary Bill Smith worked to advance the Foundation’s scholarship and grant programs.
- The Development Committee, chaired by past President Bob Tepel focused on developing and communicating charitable giving plans.
- The Marketing Committee chaired by Ed Church began revamping the Foundation’s webpage.
- The newly formed Geoscience Library of Applied Technology (GLAT) committee co-chaired by Allen Hatheway and Richard Proctor, was charged with posting a wide range of out of print and vintage material that had previously been available only in private collections. It was a big undertaking and once complete will provide a huge benefit to our professional community.
- The Silent Auction Committee chaired by Donna Schmitz worked tirelessly and each year provides a means to support one of the designated scholarship funds in a fun and effective way. The 2010 Silent Auction at the Annual AEG Meeting in Charleston, SC benefited the Lemke Scholarship Fund with over $3,700.
- The Scholarship Selection Committees played a special and vitally important role by reviewing the scholarship applications and selecting the winning scholars. They are: Beardsley-Kuper, Chair Dorian Kuper; Lemke, chairs appointed by AEG and AEG Foundation; Marliave, Chair Paul Santi; Stout, Chair Robert Larson; and Tilford, Chair Deborah Green.

The mission of the AEG Foundation is “To advance science, scholarship and education in environmental and engineering geology for the benefit of all.” On behalf of the AEG Foundation Board of Directors, I look forward to fulfilling our mission through continued growth and success in the coming year, and I extend our thanks to the support of our donors, award recipients, committees, and staff members.

Respectfully submitted,
Pamela M. Bryan, PG
2010 President, AEG Foundation
About the AEG Foundation

The AEG Foundation has been a part of the environmental and engineering geology community since 1992 when it was founded by three past-presidents of the Association of Engineering Geologists. Incorporated in California as the Engineering Geology Foundation, the name was changed to AEG Foundation effective October 19, 2004. The Foundation is an independent tax-exempt public charity governed by a nine-person Board of Directors. Our mission is to advance research, education, public awareness, and technology transfer in engineering geology and the related fields of hydrogeology and environmental geology. Our vision is a world with reduced risk from geologic hazards.

The AEG Foundation is an Internal Revenue Code Section 501(c) 3 tax-exempt charitable organization. The Foundation’s federal tax ID Number is 94-3168991, its California Corporation Number is C1524975, and its California Registry of Charitable Trusts Number is CT87308.

The Foundation operates six scholarship programs with like-named funds: the Beardsley-Kuper, the Lemke, the Marliave, the Stout, the Texas Section, and the Tilford. The Foundation supports a distinguished lectureship in engineering geology, the Richard H. Jahns Distinguished Lecturer, and may support other speaker programs, through its Jahns Fund. The Foundation’s Research Fund, supports small research projects. The Foundation’s Shlemon Fund supports advanced practice meetings called the Shlemon Specialty Conferences. The Foundation’s Legget Fund supports scientific publications. Operations are supported through the Floyd T. Johnston Operations Fund and by small operational support charges. Contributions are accepted to any of these funds, or to the Greatest Need/Memorial Fund. Fund history and operating criteria are described in a Fund Charter for each fund.

The AEG Foundation Board has adopted governance policies to guide operations. Asset management is guided by an Investment Policy. Directors are bound by a Conflict of Interest Policy. The Foundation has a Compliance Policy that guides the preparation and filing of state and federal tax and information returns, and other regulatory filings.

The Board of Directors reviews Fund Charters and all policies on a regular basis. Additional information about the AEG Foundation is available from the Foundation office or at www.aegfoundation.org.
Introduction

PURPOSE OF THIS REPORT

This report for fiscal year July 1, 2009 through June 30, 2010 is prepared as a management and governance document for the use of the AEG Foundation (pka Engineering Geology Foundation) Board of Directors. In general, this report is intended to provide information required by applicable California law (Corporation Code, Section 6321 et seq., and to provide any additional information required by the Board of Directors. This report is a public document. This report was prepared by Foundation staff, as directed by the Board of Directors. It is based on staff review of the available records of the Foundation.

HISTORICAL BACKGROUND

Similar to many very small foundations, the AEG Foundation (known as the Engineering Geology Foundation until October 19, 2004) was administered by direct board participation in its early years. Books were kept by a volunteer Treasurer on a cash basis. As the assets and programs of the Foundation grew, the Board recognized two factors: first, good governance required more business management expertise applied on a continuous basis, and second, the Foundation would eventually exceed reporting thresholds for federal information return (Form 990) preparation and filing. Therefore, in 2004 the Board contracted with a management firm to provide business management services, including bookkeeping. A bookkeeping system was adopted that was compatible with typical accounting software used by CPA firms.

