



# AUSA & Carlisle Chapter Board of Directors

August, 2015  
NMUSA Briefing & Discussion  
&  
Potential Way Ahead



# The National Museum of the United States Army

Vision	3-4
The Pieces	5
Project	6-8
Organization	9
Schedule	10
Finance	11
Risk	12
Museum Summary	13



# The Vision

*is it better*



- Today there is still no single place to celebrate the sacrifice of the millions of men and women who have answered the call.
- A National Museum of the United States Army (NMUSA) must become a reality in order to pay tribute and recognize the Army's past, present and future by:
  - Engaging visitors in the rich heritage of the Army
  - Educating visitors on the Army's current & past role in the life of our nation
  - Inspiring pride in those who have served
  - Inspiring future generations to serve



# The Vision

- In October, 2014 AUSA expressed interest in playing a role in financing, construction and operations of NMUSA.
- The Army Historical Foundation (AHF) shared a similar objective.



- An Affiliation was achieved to meet the objective
  - Have the assets (people, time, dollars)
  - Army agrees
- Neither entity could do this alone
- If this Affiliation was not achieved most of us would not see the NMUSA in our lifetime



# So How Will This Be Accomplished



- The Pieces
  - Describing the Project
    - Brick & Mortar/Steel & Glass
    - Information Exchange
  - Organizing to Support the Effort
  - Scheduling the Effort
  - Financing the Project
  - Considering Risk
- Museum Summary



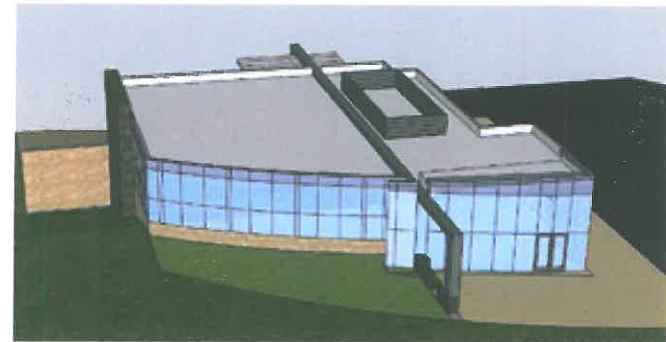
# Describing the Project

(Brick & Mortar/Steel & Glass)



The Combined Entities of AHF and AUSA can accelerate the construction of the NMUSA. The finished museum will be located on an 84.8 Acre tract of ground in Fort Belvoir, Virginia and can be completed in 2019.

The first structure on the museum site (Founders Hall) will be a 12,000 +/- square foot marketing and project management building. The museum complex itself will consist of a baseline set of structures and an associated Exhibit Hall. These structures will house exhibits, management offices, control apparatus, and their associated patios and walkways, and retail spaces totaling 185,000 square feet.





