

★★★★★ WE ARE ★★★★★
LEADING
THE **CHALLENGE** TO DO
≡≡≡ what is **right** ≡≡≡
for **America** and its 
VETERANS.





Vision:

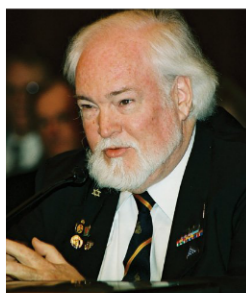
We are leading the challenge to do what is right for America and its veterans.

Mission:

Using the shared vision of our membership, we aggressively advocate on issues important to veterans; provide programs and services that improve the well-being of all veterans and their families; and serve our communities.

VVA: 34 Years in Service to America

A Letter from the President



**We embrace
THESE NEWLY MINTED
VETERANS AS OUR OWN;
SOME OF THEM EVEN
SERVED WITH US IN
VIETNAM; MANY OF
THEM ARE,
IN FACT, OUR SONS
AND DAUGHTERS.**

It has been forty years since the last U.S. combat troops pulled out of South Vietnam, ending what was then America's longest war. For the 9 million of our fellow citizens who wore the uniform, and for the 2.8 million of us who served in the Southeast Asian theater, the war was over, or so we thought. We learned quickly that though the shooting had stopped, the war had not ended for us.

Unlike our fathers and uncles, who came home to a grateful nation, our return was greeted with indifference or contempt. For far too long, citizens of all political persuasions blamed those of us who served for the failures of those who led. This adversity we faced upon our return home gave us our strength. We recognized that we could only make it better for the generations of veterans to come.

As you will see in the pages that follow, we remain at the front in the battle for justice, ensuring that our nation keeps its promise to all who served, no matter their war. We will always live up to our founding principle: Never again will one generation of veterans abandon another.

And we know we have much work yet to do to assist our younger brother and sister veterans, who look to us for mentorship and leadership—the list is long, from toxic battlefield exposures, Post-traumatic Stress Disorder, Homelessness, military sexual trauma, joblessness, employment, education, adjustment, suicide prevention, and more.

We embrace these newly minted veterans as our own; some of them even served with us in Vietnam; many of them are, in fact, our sons and daughters. While attention has appropriately been accorded them, we must never forget that every veteran, regardless of when or where they served, deserves the respect of a grateful nation. Vietnam Veterans of America will be here as long as it takes to get the job done.

Sincerely,

A handwritten signature in blue ink, appearing to read "John Rowan".

John Rowan
President, Vietnam Veterans of America

A person wearing a black t-shirt with the text "AND THE BODY COUNT CONTINUES" and a black cap is using a hammer and chisel to clean a wall covered in names. The wall is dark and the names are light-colored. The person is seen from the back, and the hammer is raised high. The wall is covered in many names, some of which are being chipped away by the hammer. The person is wearing a black t-shirt with the text "AND THE BODY COUNT CONTINUES" in yellow and orange. They are also wearing a black cap and khaki pants. The wall they are cleaning is dark and covered in many names, some of which are being chipped away by the hammer. The person is seen from the back, and the hammer is raised high. The wall is covered in many names, some of which are being chipped away by the hammer. The person is wearing a black t-shirt with the text "AND THE BODY COUNT CONTINUES" in yellow and orange. They are also wearing a black cap and khaki pants. The wall they are cleaning is dark and covered in many names, some of which are being chipped away by the hammer. The person is seen from the back, and the hammer is raised high. The wall is covered in many names, some of which are being chipped away by the hammer.

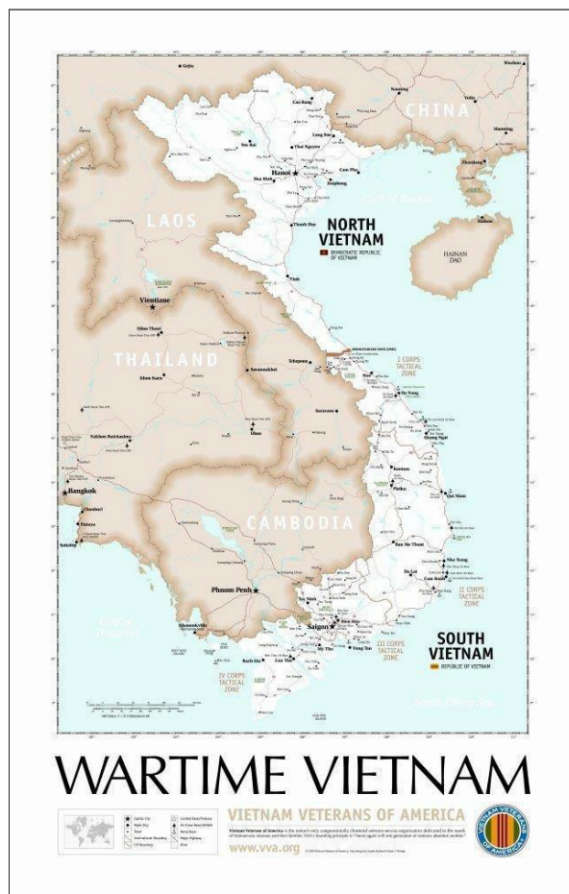
OVERVIEW 2012-2013

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 34TH 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 US TO REACH OUT TO OUR NEWER VETERANS IN MANY WAYS.

