

Board Communication: On Side Ventures for Recruitment and Fundraising

This document represents a few important things.

- 1) Shanon was a valued member of the GW Board at this time – even after his resignation from the presidency (see letters from prior board members for details on this). He was tasked with creating a plan to bring up enrollment and donations. In his proposal, he had proposed to forego salary, which raised concern with Ken Krogue – who amended the proposal to ensure that he was incentivized and fairly compensated to take care of his family and still work for GW's financial sustainability. The Board clearly trusted him with the Gala, fundraising and recruiting – arguably three of the most critical imperatives facing the school in 2009. This was not the lack of confidence that they later represented when they claimed that he was fired. He was not. He resigned in protest of their decisions regarding the dispensation of donor funds and the Monticello project.
- 2) The arrangements the Board made to collaborate with Trustee-owned side ventures were made with careful consideration for industry standards on ethics and fiscal responsibility. They were set up by the Board itself – and later, the Board acknowledged that Shanon performed as agreed, but had not been paid what was owed him.
- 3) Later pronouncements on the new ethical standards at the university, made by the Board suggested that Shanon and Oliver had gamed the Board and the University for private gain. These statements ignore the huge, uncompensated sacrifice that they had made for over 15 years, the hundreds of thousands of dollars in unpaid salary that Oliver forgave, the hundreds of thousands of dollars of revenue generated by the sales of his copyrighted materials that he simply gave to the school. Those pronouncements pretend that the Board was not fully involved in creating arrangements whereby DeMille, Brooks and others could build the college in ways that simply requesting donor funds could not. Building a tribe and a feeder program via Brooks' and DeMille's seminars, books and speeches was part and parcel of the growth plan for GW. It was forgetful and perhaps self-serving to suggest that these men concocted some scheme to profit from the university, when the college itself contracted with them to build the marketplace that created and expanded the pool of students and donors.

Begin forwarded message:

From: Lyle Mast <address redacted>

Subject: Fwd: Urgent - Revised R&D Budget: Please review and Vote Immediately

Date: May 12, 2016 at 11:38:14 PM MDT

To: Rachel DeMille <address redacted>

Begin forwarded message:

From: Diann Jeppson <address redacted>

Subject: Urgent - Revised R&D Budget: Please review and Vote Immediately

Date: 10 April, 2009 8:19:03 AM PDT

To: Vicki Jo Anderson_<address redacted>, Gary Arnell <address redacted>, Rusty Bastian <address redacted>, Monte Bledsoe <address redacted>, Shanon Brooks <address redacted>, Allan Burton <address redacted>, Oliver DeMille <address redacted>, Julie Earley <address redacted>, Doug Free <address redacted>, Andy Groft <address redacted>, Diann Jeppson <address redacted>, Ken Krogue <address redacted>, Lyle Mast <address redacted>, Shane Schulthies <address redacted>, Tryge Simpson <address redacted>

Dear Board,

After consideration as to the need to have Shanon selling Gala seats full time and the need for a compensation structure that does not expose us to allegations of improper fiscal management, Ken has completed a revised R&D budget that answers both. We have discovered that the bonus structure is a common non-profit structure. Please review the "Department of Resource Development Policy Doc-Contracts AMENDED" and vote immediately.

Also attached is a proposal from Ken to have a compensation committee to be established. This is for your review in preparation for the May 29th Board Meeting.

Regards,
Diann

----- Forwarded message -----

From: Ken Krogue <address redacted>

Date: Fri, Apr 10, 2009 at 7:01 AM

Subject: RE: R&D budget

To: Diann Jeppson <address redacted>

Diann,

Wow, that was a challenge. I had to redo and dramatically simplify these two documents to get them to work. Look them over. We had to slightly amend Shanons plan and put in place some policies from the Board. Let it go on record that Shanons plan was extremely gracious as originally proposed because it deferred his salary. This plan allows bonus funds to be allocated in advance of his deferred salary.

Respectfully,

Ken Krogue | President | [INSIDESALES.COM](http://www.INSIDESALES.COM)

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Attachments:

- 2009 Board of Trustees Fundraising Bonus Plan
- Department of Resource Development Policy Doc Contracts AMENDED