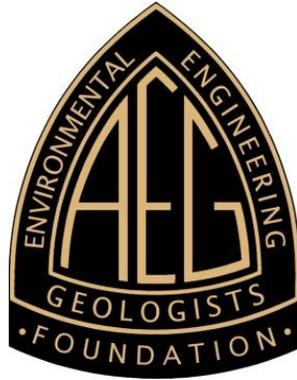


# **AEG FOUNDATION**



## **CHARTER**

### **ROY J. SHLEMON SPECIALTY CONFERENCE FUND**

SUPPORTING ADVANCED PRACTICE SPECIALTY CONFERENCES  
IN ENVIRONMENTAL AND ENGINEERING GEOLOGY

**AEG FOUNDATION  
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## THE PURPOSE OF AEG FOUNDATION FUND CHARTERS

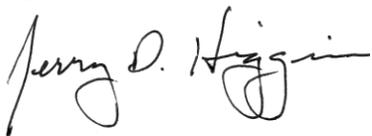
An AEG Foundation Fund Charter is a document adopted by the Foundation's Board of Directors. It describes (as applicable)

- fund purpose and scope
- the history of a fund,
- donor intent,
- the purposes for which the fund may and may not be used,
- the Board's goals for the fund,
- administrative operating criteria, and
- financial operating criteria.

A Fund Charter demonstrates the Board's commitment to prudent management of the Foundation's resources and compliance with applicable law and regulation. Within the framework of AEG Foundation governance, a Fund Charter is a policy document that may be amended or interpreted by the Board through a simple majority vote. A Fund Charter may refer to other documents that further describe the history, nature, and operations of a fund. Formal Resolutions of the Board that apply to a particular fund are attached to the Fund Charter as appendices.

This revision of the Charter for the Roy J. Shlemon Specialty Conference Fund was duly adopted by the Board of Directors of the AEG Foundation on May 7, 2018.

By:



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Jerry D. Higgins, Secretary

## **FUND CHARTER**

### **ROY J. SHLEMON SPECIALTY CONFERENCE FUND**

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.

#### **ORIGINAL PURPOSE AND SCOPE**

The original description of the purpose and scope of the fund is in the minutes of the Foundation board meeting of October 1, 1997, item 2c. It reads:

“Williams reviewed the proposal by Roy Shlemon to provide the Foundation with an endowment of \$50,000.00 for the purpose of creating a specialty conference fund on the order of GSA’s Penrose Conference format.... (Shlemon) requested that the principal of the endowment be kept intact and that 75-80% of the interest be used to fund specialty conferences and 20-25% of the interest be kept in the endowment to maintain the fund against inflation. The proposal was agreed to by the board.”

Further description of donor intent is provided by Shlemon (personal communication to Robert Tepel, Foundation President) in 2005. It states (in summary):

*“The Shlemon Specialty Conference Fund has a specific intent: viz., to initiate and otherwise help support technical conferences of use to the AEG and its members.... Specifically, the intent is to support the conference as modeled after the GSA Penrose program. In this regard, the funds provide seed money. And it is hoped that the conferences can be self-supporting. Any conference surplus would go back into the corpus for investment and support of the next conference. By the way, there is no limit on the number of conferences that can be undertaken. There is nothing sacred about one per year. It is up to the energy and enthusiasm of the AEG and its members. Therefore, the corpus should be left intact, and grow by investment income plus any donations or additions by conference surplus. Ostensibly, the participants' fees should cover conference expenses, including venue, (and) the hiring of an administrator.... In essence, don't use these conference funds, whether donations or interest income, to fund other projects. That is the fundamental intent.”*

## MODERN PURPOSE AND SCOPE

From the Conference Guidelines prepared by Julie Keaton (edited):

**Shlemon Specialty Conferences** are sponsored by the AEG Foundation and a Conference Organizer or Organizing Committee of qualified individuals, and follow procedures typical of The Geological Society of America's *Penrose Conferences* and the American Geophysical Union's *Chapman Conferences*. Shlemon Specialty Conferences are supported, in part, by funds provided by Roy J. Shlemon, an Honorary Member of the Association of Environmental & Engineering Geologists, and a Fellow of The Geological Society of America. The conferences provide for an intensive two- to three-day forum of technical discussions among researchers and practitioners, and focus on topics beneficial to society and directly related to application of the engineering and environmental geosciences. The conferences are intended to promote and disseminate practice and research results, and to foster improvement and understanding of applied geology.

