



2016 ANNUAL REPORT



ABOVE: U.S. DEPARTMENT OF DEFENSE



Our Organization

Established in 1991, Veterans Support Foundation was founded by and for veterans. We are committed to serving the unmet needs of veterans of all services, conflicts and eras and their families.

Our Programs

- ▶ **Supportive Housing Program:** provided shelter and support for 80 homeless veterans during 2016.
- ▶ **Service Officer Program:** provided \$258,800 to Service Officer Programs in 15 states. These programs secure more than \$40 million annually in medical and financial compensation for veterans.
- ▶ **Discretionary Grants:** provided \$84,000 to 10 local nonprofits across the United States working to improve the lives of veterans and their families.

Total Program Expenditures 2016

- ▶ \$757,544

VSF Staff

- ▶ 2 full-time; 4 part-time; 1 volunteer

Our Mission

Veterans Support Foundation is a 501 (c) (3) nonprofit humanitarian and educational organization founded to improve the quality of life for deserving veterans and their families. The main objectives of the Foundation are:

- ▶ To help fund nonprofit organizations in support of veteran-related projects throughout the United States;
- ▶ To assist disabled veterans and their qualifying dependents and family members;
- ▶ To assist and provide transitional and permanent housing for homeless and at-risk veterans;
- ▶ To enrich the lives of all veterans and their families.



To help Veterans Support Foundation continue its important work, please check box #11324 on your Combined Federal Campaign donation form.

VSF Board of Directors for FY 2017

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Principal, Keith King & Associates
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Asset Servicing
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Executive Director, Warriors Trust Fund
Flint, MI

Contact

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Staff

Shannon Fry, Supervisor, Supportive Housing Program
for Homeless Veterans

Deb Andrade, Case Worker

Nancy Deka, Employment Specialist

Charlie Brown, Facilities Manager

Dan Pierce, House Manager, Elm Street



Veterans
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PHOTO COURTESY U.S. DEPARTMENT OF DEFENSE

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Dear Friends and Supporters:

During 2016, Veterans Support Foundation made a huge difference for thousands of veterans and their families. By supporting Vietnam Veterans of America's (VVA) Service Officer Programs, we helped countless injured veterans secure the compensation they earned by serving our country. Our investment of \$258,800 in 15 state programs during 2016 helped to return more than \$40 million in earned compensation for veterans from the U.S. Department of Veterans Affairs (VA). But even if our work helped only a single veteran, it would be well worth it. As an appreciative California veteran wrote: "At the end of the day, what matters is the positive impact you make on people's lives. With your passion and dedication, you do make a difference."

Our Supportive Housing Program for Homeless Veterans faced new challenges this year, and is meeting them head-on. In its effort to end veteran homelessness, the VA reduced the length of stay in transitional housing programs such as ours from 90 to 30 days. The idea is that the faster homeless veterans secure their own homes, the better their chances of recovery. And the effort has so far dramatically reduced the numbers of homeless veterans. But the change from 90 to 30 days has dramatically altered VSF's approach. In the past, residents stayed with us for eight months on average, working on health issues, finding stable jobs, securing pensions, and finding their own housing. Our staff is working to make sure that shorter stays don't mean that veterans fall through the cracks as soon as they have left our program. We strive to stay in touch with veterans to let them know they can count on us if problems arise.

Shorter stays in our houses also mean we can serve more veterans. During the year, 80 formerly homeless veterans found shelter and support through our four Connecticut houses. That's 35 more than we reached in 2015. And our success rate has remained steady. Of the 59 individuals in our transitional program during 2016, 46 found their own jobs, homes, or apartments, for a 78-percent success rate.

We also made great strides on the job front. This year, 14 of 17 VSF veterans searching for work found it, for an 82-percent success rate. Our employment specialist works tirelessly to connect veterans to jobs in the community that fit their individual needs.

During the year, we also supported several unique programs for veterans. We helped Oklahoma State University's Oklahoma City campus to start a mentoring program specifically for veterans returning to school. Older veteran students help newcomers navigate the world of financial aid, academic requirements, and support services on campus. VSF also supported a San Diego program called Healing Our Heroes' Homes, which engages student volunteers and home construction professionals to repair and refurbish the homes of veterans in need. And in New Jersey, we helped support a program for women veterans that combines hands-on cooking and nutrition workshops with networking and discussions about resources available to women veterans in the community.

Naturally, we couldn't accomplish our work without generous individual, corporate, and foundation donors who support our cause. Their support acknowledges veterans' service to our country, demonstrates that their service is appreciated, and gives veterans the boost they need to overcome homelessness and build healthy, productive lives.

As you read our annual report, I hope you'll take pride in what we've accomplished together in 2016. And I hope that you'll support us in 2017 and beyond as we work to improve the lives of America's veterans and their families.

Sincerely,

KEITH KING | PRESIDENT

SUPPORTIVE HOUSING PROGRAM FOR HOMELESS VETERANS



In 2016,
80 formerly
homeless

veterans found
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support at one
of our four
transitional
homes.

PHOTO COURTESY U.S. DEPARTMENT OF DEFENSE

Manchester and West Haven, CT

Veterans Support Foundation offers a **transitional living program** for formerly homeless veterans who are enrolled in the Connecticut Veterans Administration Healthcare System. These veterans reside in one of three transitional homes—two in West Haven and one in Manchester, Connecticut—while they undergo treatment and work on putting their lives back in order. VSF provides them with shelter, transportation and support in achieving their health, educational, vocational and independent living goals.

