



**2017 ANNUAL REPORT  
SUMMARY OF ACCOMPLISHMENTS**



*"The mission of the VFW Foundation is to support programs and services that secure, manage and distribute resources to improve the lives of veterans, military service personnel, their families and the communities where they live."*

## **FROM THE DESK OF KEITH E. HARMAN CHAIRMAN OF THE BOARD**

The Veterans of Foreign Wars of the United States (VFW) came into being in 1899. It was a time when veterans had few, if any, benefits stemming from their military service. They often lacked basic medical care for injuries sustained on the battlefield. The founders of the VFW *rightly* felt that veterans deserved better.

That's why our organization—from day one—vowed to *"never forget those who have worn a U.S. military uniform."* Over the years, the VFW has consistently presented important issues related to military service personnel directly to the American public. The VFW was instrumental in the passage of the landmark G.I. Bill that included assistance for college education, medical care and guaranteed housing loans. We were once again at the forefront with the more recent Post-9/11 G.I. Bill that has expanded those benefits.

Yes, we are extremely proud of our heritage and commitment to the personal and economic progress of those who serve in the U.S. military. It has been a long journey from 1899 to 2018, but let me emphasize that the road does not stop here. We will not rest so long as military service personnel, veterans and their families are in need.

Whether it is making ends meet in tough economic times, finding employment, or daily struggles with the effects of physical wounds and post-traumatic stress—the VFW is there to assist our nation's veterans and military families. As you can see, our impact is measurable:

- Over \$10 million in grants to help more than 8,600 military and veteran families in financial need through the VFW *Unmet Needs* program.
- Over \$4 million in educational assistance to more than 900 veterans and service members through the Sport Clips *Help a Hero Scholarship* program.
- Helping veterans recoup \$7.7 billion in earned benefits from the VA in 2017, including \$1.2 billion in new claims.

My responsibility as Commander-in-Chief includes chairing the VFW Foundation Board of Directors. I am pleased to report that the VFW Foundation has been a great steward of your philanthropic investments, with the highest standards of competence and transparency. Please take a few moments to review the following pages, which will give you a comprehensive overview of our operations and financial information.

Finally, I offer my personal gratitude for your past support, and I respectfully invite you to remember us in the coming year as we respond with compassion to benefit America's service members, veterans and military families!

Respectfully yours,

Keith E. Harman  
Chairman of the Board

## BOARD OF DIRECTORS

### **Keith Harman**

Chairman of the Board

Term of Office – 07/27/17 – 07/27/18

*Commander-in-Chief, VFW*

### **Debra Anderson**

Secretary-Treasurer

Term of Office – 07/27/16 – Present

*Quartermaster General, VFW*

### **Anthony Principi**

Board Member

Term of Office – 12/15/05 – 03/04/21

Re-elected to three-year term 03/04/18

*Former U.S. Secretary of Veterans Affairs*

### **Michael DeRosa**

Board Member

Term of Office – 03/05/11 – 02/26/20

Re-elected to three-year term 02/26/17

*Owner, Burger King Franchisee*

### **Brian Duffy**

President

Term of Office – 07/27/16 – Present

*Adjutant General, VFW*

### **Jan Passmore**

Board Member

Term of Office – 07/26/17 – Present

### **Gordon Logan**

Board Member

Term of Office – 10/06/11 – 02/26/20

Re-elected to three-year term 02/26/17

*CEO/Founder, Sport Clips Haircuts*

### **Admiral Patrick Walsh, USN (Ret.)**

Board Member

Term of Office – 02/26/17 – 02/26/20

Term Expiration Date: 02/26/20

## STAFF

### **Richard Potter**

Administrator

### **Kevin Jamison**

Assistant Director, Corporate Relations

### **Richard Freiburghouse**

Manager

### **Benjamin Vargas**

Assistant Manager, Special Projects

### **Rebecca Curtis**

Senior Program Coordinator

### **Jason Couch**

Grants Coordinator

### **Renee Martin**

Gift Processing Coordinator

## **MISSION**

To support programs and services that secure, manage, and distribute resources to improve the lives of veterans, military service personnel, their families and the communities in which they live.

## **VISION**

To memorialize the past so America never forgets the personal sacrifices of those who have defended its freedoms; yet always looking forward to honor and provide for those among us who, through their military service, are dedicated to maintaining our security and democratic way of life.

# **ENSURING THAT U.S. SERVICE MEMBERS, THEIR FAMILIES, AND VETERANS ARE NEVER FORGOTTEN!**

The VFW Foundation is the official 501(c)(3) charity of the Veterans of Foreign Wars of the United States (VFW), and exists solely to raise the funds and awareness necessary to operate VFW programs and services for America's veterans, military service members and their families.

The VFW Foundation supports and manages a wide variety of programs and services (most with a national geographic emphasis). These are provided to those we serve at **no cost** and **VFW membership is not required**.

Our organization constantly adapts to the urgent needs of U.S. service members, military families and veterans. In the 2016-17 fiscal year, we distributed over \$4.3 million to VFW programs and services that directly support the needs of these deserving individuals.

Much of the funding for VFW programs and services comes from ongoing associations with corporations such as USAA, Humana, Sport Clips, Burger King Franchisees and other patriotic companies, many of which have undertaken fundraising and cause-marketing efforts on the behalf of the VFW.

Additional revenue comes from corporate and foundation grants, the Combined Federal Campaign (CFC) and other federated giving programs, corporate matching gifts, donor-advised funds, estate gifts, vehicle donations, and of course through the generosity of individual donors. It is important to note that we receive no government funding. Thus, we are exceedingly grateful for the generous support from corporations, foundations and individuals who share our belief that America's service members deserve to know that America *truly* cares.