A typical Conference includes: Day 1): invited presentations in the morning and volunteered poster presentations in the afternoon; Day 2) field trip and dinner; and Day 3) discussions and summary in the morning with the Conference ending at noon. Conferences including a field trip should have a maximum of 50 attendees. Conferences without field trips should have a maximum of 75 attendees.

### Restatement of Purpose and Scope

Based on the experience of planning two Shlemon Conferences, the AEG Foundation Board of Directors, meeting on April 9-10, 2006, adopted by motion this Charter and restates the purpose and scope of the Roy J. Shlemon Specialty Conference Fund as:

*The Roy J. Shlemon Specialty Conference Fund supports specialty and advanced practice conferences of interest to the members of the environmental and engineering geologic community. The goal of a Shlemon Conference is to bring together specialists in environmental and engineering geology 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 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 in either book form, journal articles, or electronic media.*

## **FUND MANAGEMENT**

### General Conditions

Grants from the Shlemon Fund are intended to provide start-up funding to support the conference in the initial stages of meeting planning. (After that, conference cash flow funds the conference and is expected to provide a small positive return.) Because Shlemon Conferences are held at sites where field observations can be part of the experience, seed money from the Foundation is critical to the early planning stages. It pays for the initial meeting planning and publicity, and allows the conference organizer and meeting planner to inspect conference facilities, plan field trips, and lock in good rates and firm commitments from vendors and hotels by making early deposits.

The Shlemon Fund does not support research costs of individuals or organizations leading to presentations made at the conference, nor does it support general and administrative (overhead) costs, technical or scientific consulting fees, or equipment purchase or maintenance costs of organizations receiving grants from it. All conference publications supported by the Shlemon Fund must be carefully edited and peer reviewed. In keeping with the Internal Revenue Code classification of the AEG Foundation as a 501(c)(3) charitable organization, the Foundation will not make grants supporting conferences or publications that are designed to be used to influence political decisions or processes. The AEG Foundation Board of Directors will make, in its sole discretion, all decisions regarding grants from the Shlemon Fund, acceptance of donor conditions on gifts, and fund management.

A Conference Organizer or Organizing Committee will submit a proposal and application for seed money on a Grant Application. The application should specify the subject of the conference, names and qualifications of the conveners, location and dates of the conference, expected number of attendees, names of several key speakers, and a proposed budget. The Organizing Committee shall open a bank account in the name of the conference and not use the account of another organization. At the conclusion of the conference the Organizing Committee will submit a report to the Foundation on the activities of the conference and its finances. It is expected that the conference will generate a modest surplus after return of the seed money, to be added to the corpus of the Shlemon Fund for support of future conferences. It is recognized that in the event the conference loses money, some or all of the seed money may not be returned. In some instances the conference surplus may be shared with another sponsoring non-profit organization. Such arrangement must be approved by the AEG Foundation Board in the planning stage of the conference.

In applying for a grant from the AEG Foundation, the grant applicant agrees to abide by the terms of the Grant Application and Agreement, and to

- use the funds received from the AEG Foundation directly for the proposed use
- use the funds in accordance with applicable law and regulation
- avoid activities in the use of the funds that would jeopardize the AEG Foundation's tax-exempt status,
- track the receipt and expenditure of grant funds in its bookkeeping and accounting system in a way that provides a clear audit trail demonstrating compliance with appropriate accounting standards and the terms of the Grant Application and Agreement,
- provide the Foundation with written interim (if required) and final reports that document the project and demonstrate compliance with grant conditions, and
- acknowledge the AEG Foundation as a sponsor of the conference in conference publicity, publications, and introductory remarks at the opening session, in the usual and customary manner

Additional grant conditions are imposed on each grant as appropriate through the mechanism of the Grant Application and Agreement.