Our six-bedroom **permanent residence** on Elm Street in West Haven is for veterans whose disabilities keep them from living fully independent lives. These veterans have round-the-clock supervision and assistance with their needs, and they can stay at VSF as long as they need housing.

In October 2015, Connecticut Governor Dannel Malloy and Senator Richard Blumenthal visited the U.S. Department of Veterans Affairs (VA) campus at Newington, CT to declare the end of chronic homelessness for veterans. This doesn't mean that no veteran will ever again become homeless. It means that every veteran living on the streets or in emergency shelter in the state will be offered permanent housing within 30 days of contact, unless he or she chooses to enter a long-term treatment program.

During October, November, and December of 2016, 13 veterans from VSF's Supportive Housing Program for Homeless Veterans received vouchers for permanent homes in the community. The VA also reduced the length of stay in transitional housing programs such as ours from 90 to 30 days. That change has dramatically altered VSF's approach, which was to help veterans effect their own rehabilitation over a period of months. Only time will tell how successful this new protocol will be.

VSF Program Results

During 2016, VSF served 80 formerly homeless veterans: 72 through our transitional program and 7 through our permanent residence. Of the 72 in our transitional program, 21 remain with us, working toward their goals of finding permanent housing, staying alcohol- and drug-free, maintaining their mental health, finding employment, continuing their educations, and reconnecting with family. Each veteran has faced unique circumstances that have led to homelessness. VSF case workers engage with veterans individually to help them confront the barriers to leading healthy, productive lives: staff help the veterans to create their

own rehabilitation plans; to find resources in the community to help get them back on their feet; they assist those who want to work to find jobs; they transport veterans to important medical appointments and job interviews; they help them to find permanent residences; and staff even help veterans coming off the street to secure essential clothing, food, and medicine.

Of the 59 veterans who were admitted and discharged during 2016, 46 were successful, meaning they met all the goals they established upon admission to the program. That translates to a 78-percent success rate for the year.

Thirteen veterans did not complete the program, either because they relapsed into destructive behaviors or couldn't follow program rules. The average length of stay for veterans during 2016 was 4.3 months, down from seven months during 2015.

The age of participants ranged from 29 to 86; they hailed from all services except the Coast Guard; and were involved in conflicts ranging from Korea, Vietnam, the Gulf War, Iraq, Desert Storm and Afghanistan. Seventy-four percent were white; 27 percent were African American; and five percent were Latino American.

The past year proved to be a very good one for job placement. While some of our veterans receive pensions or disability payments and don't want to work, 14 of 17 VSF veterans searching for work found it, for an 82-percent success rate. The job market in Connecticut during 2016 was better than in the recent past, with unemployment at 5.7 percent statewide, down from a high of 10 percent in 2010. But a large part of VSF's success is thanks to the hard work of the staff and resident veterans.

Rick C. | Dinda House in Manchester, CT

Fifty-eight-year-old Rick served in the Army from 1975 to 1978 as a grounds surveillance radar operator. He came to VSF's Dinda House from a sober house nearby because his minimal income wouldn't allow him to keep up with the weekly payments.

Rick soon became Dinda's lead resident because of his positive attitude, his dedication to rehabilitation, and his support for other veterans in the program. He regularly expressed his gratitude for the opportunity to live at Dinda House, and stated that he was going to make the most of every day. That's exactly what he did over the 13 months he was with VSF.

While at Dinda, Rick attended Narcotics Anonymous/Alcoholics Anonymous meetings daily to maintain his recovery and keep it a top priority. He also took classes and completed his GED. On top of it all, he worked hard to rebuild relationships with his 12 children.

Rick found an attorney who helped him to receive the Social Security disability income he was entitled to. He also worked with a VSF community partner, Veterans Inc., who helped Rick with a security deposit and first month's rent on his own apartment. The State of Connecticut chipped in, too; their rental assistance program for veterans helped Rick to afford that apartment, which he moved into on October 30, 2015.

"You guys have done so much for me," Rick told VSF staff. "I can't begin to say 'thank you.'" But staff felt all along that they owed Rick a thank-you for his service to the nation. Their way of thanking Rick was to offer him shelter and support when he needed it most.

Ronald M. | Basset Court in West Haven, CT

Ronald M. came to VSF's Basset Court after returning from deployments in Afghanistan and Iraq. He had served three years of active duty and 22 years in the Army Reserve. When he returned, his wife said she no longer wanted to be married. That left Ron without a home. He began drinking and resorted to sleeping in his vehicle.

Ron was entitled to a military pension that hadn't been activated. He had a seven-year-old daughter, and a support order was pending to begin as soon as his pension kicked in.

On his own, Ron began attending Alcoholics Anonymous and started inquiring about a service-connected pension in addition to his retirement. He then discovered that he had stage IV cancer: his second bout with the disease. So Ron set up a medical compensation and pension exam; there was a strong likelihood that he had developed cancer from working near burn pits where military waste was incinerated in Iraq and Afghanistan.

Just as he arrived at Basset Court, Ron began a chemotherapy treatment program and started to receive retirement payments. But he needed to think about the future, too. He decided to work with other veterans, especially those with PTSD and substance abuse issues. He applied to a peer specialist training program, was accepted, and spent eight weeks taking courses towards certification.

