

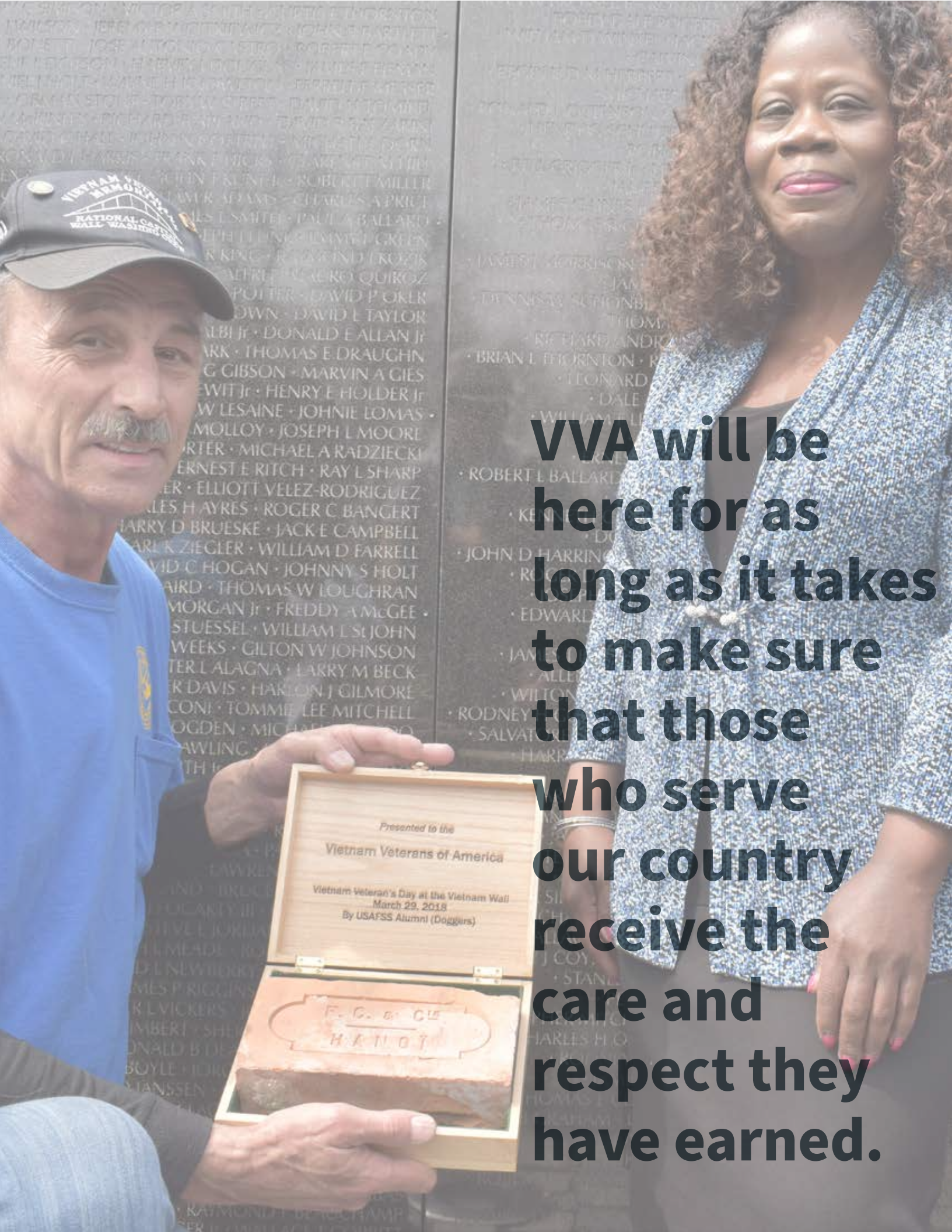


UNITY

NEVER AGAIN WILL ONE GENERATION
OF VETERANS ABANDON ANOTHER



2019
ANNUAL
REPORT



VVA will be here for as long as it takes to make sure that those who serve our country receive the care and respect they have earned.



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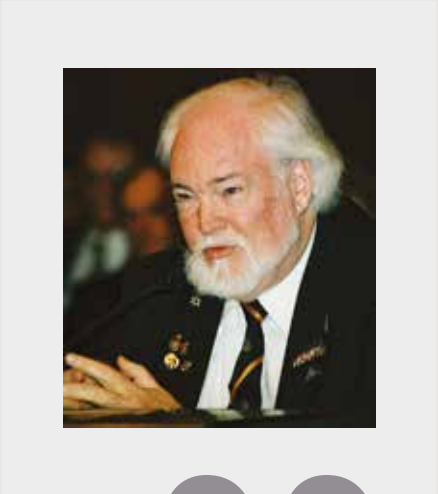


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President’s Message

VVA: 40 Years in Service to America



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We have come a long way since 1978, when VVA had its start as the Council of Vietnam Veterans. We are especially proud to see that our fight to change the public perception of Vietnam veterans has paid off, and our newest generation of veterans is coming home to a warm welcome from a very supportive country.

Having fought in America’s most controversial overseas war four decades ago, many of the issues that have plagued us are pertinent to the new veterans and still require our attention—health issues from military toxic exposures; the ongoing effects of Post-traumatic Stress Disorder; employment discrimination; homelessness on a disproportionate scale; high rates of suicide; to name a few.

Personnel shortages continue to plague VA facilities across the country, forcing veterans into the civilian sector to receive care through the Choice program due to limited provider and appointment availability.

And now we are involved in cyberwarfare, chasing imposter Facebook pages, persevering and eventually succeeding in having them taken down, and calling upon VA and DoD to ensure that servicemembers and veterans are protected from this insidious use of social media.

Much remains to be done.

The following pages list some of our most recent achievements. They also show that we manage our resources carefully so that we continue to achieve our goals for Vietnam veterans and for succeeding generations of veterans.