In 2009, the Board of Directors contracted for an accountant’s audit of the books and financial operations of the Foundation. That accountant recommended three changes to improve the financial procedures of the Foundation, and all suggested improvements were implemented immediately. The changes included implementing an account number system for the chart of accounts, requiring the Treasurer to review all journal entries, and recognizing outstanding payments and deposits before calculating the income and interest on investments.

AEG Foundation—Advancing the Science of Environmental and Engineering Geology
www.aegfoundation.org
The AEG Foundation’s success comes from the passion and commitment of its current and previous Directors. Each of the following people has had a tremendous impact on the Foundation and its programs.

2010 AEG Foundation Board of Directors

Patricia M. Bryan, President
Jessica P. Humble, Treasurer
David F. Fenster, Secretary
Scott F. Burns, Director
Edward O. Church, Director
Gregory L. Hempen, Director
James H. May, Director
William K. Smith, Director
Robert E. Tepel, Director

Previous Directors

Thomas G. Bumala
Gerald S. Grainger
Deborah J. Green
Aubrey D. Henley
H. Tom Kuper
Finn B. Michelsen
John H. Peck
Gary L. Peterson
Roy J. Shlemon
George F. Sowers
Robert M. Valentine
Charles W. Welby
Susan Steele Wier

Founding Directors

Richard W. Galster
John B. Ivey
John W. Williams
Revenue Sources

36% of income in FY10 is from investment income

60% of income in FY10 is from contributions

Thanks to the generosity of our donors, more than $61,000 was raised for the AEG Foundation programs in Fiscal Year (FY) 2010. This critical support allowed additional funds to be established and increased the total amount of scholarships awarded in 2010.

The AEG Foundation is grateful to all its donors and is committed to continuing to serve the profession of environmental and engineering geology through scholarships, education and information dissemination.

PROGRESS IN GOVERNANCE

The AEG Foundation through its Board of Directors, staff and volunteers strives to maintain the highest standards among non-profit charitable organizations. As part of this effort, AEG Foundation uses accepted industry measures to evaluate its programs and administrative functions. The Better Business Bureau has developed a set of standards for charitable organizations and, while the Foundation does not meet the gross revenue minimum (yet), the Foundation’s Board of Directors use the standards as a measure of performance for the organization. At this time, AEG Foundation meets 19 of the 20 standards. The Foundation is moving closer to meeting the remaining standard (spending 65% of its expenses on program activities) by 2011.

The BBB Wise Giving Alliance Standards for Charity Accountability were developed to assist donors in making sound giving decisions and to foster public confidence in charitable organizations. The standards seek to encourage fair and honest solicitation practices, to promote ethical conduct by charitable organizations and to advance support of philanthropy. For more information on the standards, go to us.bbb.org.
Contributions

The AEG Foundation has experienced excellent growth in the number of donors and size of donations in recent years. Much of the effort is due to the tireless efforts of volunteers. In addition to seeking donations through AEG membership renewals, the AEG Foundation Directors host Board Challenges throughout the year and generously match funds donated at particular events, such as AEG Board Meetings, Section Meetings and Section Student Nights.

The following AEG Sections accepted the challenge of the AEG Foundation Directors and together raised over $5,000 for the Foundation in Fiscal Year 2010.

- Baltimore-Washington Harrisburg
- North Central
- Rocky Mountain
- Sacramento
- San Francisco
- Southern California
- Southern Nevada
- St. Louis
- Texas
- Washington

AEG Foundation has planned giving information for anyone who is interested in donating through their wills, estates or trusts. For more information, please contact AEG Foundation at staff@aegfoundation.org.
Ms. Cathryne Beardsley was born into an old Arizona family on a cattle ranch where she learned to ride, herd cattle and grow crops. She has lived in many places including the northwest, the south, Japan and the Philippines and worked in New York City as a model, but always has come back to her native Arizona. She is the mother of Dorian Kuper (Past AEG President) and mother in law of Tom Kuper (AEG member and AEG Foundation Director). She supported Dorian through her schooling and was especially supportive of her attending summer field camp. Cathryne continued to be supportive of Dorian and Tom as they traveled to various countries on landslide field trips, having joined them herself on one in Spain!

PURPOSE AND SCOPE

The Beardsley-Kuper Geology Field Camp Scholarship provides funding support for summer geologic field camp. The scholarship is made available to undergraduates and post baccalaureate students on a yearly basis to fund the field camp cost at an accredited school. Students are required to be an AEG Student Member, and complete an application, that includes two professor references and an essay discussing their future goals and how the geology summer field camp is applicable.