While in training, Ron learned he had been awarded a 100% service-connected pension. That allowed him to look for housing.

After five months at Basset Court, Ron found housing in Terryville, CT. His new place has a room for his daughter, who stays with him on weekends, and a yard for her to play in. He still attends Alcoholics Anonymous and has been sober for 18 months. He also found a job in the psychiatric emergency room at the West Haven VA Hospital.

Ron still stays in touch with VSF staff, and is grateful for the help he received. He tells just about anyone who will listen that VSF saved his life.

Throughout the year, VSF's employment specialist critiqued 11 résumés, trained veterans in email, Internet and job boards searches, and provided 314 job leads for veterans to review. At job fairs, workshops, meetings, conferences and job-site visits, she networked with 691 contacts and reached 209 potential employers. One employer even offered VSF veteran residents a two-day advance on job leads before open posting.

Veteran job-seekers still face some significant hurdles: some have criminal histories and few can afford their own transportation to work. Despite those challenges, VSF veterans are managing to find work that suits their needs. As for those who cannot work, VSF staff and the VVA Connecticut State Council Service Officer Program ensure that they obtain the pensions and disability payments they are entitled to through their service.

VSF Staff Continuing Education

VSF staff attended several trainings throughout the year. Program Supervisor Shannon Fry took a 12-week program entitled Essential Skills in Advanced Clinical Supervision. Employment Specialist Nancy Deka attended several homeless management information systems trainings. Case Manager Deb Andrade attended workshops on Medicare and Medicaid.

Recreation at VSF

VSF staff also provided recreational therapy for residents, transporting them to Take a Vet Fishing trips, and local basketball, football and hockey games. VSF staff and residents regularly attend the Soderman Bowl in West Haven, which pits the football teams of cross-town rivals Notre Dame High School against West Haven High School. Both schools and their alumni associations donate funds to VSF houses.

Upgrades to VSF Houses

During the year, VSF installed high security locks at Dinda House. At our facility on Union Avenue in West Haven, we removed a large tree that posed a danger to the house. VSF also established relationships with two different bed suppliers, Mattress Firm and American Mattress. These relationships allow us to purchase beds at a reduced price to replace those that are old and worn. This year we also purchased a used pickup truck to transport items such as furniture that are too large for our vans.

In November, employee volunteers from Timken Aerospace—several of whom were veterans—chose VSF's Dinda House for their "Day of Caring." The volunteers brought donations of food, clothes and linens. And they remained on site to paint the living room, stairs, hallway and two bedrooms. Outside, they mowed the lawn and raked the leaves. In the attic clothes pantry, volunteers built hanging shelves, assembled cabinets and organized clothing donations.

**VETERANS SUPPORT FOUNDATION
AND VIETNAM VETERANS OF AMERICA
SERVICE OFFICER PROGRAM**



Without someone to advocate for them, veterans often don't receive the

health care and compensation they've earned.

PHOTO COURTESY U.S. DEPARTMENT OF DEFENSE

Veterans are often afflicted with health conditions unique to their military service. Agent Orange caused an increase in type II diabetes and various cancers among Vietnam veterans; Gulf War Illness affects many who served in Iraq and Kuwait in 1990-91; and those returning from Iraq and Afghanistan suffer increasingly from post-traumatic stress disorder (PTSD), traumatic brain injury (TBI), amputations, and paraplegic injuries. Without someone to advocate for them, these veterans may not receive the health care and other compensation they are entitled to by law. Only certified individuals can represent veterans before the Department of Veterans Affairs.

Arizona State Council Service Officer Program

More than 600,000 veterans reside in Arizona. Our program sees many more seasonal veterans between October and April every year. Because the majority reside in Phoenix and Maricopa County, we have a strong presence at the VA regional office in Phoenix. The Veterans Support Foundation grant allows us to serve veterans through that office.

Increasingly, we are spreading out through the state: at Sedona, Northwest Valley, Gilbert, Apache Junction, Tucson and Mojave County. We have 13 Service Officers and two more in training. These individuals work closely with veterans, the state's three U.S. Department of Veterans Affairs Medical Centers, VA regional offices, and local veterans offices and clinics throughout the state. Grant funding helps to defray equipment and travel costs.

All members of our staff are volunteers; their compassion and love for veterans and their families drives them to be the best they can be. Here are just a few responses they've received for work performed for Arizona veterans:

- ▶ *I appreciate the time you spent with us, and the way you allowed Dennis to tell you his story, giving him the time to trust you with his most painful (and to him, shameful) buried secrets. That night was the first time I have seen him able to sleep peacefully through the night. —FRANK*
- ▶ *I found you easy to talk to and sensed that you were genuinely concerned with my situation. You got me on the right path and personally guided me through the maze of filing my successful claim. —DARRYL*
- ▶ *Thank you for your help and encouragement in my claim process. I was fortunate to be rated 100 percent and am now working on getting my CHAMP VA benefits for Dena. As my physical condition continues to deteriorate, this is a blessing for our future. Again, thank you for what you are doing for our band of brothers. —RANDY*

California State Council Service Officer Program

The California State Council thanks Vietnam Veterans of America and the Veterans Support Foundation for grant monies used to support our Service Officer program. Veterans from every era, including WWII, have relied on our Service Officers for advice and counsel that is accurate, timely and sympathetic to each veteran's specific needs.