John Rowan
National President, Vietnam Veterans of America



Vietnam Veterans of America, the only congressionally chartered national veterans’ service organization dedicated to working on behalf of the nation’s Vietnam-era veterans and their families, began its 40th year “In Service to America.” In keeping with our founding principle, “Never again will one generation of veterans abandon another,” VVA’s theme of “Vets Connect” enables it to reach out to our newer veterans in many ways.

VVA has grown from humble beginnings in 1978 into one of our nation’s most

Our national membership continues to grow. We now have over 85 thousand members, with 658 chapters in all 50 states, Guam, Puerto Rico, the Philippines, and the Virgin Islands. Our 48 State Councils coordinate the activities of the local chapters. VVA’s national activities are closely coordinated with the work of the chapters and state councils; victories gained at the national level are implemented locally. Our affiliated, supporting organization, the Associates of Vietnam Veterans of America, has over 10,000 members.

As you can see in the pages that follow, the members of VVA, a 501© (19) tax-exempt organization, are hard at work in their communities. Our chapters and state councils sponsored a wide variety of volunteer programs, including support

respected and successful veterans’ service organizations on the national, state, and local levels. The organization’s many successes are a direct result of the hard work of thousands of dedicated men and women: our members; our national committee and task force chairs; our national officers; and the staff at our national headquarters in Silver Spring, Maryland.

for homeless shelters; outreach and education on the health issues facing veterans and their families; working with veterans at the VA Medical Centers and at the VA Regional offices; alcohol- and drug-abuse education projects; crime-prevention campaigns; sponsorship of youth sports, Boy Scouts/Girl Scouts, and Big Brother/Big Sister programs; educational scholarships to veterans and their children; relief to fellow citizens

affected by natural disasters and chronic poverty; and many kinds of support for our servicemen and women serving around the globe.

Because there is very little outreach to the men and women who served in the military, and because too many veterans succumb to diseases that can be traced back to their time in service, VVA launched the Veterans Health Council (VHC) in partnership with other health-care professional advocacy organizations, unions, pharmaceutical companies, and health-care providers. The mission of the VHC is to improve the health of America’s veterans through education and information about the health risks associated with military service. The Veterans Health Council website—www.veteranshealth.net—provides veterans, their families, and their health-care providers with crucial information pertaining to the health of our veterans.

Nationally, our Government Affairs Department worked with key officials in the Administration, with leaders in Congress, and with senior staff in the Department of Veterans Affairs to move VVA’s legislative agenda and policy priorities. We are determined that adequate healthcare services are available for our returning troops as well as for Vietnam veterans. We continue to deliver expert testimony before Congress, federal agencies, and nongovernmental organizations.

We have led the charge and galvanized action on issues such as military toxic exposure; Post-traumatic Stress



Disorder; homeless, minority, and women veterans; the fullest possible accounting of American POW/MIAs; and veterans in the justice system. Among this year’s top legislative victories: *The Mission Act*, which includes additional funding for veterans healthcare; the expansion of the *Caregivers Act* to pre-9/11 veterans and their families, thereby making Vietnam veterans and their families eligible for the program; the *Blue Water Navy Vietnam Veterans Act*, which will provide presumptive service connection for veterans who served offshore of Vietnam. Our partnership with the Veterans Legal Services Clinic at the Yale Law School continues to yield important legal decisions involving healthcare and benefits earned by our veterans through their service.

VVA continues to push for the improvement of the Veterans Benefits Administration’s claims processing and delivery of service to veterans. Through legislative action, administrative advocacy, and meetings with Department of Veterans Affairs executive staff, VVA is committed to reducing the claims backlog, and veterans are



the law, there are stringent regulations regarding attorney representation of disabled veterans before the U.S. Department of Veterans Affairs. As a result, veterans frequently find themselves facing the VA without adequate representation during their application for VA benefits. In order to level the playing field, veterans must seek legal assistance outside of traditional legal channels. One of the more successful strategies employed by veterans is using a veterans’ service organization such as VVA. Today, we have a network of 461 accredited service officers nationwide, who have represented more than 77,000 veterans for claims before the VA.

VVA offers disabled veterans and claimants a full-service Benefits Program. VVA assists all veterans, no matter when or where they served. This holds true whether the claimant is a VVA member or not. This is our way of ensuring that we live up to our founding principle, “Never again will one generation of veterans abandon another.” VVA representation is also provided free of charge to any individual seeking any VA benefits.

VVA’s Veterans Benefits Program has consistently maintained one of the highest favorable decision rates at the Board of Veterans Appeals. VVA’s attorneys won 80 percent of its cases. Due to our winning success rate, an ever-increasing number of claimants are requesting VVA representation and assistance. This year, veterans represented by VVA were issued over 2,000 new benefits awards. VVA filed 2,400 appeals and processed 738 appeals at the Board of Veterans Appeals.

Our Communications Department in 2019 provided greater public awareness about issues dealing with Vietnam-era veterans as well as challenges facing veterans of the Global War on Terror, working with national news media and by distributing information on an ongoing basis.

VVA continues to expand its reach with the use of electronic media. On the web, VVA can be found at vva.org. Our e-newsletter, *The Web Weekly*, provides our subscribers with the latest developments in veterans’ health and legislation. Our YouTube channels, Face Book pages, and use of twitter are further expanding our reach, and our number of followers continues to grow.

Now in its 39th year, our award-winning bimonthly news magazine, *The VVA Veteran*, continues to educate, excite, and energize our membership while broadcasting to the outside world what VVA does.

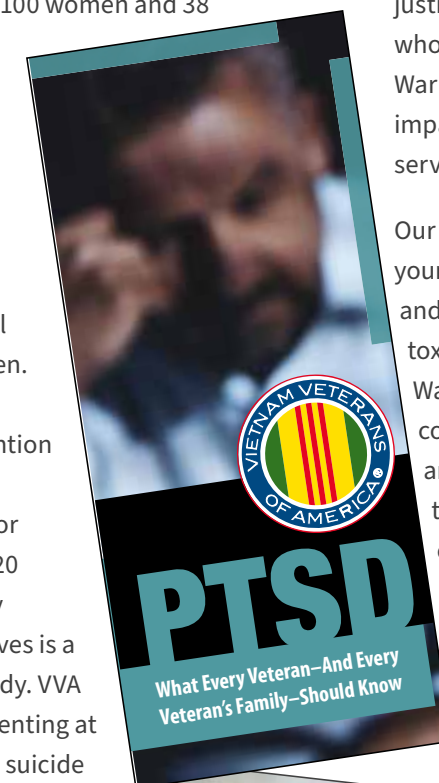
“The entire fabric of our being has been shaded, tinted, and shaped by our experiences and memories of war. No one gets a free pass.”