Part of the selection criteria includes the applicability of field skills taught at the specific accredited school field camp with emphasis on traditional detailed mapping and rock descriptions, as well as newer mapping techniques with GPS and GIS techniques incorporated into the daily routine. Where possible, priority is given in selection of a student for the award, who would desire to take a field camp preparing the student for the specific occupation as an Environmental or Engineering Geologist, with the field camp teaching engineering and environmental geology techniques such as drilling methods and sampling techniques.

BEARDSLEY-KUPER SCHOLARS

2010—Anna Ahlstrom

BEARDSLEY-KUPER FUND BALANCE AS OF JUNE 30, 2010 $50,544
The Greatest Need Fund is one of the first six funds created by the Foundation. It was established in 1993 and called the “General [non-designated] Fund.” The general purpose was to support foundation administrative needs and provide the Board with a non-designated asset it could use to support current expenditures and grants, or supplement the corpus of other funds. Unrestricted contributions in memory of a person were placed in the Greatest Need Fund, and for ease of administration, the Foundation often listed a “Memorial Fund” in its giving literature. Tribute donations, made to honor a person on a special occasion, are placed in the Greatest Need Fund. Our Honor Roll recognizes those in whose name contributions totaling $1,000 or more have been received.

PURPOSE AND SCOPE

The Greatest Need and Memorial Funds provide a way for donors to make unrestricted donations that will generally be used to support the grants awarded by the Foundation or to build balances in program funds, but can be used for any purpose determined by the Board. By virtue of the published description of these funds, donor intent is deemed to make an unrestricted donation.

In the terminology of Statement of Financial Accounting Standards No. 117, the Greatest Need and Memorial Funds are Unrestricted Net Assets and the earnings of these funds are Unrestricted Support.

MEMORIAL FUND HONOR ROLL

| George H. Davis       | Taylor Dwight Hunt       |
| Edwin B. Eckel        | John B. Ivey            |
| Philip A. Frame       | Robert A. Matthews      |
| William I. Gardner    | Noel M. Ravneberg       |
| Stephen L. Garrison   | C. Michael Scullin      |
| Richard C. Harding    | Sigmund Schwarz         |
| Onys Burke Henley     | Eugene K. Shaw          |
| Seena N. Hoose        | Richard C. Thompson     |

GREATEST NEED/MEMORIAL FUND BALANCE AS OF JUNE 30, 2010 $4,609
The Richard H. Jahns Fund of the AEG Foundation (the “Jahns Fund”) was established by the Foundation (then the Engineering Geology Foundation) in 1993 to support speakers in engineering geology. The fund name honors the work and contributions of Dr. Richard H. Jahns (1915-1983), a professor who taught many engineering geologists and who played an important role in the establishment of solid and thorough practice in the public interest through the development of guidelines for regulatory reviewers of geologic reports.

PURPOSE AND SCOPE

The Richard H. Jahns Fund of the AEG Foundation supports the travel expenses or honoraria, or both, of selected speakers who present information about engineering geology and environmental geology to a diverse practitioner, student, faculty, and public audience. The first priority of the Jahns Fund is support of the Richard H. Jahns Distinguished Lecturer, who is selected annually and supported by the Association of Environmental & Engineering Geologists and the Engineering Geology Division of the Geological Society of America. The AEG Foundation will also consider other requests to support speakers on the topics of engineering geology and environmental geology as available resources permit.

PAST RICHARD H. JAHNS LECTURERS

1989—James E. Slosson
1990—Robert L. Schuster
1991—Ellis L. Krinitzsky
1992—Barry Voight
1993—Roy J. Shlemon
1994—James F. Quinlan
1995—Robert S. Yeats
1996—J. David Rogers
1997—Don U. Deere
1998—Thomas L. Holzer
1999—Mavis Kent
2000—Allen W. Hatheway
2001—Robert J. Watters
2002—Perry H. Rahn
2003—Chester “Skip” Watts
2004—Jeffrey R. Keaton
2005—Richard Iverson
2006—Jerry Higgins
2007—John Moylan
2008—John Clague
2009—Edmund Medley
2010—Paul Marinos

JAHNS FUND BALANCE AS OF JUNE 30, 2010

$56,464
A Floyd T. Johnston Fund was established by the Foundation (then the Engineering Geology Foundation) in 1993 to support foundation administrative needs. The fund name and function honor the work and contributions of Floyd T. Johnston, who demonstrated exemplary service to the profession in serving as the first Executive Director of the Association of Engineering Geologists from 1974 to 1982.

