



**EISENHOWER
FELLOWSHIPS**

Business Plan 2011

2010 SUMMARY

Key Program Facts - 2010

MNP Fellows	17
CPS Fellows	2
WLP Fellows	19
USA Fellows	9
TOTAL FELLOWS	1,916
(of which int'l)	(1,716)
ALUMNI NETWORK	
Alumni Associations	29
EF Day Events	29
PHL Conf. Participants	206

Throughout 2010, we continued to focus on identifying new Fellows of the highest quality in terms of their past achievements and their potential to have an identifiable future impact so that they meet our expectation of becoming leaders who better the world around them. During the year we programmed 47 new Fellows, one more than in 2009, and reinstated the offer to fund spouse/partner travel for half the length of a Fellow's program.

Although each fellowship is unique, all share two common traits: continuous

dialogue on how to lead change, a core value; and an expectation that the travel experience will yield concrete outcomes which establish an operational basis for their lifelong identity as Eisenhower Fellows.

In light of the weak recovery from the recent recession and uncertain outlook, and consistent with the amended Board spending rule, we continued to manage our finances very cautiously. At the beginning of the year, the Executive Committee set an annual fundraising target that was 26% over the 2009 level to compensate for a decline in contributions from multi-year contributors, and we exceeded the target by a modest amount. Coupled with our continuous focus on cost containment, this resulted in an endowment draw of 3.8%, a three year average of 3.6%.

FINANCES - 2010 (\$ '000)

Program Outlays	\$ 2,975 (79%)
Total Outlays	\$ 3,780
Contributions	\$ 2,391
Endowment Value	\$40,536
Draw on Endowment	3.8%

By year's end, the total endowment had risen by 11% to approximately \$40 million.

SECTION 1: Performance on 2010 Priorities

1. Provide a cost-effective Fellowship experience that yields concrete outcomes in the short term and lifelong engagement with the worldwide EF network in the long term.

This year, for countries that we had specifically invited to join a program, we solicited “at large” slots in the nominations process for the fall 2010 program. This led to the selection of two cabinet-level Fellows, one from New Zealand and one from Mongolia. Overall, the addition of this competitive element to the nominations process energized the alumni, enhanced the caliber of the nominees, and ultimately improved the mix of Fellows who participated in the program. We expect to employ this tool in future nominations cycles.

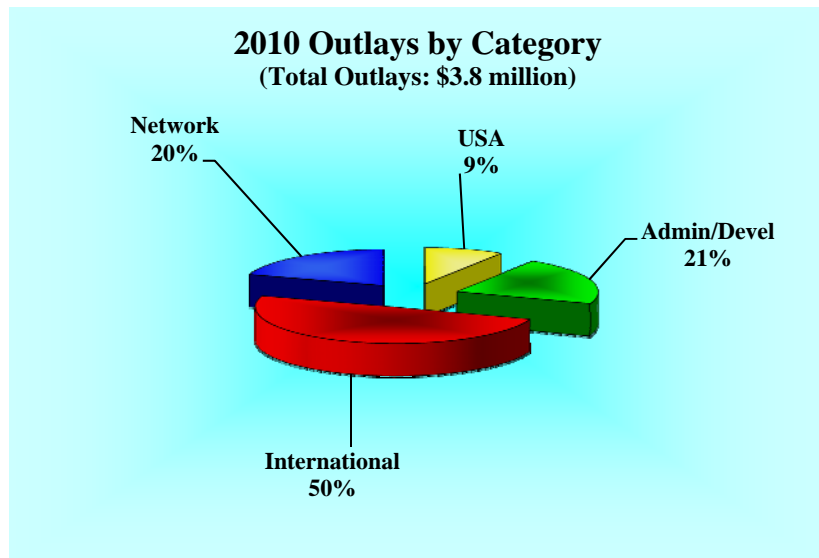
In the spring, in addition to our annual Multi Nation Program, we invited two faculty members of China’s elite Central Party School (CPS) for a special program. They arrived in the U.S. just prior to the Grand Canyon weekend and were programmed through the May 2010 Annual Meeting. By closing seminar, they were well integrated into the MNP group. Although the experience was shorter than a typical fellowship, both Fellows said they found it highly productive.