—Tom Hall, PH.D.

VIETNAM—PTSD AND SUICIDE PREVENTION

Veterans exposed to life-threatening experiences are at risk of developing Post-traumatic Stress Disorder. For Vietnam veterans, it is estimated that 30 out of every 100 veterans have had PTSD in their lifetime. Another cause of PTSD in the military is sexual harassment or sexual assault. Though military sexual trauma is more common in women, with 55 out of 100 women and 38 out of 100 men having experienced sexual harassment, over half of all veterans with military sexual trauma are men.

Suicide prevention remains a critical issue for all veterans—20 veterans a day ending their lives is a national tragedy. VVA has been presenting at workshops on suicide prevention, educating fellow veterans and family members to recognize early warning signs as well as prevention techniques. On Capitol Hill, we held a press conference to address PTSD and the treatment at the VA for those with less than honorable discharges.



Even the Air that You Breathe...

TOXIC EXPOSURES AMONG IRAQ AND AFGHANISTAN VETERANS

Toxic exposure symptoms are easily overlooked or may not show for years. This brochure is designed to make you aware of symptoms caused by exposures related to your military service so you may have an informed discussion with your doctor and family.

Vietnam—Lasting Legacies: The Legacy of Military Toxic Exposure

AGENT ORANGE AND OTHER TOXIC EXPOSURES

As early as 1979, VVA was testifying on Capitol Hill regarding the toxic effects of the herbicide Agent Orange. Our battle for healthcare and compensation for these invisible toxic wounds hasn't faltered. We are determined to achieve justice for Vietnam veterans as well as those who served in the Gulf War and the Global War on Terrorism, whose health has been impacted by toxicants from their military service.

Our lessons learned are being shared with our younger veterans, as they seek healthcare and recognition of their own military toxic exposures, whether during the Gulf War, Global War on Terror, or at home on contaminated bases. As too many veterans are unaware of the connection between their ill health and their service, we are engaged in outreach and education.

We continue to advocate and educate on behalf of those injured by chemicals in the Gulf War and the Global War on Terror.

This year, VVA convened 25 town halls to inform our veterans about their military exposures and learn about the effects on their progeny.

On Capitol Hill, we continue to advocate on behalf of all veterans exposed to herbicides, including those “Blue Water” veterans who served in the South China Sea, as well as those exposed in Thailand, Laos, Cambodia, the Philippines, Okinawa, Guam, Johnson Atoll, Panama, and elsewhere.



MEDIA FOREIGN FACEBOOK FAKES

When, in August 2017, we discovered a Facebook page, which included the fraudulent use of VVA’s name and followers to gain trust of its followers with 200,000 Facebook users. The page was engaged in spreading false news and divisive political content targeted at Vietnam veterans.

After months of our reporting being ignored by Facebook, we engaged the media. This drew the attention of legislators on Capitol Hill. Finally, we succeeded in having the page removed, only to find more pages with our name targeting veterans and troops.

We prepared a report and shared our findings to 13 congressional committees as well the FBI and the departments of Justice, Defense, and Veterans Affairs. Since then, we have discovered networks of accounts and pages that are targeting American Troops and veterans that originate in nearly 27 foreign countries—with patterns suggesting that our research and reporting have freed more than 20 Million Facebook users from inauthentic content.



BEWARE OF TROLLS!

Minerva Page
I really need a friend request for us to chat
to know more about each other hope to hear from
you soon.
Like Reply 10

We are engaged in an ongoing effort to educate our members on how they can verify the source of their information to ensure that they are not victims of foreign disinformation.



HOMELESS

VVA partnered with VA on FB live event featuring homelessness—Our VVA Homeless Task Force liaison Sharon Hodge partnered with experts from the VA to answer questions and provide resources for those facing homelessness.



RECOVERIES FROM THE WAR

Our number one priority remains the fullest possible accounting of America’s POWs/MIAs .

This year, our Veterans Initiative Program, launched in 1993, completed its 26th mission to Vietnam. For 22 days, the VI team travelled from North to South for meetings with Vietnamese veterans and officials at the national, province, district, and commune levels to share information leading to the recovering of the war dead. We returned maps and other fate-clarifying information to assist the Vietnamese in locating the remains of their war dead.

This year, the veterans of Quang Tri had recently assisted in the recovery of four sets of U.S. remains. On the Vietnamese side, this year, with information provided by VVA, 127 bodies had been recovered at Tan Son Nhut Air Base, and 76 bodies were recovered from a mass grave at the edge of Camp Carroll. To date, with the information VVA has



provided, 1,500 Vietnamese remains have been recovered from the war.

WOMEN VETERANS

Women veterans continue to encounter cultural roadblocks in a system that was largely designed to meet the needs of men.

VVA continues to advocate for timely and geographically accessible care for women veterans, stressing the need for gender-specific health care.

Thanks to the our efforts, women veteran program managers are now assigned to each VA regional office.



Our Vietnam Women veterans were honored on the PBS Capitol Concert Memorial Day tribute to women veterans



The eight daisies around the base of the helmet represent the eight women’s names on The Vietnam Veterans Memorial.

Women veterans celebrated the 25th Anniversary of the Vietnam Women’s Memorial on the Mall by hosting a reception for women veterans at the DAR building in downtown, D.C.



VETERANS AGAINST DRUGS PROGRAM

The Veterans Against Drugs Program continues to take hold across the nation as more and more chapters come on board amid the opioid epidemic to combat illegal drug use and violence. This year, we were able to expand our outreach at the National Boy Scouts of America jamboree. In West Virginia, the National Guard adopted our program to use with at-risk adolescents. The 7th Annual Veterans Against Drugs Skate-a-Thon was held in January with our VVA leadership on hand to greet our young guests.