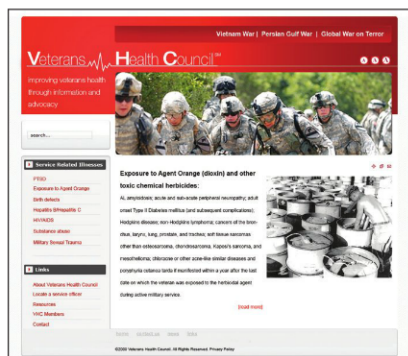
VVA has grown from humble beginnings in 1978 into one of our nation's most respected and successful veterans' service organizations on the national, state, and local levels. The organization's many successes are a direct result of the hard work of thousands of dedicated men and women: our members; our national committee and task force chairs; our national officers; and the staff at our national headquarters in Silver Spring, Maryland.

Our national membership continues to grow. We now have **over 70 thousand members, with 651 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 7,800 members with 13 state-level organizations.

As you can see in the pages that follow, the members of VVA, a 501(c)(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 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.



Watch "Who We Are" to learn more about how VVA began and what we've accomplished for Vietnam veterans as well as for veterans of later conflicts.



Additional digital resources

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.org—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**. With fighting raging in Afghanistan and Iraq, VVA is determined that adequate healthcare services are available for our returning troops as well as for Vietnam veterans. Among this year's victories was **securing unprecedented funding increases for the VA's healthcare budget**.

VVA was victorious in its efforts to have the Department of Veterans Affairs conduct a follow-up study to the **National Vietnam Veterans Longitudinal Study** of 20 years ago. This epidemiological study of Vietnam-era military service members study is underway, and when completed, will provide valuable insight into the long-term effects of combat-related PTSD and other mental disorders.

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 working to insure that the **claims backlog is reduced**, and veterans are provided timely and quality services at all VA facilities.

VVA maintains a **strong and aggressive Veterans Benefits Program**. Unlike other areas of 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 initial application for

VA benefits. In an effort 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 utilizing a veterans' service organization such as VVA. Today, we have approximately **700 accredited service officers nationwide**, who represent more than 30,000 veterans for claims before the Department of Veterans Affairs.

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.

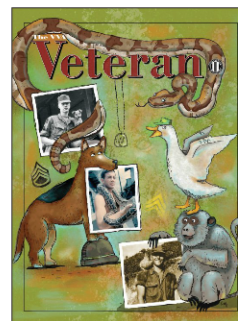
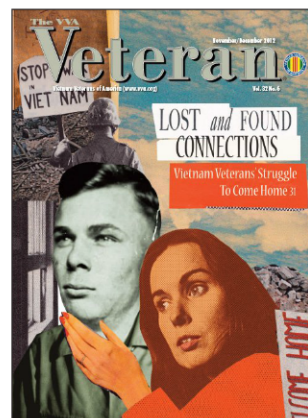
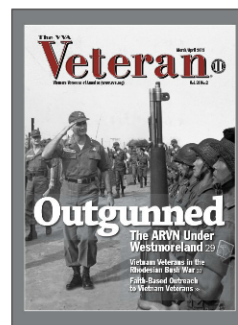
VVA's Veterans Benefits Program has consistently maintained one of the highest favorable decision rates at the **Board of Veterans Appeals**. Due to our winning success rate, an ever-increasing number of claimants are requesting VVA representation and assistance. Through the Veterans Benefits Program, VVA provides the professional representation necessary for the successful disposition of BVA appeals.

Our **Communications Department** in 2013 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.



continues to grow. *The VVA Veteran*, VVA's bimonthly news magazine, received the **2013 Apex Award** in the category of "writing series."

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



The VVA Veteran, VVA's award-winning, bimonthly news magazine, is mailed to VVA members and subscribers; to all Members of Congress; to Vet Centers and VA Medical Centers; as well as to libraries and educational institutions.



HIGHLIGHTS 2012–2013

“THE WILLINGNESS WITH WHICH OUR YOUNG PEOPLE ARE LIKELY TO SERVE IN ANY WAR, NO MATTER HOW JUSTIFIED, SHALL BE DIRECTLY PROPORTIONAL AS TO HOW THEY PERCEIVE THE VETERANS OF EARLIER WARS WERE TREATED AND APPRECIATED BY THEIR NATION.”