In the fall, we conducted a program for women, our 2010 Women’s Leadership Program (WLP). The WLP had several group activities focused on leadership challenges and opportunities, including a day of activities in Washington DC organized by ExxonMobil; two days of activities in St. Louis; and a seminar in conjunction with the Women and Public

Policy Program at the Kennedy School of Government at Harvard University.

In 2010 also, we substantially strengthened the leadership development focus of the fellowship. The 2010 MNP included a “leadership expedition” activity during the opening seminar and follow-up discussions at both the Grand Canyon and the closing seminar. In addition to the “leadership expedition,” the WLP included leadership self-assessments that the Fellows completed prior to arrival in the U.S. and sessions on leading change at both the opening and closing seminars facilitated by and outside facilitator.

We have significantly increased the emphasis we place both on identifying outcomes that can be used by Fellows to leverage their skills and work at home as “leaders bettering the world around them.” We also have emphasized the concept of EF as a lifelong identity during the 2010 MNP and our expectation that, as Fellows, they have a responsibility to give this identify meaning. In



the case of the 2010 MNP, this led to the group establishing the “Eisenhower Fellows’ Social Initiative” project whereby the Fellows committed to funding one project per year in varying locations, the first of which is to aid an impoverished community in Cusco, Peru.

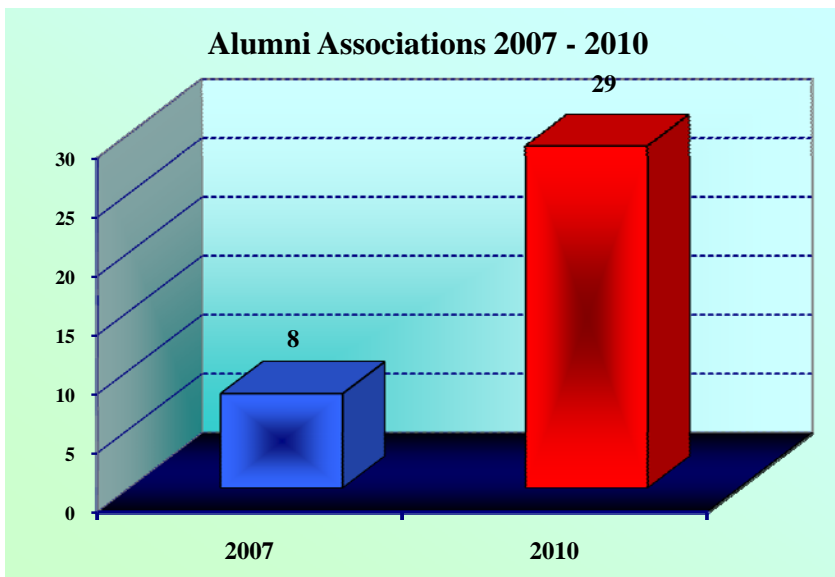
We use a two-step process for actively engaging Trustees and sponsors in fellowship programs; first, via meetings among staff to determine where and how Trustees and sponsors could be of assistance with specific Fellows’ programs; second, via follow-up by EF executive staff or Program Officers with these trustees and sponsors. Among other things, this process led to numerous high-level meetings in the public and private sectors with 13 Trustees meeting with Fellows and/or facilitating meetings with others.

In the USA program, implementation of new practice of pooling applications from our four hubs rather than guaranteeing a certain number of slots to each had the desired effect of ratcheting up the quality of the applications. In addition, we adopted a policy of naming a limited number of Alternate Fellows, whose travel is contingent on raising funds for their program. This proved attractive to donors because they could identify precisely how their support makes a difference. In this way we were able to secure funding for two of the four 2011 USA Alternates and may be able to fund an additional one of the remaining two.