# Describing the Project

## (Information Exchange)

Step 1  
HQ AUSA  
Arlington, VA



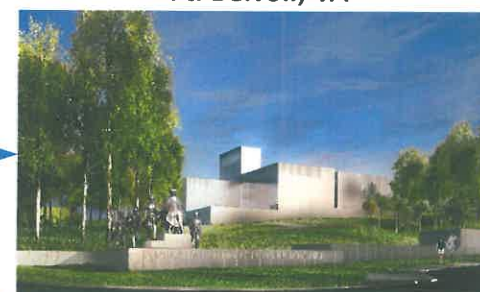
I/T Initial Set Up

Step 2  
Founders Hall  
Ft. Belvoir, VA



Info Exchange Test & Eval

Step 4  
NMUSA  
Ft. Belvoir, VA



Test & Eval Results Inform Exhibits

Step 3  
AHEC  
Carlisle, PA



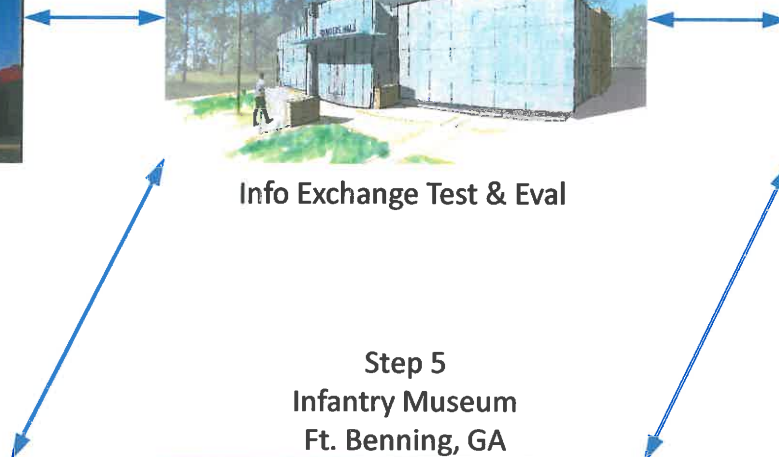
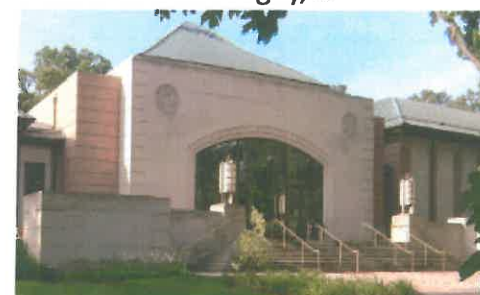
Info Exchange Test & Eval

Step 5  
Infantry Museum  
Ft. Benning, GA



Expand Info Links

Step 6  
1<sup>st</sup> Infantry Division Museum  
Cantigny, IL





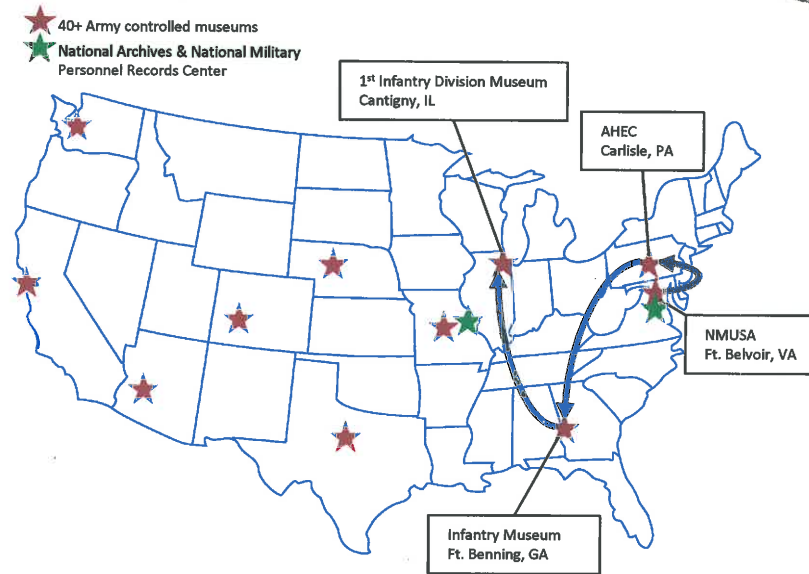
# Describing the Project

## (Information Exchange)



### The Question

1. NMUSA...Can I find out something about my uncle, Sgt. Joe Jones?
  - Electronic Connect → National Archives + National Military Personnel Records Center + AHEC
  - Answer: Sgt. Joe Jones C Co, 1-16<sup>th</sup> Inf
  - C Co, 1-16<sup>th</sup> was at Normandy, 1944
2. NMUSA + AHEC
  - Electronic Connect → Infantry Museum at Ft. Benning
  - Maybe more information on Sgt. Joe Jones
  - For sure more information on 1-16<sup>th</sup> Inf (weapons, uniforms, food, etc.)
3. NMUSA + AHEC + Infantry Museum
  - Electronic Connect → 1<sup>st</sup> Infantry Division Museum in Illinois
  - Much more information is made available on Sgt. Jones Army history
4. Estimated cost to install Founders Hall & AHEC Link 1.0...\$1M
5. By the time NMUSA opens in 2019...can be well down the road.