PURPOSE AND SCOPE

The Floyd T. Johnston Operations Fund is an unrestricted fund that is used principally to support the Foundation’s general administrative and fundraising expenses. Gifts to the Floyd T. Johnston Operations Fund reduce the administrative support burden that must be borne by program funds.

An unrestricted fund for this purpose is essential because the Foundation cannot function without paying general administrative and fundraising costs. The Foundation has no fund balance the earnings of which are dedicated to paying general administrative and fundraising costs. Therefore, these costs may be serviced by an operational support fee charged to donations or earnings, by reclassification of excess earnings in program funds, or by donations made specifically to an operations support fund.

ADMINISTRATIVE EXPENSES COVERED BY JOHNSTON FUND

- Accounting Services and CPA Reviews
- Administrative Contract Fees
- Legal Fees
- Liability Insurance
- Office Supplies
- Promotional Materials
- Compliance and Filing Fees
- Website and Communication Expenses

Note: AEG Foundation Directors are not paid, and they are not reimbursed for travel expenses for Board of Directors Meetings.

Floyd T. Johnston
1906-1991

JOHNSTON OPERATIONS FUND BALANCE AS OF JUNE 30, 2010 $30,244
Robert F. Legget Fund

The Robert F. Legget Fund was established by the Foundation (then the Engineering Geology Foundation) in 1993 to support publications in engineering geology. The fund name honors the work and contributions of Dr. Robert F. Legget (1904-1994), who promoted the application of geology to the design and construction of the built environment through his teaching and books.

PURPOSE AND SCOPE

The Robert F. Legget Fund of the AEG Foundation supports publications and public outreach in engineering geology and environmental geology that serve as information resources for the professional practitioner, students, faculty, and (or) the public. The fund also supports public education about the interactions between the works of mankind and the geologic environment.

The subject matter scope of publications supported by the Legget Fund may include original works, reviews, compilations, symposium proceedings, benchmark papers, bibliographies, databases, memorials, biographies and oral history interviews of those who made valuable contributions to the progress of the science and profession of engineering geology, and studies of the demographics of the profession, inter-professional relations, and the role of the profession in society. The publication venue of supported publications may include print media, electronic media, and audio-visual media. The Legget Fund may support reprints of publications within its scope and the conversion of publications in one medium to another. In making grants for these purposes, the Foundation will require an appropriate level of peer review and editorial quality.

Funds from the Legget Fund supported the conversion of Environmental & Engineering Geoscience to an online version available for viewing through GeoScience World.

The Legget Fund is currently accepting donations for development of a Geoscience Internet Library. The collection could include: important vintage reports that are provided by companies or out-of-print state and federal documents; full color mapping or cross sections; past AEG Special Reports no longer in print; new, edited documents; copies of public requirements or regulations important to geologists but difficult to acquire; and, other timely or noteworthy unabridged works, such as biographies, memorials or interviews of respected leaders of their fields. The Library would be provided at no charge to the user.

LEGGET FUND BALANCE AS OF JUNE 30, 2010

<table>
<thead>
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<th>$25,158</th>
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AEG Foundation—Advancing the Science of Environmental and Engineering Geology
www.aegfoundation.org
Richard W. and June T. Lemke Scholarship Fund

The Richard W. and June T. Lemke Fund was created by a bequest received in 2007 from the estate of Richard W. and June T. Lemke. The fund name honors the memory of Richard W. Lemke (1913-2003) and June T. Lemke (1919-2005).

After successfully completing the 1st North American Landslide Conference in Vail, Colorado in June 2007, the Association of Environmental & Engineering Geologists donated the majority of the net proceeds to the Lemke Fund to further its purpose.

PURPOSE AND SCOPE

The Lemke Fund supports the scholarly and professional development of student members of the Association of Environmental and Engineering Geologists by awarding grants intended to offset part of the cost of attending and participating in scientific and technical conferences and association meetings. These grants are named “Lemke Scholarships” and may be awarded to students at the undergraduate or graduate levels. Awards will be made by the AEG Foundation to deserving student members who are sole author or first author of a paper or poster that they personally present at the meeting or conference. The number of awards and value of the awards will be determined annually by the Foundation Board.