In 2010 nine USA Fellows, including one Agriculture Fellow, traveled to a total of 14 countries. Hosting USA Fellows is an important event for the overseas alumni. For the first time this year, we sent a trio of USA Fellows from two hubs (Philadelphia, New England) to travel together for a substantial part of their program and encouraged them to collaborate on a project upon their return. They reported that they believed their overall program was strengthened by the inclusion of some group programming to supplement their individual meetings. USA program sent a Fellow for the first time to Russia, and an Agriculture Fellow for the first time to Uruguay and Brazil, calling upon the alumni in those countries, and actively engaging them in the planning of Eisenhower Fellowships.

We also expanded some of our USA hub Steering Committees, including the Agriculture Steering Committee, to increase the diversity and quality of applicants. We have made the process of joining a committee more formal and structured and now include term limits on new members.

2. *Strengthen the global framework of the alumni network to generate a sustainable and cost-effective menu of opportunities for alumni activities*



Our alumni program is designed to stimulate activity among the Fellows so that their engagement with the network remains an important part of their lives. In 2010 we continued with the expansion of two signature efforts, the formation of alumni associations and Eisenhower Day of Fellowship. We have revitalized a longstanding but

dormant matching grant program for the latter, and have found that even modest infusions of financial aid can yield significant results.

As of the end of the year, alumni associations have formed in 29 of our 50 areas of operation (45 countries, four USA hubs and the USA Agriculture program). New associations were launched this year in New Zealand, and Saudi Arabia. There were 29 EF Day events around the world, a marked increase from 2009 (21 events), involving over 1,200 Fellows, spouses and partners, and Friends of EF. They varied widely in size and scope, ranging from a seminar on Human Rights issues in Thailand for approximately 75 people; to a 3-week Youth Leadership Development Summer Camp in Taipei with graduate students from Mainland China and China, Taiwan for 40 college and graduate students; to a seminar in Rome, video-streamed on the internet to 200 participants on *The role of the Internet in Engaging People in Democracy*.

Our Agriculture Fellows are an important element of the network and, to honor EF Day, they arranged a week-long program in Washington and Gettysburg (the latter site chosen to honor President Eisenhower) for some 50 Nuffield Fellows, a research-oriented exchange program for British Commonwealth agriculture experts.

Broadening the menu of options for alumni engagement, we co-hosted in May 2010 with Kellogg and Loeb Fellows a program in Dublin and Belfast on practical ways to bridge differences in deeply divided societies, with our Irish Fellows giving examples to Eisenhower Fellows from Israel and Palestine. We followed the five-day encounter with a Webinar featuring Governor Christie Todd Whitman and are planning further events with the Fellows.

In May 2010, our chairman, General Colin Powell, was the guest of honor at an EF Roundtable in Shanghai which brought some 30 China Fellows together with leaders of China's leading business organization, the China Entrepreneurs' Club.

Scheduling conflicts forced our Arab Middle East Fellows to put a hold on their plans for an October 2010 conference on entrepreneurship.

With alumni in Philadelphia, we organized a November 2010 conference for some 200 high-level speakers and participants in Philadelphia on leadership and innovation. The meeting highlighted specific outcomes from the WLP and examples of alumni Fellows' results around the world. We modified our original plan to use the conference to launch a global EF Women's Network, opting instead to begin to encourage and develop mentoring programs within and outside the EF network. We also began a dialogue between EF and Vision 2020 and expect to plan some future activity jointly.

We are expanding our use of web-based tools to connect Fellows in the network. To make more frequent use of the Alumni Advisory Council (AAC), we began using a software platform that facilitates management of worldwide online meetings. Usage of our website increased 17% over 2009, with some 30,000 "absolute unique visitors" and 150,000 pageviews during the year. We maintain a Facebook page with 600 fans and a Twitter account with 180 followers.