ECONOMIC OPPORTUNITIES

Veteran unemployment is at its lowest in years. Despite our success in this arena, we remain committed to advocating and developing programs to improve the economic well-being of all veterans. Our goals remain to promote meaningful jobs in the public and private sectors,

job training for transitioning veterans, and promoting veterans in business. This year we focused on increasing contracting opportunities. We reviewed state labor laws, discussed strategies to win business, and trained veterans on how to execute contracts once they are awarded. We saw the successful passage of *The Veterans Care Financial Protection Act*, H.R. 3122, which aims to protect veterans from fraudulent and predatory scams.

HURRICANE RELIEF

When Hurricane Florence hit North Carolina, Our VVA NC State Council worked with the Cajun Navy and the Red Cross to reach those stranded by the high waters.

In Puerto Rico, in the wake of Hurricane Maria, the VVA PR State Council was out in force, assisting with recovery efforts, providing fuel, water, and provisions.



VVA chapters from around the country sent checks to support their efforts.

VETERANS TREATMENT COURTS

All too often, Vietnam veterans with unaddressed issues related to their combat experience—what, today, we refer to as PTSD—would find themselves in the justice system. Early on we formed VVA chapters inside prisons, and veterans on the outside gave their time and talent to assist these veterans who have run afoul of the law. We are proud that our work with veterans incarcerated has spawned Veterans Treatment Courts, and now, returning veterans struggling with PTSD and TBI who break the law can have a second chance. VVA members volunteer as mentors for their justice-involved brothers and sister and are there to provide support and ensure they get access to VA programs and much-needed counseling.

Vietnam — Lasting Legacies: VVA Ensures Vet Centers Are Here to Stay

In the early days after their return, Vietnam veterans were distrustful of the VA and wary of seeking help for their mental-health issues at VA facilities. Storefront counseling centers, “Vet Centers,” staffed by veterans and offering free, walk-in peer counseling, were located in the community as a way of circumventing the need to visit VA campus.

In 1979, the Vet Center Program was introduced as part of the *Vietnam*

Veterans Readjustment Counseling Act, and in continued until, in 1987, the VA attempted to relocate the Vet Centers to the campuses of the VA. With the help of the courts, VVA secured an injunction against the VA.

With the help of our allies on Capitol Hill, we were then able to secure a unanimous vote in Congress to permanently bar VA from relocating Vet Centers from the community to its medical facilities. Our support for the

Vet Centers has never wavered. This year, we surveyed our members regarding their experiences to ensure that the Vet Centers are meeting the needs of our veterans.

Today, thanks to VVA’s relentless advocacy, over 300,000 veterans, service members, and families received counseling at VA’s 300 Vet Centers and 80 Mobile Vet Centers.

JROTC Medal Program and Veterans in the Classroom



This year, VVA launched its JROTC scholarship program to include awards to go to the top three cadets (photo of top recipient). VVA chapters are working with JROTC units in their area schools to get the program in motion.

National Board of Directors



Photo by Michael Keating

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Justice System
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Beechurst, New York

Women Veterans
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Petaluma, California

Veterans Against Drugs
Dave Simmons
Bluefield, West Virginia

APPOINTMENTS

Household Goods Program
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Jupiter, Florida

National Chaplain
Father Phillip Salois
North Smithfield, Rhode Island

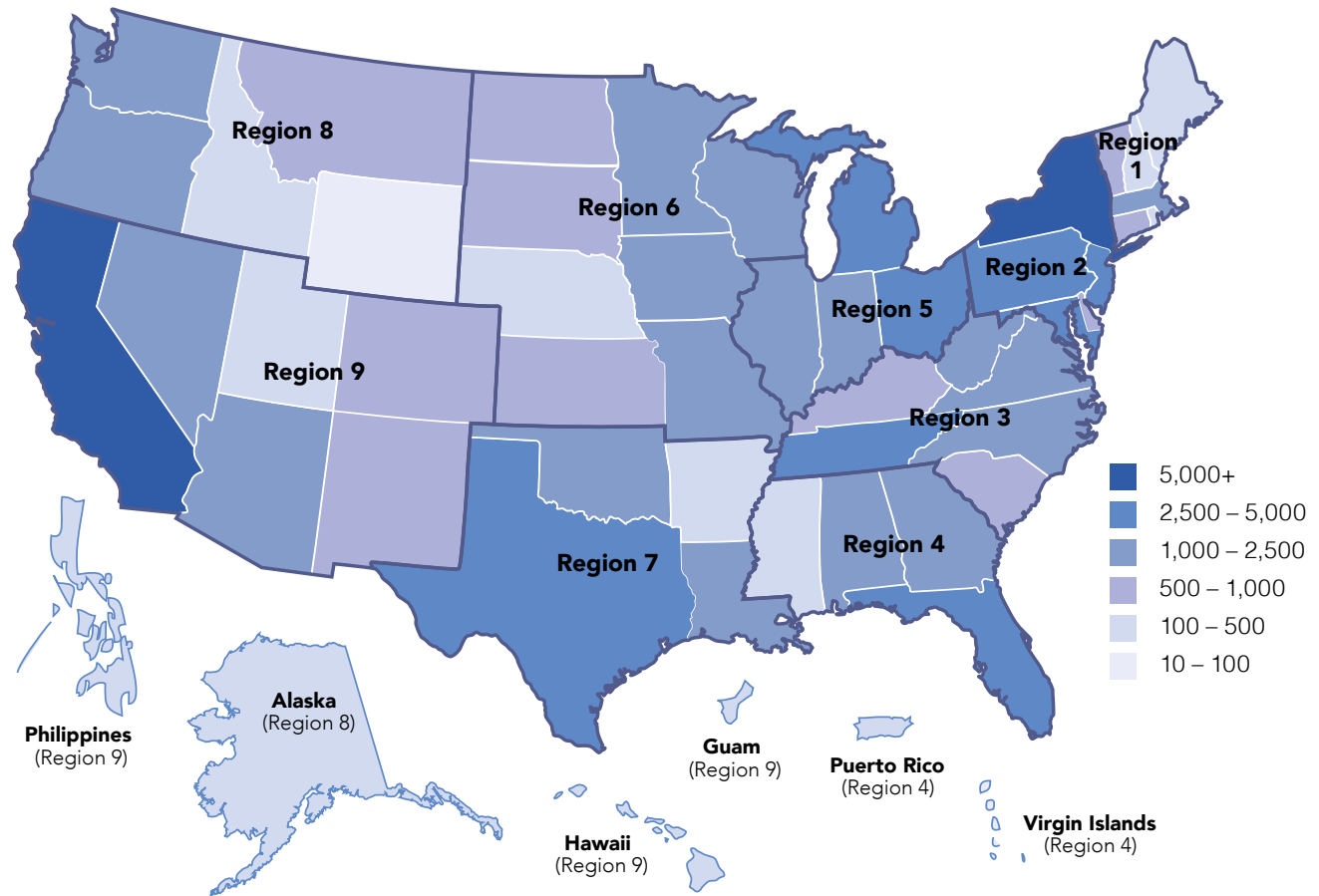
Sergeant-At-Arms
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Sidney, New York