RECENT LEMKE SCHOLARSHIPS

2007—6 Scholarships Awarded

2008—6 Scholarships Awarded

2009—Ryan Bartingale
          Diana Cook
          Serin Duplantis
          Kyla Erich
          Brendan Fisher
          Chesney Gilleland

2009 LEMKE SCHOLARSHIPS—$1,500 TOTAL

LEMKE FUND BALANCE AS OF JUNE 30, 2010 $46,675
The Marliave Fund of the AEG Foundation was established by the Foundation (then the Engineering Geology Foundation) in 1993 to accept administration of the Marliave Award given up to that time by the Association of Engineering Geologists, which established its Marliave Fund in 1968. The Foundation also accepted AEG’s Marliave Fund assets and the management responsibilities for that fund. AEG created its Marliave Fund to honor the memory, work, and contributions of Elmer C. Marliave (1910-1967) a founding member of the (California) Association of Engineering Geologists and a pioneering engineering geology consultant in water resources infrastructure design and construction. In early 2007, at the welcomed request of members of the Marliave family, the heritage scope of the Marliave Fund of the AEG Foundation was expanded to include honoring the memory, work, and professional contributions of Chester E. Marliave and Burton H. Marliave in addition to those of Elmer C. Marliave.

PURPOSE AND SCOPE

Marliave Scholarships are intended to support academic activity and reward outstanding scholarship in Engineering Geology and Geological Engineering. Recipients of grants are designated as “Marliave Scholars.” Awards will be made by the AEG Foundation to outstanding students based on demonstrated ability, scholarship, potential for contributions to the profession, character, and activities in student/professional societies.

MARLIAVE SCHOLARS

1985—Michael McKim, Brian Bergeron, and Benjamin Smith
1986—Kerry Cato
1987—Brian G. Hansen
1988—Greg Naugle
1989—Anne E. Clift
1990—Katherine T. Clements
1991—Andrea Volkman
1992—Ed Medley
1993—Francis X. Ashland
1994—Tariq Cheema
1995—Paul M. Santi
1997—Brendan R. Fisher
2000—Martin Woodard
2001—Wei Zhou
2002—Ala Hajdarwich
2003—Jessica Pence Humble
2004—Dawn Schippe
2005—Hiram Henry
2007—Adam Prochaska
2008—Diana Cook
2009—Stephanie Mrozek
2010—Rachel Pirot

2010 MARLIAVE SCHOLARSHIP—$3,000 TOTAL

MARLIAVE SCHOLARSHIP FUND BALANCE AS OF JUNE 30, 2010

$68,752
Research Fund

The AEG Foundation Research Fund was established by the AEG Foundation on September 25, 2007 to support small research projects performed by consultants, retired geologists, university professors, or graduate students. Initial funding was provided by a gift from John and Nancy Peck.

PURPOSE AND SCOPE

The purpose and scope of the AEG Foundation Research Fund, developed in cooperation with the original donors, is to provide financial support for small research projects that advance the science and application of environmental and engineering geology. The Fund will expend $5000 each year for proposed research if one or more projects are approved by a review committee and recommended to the Board for funding. The proposed research must be completed within one year unless special provisions are agreed to by the participant and the Board. A written report on the results of the research, or a progress report on continuing research, will be required to fulfill the terms of the research grant. The grants may be used in conjunction with grants from other professional organizations to support larger projects if warranted by the specific project requirements. The intent is to encourage individuals to propose on research that is not generally funded by other institutions or agencies.

RESEARCH GRANT RECIPIENTS

2008—William C. Haneberg—Reconnaissance Engineering Geology of the Laprak Landslide, Gorkha District, Western Nepal
2010—Edmund Medley—Field Trip Presentation for Civil Engineering Students to Demonstrate the Importance of Engineering Geology

Field Trip Presentation for Civil Engineering Students to Demonstrate the Importance of Engineering Geology

RESEARCH FUND BALANCE AS OF JUNE 30, 2010

$46,102
The Roy J. Shlemon Specialty Conference Fund was established by the Foundation (then the Engineering Geology Foundation) in 1998 to support specialty conferences in engineering geology that would be modeled on the Penrose Conferences of the Geological Society of America. The fund name recognizes the initiative and generosity of Roy J. Shlemon, who donated the initial principal of the fund.

PURPOSE AND SCOPE

The Roy J. Shlemon Specialty Conference Fund supports specialty and advanced practice conferences of interest to the members of the Association of Engineering & Environmental Geologists. The goal of a Shlemon Specialty Conference is to bring together specialists from academia and the consulting world for several days of intensive state-of-the-science sessions, workshops, and field trips devoted to discussion of current knowledge of emerging scientific, technical, regulatory, and practice issues and challenges. Emerging issues may involve novel investigative and analytical techniques, some of which may be controversial or unproven. Presentations and discussions of new approaches to site characterization and regulatory trends are appropriate. A primary characteristic of Shlemon Specialty Conferences is that they are held in locations where field observations can be combined with the subject matter of the conference. The spirit of the conferences is to develop agreement on applicable knowledge, and to advance the practice techniques applied to evolving challenges, with the goal of better and more reliable results. To make the conference expertise available to a wider practitioner and public audience, the conference proceedings are published on CD.

