

SERVING THEN. SERVING NOW.



2014 ANNUAL REPORT



In Service to America from Vietnam
to the Global War on Terrorism



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: 35 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.**

As long as our forces are in harm's way, there is a reservoir of support and sympathy for their sacrifices, which translates into protected funding for VA Personnel and programs. Once the shooting ceases and our troops return home, even though the VA will just be beginning the enormous task of dealing with their wounds, both physical and mental, for the rest of their days, it may be that Congress, reflecting what may be the public's view, may no longer be so generous.

Vietnam veterans know this only too well.

It has been 41 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.

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 continue to embrace as our own the newest generation of veterans who have served with distinction in Southwest Asia and elsewhere; 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 black ink, appearing to read "John Rowan".

John Rowan
President, Vietnam Veterans of America



Vietnam Veterans of America remains 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



OVERVIEW 2013–2014

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 35th 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 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 72 thousand members, with over 650 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 8,200 members with 12 state-level organizations.

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 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.



**“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.”**

*Watch “Who We Are”
to learn more about how
VVA began and what we’ve
accomplished for Vietnam
veterans and veterans
of later conflicts.*

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. VVA is determined that adequate healthcare services are available for our returning troops as well as for Vietnam veterans.

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 **900 accredited service officers nationwide**, who represent nearly **50 thousand veterans** for claims before the Department of Veterans Affairs. This year, veterans and dependents represented by **VVA received a total of \$357.5 million** in compensation, pension, and Death and Indemnity Compensation.

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 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 2014 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 distributing information on an ongoing basis.

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 Face Book pages are further expanding our reach as our number of followers continues to expand. *The VVA Veteran*, VVA's award-winning, bimonthly news magazine, received the 2014 Apex Award in the print category of "Magazines, Journals & Tabloids."



Through the addition of video, VVA has expanded its reach on YouTube and has developed a video-based training library for use by veterans service officers.



Vietnam Veterans of America,
Our fight doesn't end with
the veterans. We are now engaged in
a fierce battle for the innocent victims of war,
the children and grandchildren of our nation's
service members, whose health has been
compromised by their parents exposure to toxic
chemicals during service.



2013-2014

VVA's highest priority is 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.

Since 1994, VVA's Veterans Initiative Program has supported the efforts of the Department of Defense 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 listed as missing. In July, VVA's president met with the president of Vietnam, who expressed his deep gratitude for VVA's assistance in obtaining information on their 300,000 missing.

In this fourth year of the VA's five-year plan to end homelessness, the overall rate of homeless among veterans has decreased, still on a single night in January, 58,000 homeless veterans were on the streets. VVA is on the frontlines in this battle against homelessness, delivering testimony to Congress and working with national and community service providers to identify and overcome barriers facing our homeless veterans.



On April 30, 1968, Louis F. Guillemin disappeared over Laos. In 1988, Chapter 436 of Chester County, Pennsylvania, received its charter and named the chapter in honor of its missing native son. The crash site of Guillemin's plane was discovered in 2006; with the assistance of DNA analysis, he was positively identified in 2013. In October, Maj. Guillemin was buried next to his parents with full military honors, with VVA Chapter 436 members there to assist with the ceremonies and to pay their respects for Guillemin's supreme sacrifice to our nation.



Chapter 32, Queens, New York, assumes responsibility for the final care of veterans who are indigent or who have no surviving family, seeing to it that these veterans receive a decent burial at a national cemetery—VVA continues to help local chapters work with community funeral directors to identify unclaimed remains.



This year, VVA joined in the celebration of the 20th Anniversary of the dedication of the Vietnam Women's Memorial.

One of VVA's legislative priorities was addressed with the passage of a bill allowing for the expansion of the VA's Special Needs Grants. As a result, the children of male veterans join the children of female veterans in being able to receive services directly through the Grant and Per Diem Program. The program was slated to expire, however it was extended one year. VVA continues to advocate for the permanent authorization of this Special Needs grant program.

EMPLOYMENT AND ECONOMIC OPPORTUNITY

Unemployment continues to plague our returning veterans. VVA has been working with the Department of Labor to ensure that the Transition Assistance Program helps separating and demobilized service members learn about their options for employment. This year's victory was the partnership with the Chamber of Commerce Foundation's Hiring 500,000 Heroes, a national campaign to engage the business community to commit to hiring half a million veterans and military spouses by the end of 2014.