About 45 percent of California's veteran population resides in greater Los Angeles. And we have staffed our program accordingly. Of our four VVA-accredited Service Officers, two are employees who serve the Los Angeles area, and two are volunteers serving greater San Diego and the San Francisco Bay Area.

Grant funds have helped our program to meet payroll and to keep our staff current with Veterans Administration requirements. In July 2016, Dick Southern, Karen Olszewski and Emily Waller received advanced training at the leadership conference. Emily received the only perfect score on the final test.



Above: Chief Service Officer John Cutler (right) explains benefits recently awarded to Peter Lund, (left).

In cooperation with Vietnam Veterans of America (VVA), Veterans Support Foundation provided \$258,800 to support to Service Officer Programs in 15 states during 2016. Through these programs, accredited Service Officers and a small cadre of well-trained appellate attorneys help veterans to receive the compensation they've earned, free of charge. Typically, Service Officer programs recover more than \$100 million annually in health, pension, and educational compensation for veterans and their families.

Chief Service Officer Dick Southern administers the program, working closely with all Service Officers and maintaining a strong working relationship with the Veterans Benefits Committee.

- ▶ Here is a comment that one of our Service Officers received:

Just want to say thank you for your help with my disability claim. I appreciate your patience and guidance, especially when I had so much anxiety. — KATHY

Connecticut State Council Service Officer Program

During 2016, the VVA Connecticut Service Officer Program received a \$5,000 grant from Veterans Support Foundation, supplementing the VVA Connecticut State Council's \$10,000 budget for this important program. These funds allowed us to purchase much-needed office equipment and software and to continue our advocacy for veterans throughout the state.

As of September 2016, we had an 89 percent overall success rate in winning all compensation, pension, DIC and appeals we processed on behalf of Connecticut veterans. For every dollar we spent to run our Service Officer program, we won \$140 for our veterans. Our staff of volunteers have generously dedicated their time to a worthy cause: improving the lives of veterans and their families.

We continue to visit VSF's Michael J. Dinda transitional housing facility in Manchester, offering assistance and representation to all resident veterans. When those formerly homeless veterans move into their own apartments, we maintain contact and assist them as they build new lives.

We regularly visit the vet centers throughout Connecticut; one Service Officer works out of the Norwich center on a regular basis. Veterans center staff constantly refer veterans to us, since we have a high success rate in winning claims and appeals. Here are some of the veterans whom we assisted during the year:

- ▶ Connecticut VVA Service Officers helped a veteran obtain a 100-percent disability rating and special monthly compensation. But then the veteran and his wife moved to another state and had trouble finding a VVA representative there. So our Service Officer stepped in to assist with securing additional benefits and helped the couple assign the veteran's wife as the fiduciary. The wife was very thankful for the help, and emailed a thank you note:

We just appreciate you so very much. Your expertise and dedication were obvious and appreciated before, and now it is even more evident that you are the exception rather than the rule.

- ▶ After our staff won an appeal for another veteran and obtained a full grant for her disabilities, she wrote back to us:

Thank you so much for everything! I have been inspired to help others as you have helped me!

- ▶ Yet another veteran had multiple issues with Parkinson's disease caused by Agent Orange exposure. After an extensive effort by our Service Officer, the regional office granted the veteran individual unemployability at the permanent and total disability level. The veteran's spouse sent a note of thanks:

Thanks so much for your call. David got home a few moments ago and I shared your news with him. We're both so grateful to you for the wings you wear. Life is good!

Michigan State Council Service Officer Program

Through its Service Officer Program, the VVA State Council of Michigan has continued to work diligently. We serve not only Vietnam veterans and their families, but veterans of other eras, including WWII, Korea, Desert Storm, and the War on Terrorism. We also actively support incarcerated and homeless veterans.

We conduct house calls and hospital visits, and have Service Officers in the Veterans Administration Regional Office 329 and in Detroit's VA hospital. Spenser Grantham covers the southwest side of the state, while Kenneth Jordan works in the McNamara Building in Detroit. Both have been accredited by the National Veterans Legal Services Program. We provide outreach to chapters at Agent Orange town hall meetings and at the various veteran events throughout the state. We continue to visit incarcerated veterans in Michigan's correctional facilities.

Currently, we're working on over 92 pending claims that are service connected; this does not include the issues of the non-service connected, death and indemnity compensation, funeral benefits or other issues associated with veteran's benefits. Each month we write from 50 to 125 new claims, and we recovered over \$67 million in benefits for Michigan veterans during 2016 alone.

- ▶ Here is a letter from one of our clients:

Dear Phil,

I wanted to say thank you for all the work that you have done for me regarding my claims. I cannot say thank you enough for helping me. All of us veterans need your help.

— MR. JOSEPH GRUEZ

Minnesota State Council Service Officer Program

A Veterans Support Foundation grant made it possible for the Minnesota State Council to continue its Service Officer program, providing advocacy to veterans and their families in Minnesota. Without this grant, we would have been forced to close the program after the death of our long-serving veteran service officer, Juli Bailey.