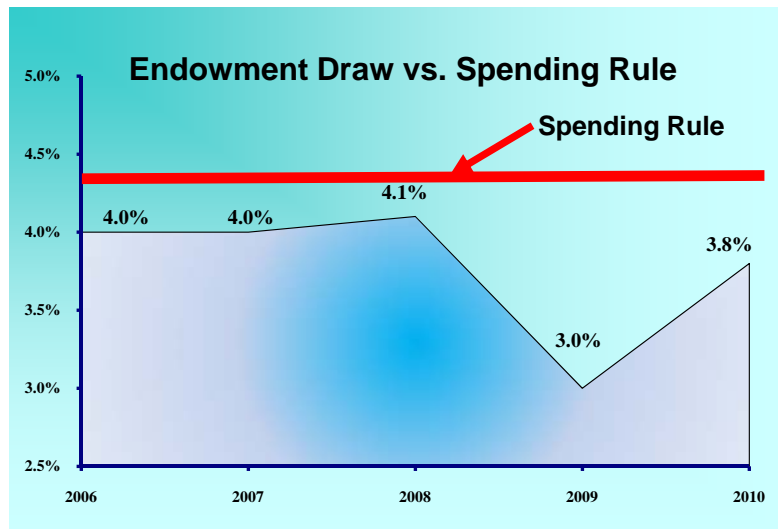
Our mid-year alumni program review revealed that we were not making adequate progress on our program to increase usage of the online alumni directory, especially with respect to getting Fellows to upload a CV, so we altered our strategy to rely more heavily on the AAC and alumni

associations, and to focus on countries where Fellows are most likely to have English-language CV's.

3. Stabilize the multi-year funding base and attract new individual and institutional donors to compensate for a lower capital endowment.

For the first time in five years, contributions from the multi-year funding base declined (down 16% from 2009), primarily due to Trustees leaving the board upon retirement or for personal reasons. Expected contributions for 2010 are \$1,524 thousand, a further decrease of \$290 thousand. The 2010 fundraising target was increased by 26% over 2009, with the increase covering about half of the contributions shortfall; it was exceeded by a modest amount. Fellows once again assisted in fundraising efforts by identifying several potential new Trustees and assisting on their recruitment. The Philadelphia USA Fellows raised \$48 thousand to support the November 2010 Conference.

To increase corporate support for EF, we began exploring alternative approaches that we believed would attract private sector interest, such as “named Fellowships,” and selecting Alternate USA Fellows whose travel is contingent on identifying a sponsor. We remain extremely sensitive to the requirement that new Fellows meet our high quality standards in this process.



Total outlays for both administration and development operations totaled \$805 thousand in 2010, 7% below the budgeted amount. This represents 21% of the operating budget, a ratio which has remained relatively constant over the past five years. (Note: staffing in these categories is fixed, and increases in program expenditures would tend to drive this ratio down).

4. Operate a world-class organization that meets high standards for management of finances, physical plant, and personnel.

We have substantially modified the traditional “blue sheet” programming tool whereby we faxed or emailed hard copied to Fellows while traveling. We now use a new IT based program for international Fellows that delivers scheduling information “real-time” directly to laptops or PDA’s (which we supplied to all MNP and WLP Fellows). The latter also facilitated communication among the Fellows, thereby enhancing group cohesion.

We are extending the programming platform (which is based on modified off-the shelf software) to accommodate executive and development activities; our goal remains to have a single, enterprise-wide system, with a common data-base, that allows for information sharing across the organization. We also replaced our aging computers for EF staff and updated software.

We focused on preventive maintenance to mitigate normal wear and tear. We also put together a committee of Fellows and Trustees to work with Philadelphia's world famous Mural Arts Program on a large mural for our foyer. We selected the artist, Michael Webb, who designed and painted the EF "Tree of Knowledge" mural on Market Street for EF's 50th anniversary.

During the year we thoroughly reviewed our employee benefits package. Based on a review of our 403(b) plan to ensure it is cost competitive, and consistent with all federal government requirements, we would hope expect to make substantial changes in 2011. We also reviewed our health, dental, life, and long and short term disability insurance and changed some of our carriers and gained increased coverage on some policies at very low additional cost. As always, we continually scrutinized vendors and suppliers to ascertain the best prices for services and supplies.