—GEORGE WASHINGTON, 1789

VVA WILL BE HERE AS LONG AS IT TAKES TO MAKE SURE THAT THOSE WHO SERVE OUR COUNTRY RECEIVE THE CARE AND RESPECT THEY HAVE EARNED.

WOMEN VETERANS

VVA has been a leading and persistent voice about Military Sexual Trauma, pushing for recognition of the seriousness and extent of this institutional disorder and its effects on the morale, esprit de corps, and combat readiness of today's service members. At long last this issue is subject of countless hearing on Capitol Hill, and finally there is hope that **MST victims will be afforded some level of protection for speaking out**, and we will no longer hear of incidents where they have been labeled with "personality disorders" and booted out of the military.



As a result of VVA's advocacy, the "Long-term Health Outcomes of Women Veterans Service During the Vietnam Era" is underway, with the first wave of the study begun in May—it is the most comprehensive examination of Vietnam-era women veterans to date and is designed to evaluate the long-term mental and physical health effects of military service in women during the Vietnam era.



Memorial Day 2013

The members of Vietnam Veterans of America Chapter 641 in Silver Spring, Maryland, wash the Vietnam Veterans Memorial every first Saturday, April to November.



HOMELESS VETERANS

VVA continues at the forefront of the fight to end homelessness. In this third year of VA Secretary Shinseki's five-year plan to end homelessness among our nation's veterans, **homelessness has fallen since 2009 by 17.2 percent.** Still, on a single night in January 2012, more than 62,500 veterans were identified as being homeless.

VVA continues to advocate and educate on innovative approaches to addressing the Homeless challenge, including presenting training on topics such as working with women veterans—the fastest growing population among homeless veterans. In expert testimony delivered before the Senate Veterans Affairs Committee, VVA was unrelenting in its push for the further expansion of the Special Needs Grants under the Homeless Grant and Per Diem programs.

VVA is a champion of the Missing in America project, which provides for the reclamation and dignified burial of veterans' remains abandoned at local coroner's offices and funeral homes. **Currently the project operates in 14 states**, and VVA is working toward ensuring that it is operated in all 50 states and the territories. This year, VVA was triumphant in achieving the passage of legislation which directs the VA to ensure that deceased veterans with no known next of kin can receive a dignified burial.

Yet another victory for VVA was the successful passage of the "Clothe a Homeless Hero Act," which directs the Transportation Security Administration to transfer unclaimed clothing recovered at airport security checkpoints to local veterans' organizations and other local charitable organizations for distribution to homeless veterans.

EMPLOYMENT AND ECONOMIC OPPORTUNITY

With nearly a million unemployed veterans in America, VVA continues to work with top VA leadership to ensure resources are in place to foster independence among veterans, particularly recently separated and disabled veterans, with a focus on the real unemployment problems facing the National Guard and Reserves, as well as transitioning military/veterans.

VVA succeeded in its fight to secure legislation to stop predatory schools that receive veterans' GI Bill funds without providing adequate training for securing jobs or granting valid degrees. Now student veterans are able to get the very best out of the GI Bill.

VVA has long been active in the realm of preserving Veterans Preference and ensuring that the federal government has real programs to hire and train veterans. In July, VVA saw the implementation of one of its legislative priorities, the VOW to Hire Heroes Act of 2011. This bill provides unemployed veterans of past eras with up to one year of additional GI bill benefits; it offers tax incentives for hiring unemployed veterans; and it provides for expanded education and training benefits and programs to enhance the seamless transition from the military to the civilian sector.

PRISONERS OF WAR/MISSING IN ACTION

The fullest possible accounting of POW/MIAs is VVA's top priority, with its highest priority, the accounting for those last-known alive—those known to be in captivity in Vietnam, Laos, and Cambodia who were not returned at the end of the war.

VVA continues to work toward the fullest possible accounting on multiple fronts—with government agencies charged with the mission of personnel recovery; with the National League of Families; with our chapters and state councils; and with former adversaries in Vietnam and elsewhere. Committee members continue to **reach out to fellow veterans and review archival records** in their search of fate-clarifying information that will assist in the search for the missing.

Since 1994, VVA's Veterans Initiative Program has supported the efforts of the joint POW/MIA Accounting Command in its mission to account for Americans listed as POW or MIA. By returning artifacts taken during the war and by helping locate gravesites of Vietnamese soldiers, VVA encourages Vietnamese witnesses to assist in the location and recovery of Americans still listed as missing. VVA's outreach to Vietnam veterans of the former Soviet Union yielded the turnover of the shoot down coordinates of U.S. pilots, information that proved invaluable in the accounting effort. This year, VVA stood firm in its support for the US-Russia Joint Commission on POW/MIAs, knowing only too well how the value of sharing recollections with former foes can shed light on the fates of those lost so long ago.