Under our new agreement with the Minnesota Department of Veterans Affairs (MDVA), one full-time Service Officer plus other backup employees are stationed at the Henry Whipple Federal Building in Minneapolis. During the year, those employees clocked 2,284 person-hours and

filed 167 powers of attorney with the Veterans Administration in pursuing claims for disability and other benefits on behalf of Minnesota veterans. The office also provided advocacy and support in pursuing claims still active from previous years.

The National Board of Directors has indicated that all state programs must develop a plan to scan hard-copy records from past years into digital files. There are thousands such files at the VVA office at the Henry Whipple Federal Building. These records go back as far as September 1999, when we started the program. During 2016, the state council provided high-speed scanners and the MDVA provided us with backup employees to begin the scanning project. To date, over 1,800 files have been scanned.

When all the paper records are scanned, we will notify veterans that they can come into the office and to obtain copies. This contact may result in updating veterans' conditions and, in many cases, initiating new claims.

VVA Chapter 317 Missouri Service Officer Program

Some people who walk through the doors of the VVA 317 Service Officer Program need so much more than just help with a disability claim. Sometimes, they are at the end of their ropes with no place to turn. Thanks to the funds we receive from VVA and VSF, we are here for them.

JEREMY

Jeremy, a veteran of Afghanistan, walked in one day after someone told him, "When no one else can help, VVA 317 can." He was an officer in the reserves suffering from severe PTSD and TBI. He had transferred to the reserves from a southern state's National Guard after returning from active duty because they refused to help him. He moved to our area when his last support, his family, could not cope with him and his PTSD and turned their backs.

Jeremy and his wife live in a small town. His wife was working part-time as a teacher's aide; Jeremy mowed a few lawns. But they were on the verge of being homeless and hungry. The reserves would not deal with him, either. They did rate him fit for duty, but he was not to carry or be around weapons, so they told him to stay home until they decided what to do.

Before his tour, Jeremy had it all. He came from a proud military family, started his own business while in high school, excelled in college, and had been awarded an internship at the International Center for Terrorism Studies in Washington, DC. After enlisting, his life took off. While he was an armor officer candidate, he was approved for Army flight school. He was accepted into a master's degree program and secured an internship at the state bureau of investigation while waiting for his dream job with the highway patrol.

Because of his PTSD, he lost everything. Only the love of his wife Hanna kept him from killing himself.



Jeremy with his wife, Hanna, left, and Mr. Hudson, right, found the support they needed from the Chapter 317 Service Officer Program.

Service Officer Chuck Lear spent hours with the young couple. Chuck helped them to file the right papers and fill out the right forms to request that the reserves evaluate Jeremy for a medical discharge. In the meantime, Chuck persuaded Jeremy to go back to the VA for counseling. Chapter 317 members stepped up and made donations for food, covered their rent for a few months, and bought them a set of tires for their truck. In Jeremy, many of the chapter members saw themselves fifty years ago.

Finally, Jeremy received his discharge and 70 percent for PTSD, which included back pay. He has filed a claim with the VA for PTSD and TBI, and is still attending counseling. His wife Hanna has started a master's degree program and has started her own social media company. Jeremy is still having problems with his anger and dealing with the VA system, but things are slowly getting better.

MR. HUDSON

Our Service Officers still see a few of the younger World War II veterans coming in. Mr. Hudson comes by at least once a week to have a cup of coffee and tell a few stories. He served in the Navy during the liberation of the Philippines. While serving as the gunner in the ship LSM 464, his turret was hit by enemy fire. Mr. Hudson was injured when a steam hose came loose and burned him through to his intestines. We filed a claim for PTSD and for problems from his injuries. So far, he has received a 30-percent rating for PTSD, which we appealed, and are awaiting the results of the other claims.

New Jersey State Council Service Officer Program

Veterans Support Foundation grant funding is vitally important to New Jersey's Service Officer Program. We receive no additional funds from the state, and without VSF, we would have to close our doors in a matter of days.

Margaret Wojciechowicz is the fully accredited Chief Service Officer for the VVA New Jersey State Council. She is assisted by a part-time clerk. Margaret's numbers are outstanding for a one-person office. During the last quarter of 2016, she took 132 transfers and new powers of attorney. She handled over 3,531 office phone calls; reviewed 1,426 claims, 232 notices of disagreement, and four appeals. She recovered a staggering \$8,884,608 in compensation for New Jersey veterans. Margaret believes that any time she secures an award for a veteran is a good day.

Margaret also serves as the State Council secretary during her time off, making sure that all 18 state chapters are helping members with their claims. It is not uncommon to hear vets call her "Mother Margaret." Those veterans understand that she goes to the wall for them.

For example, Margaret has been fighting since 2010 for "permanent and total status" for a veteran with incurable prostate cancer. The VA has been sending him for new exams every six months. Finally, this year, that veteran received his permanent and total status.

Another veteran has been back and forth to the PTSD unit at Lyons Hospital because he had difficulty coping with life. Margaret constantly called his psychiatrist to make sure he was doing well. Once he was released from the hospital, she helped him obtain a therapy dog. This veteran is now a proud owner of a home with his wife, daughter and dog, having been declared 100-percent permanent and total.

▶ Here is a letter from one of the veterans Service Officer Wojciechowicz assisted over several years:

Dear Margaret,

As you know, the Veterans Administration recently ruled favorably on my claim, which was of great importance and quite a relief for me and my family. The many years of struggle would not have been possible without your help and assistance navigating this complicated and confusing process. Thank you so very much for all your guidance every step of the way.