In order to make incremental progress on defining the "EF brand" in a tight budget year, we instituted a single, enterprise-wide look, replacing what had developed into a mix of logos, letterheads and promotional media. In May 2010 we adopted a single logo, a common stationery package (including letterhead, envelopes, business cards, mailing labels, and folders) and a common format for external document and promotional items. We modified the website to make it consistent with this look.

SECTION 2: Organizational Goals for 2011

1. *Provide a cost-effective Fellowship experience that yields concrete outcomes in the short term and lifelong identification, and engagement, with the worldwide EF network in the long term.*
2. *Strengthen the global framework of the alumni network to generate a sustainable and cost-effective menu of opportunities for alumni activities.*
3. *Reverse the decline in expected contributions by attracting new individual, institutional, and corporate doors, and growing the multi-year funding base; grow the endowment..*
4. *Operate a world-class organization that meets high standards for management of finances, physical plant, and personnel.*

SECTION 3: 2011 Implementation Plan

1. *Provide a cost-effective Fellowship experience that yields concrete outcomes in the short term and lifelong engagement with the worldwide EF network in the long term.*
 - a. Continue emphasis on identifying the highest caliber candidates possible through active engagement with nominating committees and the implementation of an entirely restructured application form addressing issues of leadership, networking, and concrete outcomes. This year we will focus on Chile, Peru, and Colombia; India, Bangladesh, and Sri Lanka; and Kenya, Nigeria, and South Africa.
 - b. Open competition for up to three “at-large” selections (in 2011) for the 2012 MNP, and select a portion of the NARP Fellows on a regionally competitive basis.
 - c. Expand time during programs focused on leadership and change,
 - d. Enhance focus on concrete outcomes and continued engagement; among other things, by restructuring closing seminar sessions and redesigning format and expectations for Fellows’ program reports and action memos.
 - e. Continue systematic engagement of sponsors and trustees as programming resources, both in their own right and for help in securing high-level meetings for Fellows. Our object is a “mosaic” of experiences to expand the scope and breadth of Fellows’ program itineraries.
 - f. Open new USA programs in Indonesia, Kenya and the Philippines in 2011.
 - g. Move the 2012 USA recruitment cycle forward so that selections are complete by Labor Day, allowing time to seek funding for Alternates. Increase the expected contribution for Alternates to \$20K. Motivate Steering Committee chairs to engage in recruitment personally.

- h. Enroll new private sector committee members in New England Steering Committee, identifying members who are likely to help recruit, identify funding sources.
- i. Give 2011 USA Fellows the option of replacing the current Program Report with a blog. Provide session on blogging during Opening Seminar. Link blogs to Fellow biodata on website and use as a tool to publicize EF.
- j. Change USA application form so that it is easier to fill out (using Word, Adobe templates) and have questions which yield more pertinent information to the interview and selection committees.
- k. Analyze pros and cons of modifying the current four-hub strategy for USA recruitment by extending the Philadelphia area to the Washington-New York corridor or perhaps start a new hub.

2. Strengthen the global framework of the alumni network to generate a sustainable and cost-effective menu of opportunities for alumni activities.

- a. Focus on quality rather than quantity now that the majority of our 50 operational areas (45 countries, four USA Hubs and the Agriculture Program) have formed alumni associations. Support these associations in identifying and organizing specific activities which will be of interest to the members.
- b. Target a select number of countries and USA Hubs with alumni associations which are most likely to organize high-value Eisenhower Day of Fellowship events. Suggest the Matching Grant program and other incentives early in 2011 to help these associations shape their events.
- c. Further explore and encourage mentoring initiatives within the EF network and between the network and collaborating institutions.
- d. Sponsor an international conference in RTNC timed to coincide with the 2011 Northeast Asia Regional Program (NARP), with primary theme being a reunion of EF's USA Fellows.
- e. Make the Fellow Outcomes Database operational.
- f. Expand contact with the Alumni Advisory Council via periodic teleconferences. Use the AAC's Media Task Force to help EF keep pace with evolving ICT technology to communicate more effectively with stakeholders.
- g. Reach targets for getting current Fellows who use email to update their contact info (75%) and upload a CV (50%). Add Program Summaries to the record of recent and new Fellow directory records.
- h. Support substantively and operationally June 2011 Webinar and Fall 2011 seminar in Jerusalem to follow up on the May 2010 seminar on reconciliation in Ireland. Identify funding for the seminar.
- i. Modernize the website by incorporating other types of content, such as video and audio.