VA Voluntary Service
Representative
Kenneth Rose
North Wales, Pennsylvania

Emeritus VA Voluntary Service
Representative
Judith McCombs
Brooklyn, New York



The Organization at a Glance



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- | | | |
|---------------------------------------|--|---------------------------------------|
| Alabama —Wayne Reynolds | Louisiana —Terry Courville | Ohio —Cliff Riley |
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| Kentucky —Jack Mattingly | North Dakota —Dan Stenvold | Wisconsin —Richard W. Lindbeck |

Much remains to be done.



Independent Auditors' Report

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Vietnam Veterans of America, Inc., which comprise the statements of financial position as of February 28, 2019, and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures

in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

OPINION

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Vietnam Veterans of America, Inc., as of February 28, 2019, and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Bethesda, Maryland July 31, 2019

7625 Wisconsin Avenue, Suite 317 | Bethesda, Maryland 20814

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| john@mullinspc.com

Statements of Financial Position

VIETNAM VETERANS OF AMERICA, INC. ★ FOR THE YEARS ENDED FEBRUARY 28, 2019, AND FEBRUARY 28, 2018

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets		
Undesignated Cash and Cash Equivalents	\$ 8,600,508	\$ 7,838,454
Accounts Receivable	827,396	583,280
Prepaid Expenses and Other Assets	<u>194,091</u>	<u>246,319</u>
Total Current Assets	<u>9,621,995</u>	<u>8,668,053</u>
Investments - at Market Value		
Undesignated	6,507,111	5,821,806
Designated for Life Memberships	<u>2,435,399</u>	<u>2,971,363</u>
Total Investments	<u>8,942,510</u>	<u>8,793,169</u>
Property and Equipment		
Furniture and Equipment	557,150	557,150
Software	<u>101,707</u>	<u>101,707</u>
Total Property and Equipment	658,857	658,857
Less Accumulated Depreciation and Amortization	<u>(483,813)</u>	<u>(407,087)</u>
Net Furniture and Equipment	<u>175,044</u>	<u>251,770</u>
Other Assets		
Deposits	33,559	33,559
Total Assets	<u>\$18,773,108</u>	<u>\$ 17,746,551</u>

See accompanying Notes to Financial Statements.

	<u>2019</u>	<u>2018</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 671,931	\$ 577,213
Accrued Expenses	<u>246,197</u>	<u>304,874</u>
Current Portion of Deferred Life Member Dues Payable to State Councils and Chapters	227,430	135,666
Deferred Revenue	<u>186,078</u>	<u>110,999</u>
Total Current Portion of Deferred Life Member Dues	<u>413,508</u>	<u>246,665</u>
Current Portion of Deferred Revenue	-	13,380
Current Portion of Capital Lease Obligations Due to State Councils and Chapters	<u>54,849</u>	<u>51,258</u>
	<u>246,395</u>	<u>259,328</u>
Total Current Liabilities	<u>1,632,880</u>	<u>1,452,718</u>
Long-Term Liabilities		
Deferred Life Member Dues, Net of Current Portion Payable to State Councils and Chapters	1,112,051	1,498,595
Deferred Revenue	<u>909,840</u>	<u>1,226,103</u>
Total Deferred Life Member Dues, Net of Current Portion	2,021,891	2,724,698
Capital Lease Obligations, Net of Current Portion	112,640	171,284
Deferred Rent Payable	<u>342,110</u>	<u>266,089</u>
Total Long-Term Liabilities	<u>2,476,641</u>	<u>3,162,071</u>
Total Liabilities	4,109,521	4,614,789
Net Assets Without Donor Restrictions	<u>14,663,587</u>	<u>13,131,762</u>
Total Liabilities and Net Assets	<u>\$18,773,108</u>	<u>\$ 17,746,551</u>

See accompanying Notes to Financial Statements.