SHLEMON SPECIALTY CONFERENCES

2004—Earth Fissures, El Paso, Texas
2006—Mass Wasting in Disturbed Watersheds, Durango, Colorado
2008—Naturally Occurring Hazardous Substances, Folsom, California
2009—#1 Evaluation, Risk Analysis, & Mitigation of Surface Faulting, Palm Desert, California
#2 Advancing New Madrid Region Time-History Determination, Memphis, Tennessee
2010—Modern Subsidence, Sea Level Rise, and the Future of the Gulf Coast, Galveston, Texas

2010 SHLEMON SPECIALTY CONFERENCE GRANTS—$3,000 TOTAL

SHLEMON SPECIALTY CONFERENCE FUND BALANCE AS OF JUNE 30, 2010 $80,014
Martin L. Stout Scholarship Fund

The Martin L. Stout Scholarship Fund was established by the Southern California Section of the Association of Engineering Geologists in 1994, with the help and guidance of Dr. Stout. In 2004, the Southern California Section transferred its funds and the administrative responsibilities for the scholarship program to the Foundation.

The fund name honors the memory, the teachings, and the writings of Martin L. Stout, a Professor of Geology at California State University, Los Angeles, from 1960 to 1990, and active in retirement to 1994.

PURPOSE AND SCOPE

The Martin L. Stout Scholarship Fund supports geologic studies by students at the undergraduate or graduate levels. Recipients of grants will be designated as “Martin L. Stout Scholars.” Awards will be made by the AEG Foundation to outstanding and deserving students based on demonstrated ability, scholarship, potential for contributions to the profession, character, and activities in student/professional societies.

MARTIN L. STOUT SCHOLARS

1995—Vassilia Angelaki
1996—Jacob Holt
1999—Desiree Dier
2000—Jennifer Knapp
2006—Marina Drazba
2007—Sherry McGee, Undergraduate
   Adam Campbell, Graduate
2008—Chesney Gilleland, Undergraduate
   Rachel Pirot, Graduate 1st Place
   Ryan Davidson, Graduate 2nd Place
2009—Kimmariee Horvath, Undergraduate
   Katherine Ann Michelson, Graduate 1st Place
   Serin Duplantis, Graduate 2nd Place
2010—Meagan Drinnan, Undergraduate 1st Place
   Breana Marquette Hashman, Undergraduate 2nd Place
   Eric Stiffler, Graduate

2010 STOUT SCHOLARSHIPS—3 SCHOLARSHIPS FOR $4,000 TOTAL

STOUT SCHOLARSHIP FUND BALANCE AS OF JUNE 30, 2010

| AEG Foundation—Advancing the Science of Environmental and Engineering Geology |
| www.aegfoundation.org |
The AEG Texas Section Scholarship Fund was established within the AEG Foundation in 2007 at the request of Texas Section of the Association of Environmental & Engineering Geologists (AEG). Initial funding was acquired in a special fundraising event hosted by the Texas Section on February 9, 2008. Major funding came from sponsorships developed by the Texas Section and event ticket sales. The fundraising program was supported by the AEG Foundation and managed by the Texas Section.

The fund was inspired by the many geologists who have dedicated their time, efforts and careers to teaching, research and promotion of the practice of hydrogeology, and environmental and engineering geology in Texas.

PURPOSE AND SCOPE

The AEG Texas Section Scholarship Fund supports geologic studies by students at the undergraduate and graduate levels. Recipients of grants must be students enrolled in an accredited Texas college or university, or graduate students enrolled in an accredited university outside Texas but conducting their field studies inside Texas. Awards will be made by the AEG Foundation to outstanding and deserving students based on demonstrated ability, scholarship, potential for contributions to the profession, character, and participation in student/professional societies.

TEXAS SECTION SCHOLARS

2009—Lorna Hanko
    Sevon Geil
2010—Eric Stiffler

2010 Scholar—Eric Stiffler

2010 TEXAS SECTION SCHOLARSHIPS—$500 TOTAL
(Awarded by AEG Texas Section directly)

AEG TEXAS SECTION SCHOLARSHIP FUND BALANCE AS OF JUNE 30, 2010 $10,944
The Tilford Fund of the AEG Foundation was established by the Foundation (then the Engineering Geology Foundation) in 1998 to create a scholarship fund that emphasized and supported field studies. The fund name honors the work and contributions of Norman R. Tilford, (1934-1997), a consultant, professor, past president of the Association of Engineering Geologists, and the Executive Director of the Association at the time of his death.