— JOHN

Buckeye State Council Service Officer Program

When we take on a claim, we own it; we're all-in. When there is a delay, denial or an appeal, we have empathy and feel the same frustration as the veterans and their families. We stay in contact with veterans, encouraging them not to give up and to call us for updates.

Recently, while giving a veterans' benefits talk at a church, we met the daughter of a WWII veteran who lived over 100 miles away. That veteran was losing his home because of a war injury. Buckeye State Council Service Officers were able to complete his claim. Once the claim was approved, the veteran's service commission allowed him to pay his mortgage, save his home from foreclosure and gave the veteran peace of mind in his retirement years.

Another of our clients contacted hepatitis C while serving in Iraq. The Department of Defense (DoD) sent him home for treatment, but before he'd finished his treatment, DoD tried to redeploy him back to Iraq. Our Service Officers became involved. At first, the DoD gave him an honorable discharge with a low rating. But because we were able to submit his claim through the VA, the veteran ultimately received a higher rating. Today, that grateful individual is employed and serves as a veteran advocate.

**VETERANS SUPPORT FOUNDATION
DISCRETIONARY GRANTS PROGRAM**



VSF provides
discretionary
grants to
nonprofit

organizations
across the
United States
who also assist
veterans.

PHOTO COURTESY U.S. DEPARTMENT OF DEFENSE

Each year, Veterans Support Foundation provides discretionary grants to nonprofit organizations across the United States who assist veterans. These programs enhance the quality of life for active-duty military, veterans and their families by supporting education, health care, housing, counseling, recreation and emergency funding needs. Often small but innovative, these programs bring much-needed services to deserving veterans and military families where they live and work. During 2016, VSF provided \$84,000 to help fund 10 local nonprofits. Here are a few of those to whom we offered support.

Oklahoma State University Veteran Student Mentorship Program Oklahoma City, OK

Funding from Veterans Support Foundation launched the Veteran Student Mentorship Program at Oklahoma State University in Oklahoma City (OSU-OKC). This student-based mentoring program pairs veterans starting college with fellow veterans who are more advanced in their studies. During 2016, OSU-OKC selected 10 deserving veterans to serve as mentors. Each mentor received a \$500 stipend in return for his or her service.

Mentors benefited from financial assistance for tuition and books. They shared stories, first-hand experiences, advice and information about on-campus support services and educational benefits with incoming veteran students. New students benefited from camaraderie and guidance in transitioning from the military to student life.

Veteran program participants met one-on-one and attended group events. At a recent meet-and-greet luncheon for program participants, Sam Snow, Coordinator for Veteran Services and Assessment, said the attendees quickly fell into conversations about financial aid, professors, and adding and dropping classes. "Both mentors and mentees benefit from the program. As veterans, they have a bond because of their similar experiences. This program lets our veteran students know someone always has their backs."

During spring of 2016, OSU-OKC participated in a nationwide grant competition to renovate the campus veterans center. OSU-OKC's application described veteran activities on campus, including the success of the Veterans Student Mentorship Program. OSU-OKC was selected as an awardee and will receive \$10,000 for remodeling expenses.

As a result, veterans will benefit from better on-campus resources, and a larger, more comfortable space for studying and meetings. The university believes that VSF's support was a contributing factor in securing this new award.

OSU-OKC is thankful to VSF for providing start-up funding. Veterans at OSU-OKC now have a social support network and sense of community; this program has helped them to feel safe, secure and understood. Relationships built through this program will continue throughout the participants' studies and ultimately help veterans to succeed in the classroom and beyond.

51 Homes Vets Tucson, AZ

51 Homes Vets is a collaborative effort dedicated to ending homelessness for Tucson veterans. Our goal is to assist at least 51 veterans each month with housing of all types, including temporary and transitional, as well as permanent supportive housing. Since 2011, 51 Homes Vets and its partners have helped more than 1,000 people find housing.

In the past, many veterans moved into their new homes with only the clothes on their backs. We find that 40 percent still need assistance with fully or partially furnishing their new homes. While many homeless veteran programs provide housing vouchers along with case management support, few help veterans to furnish their apartments or supply the basic necessities that make a house a home. That's where 51 Homes Vets can help.

51 Homes supplies essential furniture and household goods for homeless veterans who have recently found shelter. We maintain an inventory of personal care items,



Veteran mentors and new veteran students discuss student life at OSU-OKC.

kitchen and bath supplies, sheets, towels, blankets, shower curtains, new beds, lamps, small appliances, cleaning supplies and furniture donated by the City of Tucson Department of Housing and Community Development. The balance of our project is funded by in-kind donations of furnishings and household goods, cash donations, grants and volunteer labor.

A generous grant from Veterans Support Foundation enabled us to assist more than 100 homeless veterans during 2016. We supplied welcome kits, personal care items, 50 new beds, and assisted with outreach to homeless veterans through Tucson Homeless Connect. We also filled 30 holiday stockings with cleaning supplies, toilet paper and goodies for the residents of Rally Point, a veteran-run community organization, and for distribution at the Southern Arizona Veterans Administration Homeless Veteran's holiday party. The grant also helped us to purchase more beds, which are always in high demand. Along with its partners, including VSF, 51 Homes Vets provides hope, protects health and changes lives.