Statements of Activities

VIETNAM VETERANS OF AMERICA, INC. ★ FOR THE YEARS ENDED FEBRUARY 28, 2019, AND FEBRUARY 28, 2018

	2019	2018
Revenues and Support		
Recycling Program Revenue	\$ 22,329,272	\$ 23,918,438
Less Recycling Program Cost	<u>(15,821,420)</u>	<u>(17,409,784)</u>
Net Recycling Program Revenue	6,507,852	6,508,654
VVA Veteran Newspaper	200,624	197,368
Membership Dues	247,052	341,517
Veterans Support Foundation Grant	231,082	261,583
Contributions	3,212,649	2,158,606
Convention/Conference	64,290	134,971
Royalties	73,283	62,958
Other	<u>8,976</u>	<u>25,538</u>
Total Revenues and Support	<u>10,545,808</u>	<u>9,691,195</u>
Expenses		
Program Services		
National Veterans' Programs	2,484,619	2,410,432
Communications and Public Affairs	1,348,613	1,341,825
Government Relations	835,012	899,627
Veterans' Benefits Program	<u>1,654,576</u>	<u>1,469,624</u>
Total Program Services	<u>6,322,820</u>	<u>6,121,508</u>
Supporting Services		
Support of Affiliates - State Councils and Chapters	245,891	240,802
General and Administrative	1,085,422	1,113,627
Membership Affairs	572,412	450,308
Fundraising	<u>998,841</u>	<u>910,548</u>
Total Supporting Services	<u>2,902,566</u>	<u>2,715,285</u>
Total Expenses	<u>9,225,386</u>	<u>8,836,793</u>
Change in Net Assets from Operations	1,320,422	854,402
Investment Income (Loss)	<u>211,403</u>	<u>985,215</u>
Change in Net Assets	1,531,825	1,839,617
Net Assets, Beginning of Year	<u>13,131,762</u>	<u>11,292,145</u>
Net Assets, End of Year	<u>\$14,663,587</u>	<u>\$ 13,131,762</u>

See accompanying Notes to Financial Statements.

Statements of Cash Flows

VIETNAM VETERANS OF AMERICA, INC. ★ FOR THE YEARS ENDED FEBRUARY 28, 2019, AND FEBRUARY 28, 2018

	2019	2018
Cash Flows from Operating Activities		
Change in Unrestricted Net Assets	\$ 1,531,825	\$ 1,839,617
Adjustments to Reconcile Change in Unrestricted Net Assets to Net Cash Provided by (Used in) Operating Activities		
Depreciation and Amortization	76,726	71,556
Loss on Disposal of Furniture and Equipment	-	29,186
Net (Gains) Losses on Investments	(11,566)	(797,052)
(Increase) Decrease in Assets		
Accounts Receivable	(244,116)	284,792
Prepaid Expenses and Other Assets	52,228	165,499
Deposits	-	1,000
Increase (Decrease) in Liabilities		
Accounts Payable	94,718	157,650
Accrued Expenses	(58,677)	32,900
Deferred Life Member Dues	(535,964)	(481,896)
Deferred Revenue	(13,380)	(33,779)
Due to State Councils and Chapters	(12,933)	126,344
Deferred Rent Payable	<u>76,021</u>	<u>(56,492)</u>
Net Cash Provided by (Used in) Operating Activities	<u>954,882</u>	<u>1,339,325</u>
Cash Flows from Investing Activities		
Purchases of Investments	(4,926,835)	(5,252,078)
Sales of Investments	<u>4,789,060</u>	<u>5,111,669</u>
Net Cash Provided by (Used in) Investing Activities	<u>(137,775)</u>	<u>(140,409)</u>
Cash Flows from Financing Activities		
Curtailments of Capital Lease Obligations	<u>(55,053)</u>	<u>(28,330)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	762,054	1,170,586
Cash and Cash Equivalents, Beginning of Year	<u>7,838,454</u>	<u>6,667,868</u>
Cash and Cash Equivalents, End of Year	<u>\$ 8,600,508</u>	<u>\$ 7,838,454</u>
Supplementary Disclosure of Cash Flow Information		
Cash Paid during the Year for Interest	\$ 11,088	\$ 8,833
Noncash Investing and Financing Activities		
Equipment Acquired with a Capital Lease	\$ -	\$ 76,317

See accompanying Notes to Financial Statements.

Notes to Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Vietnam Veterans of America, Inc., (VVA) was incorporated in February 1978. On May 23, 1986, VVA was granted a Congressional Charter in recognition of its activities on behalf of Vietnam veterans. Its primary purposes are to foster the improvement of the condition of Vietnam-era veterans; to promote social welfare (including educational, economic, physical, and cultural improvement) in the United States by encouraging the growth, development, readjustment, self-respect, self-confidence, and usefulness of Vietnam-era and other veterans; to improve conditions and channels of communication to assist Vietnam-era veterans; to assist disabled Vietnam-era veterans, other veterans, and the dependents and survivors of such veterans who are in need of assistance; and to give special recognition to the efforts of the members of VVA and Vietnam-era veterans for their helpfulness and service to their country.

Basis of Accounting

VVA prepares its financial statements on the accrual basis of accounting. Consequently, revenues are recognized when earned and expenses are recognized when the obligations are incurred.

VVA has adopted Accounting Standards Update 2014-16, Presentation of Financial Statements of Not-for-Profit Entities (Topic 958) (ASU 2014-16) for the year ended February 28, 2019. This standard was issued by the Financial Accounting Standards Board (FASB) to improve the previous net asset classification requirements and the information presented in financial statements and notes about a not-for-profit entity's liquidity, financial performance, and cash flows. ASU 2014-16 reduces the number of net assets classifications from three to two: with donor restrictions and without donor restrictions. The ASU also requires not-for-profits to report expenses by functional and natural classification in one location in the financial statements and requires not-for-profits to report quantitative and qualitative information about management of liquidity resources and availability of financial assets. As required by ASU 2014-16, VVA applied the requirements on a retrospective basis in the year of adoption. As a result, certain amounts presented in the prior year have been reclassified to conform to the new presentation. All amounts previously reported as "Unrestricted net assets" have been reclassified to be presented as "Net assets without donor restrictions." Similarly, all amounts previously reported as "Temporarily restricted net assets" and "Permanently restricted net assets" have been reclassified to be presented as "Net assets with donor restrictions." The changes in net assets have been similarly reclassified. There was no change in total net assets or total change in net assets as a result of the adoption of ASU 2014-16.

The financial statements of VVA have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which requires VVA to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of VVA. These net assets may be used at the discretion of management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of VVA or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

VVA had no net assets with donor restrictions as of February 28, 2019.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

For financial statement purposes, VVA considers certain money market funds and certificates of deposit to be cash equivalents. VVA's money market funds held within investments designated for deferred life member dues are considered long-term in nature and, therefore, are not considered cash equivalents.