#### Management Protocols for the Shlemon Fund

Prior to the adoption of this Fund Charter, the Foundation had no formally stated operating and administrative management protocols for the Shlemon Fund. Recognizing the value of structured management of the funds, the Board initially adopted this Fund Charter and protocols for the management of Shlemon Fund assets by a motion approved at its April 9-10, 2006, meeting.

##### *Roy J. Shlemon Specialty Conference Fund Management Protocols*

1. Unless otherwise specified by the donor, contributions to the Shlemon Specialty Conference Fund are classified as Temporarily Restricted Net Assets in accordance with Accounting Standards Codification (ASC) until such contributions are expended for purposes consistent with this Charter. Earnings from contributions are classified as Unrestricted Net Assets, unless otherwise specified by the donor. The Fund may accept contributions with time or purpose limits consistent with this Charter. The Foundation's gift acceptance policy will apply. The Board may from time to time reclassify assets of the Fund in accordance with ASC, consistent with donor intent.
2. Identifiable costs directly related to the operation of the Shlemon Specialty Conference Fund may be expensed to the Fund.
3. The Board may assess an administrative support fee to assist in funding the Foundation's general administrative and fundraising functions.

#### **GOALS ADOPTED BY THE BOARD OF DIRECTORS**

### Long-Term Use of the Shlemon Fund

The Board believes that the Shlemon Fund Purpose and Scope is consistent with the Foundation's mission and authority. The Board believes that the Shlemon Fund uniquely serves a true need for advanced-practice conferences within the profession of engineering geology.

### Fund Balance Goals

The Board notes that the original corpus of the Shlemon Fund was valued at \$50,966.24, but has decreased because of market fluctuations. Based on conference experience to date, a fund balance of \$50,000 will yield sufficient earnings to provide initial "seed money" funding to one Shlemon Conference a year. The Board sets a goal of returning the fund balance to approximately \$60,000 through earnings, revenues, and additional donations. The Board sets a goal of maintaining a minimum fund balance of \$50,000, less any funds advanced to Organizing Committees for pending Specialty Conferences

## **SCHEDULE FOR REVIEW OF CHARTER, FUND OPERATIONS, AND GOALS**

The Board may maintain this Charter unchanged or make revisions at any time. This Fund Charter shall be reviewed by the Board of Directors at least every five years, on a schedule to be determined by the Board. The Programs Committee shall prepare a review report with recommendations for consideration by the Board at that time.

## **ADDITIONAL BACKGROUND**

Tepel, Robert E., 2006a, memorandum to AEG Foundation Board of Directors, Summary of *ad hoc* committee telephone conference call, May 17, 2006. 2 pages.

Tepel, Robert E., 2006b, President's Report, prepared for Board of Directors Teleconference Meeting May 26, 2006, AEG Foundation Program Funds: Donor Intent and Fund Operating Restrictions. 35 pages.

Roy J. Shlemon Specialty Conference Planning Guidelines. Available on the AEG Foundation web site.

Guidelines for Writing a Proposal for a Shlemon Conference. Available on the AEG Foundation web site. (Part of the Planning Guidelines, listed above.)

## APPENDIX ONE: FUND HISTORY

### Donor Intent and Characterization of Restrictions

Contributions to the Shlemon Fund since the founding contribution have been typical of contributions to other Foundation funds in size and number. Review of Foundation records reveals no specific expressions of donor intent other than that of the founding donor.

Although early discussions and agreements used the term “endowment,” the donor, Roy J. Shlemon, later stated a less restricted fundamental intent quoted in full under the heading “Original Purpose and Scope.” That is, *“In essence, don't use these conference funds, whether donations or interest income, to fund other projects. That is the fundamental intent.”* In the same communication, the potential that the Foundation’s grant would not be returned if the conference lost money is implicitly recognized.

Thus, the most recent statement of intent is consistent with classifying the original and subsequent donation as Temporarily Restricted Net Assets, and classifying all earnings as Temporarily Restricted Support.