Founders Hall  
Ft. Belvoir, VA



AHEC  
Carlisle, PA



NMUSA  
Ft. Belvoir, VA



Infantry Museum  
Ft. Benning, GA



1<sup>st</sup> Infantry Division  
Museum Cantigny, IL

The Point – The museum system plus provides information exchange & increased visitor satisfaction...it also drives visitor traffic to other museum sites.



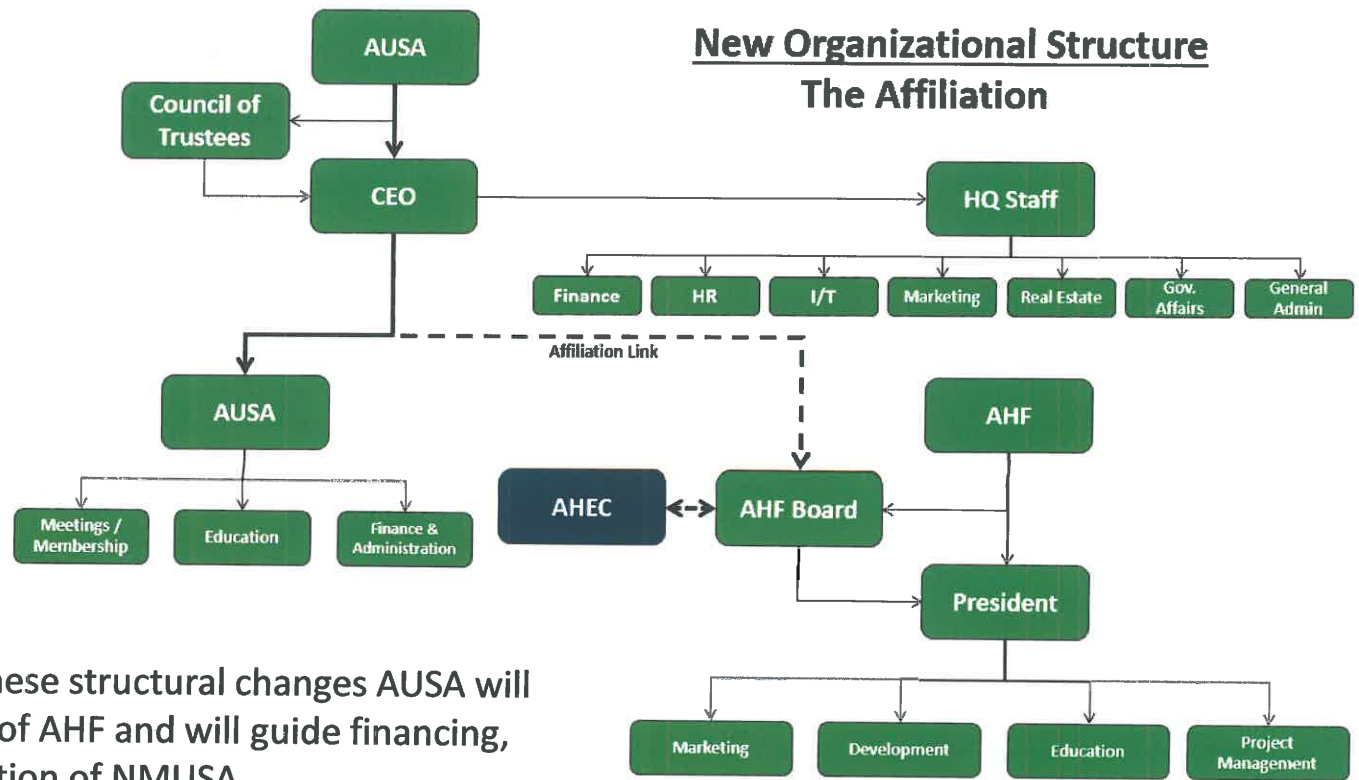


# Organizing to Support the Project



AUSA and AHF have both determined that it is consistent with their goals and purposes to establish the NMUSA. The entities recognize that the undertaking is such that certain structural changes need to be made to AHF.

- AHF will modify its Bylaws so that the number of directors will not exceed 12.
- The former AHF Board resigns en masse.
- AUSA designates 2/3 of the new Directors up to a maximum of 8.
- The former AHF Board has elected a President (LTG(R) Schultz) who will report to the Chairman of the reconstituted new Board.