Accounts Receivable

Accounts receivable are reported at their outstanding balances. Management periodically evaluates the adequacy of the allowance for doubtful accounts by considering VVA's past receivables loss experience,

known and inherent risks in the accounts receivable population, adverse situations that may affect a debtor's ability to pay, and current economic conditions.

The allowance for doubtful accounts is increased by charges to bad debts expense and decreased by charge offs of the accounts receivable balances. Accounts receivable are considered past due and charged off based on management's determination that they are uncollectible. As of both February 28, 2019 and 2018, management has determined that an allowance for doubtful accounts was not necessary.

Investments

VVA carries equity and debt securities at fair value. Any changes in fair value are recognized in the statements of activities and changes in net assets.

Property and Equipment

Property and equipment and software are recorded at cost and depreciated or amortized using the straight-line method over their estimated useful lives of three to five years. Land is recorded at cost and not depreciated or amortized. VVA's policy is to capitalize purchases over \$3,000. Only assets placed in service are depreciated or amortized.

When fully depreciated/amortized assets are disposed of, the cost of the asset and related accumulated depreciation/amortization are removed from the accounts.

Life Member Dues

As directed by the board of directors, all life member dues are segregated from the general operating funds. VVA uses a twelve-year amortization period over which to recognize life member dues revenue. A portion of the annually determined amount of the life member dues is recognized as revenue in the current period and the remaining portion is paid in the current period to state councils and chapters as their respective shares of the dues. The remaining unamortized balance is carried as a liability entitled Deferred Life Member Dues.

Membership Dues

Membership dues paid by VVA members include portions for both VVA and the respective state councils and chapters. Membership dues are recognized as revenue in the current period and the remaining portion, collected but not recognized as revenue by VVA is paid to the state councils and chapters as their respective shares. VVA recognizes membership dues received as membership dues revenue in the current period.

Recycling Program

VVA's Recycling Program involves the collection of discarded household items and automobiles from the community. The items collected are sold to contracted private companies. VVA deems the items collected to be simultaneously sold to the contracted private companies, without creating any inventory for VVA. Therefore, VVA does not present on its statements of activities and changes in net assets separate amounts for cost of items sold and contribution revenue, both in an amount equal to recycling program revenue, which represents the fair value of the items collected. Recycling program cost presented in the statements of activities and changes in net assets represents VVA's solicitation costs for generating the items collected and sales costs for selling the items. The revenue generated from such sales is exempt from income taxes under the Internal Revenue Code.

Convention and Leadership Conference
VVA sponsors its convention and leadership conference biannually in alternating years. The convention is held in odd-numbered years and the leadership conference is held in even-numbered years. VVA held a convention during the fiscal year 2018, and a leadership conference during the fiscal year 2019.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Functional Expense Allocation

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, occupancy and office expenses, depreciation, information technology costs, and insurance have been allocated among the programs and supporting services benefits allocated on the basis of employee time and effort.

Income Tax Status

VVA is exempt from the payment of income taxes on its exempt activities under Section 501(c)(19) of the Internal Revenue Code (IRC). Contributions to VVA qualify as charitable contributions as defined in IRC Section 170(c). Income, if any, from unrelated business activities is subject to tax.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, VVA may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of VVA and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal years 2019 and 2018.

VVA's policy would be to recognize interest and penalties, if any, on tax positions related to its unrecognized tax benefits in income tax expense in the financial statements. No interest and penalties were assessed or recorded during fiscal years 2019 and 2018.

VVA's Forms 990, Return of Organization Exempt from Income Tax, that have been filed as of February 28, 2019, for the years ended February 28, 2018, February 28, 2017, and February 29, 2016, are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. VVA has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

Upcoming Accounting Pronouncements

In May 2014, the FASB issued a new standard, ASU 2014-09, Revenue from Contracts with Customers, which outlines a single comprehensive standard for revenue recognition across all industries and supersedes most existing revenue recognition guidance. The core principle of the standard is that an entity should recognize revenue when it satisfies a performance obligation at an amount that reflects the consideration the entity expects to receive in exchange for transferring goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The standard will be effective for the fiscal year beginning January 1, 2019.

In February 2016, the FASB issued ASU 2016-02, Lease Amendments to the FASB Accounting Standards Codification (Topic 842), which amends the recognition of lease assets by organizations. The new standards require a lessee to recognize assets and liabilities for leases with lease terms of 12 or more months, in addition to modifications improvements on lessor accounting, in conjunction with the new guidance on revenue recognition noted above in ASU-2014-09. Additional disclosures will be required for the amount, timing, and uncertainty of cash flows arising from leases, and the standard will be effective for fiscal years beginning January 1, 2020.

Subsequent Events

Management has evaluated subsequent events through July 31, 2019 the date which the financial statements were available to be issued. The accompanying financial statements recognize the effects of subsequent events that provided evidence about conditions that existed at the statement of financial position date, including the estimates inherent in the process of preparing financial statements. The accompanying financial statements do not recognize the effect of subsequent events with conditions that did not exist at the statement of financial position date, but disclosures of such events, if any, are included in the accompanying notes.

CONCENTRATION OF CREDIT RISK

VVA maintains its cash accounts and certificates of deposit in banks that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Funds held by these banks in excess of the FDIC limits were approximately \$2,373,000 as of February 28, 2019, and approximately \$1,762,000 as of February 28, 2018. Management does not feel this poses a risk to VVA.

At February 28, 2019 and 2018, additional amounts were invested in repurchase agreements of approximately \$4,266,000 and \$3,498,000, respectively that were not covered by insurance. VVA has a security interest in all securities purchased under the repurchase agreements.

LIFE MEMBERSHIPS

Life memberships are offered to VVA members at a fixed amount. In exchange for these dues, VVA is obligated to provide various services to these members for the duration of their lives. VVA has designated funds for providing future services, equivalent to the deferred revenue and liability due to the state councils and chapters. As of February 28, 2019 and 2018, VVA had \$2,435,374 and \$2,971,338, respectively, of designated investments.