VVA continues its work with top VA leadership to ensure the resources are there to foster independence among veterans, particularly recently separated and disabled veterans, with a focus on the real unemployment problems. On Capitol Hill, VVA is working to reform the Veterans Employment Training Program so that it actually matches veterans with jobs.

MINORITY VETERANS

VVA's strength lies in the diversity of its membership, and our mission is to help all veterans, without regard to race, creed, color, religion, sex, sexual preference, or national origin. The Minority Affairs Committee continues its education campaign to inform veterans of the services provided by the VA. This year's outreach included the NAACP, the Native American Veterans Association, and the Congressional Black Caucus Foundation. In Washington, VVA works with the Department of Veterans Affairs and Congress to ensure that ethnic minority veterans are receiving equal treatment and services.

Forty-two thousand Native Americans served in Vietnam; they suffered the highest per capita rate of wounded or killed of any ethnic group, yet their service and sacrifice is not commemorated in the nation's capitol. VVA has appointed Stephen Bowers of the Seminole Nation as liaison to the American Indian tribal organizations across the country and has pledged its support for the American Indian Veterans Memorial Initiative to place a statue on the National Mall that properly recognizes the service and sacrifice of American Indian, Alaskan Native, and Native Hawaiian veterans.

AGENT ORANGE/DIOXIN AND TOXIC EXPOSURES



VVA is committed to ensuring that all veterans exposed to toxic chemicals during their service receive the care and compensation they have earned by their service to our nation. 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 our grandchildren, whose health has been compromised by our exposure during service. The legacy of toxic exposures is now a top legislative priority.



**LET US NOT FORGET
THAT LONG AFTER
TAPS HAS ECHOED
OVER THE GRAVE OF
THE LAST VETERAN,
THE AGENT ORANGE
LEGACY WILL LIVE ON
IN OUR OFFSPRING,
AND THAT IS WHY IT
IS IMPORTANT FOR US
TO GET ANSWERS AND
ACTION BEFORE WE
LEAVE THIS WORLD.**

— Alan Oates

This was a record year for educating the public and veterans about Agent Orange and other toxic chemicals. Agent Orange town hall meetings were held in sixteen states, and over 30,000 copies of *The VVA Self Help Guide to Service Connected Disability Compensation for Exposure to Agent Orange* were distributed.

VVA's grassroots advocacy efforts were rewarded on Capitol Hill with the introduction by of the Toxic Exposure Research and Military Family Support Act of 2013, which calls for a national center within the VA for the research and treatment of health conditions of the children and grandchildren of veterans exposed to toxic substances during service in the Armed Forces.



PTSD AND SUBSTANCE ABUSE

With the high rate of suicide amongst recently returned troops and the even higher rate of suicide among those who returned from our war more than forty years ago, VVA is working harder than ever on suicide prevention and education, encouraging all veterans to see that no veteran is left alone in a moment of need.

VVA's PTSD and Substance Abuse Committee continues to work with Congress to ensure that the Departments of Defense and Veterans Affairs develop, fund, and implement evidenced-based treatment programs. VVA also works with the National Suicide Prevention Resource Center; the Substance Abuse and Mental Health Services; and the National Center for PTSD to explore new avenues for care and treatment.

The invisible wounds of war are shared by too many young veterans of recent wars. Veteran-to-veteran interaction can have a profound effect in coping with these wounds. This

year, in response to VVA's advocacy efforts, the VA has authorized 800 peer-support specialists in the area of mental health.

THE VETERANS HEALTH COUNCIL

VVA's Veterans Health Council continues to inform America's veterans, their families, and the health care community about health conditions associated with military service. In addition to presenting testimony before Congress and federal agencies, the VHC participated in national health-education

Three women, with their fathers who served in Vietnam, gave brave and heartfelt testimony on Capitol Hill about why they—and their children—need the Toxic Exposure Research and Military Family Support Act to become a law.



campaigns focusing on prostate cancer screening, lung cancer screening, military sexual assault, suicide, and other mental health issues related to one's military service.

This year, the VHC entered into a partnership with the NAACP to explore ways to focus attention by African Americans on health issues associated with their military service. The VHC continues to expand its partnerships with health advocacy and professional organizations such as the American Academy of Nursing, and the Veterans Council of the American Federation of Government Employees.

EDUCATION

Students with an interest in the Vietnam War contact our national office in search of veterans to interview. These requests are distributed to our members who have volunteered to serve as primary sources regarding the 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.