The VFW Foundation takes great pride in maintaining low administrative costs and highly favorable ratings with charity watchdog groups such as Charity Navigator, GuideStar and the Better Business Bureau. Fiscal Year 2017-18 promises to be a further meaningful evolution in the history of our organization.

## SUPPORTING VFW PROGRAMS AND SERVICES

- In collaboration with participating Burger King franchisees, we assisted military families and veterans with rent, mortgage payments, utilities, vehicle repair, medical expenses, food and other basic needs through the VFW *Unmet Needs* program. Since 2004, the VFW has assisted over 8,600 families and awarded more than \$10 million in financial assistance.
- Awarded more than \$4.1 million in scholarships to 900 veterans and service members through the “Sport Clips Help A Hero Scholarship” program since January 2014.
- Awarded \$3 million in annual educational awards to middle and high school students through the VFW’s *Patriot’s Pen* and *Voice of Democracy* patriotic essay contest. Total participation in these two competitions in 2017 surpassed 168,000 students!
- Provided direct, pro bono assistance by the VFW’s accredited Veterans Service Officers to help veterans navigate the complex process of securing earned benefits from the U.S. Department of Veterans Affairs (VA). In 2017 alone, the VFW helped 116,791 veterans recoup over \$1.2 billion in new claims for benefits and disability compensation.
- VFW members contribute approximately 8.8 million volunteer hours annually in support of beneficial community activities all across the U.S. as well as donate \$52.1 million each year to local service projects.

## THE YEAR IN REVIEW

- Collaborated with Burger King Franchisees across the country to raise \$655,582 for the VFW's *Unmet Needs* program. Since the program was established in 2004, the VFW has granted nearly \$10 million to assist over 8,600 military families with urgent financial needs.
- Coordinated fundraising campaigns and processed gifts and grants totaling \$2,214,497, including:
  - \$1.25 million in contributions and pledges from Sport Clips Haircuts for their 2017 "*Help A Hero Scholarship*" program to provide service members and veterans financial assistance needed to complete education goals without incurring excessive student loan debt.
  - \$172,640 in contributions from the Combined Federal Campaign and state/local campaigns.
  - \$600,771 from other foundations.
  - \$73,227 in corporate matching gifts.
- Assisted VFW Departments and Posts with fundraising that resulted in \$117,859 for their local projects.
- Awarded grants totaling \$391,496 to 399 VFW Posts and Auxiliaries to support youth service organizations, food pantries, school programs, homeless veterans and other local community projects.
- Awarded grants totaling \$99,940 to 13 other 501(c)(3) nonprofits as well as VFW Posts and Auxiliaries for larger scale projects directed toward improving the lives of military service personnel, veterans and their families.

# STATEMENT OF FINANCIAL POSITION

<b>ASSETS</b>	<b><u>8/31/17</u></b>
CASH AND CASH EQUIVALENTS	\$ 803,214
INVESTMENTS, at fair value	10,209,595
ACCRUED INTEREST RECEIVABLE	17,192
FURNITURE, FIXTURES, AND EQUIPMENT, Net of accumulated depreciation of \$52,794	1,234
PREPAID EXPENSES	<u>5,363</u>
Total assets	<u><u>\$11,036,598</u></u>

<b>LIABILITIES AND NET ASSETS</b>	
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	\$ 543,667
Payable to affiliate	81,989
Charitable gift annuities	<u>2,109</u>
Total liabilities	627,765
<b>NET ASSETS</b>	
Unrestricted	8,185,491
Temporarily restricted	<u>2,223,342</u>
Total net assets	<u>10,408,833</u>
Total liabilities and net assets	<u><u>\$11,036,598</u></u>



## STATEMENT OF ACTIVITIES & CHANGES IN NET ASSETS

Year Ended August 31, 2017

	Unrestricted	Temporarily Restricted	Total
<b>Support and revenue</b>			
Cash contributions and gifts	\$ 2,410,728	\$ 1,229,214	\$ 3,639,942
Interest, dividends, net realized gains	910,540		910,540
Net assets released from restrictions	2,813,098	(2,813,098)	
Total support and revenue	<u>6,134,366</u>	<u>(1,583,884)</u>	<u>4,550,482</u>
<b>Expenses</b>			
<b>Program Services</b>			
Veterans' service activities	4,016,429		4,016,429
Community service and public awareness	488,147		488,147
<b>Support Services</b>			
Management and general expenses	427,379		427,379
Fundraising activities	281,451		281,451
Total expenses	<u>5,213,406</u>	<u></u>	<u>5,213,406</u>
<b>Changes in net assets before unrealized net investment gains</b>			
Unrealized net investment gains	920,960	(1,583,884)	(662,924)
Change in net assets	<u>402,598</u>	<u></u>	<u>402,598</u>
Net assets, beginning of year	1,323,558	(1,583,884)	(260,326)
Net assets, beginning of year	6,861,933	3,807,226	10,669,159
Net assets, end of year	<u>\$ 8,185,491</u>	<u>\$ 2,223,342</u>	<u>\$ 10,408,833</u>



Army veteran David White, pictured here with wife Emily, and their children, Bailey (7) and Logan (3), received an Unmet Needs grant when his service-connected disabilities forced him to enter an inpatient PTSD treatment program, leaving his family with a single income. The Iraq and Afghanistan veteran said the VFW “truly helped us stay afloat,” allowing them to stay in their home and put tires on the family vehicle.



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