INVESTMENTS

Financial assets measured using Level 1 inputs are based on unadjusted quoted market prices in active markets for identical assets. Level 2 inputs, if any, include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from observable market data. Level 3 inputs, if any, are obtained from the entity's own assumptions. As of February 28, 2019, VVA's investments and their fair values consisted of the following:

	Fair Value	Level 1 Inputs
February 28, 2019		
Money Market Funds	\$ 2,883,351	\$ 2,883,351
Mutual Fund Equities	2,364,072	2,364,072
Corporate Equities	3,695,087	3,695,087
Total	\$ 8,942,510	\$ 8,942,510

As of February 28, 2018, VVA's investments and their fair values consisted of the following:

	Fair Value	Level 1 Inputs
February 28, 2017		
Money Market Funds	\$ 377,520	\$ 377,520
Mutual Fund Equities	77,412	77,412
Corporate Equities	3,366,350	3,366,350
Fixed Income Securities	552,721	552,721
Mutual Funds - Fixed Income	4,419,166	4,419,166
Total	\$ 8,793,169	\$ 8,793,169

None of VVA's investments are valued using Level 2 or Level 3 inputs.

Investment income consisted of the following at February 28, 2019 and February 29, 2018:

	2019	2018
Interest and Dividends	\$ 199,837	\$ 188,163
Realized Gains (Losses) on Investments	(248,205)	50,519
Unrealized Gains (Losses) on Investments	259,771	746,533
	\$ 211,403	\$ 985,215

NET ASSETS

There were no net assets with donor restrictions as of February 28, 2019. Net assets without donor restrictions as of February 28, 2019 were undesignated.

RETIREMENT PLAN

VVA has a defined contribution plan under Internal Revenue Code Section 401(k), covering all employees over the age of 21 after one year of service. Employees of VVA may elect to make pre-tax contributions to the Plan at a rate that may not exceed a dollar limit that is set by law. VVA may make a discretionary matching contribution at a rate determined by the board of directors. During the years ended February 28, 2019 and 2018, VVA matched up to 4% of an employee's contribution.

LEASE OBLIGATIONS

Capital Lease Obligations

VVA is obligated under multiple capital lease arrangements for office equipment. The leases bear interest at approximately 4.6% to 6.0% annually. Monthly payments range from \$315 to \$5,160 with maturity dates through October 2022.

Future minimum lease payments are as follows:

For the Years Ending February 28,		
2020	71,849	
2021	50,916	
2022	63,131	
2023	13,646	
Total Future Minimum Lease Payments	199,542	
Interest Portion of Lease Payments	(32,053)	
Net Present Value of Lease Payments	\$ 167,489	

As of February 28, 2019, equipment and accumulated amortization under capital leases were approximately \$286,000 and \$132,000, respectively. As of February 28, 2018, equipment and accumulated amortization under capital leases were approximately \$286,000 and \$75,000, respectively. Amortization expense for equipment under capital leases was approximately \$57,000 and \$44,000, respectively, for the years ended February 28, 2019 and 2018.

Operating Lease Obligations

VVA leases its office facilities under an operating lease that expires in November 2020. During the year ended February 28, 2019, the lease was modified to extend the termination date to November 2028. The lease stipulates a 4% increase in rent per annum, and VVA is responsible for its proportionate share of operating expenses and real estate taxes. Rental expense for office facilities for the years ended February 28, 2019 and 2018, amounted to approximately \$433,000 and \$490,000, respectively.

Future minimum rental commitments are as follows:

For the Years Ending February 28,	
2020	\$ 578,907
2021	447,076
2022	533,985
2023	555,344
2024	577,558
Thereafter	3,077,615
Total	\$5,751,646

AVAILABILITY AND LIQUIDITY

The following represents the VVA's financial assets at February 28, 2019:

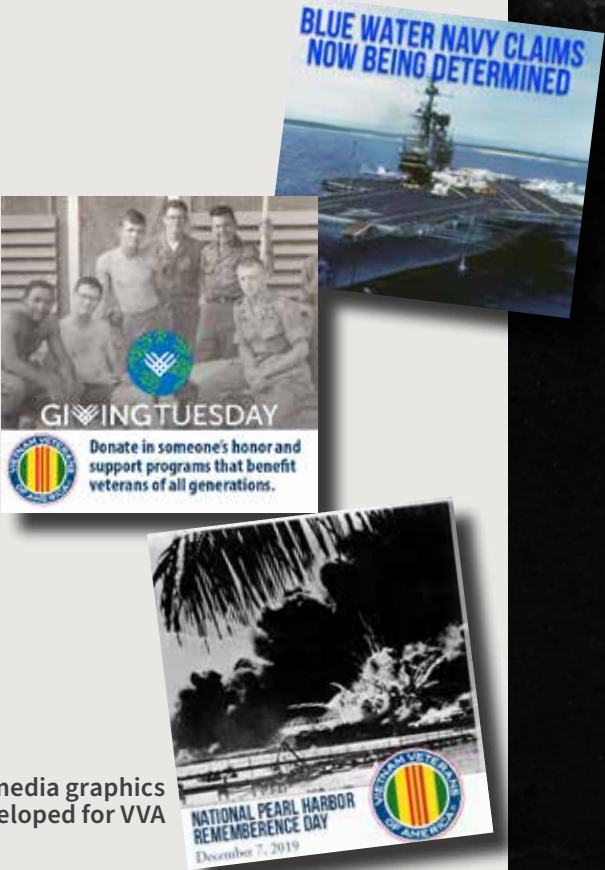
Financial Assets at Year End:	
Undesignated Cash and Cash Equivalents	\$ 8,600,508
Accounts Receivable	827,396
Investments	6,507,111

Total Financial Assets 15,935,015

Less Amounts Not Available To Be Used Within One Year:	
Net Assets With Donor Restrictions	-
Less: Net Assets With Purpose Restrictions	-
To Be Met in Less Than a Year	-
Quasi Endowment Established by the Board	-

Financial Assets Available to Meet General Expenditures Over the Next Twelve Months 15,935,015

As part of VVA's liquidity management plan, cash in excess of daily requirements is transferred to income-generating accounts, when practical.



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