VETERANS AGAINST DRUGS AND VIOLENCE

VVA's Veterans Against Drugs and Violence Program 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 project is tailored to the local community; In February, the third annual "All Skate Free" event was held in Silver Spring, Maryland. While serving cookies and distributing coloring books to the young skaters, VVA was able to engage the parents, spreading the word about VVA's mission to prevent drug and alcohol addiction among our nation's youth.

At the national level, the committee worked hard to spread the word about the perils of prescription drugs, encouraging all to participate in the National Prescription Drug Take-Back Day.



Programs such as Asheville, NC, Chapter 124's Operation Old Flag retirement ceremony teach citizens about the U.S. Flag Code, displaying the appropriate, dignified way to destroy old, tattered, and worn flags no longer fit for display.



VETERANS INCARCERATED

VVA continues to push for 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, and their 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 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.

WOMEN VETERANS

VVA's Women Veterans Committee has worked tirelessly over the past 35 years to close the gender gap in services provided to our women veterans. As a leading and persistent voice on Military Sexual Trauma, VVA continues to push 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. This issue continues to be the 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.

At a November press conference on Capitol Hill, VVA affirmed its unequivocal support for the proposed "Military Justice Improvement Act," which provides an independent route outside the chain of command for victims of rape and sexual assault in the military to prosecute attackers.



2013 VVA Convention Highlights



This year was the 30th anniversary of VVA's founding convention, and with almost 800 delegates, it was our largest convention ever. Sadly many of the issues that Vietnam veterans faced on coming home are still pertinent to the nation's newest veterans and remain at the top of VVA's legislative agenda.

PTSD claims resulting from Military Sexual Trauma are being denied by the Department of Veterans Affairs at a significantly higher rate than other PTSD claimants. In June, VVA and the Service Women's Action Network joined forces to correct this injustice by petitioning the VA to revise their claim review process for veterans suffering from PTSD caused by military rape, harassment, and/or assault.



On Valentine's Day 2014, Veterans Against Drugs hosted their 3rd 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.

Vets Against Drugs Annual All Skate 2014



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Lowell, Indiana

Veterans Incarcerated
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Women Veterans
Kate O'Hare-Palmer
California

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Parliamentarian
Michael Swift
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**VA Voluntary Service
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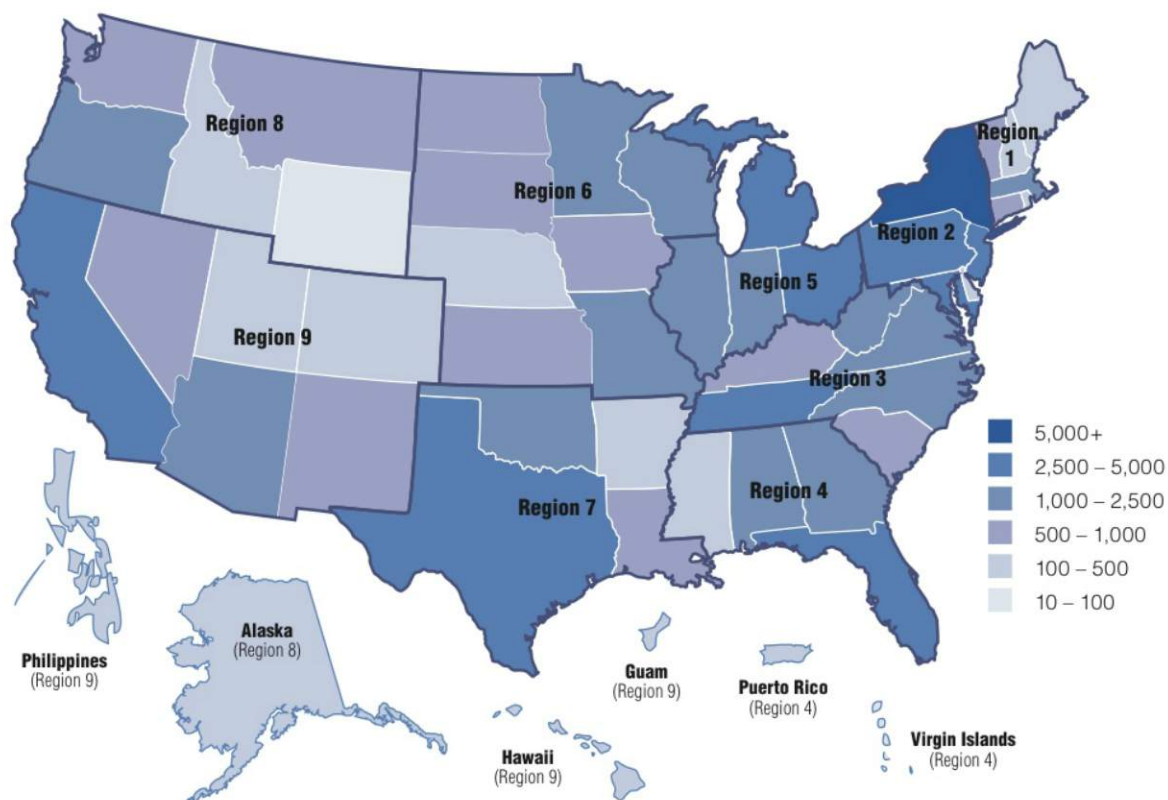
Virginia — Charlie Montgomery