AGENT ORANGE/DIOXIN AND TOXIC EXPOSURES



VVA is committed to ensuring that all veterans exposed during their service receive the care and compensation they have earned by their service to our nation. This includes those who served in Vietnam, Thailand, Cambodia, Korea, and Laos, as well as the Blue Water Navy veterans, who have been denied coverage for health issues related to their exposures to herbicides while in the seas adjacent to Vietnam; those who flew on C-123s; and those who

In Southeast Asia, toxic herbicides were sprayed from fixed wing and rotary aircraft, trucks, and backpack sprayers to clear vegetation around fire bases, landing zones, and along river banks. These herbicides were also used at military installations and other facilities on and outside the U.S. mainland.





To celebrate Memorial Day 2012, VVA attended the 25th Rolling Thunder motorcycle rally in Washington, D.C., and asked Vietnam veterans what they know about AO.



Jack McManus was part of Operation Ranch Hand during his military service in the Vietnam War. His mission was to spray the herbicide Agent Orange across Vietnam via aircraft. He now works to inform other veterans, their children, and the general public about what Agent Orange was and why the companies that manufactured it need to release more information about how it was made, where it was used and what was in it.

served on certain military installations and other facilities on and outside the continental U.S., including Guam, Puerto Rico, Hawaii, Johnson Island, Ft. Detrick, and elsewhere.

VVA provided expert testimony before the Institute of Medicine, providing the latest science on the toxicity of dioxin for the committee's review, in its continuing push for research on the health effects of all toxic chemicals used in Vietnam. At long last, the Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012 was signed into law, enabling the VA to provide health benefits to the Navy and Marine veterans and their families diagnosed with diseases related to water contamination at Camp Lejeune, North Carolina, between 1957 and 1987.

VVA was rewarded for its advocacy of behalf of the newer veterans with the passage of legislation requiring the VA to establish a registry for troops and veterans who lived and worked near open-air burn pits used to dispose waste in Iraq, Afghanistan, and elsewhere overseas.

Our fight doesn't end with the veteran. We are now engaged in a fierce battle for the innocent victims of our long-ago war—our children, and their children's children, whose health has been compromised by our exposure during service. The generational legacy of toxic exposures is now a top legislative priority for Vietnam Veterans of America.

PTSD AND SUBSTANCE ABUSE

The link between PTSD and Suicide is Strong. With the high rate of suicide amongst recently returned troops, as well as those who returned from our war more than forty years ago, VVA continues to advocate and educate, encouraging all veterans to see that no veteran is left alone in a moment of need.

VVA's Post-traumatic Stress Disorder/Substance Abuse Committee worked closely with the National Suicide Prevention Resource Center, the Substance Abuse and Mental Health Services, and the National Center for PTSD to identify barriers and explore new avenues for care and treatment for those veterans with PTSD. In Washington, VVA pushed for the Department of Defense and the Department of Veterans Affairs to implement systems that have been researched and shown to more accurately assess PTSD.

Prior to PTSD being recognized as an invisible wound of war, a number of Vietnam veterans suffering from post-traumatic stress were discharged under other-than-honorable conditions, thus making them ineligible for

disability compensation and other benefits. In December 2012, **VVA joined a class-action lawsuit against the four branches of service**, contending that the military has refused to review or upgrade the discharge statuses of thousands of Vietnam War-era veterans with service-related PTSD. The lawsuit is ongoing.

MINORITY VETERANS

VVA's strength lies in the diversity of its membership. Our mission is to help veterans who served during the Vietnam era, without regard to race, creed, color, religion, sex, sexual preference, or national origin.

This year, VVA joined with the United South and Eastern Tribes in support of the Seminole Tribe of Florida's proposal for a monument to be built in our nation's capital that will honor the contributions and sacrifices of the American Indian/Alaskan Native soldier.

The VVA Minority Affairs Committee continues to **spread the word among the ethnic minority veterans regarding the services provided** by the VA, all the while ensuring that the VA is adequately serving minority veterans. This year's outreach included the Chicano Hispanic Congressional Caucus; the Congressional Black Caucus Foundation; the NAACP; and the Asian Pacific American Institute for Congressional Studies.