- j. Deepen the relationship between EF's Agriculture Program and the Nuffield Scholars program.
- k. Begin preparation for EF's 60th anniversary in 2013, exploring themes, venues, and fundraising strategies.

3. *Reverse the decline in expected contributions by attracting new individual, institutional, and corporate donors, and growing the multi-year funding base; grow the endowment.*

- a. The target for new revenue, both Trusteeship and Non-Trusteeship is \$785 thousand.
- b. Canvass donors in the contributions base early in year to obtain early warning of potential shortfalls in the 2011 contributions projections.
- c. Seek targeted increases for corporate sponsors keyed to identified complementarities between our programming and their corporate and CSR priorities. .
- d. Continue to develop funding sources outside the US and in the USA Program hubs. Enlist EF alumni in identifying and procuring operating funds.
- e. Use a limited number of Alternate Fellow selections as a funding mechanism.

4. *Operate a world-class organization that meets high standards for management of finances, physical plant, and personnel.*

- a. Move to a new 403B (or 401(k)) provider.
- b. Use preventive maintenance to mitigate normal wear and tear including painting and repairing flat roof on building.
- c. Continue to look for deals on services or goods including for utilities, e.g., electricity.
- d. Expand the use of the customized ACT! Software for alumni and development activities
- e. Secure the IT system is secure against outside threats and establish disaster recovery solution.

SECTION 4: Budget Tables

	Budget	2010 Forecast	Variance	2011 Budget	Variance v. 2010 Actual
Revenue					
Expected - Contributions for Operations	1,494	1,592	98	1,369	(223)
Fundraising Target	785	799	14	750	(49)
Interest & Endowment Income	1,630	1,630	-	1,646	16
Total Operating Income	3,909	4,021	112	3,765	(256)
Expenses					
MNP	1,178	1,099	(79)	1,151	51
FALL	833	777	(56)	814	36
USA	367	343	(24)	359	16
Network	809	755	(54)	790	35
Administration & Development	863	805	(58)	843	37
Total Expenses	4,050	3,780	(270)	3,956	176
Operating Net	(141)	241	382	(191)	
Endowment Draw %	4.90%	3.80%		5.00%	
3 Year Average	4.00%	3.60%		3.90%	
Fellow & Spouse Headcounts:					
MNP Fellows	20	17	(3)	20	3
China Pilot	2	2	-	-	(2)
Fall Fellows	18	18	-	16	(2)
Fellow paying own per diem and travel	1	1	-	-	(1)
USA Fellows	9	9	-	10	1
Total Spouses	20	13	(7)	22	9
Total Fellows	50	47	(3)	46	(1)
Total Spouses	20	13	(7)	22	9
Savings & Deficit Reduction Options:					
Salary increase eliminated				33	
403B transfer postponed				43	
MNP spouses eliminated				40	
Fall spouses eliminated				34	
Network matching grants eliminated				40	

	2010			2011	
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Interest & Endowment Income	1,630	1,630	-	1,646	16
Total Operating Income	3,909	4,021	112	3,765	(256)
Expenses					
Programs	1,545	1,358	(187)	1,450	93
Personnel	1,948	1,892	(56)	1,943	51
Professional Services	174	162	(11)	173	11
Administration	106	109	3	115	6
Building & Maintenance	208	189	(19)	200	11
Special Events	69	70	1	75	5
Total Expenses	4,050	3,780	(270)	3,956	176
Operating Net	(141)	241	382	(191)	
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