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West Virginia — Dave Simmons

Wisconsin — Richard W. Lindbeck

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.](#)



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, 2014 and 2013, 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 from 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, 2014 and 2013, 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
June 24, 2014

COUNCILOR BUCHANAN MITCHELL, CPAs AND BUSINESS ADVISORS
7910 WOODMONT AVENUE SUITE 500 BETHESDA, MARYLAND 20814-3048 301.986.0600 WWW.CBMCPA.COM

Statements of Financial Position

VIETNAM VETERANS OF AMERICA, INC. ★ For the Years Ended February 28, 2014 and 2013

	2014	2013
Assets		
Current Assets		
Undesignated Cash and Cash Equivalents	\$ 5,403,276	\$ 4,735,327
Accounts Receivable	459,369	802,082
Prepaid Expenses and Other Assets	266,490	93,157
Total Current Assets	6,129,135	5,630,566
Investments - at Market Value		
Undesignated	4,190,144	3,280,566
Designated for Life Memberships	3,216,973	3,215,260
Total Investments	7,407,117	6,495,826
Property and Equipment		
Furniture and Equipment	293,961	293,961
Software	217,887	242,722
Total Property and Equipment	511,848	536,683
Less Accumulated Depreciation	(423,571)	(345,804)
Net Property and Equipment	88,277	190,879
Other Assets		
Deposits	41,559	41,819
Total Assets	\$ 13,666,088	\$ 12,359,090

See accompanying Notes to Financial Statements.

Statements of Financial Position

VIETNAM VETERANS OF AMERICA, INC. ★ For the Years Ended February 28, 2014 and 2013

	2014	2013
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 709,512	\$ 881,305
Accrued Expenses	233,387	230,232
Current Portion of Deferred Life Member Dues		
Payable to State Councils and Chapters	115,609	115,199
Deferred Revenue	94,589	94,254
Total Current Portion of		
Deferred Life Member Dues	210,198	209,453
Current Portion of Deferred Revenue	332,794	93,510
Current Portion of Capital Lease Obligations	37,495	43,029
Due to State Councils and Chapters	209,859	264,302
Total Current Liabilities	1,733,245	1,721,831
Long-Term Liabilities		
Deferred Life Member Dues, Net of Current Portion		
Payable to State Councils and Chapters	1,315,376	1,575,237
Deferred Revenue	1,691,399	1,430,570
Total Deferred Life Member Dues,		
Net of Current Portion	3,006,775	3,005,807
Deferred Revenue, Net of Current Portion	39,050	62,400
Capital Lease Obligations, Net of Current Portion	9,820	53,941
Deferred Rent Payable	371,679	350,458
Total Long-Term Liabilities	3,427,324	3,472,606
Total Liabilities	5,160,569	5,194,437
Unrestricted Net Assets	8,505,519	7,164,653
Total Liabilities and Net Assets	\$ 13,666,088	\$ 12,359,090

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, 2014 and 2013

	2014	2013
Revenues and Support		
Recycling Program Revenue	\$ 30,740,816	\$ 30,305,181
Less Recycling Program Cost	(24,938,537)	(24,862,315)
Net Recycling Program Revenue	5,802,279	5,442,866
VVA Veteran Newspaper	181,516	154,124
Membership Dues	332,456	296,300
Veterans Support Foundation Grant	165,600	200,000
Contributions	1,716,514	1,351,911
Convention/Conference	216,204	106,965
Royalties	98,322	255,064
Other	37,205	58,113
Total Revenues and Support	8,550,096	7,865,343
Expenses		
Program Services		
National Veterans' Programs	2,754,256	2,015,602
Communications and Public Affairs	1,098,706	1,078,257
Government Relations	694,751	729,591
Veterans' Benefits Program	1,150,833	1,275,415
Total Program Services	5,698,546	5,098,865
Supporting Services		
Support of Affiliates - State Councils and Chapters	205,292	214,380
General and Administrative	1,088,488	1,175,773
Membership Affairs	445,650	455,225
Fund-Raising	711,915	842,482
Total Supporting Services	2,451,345	2,687,860
Total Expenses	8,149,891	7,786,725
Change in Unrestricted Net Assets from Operations	400,205	78,618
Investment Income (Loss)	940,661	562,306
Change in Unrestricted Net Assets	1,340,866	640,924
Unrestricted Net Assets, Beginning of Year	7,164,653	6,523,729
Unrestricted Net Assets, End of Year	\$ 8,505,519	\$ 7,164,653