51 Homes Vets provided new linens and cleaning supplies to veterans in Tucson, AZ.

► Here is a thank-you letter we received during 2016:

Dear Mr. Fournie:

On behalf of the Southern Arizona VA Health Care System's patients and staff, we would like to extend our appreciation to you for your generous donation of 50 new beds, bedding, pillows, towels, kitchen items and cleaning supplies for our HUD/VASH program throughout 2016. Your thoughtfulness reflects the concern that you feel for our veterans and for the service they provided for our nation.

— JENNIFER S. GUTOWSKI

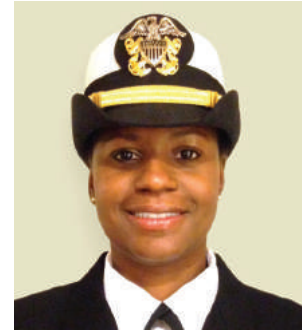
Healing Our Heroes' Homes San Diego, CA

Healing Our Heroes' Homes (H3) employs volunteer college students and recent graduates to restore the homes of disabled veterans and wounded warriors. Licensed contractors partner with the students to design and complete whatever work needs doing. Rehabilitation projects can include electrical work, plumbing, flooring, landscaping, installing Americans with Disabilities Act-compliant ramps and railings, painting, demolition and waste removal, and installing green technology.

On November 1, 2016, H3 undertook to refurbish the home of Lieutenant Niani Wiggins. Niani was born in Fort Riley, Kansas, where her father served in the United States Army. She was raised in Baltimore, Maryland and enlisted in the United States Navy in March of 1991. During her service, Lt. Wiggins endured significant health problems; she lost eyesight in her left eye, was diagnosed with optic neuritis,

underwent multiple surgeries and faced a stage three breast cancer diagnosis. Lt. Wiggins retired from the United States Navy in June 2014. Today, she suffers from chronic pain, chronic fatigue, anxiety and depression.

Lieutenant Wiggins is the 11th beneficiary of the Healing Our Heroes' Homes program, now in its 6th year. General contractors and skilled laborers rebuilt a collapsed retaining wall in her back yard, replaced the lawn and fence, and replaced trees and other plants. The remodel allowed over 100 volunteers to participate. College student volunteers received community service credits at schools including San Diego State University, Cal State San Marcos and UC Irvine. Partners included The Home Depot and Jack in the Box Foundation. Both companies had dozens of employees on hand to assist with the landscaping project, which was completed on November 17.



Lieutenant Niani Wiggins

Southern Maryland Center for Independent Living Mechanicsville, MD

The Southern Maryland Center for Independent Living (SMCIL) is grateful for the \$10,000 grant from Veterans Support Foundation during 2016. Those funds helped us to continue reaching out to veterans in Calvert, Charles and St. Mary's Counties through our Disabled Veterans Support Network.

SMCIL held monthly meetings for veterans during 2016, inviting a variety of groups to speak on services available to them. For example, a representative of the U.S. Department of Veterans Affairs discussed VA benefits; Volunteers of America spoke about food; Battle Buddies and Disabled Veterans of America discussed their outreach services to vets; and the Tri-County Council informed veterans about local transportation alternatives. We served meals to 20-25 veterans at each meeting, and helped educate vets about benefits they are entitled to and the community organizations that stand ready to help them.

We also provide emergency assistance to local veterans where needed. SMCIL helped a homeless veteran secure emergency shelter for one night; paid a blind veteran's first month's rent, allowing him to secure his own apartment; connected another veteran with much-needed dental services; purchased and distributed 12 winter coats to homeless veterans; purchased a laptop for an individual with PTSD attending the College of Southern Maryland; and helped train a veteran in MS Word, which allowed him to return to work. SMCIL also helped one veteran obtain a grant to winterize his home and remodel his bathroom.

Our Disabled Veterans Support Network and the work it performs were covered in the *Enterprise* newspaper of southern Maryland on September 9. Thanks to VSF support, SMCIL will continue to be a resource and a source of information for veterans throughout southern Maryland.

Vets Chat and Chew Project Fort Lee, NJ

Vets Chat, Inc., The Butterfly Circle of Friends and the women veterans who participated in the Vets Chat and Chew Program thank Veterans Support Foundation for their generous gift supporting women veterans of New Jersey. The Vets Chat and Chew Project works to enhance the mental and physical health of our state's women veterans by highlighting the importance of better nutrition, social interaction and community. Veterans attend workshops where they participate in hands-on food preparation and discussions about nutrition under the tutelage of a professional chef and nutritionist.

We also invite a representative of the U.S. Department of Veterans Affairs to be on hand at each workshop. In our experience, we've witnessed that some women veterans don't trust the VA. But when a representative is there in person, women are more open to hearing about—and taking advantage of—VA programs.

VSF grant funding was used for two workshop series: October 26 to November 30, 2015 and January 7 to February 11, 2016. Each was a great success. A total of 22 women veterans participated. A survey of those participants shows how our program aligns with its main objectives:

- ▶ **Objective:** Teach healthy eating and good nutrition habits.
Result: 100% of participants reported that they learned about healthy eating and followed through on some of the lessons learned.