VETERANS HEALTH COUNCIL

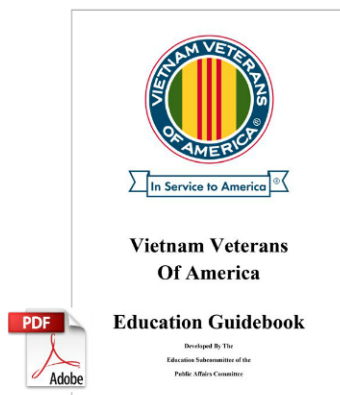


The Veterans Health Council (VHC) continues in its efforts to both educate and inform America's veterans, their families, and fellow partners in the health-care community about the health risks associated with military service. The Veterans Health Council website,

veteranshealth.org, has proved to be a go-to source for our health care affiliates; the VHC brochure have been distributed nationwide through such public events as the NASCAR races; the NAACP annual meeting; the



VVA's Leadership Conference was held in Irving, Texas. It was a great time of learning, training, and camaraderie. Steve Kroft of 60 Minutes was the keynote speaker.



On Valentine's Day 2013, Veterans Against Drugs hosted their 2nd Annual All Skate Free Event near VVA's National Office in Silver Spring, Maryland. It was a fun event for the entire community, as well as a great opportunity for everyone to learn more about Vets Against Drugs and their mission to help keep America free from drug and alcohol addiction.

United Auto Workers Veterans Conference; and the American Osteopathic Association.

The VHC continues to expand its reach by developing educational outreach initiatives, providing expert testimony on Capitol Hill, and conducting briefings and presentations at professional meetings, trainings and academic conferences.

EDUCATION

Scores of students and researchers contact VVA every year. These requests are distributed to our members who have volunteered to serve as primary sources regarding the Vietnam War and its aftermath. In addition to conducting individual interviews, our members also visit their local elementary and high schools to educate students about the history of the Vietnam War and their homecoming. VVA's recently updated Education Guide is available on www.vva.org.

VETERANS AGAINST DRUGS AND VIOLENCE

VVA's Veterans Against Drugs and Violence Program—now being implemented in 39 states—is hard at work getting the anti-drug and -violence message out to children and parents across our nation. With a focus on patriotism, the curricula revolve around a core set of values: respect and camaraderie; loyalty and compassion; honesty and integrity; meaningful achievement; and advocacy.

Each VAD project is tailored to the local community; **on Valentine's Day 2013, Veterans Against Drugs hosted the 2nd Annual All Skate Free Event** near VVA's National Office in Silver Spring, Maryland. It was a fun event for the entire community, as well as a great opportunity for everyone to learn more about Vets Against Drugs and their mission to help keep America free from drug and alcohol addiction.

In February, the committee participated in the National Community Anti-Drug Coalitions of America Conference, where it hosted a booth and shared information about the VAD program. They distributed the powerful video produced with the incarcerated veterans of VVA Chapter 689, Angola, Louisiana, who shared their experienced with drugs and alcohol, revealing how their uses led to their downfall and incarceration, in anticipation that the youth of today will heed their message to not follow in their footsteps.

VETERANS INCARCERATED

VVA continues to support legislation to facilitate the establishment of Veterans Treatment Courts, which provide for compassionate responses by the criminal justice system to many veterans who have served honorably in the armed forces.

Vietnam veterans serve as volunteer mentors, dedicated to helping those who have been less fortunate in the transition from the military to civilian life. The mentor's presence and dedication are critical to the success of the courts.

As a result of VVA's advocacy, these **Veterans Courts have been established in dozens of jurisdictions across the nation**, and the courts are succeeding in getting the mental-health and substance-abuse help needed by veterans who have been arrested for non-violent offenses.

THE FIFTIETH ANNIVERSARY COMMEMORATION OF VIETNAM WAR

Veterans Day saw the launch of the 50th Anniversary of the Commemoration of the Vietnam War. The new VVA outreach tent on the Mall at the Vietnam Veterans Memorial was a draw. Complete with logos and a wartime map of Vietnam, it drew potential members from across the nation, who were given business cards with state council contact information.



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Lowell, Indiana

Veterans Incarcerated

Terry Hubert
Washoe Valley, Nevada

Women Veterans

Marsha Four
Springfield, Pennsylvania

Veterans Against Drugs

Dave Simmons
Bluefield, West Virginia

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Father Phillip Salois
North Smithfield, Rhode Island