See accompanying Notes to Financial Statements.

Statements of Cash Flows

VIETNAM VETERANS OF AMERICA, INC. ★ For the Years Ended February 28, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities		
Change in Unrestricted Net Assets	\$ 1,340,866	\$ 640,924
Adjustments to Reconcile Change in Unrestricted Net		
Assets to Net Cash Provided by (Used in) Operating Activities		
Depreciation and Amortization	102,600	191,589
Net Realized and Unrealized (Gains) Losses on Investments	(842,445)	(428,252)
(Increase) Decrease in Assets		
Accounts Receivable	342,713	70,397
Prepaid Expenses and Other Assets	(173,333)	(62,951)
Deposits	260	—
Increase (Decrease) in Liabilities		
Accounts Payable	(171,793)	(599,792)
Accrued Expenses	3,155	17,038
Deferred Life Member Dues	1,713	107,574
Deferred Revenue	215,934	(4,758)
Due to State Councils and Chapters	(54,443)	(19,478)
Deferred Rent Payable	21,223	38,818
Net Cash Provided by (Used in) Operating Activities	786,450	(48,891)
Cash Flows from Investing Activities		
Purchases of Investments	(3,266,427)	(5,288,224)
Sales of Investments	3,197,581	5,200,852
Purchases of Furniture and Equipment	—	(11,456)
Net Cash Provided by (Used in) Investing Activities	(68,846)	(98,828)
Cash Flows from Financing Activities		
Curtailments of Capital Lease Obligations	(49,655)	(41,770)
Net Increase (Decrease) in Cash and Cash Equivalents	667,949	(189,489)
Cash and Cash Equivalents, Beginning of Year	4,735,327	4,924,816
Cash and Cash Equivalents, End of Year	\$ 5,403,276	\$ 4,735,327
Supplementary Disclosure of Cash Flow Information		
Cash Paid During the Year for Interest	\$ 1,476	\$ 3,208

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.

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, 2014 and 2013, 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 reported 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 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 ended February 28, 2014, 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.

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 2014 and 2013.

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 2014 and 2013.

VVA's Forms 990, *Return of Organization Exempt from Income Tax*, that have been filed as of February 28, 2014, for the years ended February 28, 2013, February 29, 2012, and February 28, 2011, 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 \$-0- as of February 28, 2014, and approximately \$108,000 as of February 28, 2013. Management does not feel this poses a risk to VVA. At February 28, 2014 and 2013, additional amounts were invested in repurchase agreements of approximately \$2,188,000 and \$1,822,000, 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 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, 2014 and 2013, VVA had \$3,216,973 and \$3,215,260, respectively, of designated investments.

INVESTMENTS

As of February 28, 2014 and 2013, VVA's investments and their fair values consisted of the following:

	Fair Value	Level 1 Inputs
February 28, 2014		
Money Market Funds	\$ 479,716	\$ 479,716
Corporate Equities	4,263,028	4,263,028
Corporate Bonds	2,664,373	2,664,373
Mutual Funds - Fixed Income	—	—
Total	\$ 7,407,117	\$ 7,407,117

	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

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, 2014 and 2013:

	2014	2013
Interest and Dividends	\$ 98,216	\$ 134,054
Realized Gains on Investments	531,031	159,811
Unrealized Gains (Losses) on Investments	311,414	268,441
Total	\$ 940,661	\$ 562,306

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, 2014 and 2013, VVA matched up to 1% 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 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,

2015	\$ 45,059
2016	6,110
2017	3,780
Total Future Minimum Lease Payments	54,949
Interest Portion of Lease Payments	(7,634)
Net Present Value of Lease Payments	\$ 47,315

As of February 28, 2014, equipment and accumulated amortization under capital leases were approximately \$211,845 and \$170,000, respectively. As of February 28, 2013, equipment and accumulated amortization under capital leases were approximately \$211,845 and \$130,000, respectively. Amortization expense for equipment under capital leases was approximately \$40,000 for both the years ended February 28, 2014 and 2013.