## **APPENDIX TWO BIOGRAPHICAL INFORMATION FOR DR. ROY J. SHLEMON**

Roy received a B.A. in Geology in 1958 from Fresno State College, Fresno, California; a M.S. in Geology in 1959 from the University of Wyoming, Laramie, Wyoming; and a Ph.D. in Physical Geography in 1967 from University of California, Berkeley. His dissertation was entitled, “*Landform-Soil Relationships in Northern Sacramento County, California.*” After his education, and before founding Roy J. Shlemon & Associates, Inc., he taught geology and geomorphology at University of California, Davis, and Louisiana State University, Baton Rouge. He received five Educational Research Grants from the National Science Foundation between 1961 and 1971.

Roy has over 225 professional journal publications (monographs, articles, abstracts, and reviews) since 1965 dealing with mining geology, Quaternary geology, geomorphology and soil-stratigraphic applications to engineering geology. The topics of these publications range from landslide recognition and age, to delta formation, to neotectonic assessments of fault activity, to location and cause of ground fissures and differential settlement.

Roy has been providing specialized engineering geologic consulting services for over 40 years, after teaching geology and geomorphology at two universities for the previous 7 years. Roy's specialized consulting services focus on Quaternary geology, geomorphology, and soil stratigraphy applied to evaluation of fault activity, landslide identification, evaluation of ground fissures, location of gold-and tin-bearing stream channels, and location of economic sand and gravel deposits. Roy has provided his specialized consulting services to private organizations, including other engineering geology consulting firms, government agencies, and advisory boards. He has worked on sites for nuclear power plants, liquefied natural gas terminals, large dam projects, mine sites, radioactive waste disposal facilities, and residential and commercial developments throughout the world. Most of his work has been in the western United States, Latin America, and the Middle East.

Roy received AEG's Publication Award in 1985 for his paper entitled, “Application of Soil Stratigraphic Techniques to Engineering Geology” (AEG *Bulletin*, Vol. XXII, No. 4). In 1993, he was selected as the AEG-GSA Richard H. Jahns Distinguished Lecturer in Engineering Geology. He was elected Trustee of the Geological Society of America Foundation in 1996. He donated money to The Geological Society of America to establish the Roy J. Shlemon Mentor in Engineering Geology program. He donated money to the Engineering Geology Foundation in 1997 to begin an endowment fund for continuing education for specialty conferences in engineering geology and related fields. In 1998, he accepted the nomination to serve as a member of the Board of Directors of the Engineering Geology Foundation.

Roy J. Shlemon's accomplishments and history of service to the engineering geology profession was rewarded with his election as an Honorary Member of the Association of Engineering Geologists in 2000.

### **APPENDIX THREE: LIST OF SHLEMON SPECIALTY CONFERENCES**

April 1-3, 2004	Earth Fissures, El Paso, TX
May 3-5, 2006	Mass Wasting in Disturbed Watersheds, Durango, CO
June 4-6, 2008	The Geological Assessment of Naturally Occurring Hazardous Substances, Folsom, CA
February 19-20, 2009	Investigation, Risk Analysis, and Mitigation of Surface Faulting, Palm Desert, CA
June 3-5, 2009	Advancing New Madrid Region Time-History Determination, Memphis, TN
May 13-15, 2010	Modern Subsidence, Sea-Level Rise, and the Future of the Gulf Coast, Houston/Galveston, TX
October 27-28, 2011	Opportunities for Alternative Energy Development in Arizona and the Southwest—Geologic/Hydrologic Considerations, Tempe, AZ
May 16-17, 2013	Dam Failures and Incidents, Denver, CO

### **APPENDIX FOUR: BOARD RESOLUTIONS AND MOTIONS**

04/10/2006	Original Charter approved by the AEG Foundation Board of Directors.
4/9/2011	Review schedule changed to at least every five years. Assets reclassified to Temporarily Restricted and Unrestricted.
02/29/2012	Changes to fund management protocols.
05/07/2018	Changed to show that Shlemon Conferences do not need to be sponsored by AEG.

**APPENDIX FIVE: GRANT APPLICATION**

**AEG FOUNDATION  
SHLEMON SPECIALTY CONFERENCE GRANT APPLICATION**

**Name of conference**

**Dates and location of conference**

**Name and address of Organizing Committee chair**

**Name and address of Organizing Committee treasurer**

**Number of expected attendees**

**Budget**