So, at the conclusion of these structural changes AUSA will have control/governance of AHF and will guide financing, construction, and completion of NMUSA.



# Scheduling the Effort

		Key Activities	
Notice to Proceed from Army	Jan 2015	Award Site Prep Contract	Jan 2016
Create New Business Entity (The Affiliation)	Jun 2015	Complete Site Prep	Jun 2016
New Army MOA Approval	Jul 2015	Complete Founders Hall	Oct 2016
Create Final Project Estimate	Jul 2015	Museum Building Construction Start	Oct 2016
Create Project Reserve	Jul 2015	Museum Building Complete	Aug 2018
Award Museum Contract	Aug 2015	Complete all Site & Building Finishes	Sep 2018
Set Financing for Project	Sep 2015	Beneficial Occupancy by Army	Sep 2018
Complete Long Term Lease Agreement	Sep 2015	Army Exhibit Installation Complete	Sep 2019
Founders Hall Design/Build	Nov 2015	Open Museum	Oct 2019

<span style="display: inline-block; width: 20px; height: 15px; background-color: red; border: 1px solid black;"></span> Precursors to Public Release	<span style="display: inline-block; width: 20px; height: 15px; background-color: lightblue; border: 1px solid black;"></span> Precursors to Info Exchange Capability
<span style="display: inline-block; width: 20px; height: 15px; background-color: green; border: 1px solid black;"></span> Precursors to Start Construction	<span style="display: inline-block; width: 20px; height: 15px; background-color: lightgray; border: 1px solid black;"></span> Linking it Together



# Financing the Project

Need (Army Est)		Current Funding Choices (EOY '15)		Fund Adds 2016-2019					
Site Prep	\$25.0M	AHF	\$30M	Donations	\$16M	(\$4M/yr from AHF)			
Baseline	\$64.0M	AUSA*	\$34M	Other	\$8M	(Gifts-In-Kind/VE/AUSA)			
Exhibit Hall	\$28.0M	Army	\$31M	Market	\$9M	(Capital Market/AUSA)			
Founders Hall	\$5.7M	2015 Donation (AHF)	\$5M						
Soft Costs	\$10.3M		\$100M						
	\$133.0M		\$100M	+	\$33M	=	\$133M	Go	
<b>Risk</b>									
Cap Market ↓			(\$6M)		(\$1M)	=	\$133M → \$126M	Go	
Bus Operations ↓			(\$2.5M)		(\$7.5M)	=	\$126M → \$116M	Stretch	
Environmental ↓			(\$1M)		(-0-)	=	\$116M → \$115M	Stretch	
Political ↓			(\$25M)		(-0-)	=	\$115M → \$90M	Stop	

This chart basically presents a cash financing (no debt) illustration.

\*AUSA recovers contribution in 5 years.



# Considering Risk

Risk	Assessment			Mitigators		
	High	Med	Low	Time	Talent	Money
Finance/Market Risk		X		✓		✓
Business Operating Risk		X		✓	✓	
Political Risk			X		✓	
Environmental Risk			X	✓		✓
Integration & Technology Risk		X		✓	✓	
Relationships*		X		✓	✓	✓
Safety			X	✓		✓
Legal			X		✓	

\* Began discussing in October, 2014...How to bring Museum/Education System into a “greater whole” ...will take time, talent, and money.



# Museum Summary



It's interesting to note that in 1814 within the Bills and Resolutions of the 13<sup>th</sup> Congress of the United States...that a Bill was crafted "to provide for the collection, preservation, and public exhibition of such flags, standards, and colors as shall have been or may hereafter be taken by the land and naval forces of the United States, from their enemies." *The start of the Museum idea.*

Now, 201 years later, the Affiliation of the Association of the United States Army and the Army Historical Foundation are proposing to the Secretary of the Army a way to deliver on the Bill's intent. We are sure the Secretaries of War in 1814, John Armstrong Jr. and James Monroe, would approve.

The Affiliation is fully cognizant of the fact that the United States Army has already committed significant resources for the establishment of a National Museum of the United States Army. The plans, designs and supporting legislation lay the groundwork for all that will follow.