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, 2014 and 2013, amounted to approximately \$481,000 and \$477,000, respectively.

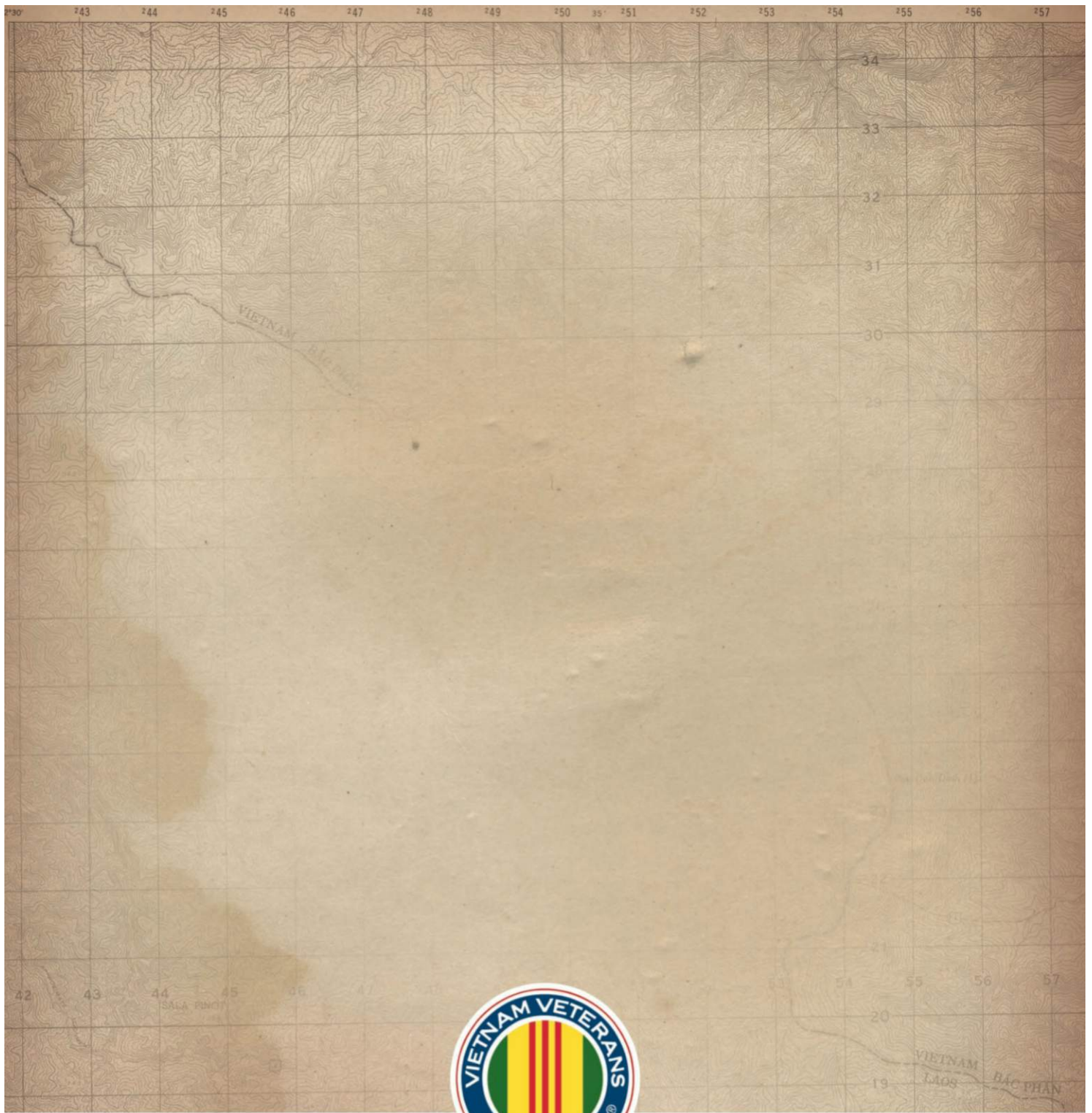
Future minimum rental commitments are as follows:

For the Years Ending February 28,

2015	\$ 475,819
2016	494,852
2017	514,646
2018	535,232
2019	556,641
Thereafter	1,025,983
Total	\$3,603,173

SUBSEQUENT EVENTS

VVA has evaluated subsequent events through June 24, 2014, the date on which the financial statements were available to be issued.



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