PURPOSE AND SCOPE

The Tilford Field Studies Scholarship Fund supports geologic field studies by students at the undergraduate and graduate levels. Recipients of grants will be designated as “Tilford Scholars.” Awards will be made by the AEG Foundation to outstanding students based on demonstrated ability, scholarship, potential for contributions to the profession, character, and activities in student/professional societies.

TILFORD SCHOLARS

2001—Bonnie E. Phillips, Undergraduate
    Cal A. Ruleman, Graduate
2002—Paul J. Moore, Undergraduate
    Paula Jo Lemonds, Graduate
2003—Heidi Sieverding, Graduate
2004—Shelley Zaragoza, Undergraduate
    Kathy Goetz Troost, Graduate
2005—Stephanie Mrozek, Undergraduate
    Conor Watkins, Graduate
2006—Jennifer Wright, Undergraduate
    Nichole Wendlandt, Graduate—Masters
    Joseph Kula, Graduate—Ph.D.
2007—Shaina M. Forsyth, Undergraduate
    Scott Braunstein, Graduate—Masters
    Christopher Hein, Graduate—Ph.D.
2008—Tyler Benton, Undergraduate
    Theresa Poruznick, Graduate—Masters
2009—Anna Perry, Undergraduate
    Anna Brody, Graduate—Masters
    Stephanie Watts, Graduate—Ph.D.
2010—Carrie Frisky, Undergraduate
    Nathaniel Swanson, Graduate—Masters

2010 TILFORD FIELD STUDY SCHOLARSHIPS—2 SCHOLARSHIPS FOR $3,500 TOTAL

TILFORD SCHOLARSHIP FUND BALANCE AS OF JUNE 30, 2010 $105,906

AEG Foundation—Advancing the Science of Environmental and Engineering Geology
www.aegfoundation.org
Dear AEG Foundation and the Stout Scholarship Committee,

Thank you very much for this honor. Your support means a great deal to me, from the bottom of my heart. As you know from my essay, my education at Sacramento State is my number one priority. I am devoted to it above all else.

The funds will go a long way towards paying my way through the next school year. Be confident the funds will be well used. This coming school year I am preparing to attend field camp, a graduation requirement. Your support will allow me to accomplish this grace and confidence. Additionally, having the work I have done during past semesters acknowledged, has given me a great deal of confidence in what I have done, and what I want to accomplish in the future.

When I am in a position to "pay this forward," I will feel as though I have really accomplished something. Your support has brought me light years closer to reaching that point, and for this I am very grateful.

Thank you for your consideration and may you fully understand how much your support means to me.

Respectfully yours,

Megan Drinnan—2010 Stout Scholar

I cannot express how grateful I am for having received the Beardsley-Kuper scholarship for field camp this summer. Without it, I would not have been able to experience so many amazing things abroad. Whether it was tomatoes, cucumbers, and feta cheese for breakfast; the incredible hospitality of the locals; drinking copious amounts of Turkish tea to make it through a night of drafting; seeing incredible geology; eating plums, mulberries, and hazelnuts right off the tree; or getting sun burned at the Black Sea, culturally and geologically Turkey was an experience I will never forget. Receiving this scholarship gave me an opportunity to see not only how important mastering field work will be as I pursue a career in environmental and engineering geology but also affirmed my desire to work overseas. Thanks again to my wonderful field camp instructors, Dr. Nuri Uzunlar, Dr. Alvis Lisenbee, and Dr. Mike Terry, and to Cathryne Beardsley and Dorian and Tom Kuper for enabling me to have the incredible experience that was field camp in Turkey.

Anna Ahlstrom—2010 Beardsley-Kuper Scholar
(excerpt from article in AEG NEWS—December 2010 issue)
What I Like Best About the AEG Foundation

“The AEG Foundation has afforded me the opportunity and privilege to give something back to the profession of geology, a profession that has been immensely rewarding, challenging, and fun. I could not have fulfilled my career goals without help, and I welcome the opportunity to further the profession of environmental and engineering geology by helping others achieve their goals. The important work of the AEG Foundation supports and research, thus providing the means to advance the profession of environmental and engineering geology. This is truly rewarding!”
- Patricia M. Bryan, 2010 President