Sergeant-At-Arms

Grant Coates
Sidney, New York

Parliamentarian

Michael Swift
Baltimore, Maryland

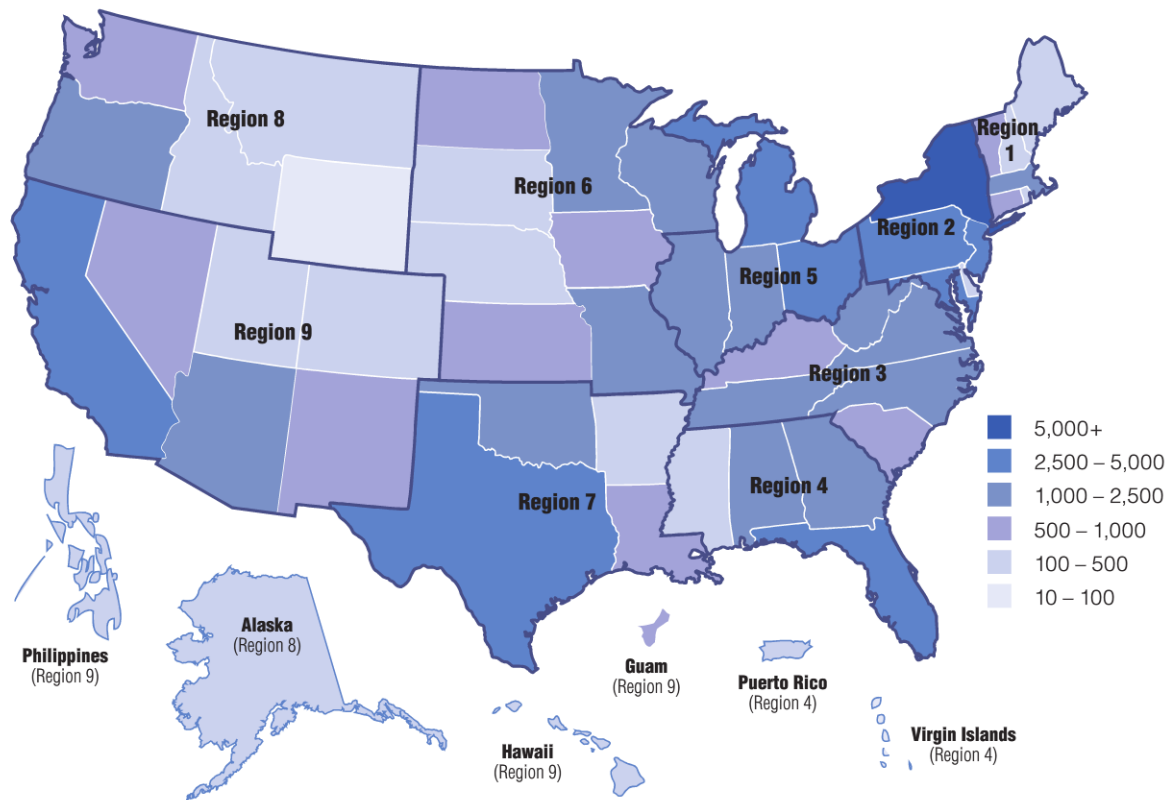
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**Representative
Judith McCombs**
Brooklyn, New York

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THE ORGANIZATION AT A GLANCE



VVA's State Council Presidents and Directors en route to Capitol Hill: Vietnam Veterans of America will be here as long as it takes to make sure that those who serve our nation receive the care and respect they have earned.



Click to watch video.



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, 2013, and February 29, 2012, and the related statements of activities and changes in net assets, 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.

The Board of Directors, Vietnam Veterans of America, Inc.

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, 2013, and February 29, 2012, 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.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland • Certified Public Accountants

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Financial Statements

VIETNAM VETERANS OF AMERICA, INC. ★ For the Years Ended February 28, 2013, and February 29, 2012

	2013	2012
Assets		
Current Assets		
Undesignated Cash and Cash Equivalents	\$ 4,735,327	\$ 4,924,816
Accounts Receivable	802,082	872,479
Prepaid Expenses and Other Assets	93,157	30,206
Total Current Assets	5,630,566	5,827,501
Investments - at Market Value		
Undesignated	3,280,566	2,872,516
Designated for Life Memberships	3,215,260	3,107,686
Total Investments	6,495,826	5,980,202
Property and Equipment		
Furniture and Equipment	293,961	346,220
Software	242,722	233,295
Total Property and Equipment	536,683	579,515
Less Accumulated Depreciation	(345,804)	(225,348)
Net Furniture and Equipment	190,879	354,167
Other Assets		
Deposits	41,819	41,819
Total Assets	\$ 12,359,090	\$ 12,203,689

See accompanying Notes to Financial Statements.

Statements of Financial Position

VIETNAM VETERANS OF AMERICA, INC. ★ For the Years Ended February 28, 2013, and February 29, 2012

	2013	2012
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 881,305	\$ 1,481,097
Accrued Expenses	230,232	213,194
Current Portion of Deferred Life Member Dues		
Payable to State Councils and Chapters	115,199	112,045
Deferred Revenue	94,254	91,673
Total Current Portion of		
Deferred Life Member Dues	209,453	203,718
Current Portion of Deferred Revenue	93,510	80,649
Current Portion of Capital Lease Obligations	43,029	38,949
Due to State Councils and Chapters	264,302	283,780
Total Current Liabilities	1,721,831	2,301,387
Long-Term Liabilities		
Deferred Life Member Dues, Net of Current Portion		
Payable to State Councils and Chapters	1,575,237	1,620,542
Deferred Revenue	1,430,570	1,283,426
Total Deferred Life Member Dues,		
Net of Current Portion	3,005,807	2,903,968
Deferred Revenue, Net of Current Portion	62,400	80,019
Capital Lease Obligations, Net of Current Portion	53,941	82,946
Deferred Rent Payable	350,458	311,640
Total Long-Term Liabilities	3,472,606	3,378,573
Total Liabilities	5,194,437	5,679,960
Unrestricted Net Assets	7,164,653	6,523,729
Total Liabilities and Net Assets	\$ 12,359,090	\$ 12,203,689

See accompanying Notes to Financial Statements.

Statements of Activities and Changes in Net Assets

VIETNAM VETERANS OF AMERICA, INC. ★ For the Years Ended February 28, 2013, and February 29, 2012

	2013	2012
Revenues and Support		
Recycling Program Revenue	\$ 30,305,181	\$ 29,052,066
Less Recycling Program Cost	(24,862,315)	(24,865,098)
Net Recycling Program Revenue	5,442,866	4,186,968
VVA Veteran Newspaper	154,124	116,904
Membership Dues	296,300	354,972
Veterans Support Foundation Grant	200,000	100,000
Contributions	1,351,911	1,717,734
Convention/Conference	106,965	145,489
Royalties	255,064	121,293
Other	58,113	67,538
Total Revenues and Support	7,865,343	6,810,898
Expenses		
Program Services		
National Veterans' Programs	2,015,602	2,030,200
Communications and Public Affairs	1,078,257	1,040,468
Government Relations	729,591	737,249
Veterans' Benefits Program	1,275,415	1,165,217
Total Program Services	5,098,865	4,973,134
Supporting Services		
Support of Affiliates - State Councils and Chapters	214,380	209,663
General and Administrative	1,175,773	1,226,732
Membership Affairs	455,225	441,455
Fund-Raising	842,482	774,118
Total Supporting Services	2,687,860	2,651,968
Total Expenses	7,786,725	7,625,102
Change in Unrestricted Net Assets from Operations	78,618	(814,204)
Investment Income (Loss)	562,306	172,243
Change in Unrestricted Net Assets	640,924	(641,961)
Unrestricted Net Assets, Beginning of Year	6,523,729	7,165,690
Unrestricted Net Assets, End of Year	\$ 7,164,653	\$ 6,523,729

See accompanying Notes to Financial Statements.

Statements of Cash Flows

VIETNAM VETERANS OF AMERICA, INC. ★ For the Years Ended February 28, 2013, and February 29, 2012

	2013	2012
Cash Flows from Operating Activities		
Change in Unrestricted Net Assets	\$ 640,924	\$ (641,961)
Adjustments to Reconcile Change in Unrestricted Net		
Assets to Net Cash Provided by (Used in) Operating Activities		
Depreciation and Amortization	191,589	130,043
Net Realized and Unrealized (Gains) Losses on Investments	(428,252)	(30,637)
(Increase) Decrease in Assets		
Accounts Receivable	70,397	(95,275)
Prepaid Expenses and Other Assets	(62,951)	252,918
Increase (Decrease) in Liabilities		
Accounts Payable	(599,792)	296,438
Accrued Expenses	17,038	25,186
Deferred Life Member Dues	107,574	122,576
Deferred Revenue	(4,758)	(25,535)
Due to State Councils and Chapters	(19,478)	(105,407)
Due to Associates of Vietnam Veterans of America, Inc.	—	(7,371)
Deferred Rent Payable	38,818	55,738
Net Cash Provided by (Used in) Operating Activities	(48,891)	(23,287)
Cash Flows from Investing Activities		
Purchases of Investments	(5,288,224)	(5,383,224)
Sales of Investments	5,200,852	4,968,154
Purchases of Furniture and Equipment	(11,456)	(12,476)
Net Cash Provided by (Used in) Investing Activities	(98,828)	(427,546)
Cash Flows from Financing Activities		
Curtailments of Capital Lease Obligations	(41,770)	(42,844)
Net Increase (Decrease) in Cash and Cash Equivalents	(189,489)	(493,677)
Cash and Cash Equivalents, Beginning of Year	4,924,816	5,418,493
Cash and Cash Equivalents, End of Year	\$ 4,735,327	\$ 4,924,816
Supplementary Disclosure of Cash Flow Information		
Cash Paid During the Year for Interest	\$ 3,208	\$ 4,176

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.

Basin 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.

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 February 28, 2013, and February 29, 2012, 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

Furniture and equipment and software are recorded at cost and depreciated using the straight-line method over their estimated useful lives of three to five years. VVA's policy is to capitalize purchases over \$2,000. Only assets placed in service are depreciated.