“The AEG Foundation allows AEG to do special things that it normally cannot do. First, the Foundation funds students through scholarships and awards. Second, the Foundation sponsors conferences like the Shlemon Specialty Conferences. The AEG Foundation provides opportunities that enhance the careers of environmental and engineering geologists and advances the profession as a whole.”
- Scott F. Burns, Director

“I enjoy being a member of the AEG Foundation Board of Directors because it provides an opportunity to give something of value back to my profession – opportunities for geology students. The Board has increased its ability to instill confidence in donors that their money is well-invested and well-spent. While I believe that all of our funds and programs are worth supporting, I particularly enjoyed personally participating in awarding several of the first Lemke Scholarships to help support student participation at our 50th Annual Meeting in Universal City, CA. I’m an enthusiastic supporter of our scholarship funds and of the Jahns fund which supports speakers making presentations to AEG Sections and to groups at college campuses.”
- David F. Fenster, 2010 Secretary
What I Like Best About the AEG Foundation

"Being actively involved with providing awards, offering training to professionals, and collaborating with industrious and far-sighted Directors is professionally and personally invigorating. Working with such dedicated committee members and Directors, despite outward recognition, also is enriching. Their dedication and our benefactors make the expansion of Foundation’s awards and programs possible. My involvement is a small return for all the benefits our profession has afforded my career."

- Gregory L. Hempen, Director

The AEG Foundation promotes the applied geology profession by assisting students achieve their educational goals and by assisting professionals achieve their career goals. It is wonderful to be a part of an organization that is dedicated to advancing the field of engineering and environmental geology.

- Jessica P. Humble, Director

"As a teacher I feel even more strongly the need to bring in students to AEG and get them involved as soon as possible. To be a part of helping students financially through the Foundation and knowing that this will often provide them with the needed incentive to become lifelong productive members of AEG is very rewarding."

- James H. May, Director

"As a retired engineering geologist, being an AEG Foundation Board member gives me an opportunity to stay involved and provides a meaningful way to give back to the profession, especially to the students who are the future of environmental and engineering geology. It is especially enjoyable to see the gratitude of our scholarship recipients at the AEG Annual Meetings."

- William K. Smith, Director

"The AEG Foundation is making a difference in the future of the profession — contributing to it in a vital way with its scholarships, and support of lecturers, research, and publications. Serving on the AEG Foundation Board is my way of helping future professional geologists who will apply the science of geology to help people manage geologically-based risks."

- Robert E. Tepel, Director
AEG Foundation—The Short Story

- Founded in 1992 by three past presidents of AEG. Incorporated in California, headquartered in Colorado.
- We are an IRS 501 (c) 3 public charity. Our Federal Tax Identification Number is 94-3168991.
- Our California Registry of Charitable Trusts number is CT87308.
- Our California Corporation number is C1524975.
- Net assets of about $626,718 at close of Fiscal 2010

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<th>WHAT WE DO</th>
<th>OUTCOMES IN FISCAL YEAR 2010</th>
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<tr>
<td>Manage six scholarship funds that support students at both the undergraduate and graduate levels.</td>
<td>Awarded 14 scholarships with a total value of $15,750.</td>
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<tr>
<td>Awarded first Beardsley-Kuper Field Camp Scholarship.</td>
<td>Funded one Shlemon Specialty Conferences.</td>
</tr>
<tr>
<td>Seek donations from engineering geologists and the public to support our programs and operations.</td>
<td>Donation income of over $61,000.</td>
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WE ARE SERIOUS ABOUT BEING IN BUSINESS

- Nine-member Board of Directors meets at the table twice a year and by telephone conference several times a year. Directors donate their time and expenses to attend board meetings.
- Board governance includes: formal agendas and minutes, annual budget process, annual accounting reviews by a CPA who also prepares tax/information returns, contract part-time Executive Director, Director’s Handbook, and Fund Charters that set fund operating criteria and goals for every fund. Books are kept on the accrual basis and in accordance with nonprofit accounting standards (Statement of Financial Accounting Standards No. 117).
- We maintain Directors and Officers insurance, and general liability insurance.
- We have and follow Board Policies on Investment, Conflict of Interest, Compliance, Expense Reimbursement, Anti-harassment, Whistleblower, Document Retention, Board Member Expectations, Foundation Gift Acceptance, and Donor Privacy.
- Member: Colorado Nonprofit Association, Member # 37495
- Member: California Association of Nonprofits, Member # 7329
- We file these tax and information returns:
  - Federal form 990
  - California form 199
  - California form RRF-1, Attorney General’s Registry of Charitable Trusts
  - California Secretary of State form 100
- Listed in GuideStar (May be listed under the original name: Engineering Geology Foundation.)