When fully depreciated assets are disposed of, the cost of the asset and related accumulated depreciation 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 fifteen-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

Annual membership dues paid by VVA members include portions for both VVA and the respective state councils and chapters. Annual 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 one-year membership dues received as membership dues revenue in the current period. VVA recognizes three-year membership dues on a prorated basis. The unamortized portion is recorded as deferred revenue.

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 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 ended February 29, 2012, and a leadership conference during the fiscal year ended February 28, 2013.

Functional Expense Allocation

The costs of providing VVA's various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and supporting services benefited.

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.

As of February 28, 2013, VVA's information returns filed with the Internal Revenue Service for the years ended February 28, 2012, 2011, and 2010 remain open for examination.

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 2013 and 2012.

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 2013 and 2012.

VVA's Forms 990, *Return of Organization Exempt from Income Tax*, that have been filed as of February 28, 2013, for fiscal years 2012, 2011, and 2010 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

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 \$108,000 as of February 28, 2013, and \$146,000 as of February 29, 2012. Management does not feel this poses a risk to VVA. At February 28, 2013, and February 29, 2012, additional amounts were invested in repurchase agreements of approximately \$1,822,000 and \$1,425,000 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 depending on the age of the member. 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, 2013, and February 29, 2012, VVA had \$3,215,260 and \$3,107,686, respectively, of designated investments.

RELATED PARTY TRANSACTIONS

VVA was awarded grants in the amount of \$200,000 and \$100,000, respectively, from Veterans Support Foundation (VSF), which are included in revenues and support, for the years ended February 28, 2013, and February 29, 2012. The funds are used by VVA to support the veterans' benefits program. VSF is a related party through administrative management members in common.

VVA also provides minimal support and supplies to the operations of VSF. At February 28, 2013, and February 29, 2012, VSF owed VVA approximately \$3,000 and \$7,000, respectively, for salaries and other miscellaneous charges.

Included in the accounts receivable at February 28, 2013, is \$1,686 of reimbursable expenses paid by VVA on behalf of the Associates of Vietnam Veterans of America (AVVA). As of February 29, 2012, there was no receivable or payable balance to AVVA. The president of AVVA is a non-voting member of the VVA board. VVA also provides minimal support and supplies to the operations of AVVA.

INVESTMENTS

As of February 28, 2013, and February 29, 2012, VVA's investments and their fair values consisted of the following:

	Fair Value	Level 1 Inputs
February 28, 2013		
Money Market Funds	\$ 205,686	\$ 205,686
Corporate Equities	6,290,140	6,290,140
Total	\$ 6,495,826	\$ 6,495,826

Fair Value	Level 1 Inputs	
February 29, 2012		
Money Market Funds	\$ 389,963	\$ 389,963
Corporate Equities	3,864,144	3,864,144
Mutual Funds – Fixed Income	1,726,095	1,726,095
Total	\$ 5,980,202	\$ 5,980,202

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

Investment income consisted of the following at February 28, 2013, and February 29, 2012:

	2013	2012
Interest and Dividends	\$ 134,054	\$ 141,606
Realized Gains on Investments	159,811	91,840
Unrealized Gains (Losses) on Investments	268,441	(61,203)
Total	\$ 562,306	\$ 172,243

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 2013, VVA matched up to 1% of an employee's contribution. No matching contributions were made during 2012.

LEASE OBLIGATIONS

Capital Lease Obligations

VVA is obligated under multiple capital lease arrangements for office equipment. The leases bear interest at approximately 2% to 8.25% annually. Monthly payments range from \$222 to \$1,350 with maturity dates through February 2017.

Future minimum lease payments are as follows:

For the Years Ending February 28,	
2014	\$ 45,059
2015	45,059
2016	6,110
2017	3,780
Total Future Minimum Lease Payments	100,008
Interest Portion of Lease Payments	(3,038)
Net Present Value of Lease Payments	\$ 96,970

As of February 28, 2013, equipment and accumulated amortization under capital leases were approximately \$211,845 and \$130,000, respectively. As of February 29, 2012, equipment and accumulated amortization under capital leases were approximately \$195,000 and \$88,000, respectively. Amortization expense for equipment under capital leases was approximately \$42,000 and \$39,000 for the years ended February 28, 2013, and February 29, 2012, respectively.

Operating Lease Obligations

VVA leases its office facilities under an operating lease that expires in November 2020. 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, 2013, and February 29, 2012, amounted to approximately \$477,000 and \$447,000, respectively. Future minimum rental commitments are as follows:

For the Years Ending February 28,	
2014	\$ 457,518
2015	475,819
2016	494,852
2017	514,646
2018	535,232
Thereafter	1,582,624
Total	\$4,060,691

SUBSEQUENT EVENTS

VVA has evaluated subsequent events through July 3, 2013, the date on which the financial statements were available to be issued.



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