- ▶ **Objective:** Increase socialization skills by creating a community of friends who have shared similar experiences.
Result: 100% reported that they felt a connection to other women veterans.
- ▶ **Objective:** Provide an environment where women veterans can feel safe and comfortable.
Result: 100% reported that they felt comfortable and safe.
- ▶ **Objective:** Build confidence by increasing women veterans' awareness of job listings, job programs, and educational opportunities.
Result: 100% reported that they were unaware of the programs available to them and now are inclined to use them; 70% reported that, because of the program, their confidence was on the upswing.
- ▶ **Objective:** Develop trust and understanding of VA services among women veterans.
Result: 60% reported they were enrolled in the VA Health Program; 40% reported that the VA benefits were helping them.

These results demonstrate that programs for women veterans are desperately needed. We believe that Vets Chat and Chew provides a service to New Jersey's women veterans and helps fill the void for programs targeted to their unique needs.

Below, Chat and Chew workshops give women veterans hands-on experience in preparing healthy meals under the watchful eye of a professional chef and nutritionist.



PHOTO COURTESY IVORY JACKSON LUGIVORY PHOTOGRAPHY



Independent Auditors' Report

The Board of Directors
Veterans Support Foundation
Silver Spring, Maryland

Report on the Financial Statements

We have audited the accompanying statement of financial position of Veterans Support Foundation (the "Foundation") as of September 30, 2016, and the related statements of activities, functional expenses, and cash flows for the year 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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 Foundation'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 Foundation's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Veterans Support Foundation as of September 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Bethesda, MD
November 15, 2016


Certified Public Accountants

STATEMENT OF FINANCIAL POSITION

Veterans Support Foundation

September 30, 2016

(With Comparative Totals As of September 30, 2015)

ASSETS	2016	2015
Current Assets		
Cash	\$ 488,626	\$ 184,280
Per Diem Grants Receivable	25,505	25,940
Unconditional Promises to Give (Net of Allowance for Uncollectible Promises to Give of \$16,878)	52,061	53,236
Prepaid Expenses	16,130	14,906
Fixed Index Annuities	<u>687,912</u>	<u>653,863</u>
Total Current Assets	1,270,234	932,225
Property and Equipment - Net	<u>526,055</u>	<u>554,196</u>
Total Assets	<u>\$ 1,796,289</u>	<u>\$ 1,486,421</u>
LIABILITIES AND NET ASSETS	2016	2015
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 88,028	\$ 104,887
Grants Payable	<u>348,703</u>	<u>227,192</u>
Total Current Liabilities - Total Liabilities	<u>436,731</u>	<u>332,079</u>
Net Assets		
Unrestricted	1,307,497	1,096,188
Temporarily Restricted	<u>52,061</u>	<u>58,154</u>
Total Net Assets	<u>1,359,558</u>	<u>1,154,342</u>
Total Liabilities and Net Assets	<u>\$ 1,796,289</u>	<u>\$ 1,486,421</u>

See Accompanying Notes to Financial Statements

STATEMENT OF ACTIVITIES

Veterans Support Foundation

For the Year Ended September 30, 2016

(With Comparative Totals For The Year Ended September 30, 2015)

	Unrestricted	Temporarily Restricted	2016 Total	2015 Total
SUPPORT AND REVENUES				
Contributions	\$ 4,049,678	\$ 139,280	\$ 4,188,958	\$ 1,740,737
Per Diem Grants	262,364	-	262,364	302,262
Veterans Housing	40,834	-	40,834	70,273
Miscellaneous	1,784	-	1,784	1,500
Unrealized Gains	4,050	-	4,050	19,800
Net Assets Released from Restrictions	<u>145,373</u>	<u>(145,373)</u>	<u>-</u>	<u>-</u>
 Total Support and Revenues	 <u>4,504,083</u>	 <u>(6,093)</u>	 <u>4,497,990</u>	 <u>2,134,572</u>
EXPENSES				
Program Services				
Transitional Housing	414,744	-	414,744	422,252
Veterans Support	<u>342,800</u>	<u>-</u>	<u>342,800</u>	<u>208,251</u>
 Total Program Services	 <u>757,544</u>	 <u>-</u>	 <u>757,544</u>	 <u>630,503</u>
Supporting Services				
General and Administrative	1,301,169	-	1,301,169	500,679
Fund-Raising	<u>2,234,061</u>	<u>-</u>	<u>2,234,061</u>	<u>1,038,214</u>
 Total Supporting Services	 <u>3,535,230</u>	 <u>-</u>	 <u>3,535,230</u>	 <u>1,538,893</u>
 Total Expenses	 <u>4,292,774</u>	 <u>-</u>	 <u>4,292,774</u>	 <u>2,169,396</u>
Increase (Decrease) in Net Assets	211,309	(6,093)	205,216	(34,824)
Net Assets - Beginning of Year	<u>1,096,188</u>	<u>58,154</u>	<u>1,154,342</u>	<u>1,189,166</u>
 Net Assets - End of Year	 <u>\$ 1,307,497</u>	 <u>\$ 52,061</u>	 <u>\$ 1,359,558</u>	 <u>\$ 1,154,342</u>

See Accompanying Notes to Financial Statements

STATEMENT OF FUNCTIONAL EXPENSES

Veterans Support Foundation

For the Year Ended September 30, 2016

(With Comparative Totals For The Year Ended September 30, 2015)

	Program Services	Supporting Services		2016 Total	2015 Total
		General and Administrative	Fund-Raising		
EXPENSES					
Salaries and Benefits	\$ 185,220	\$ 1,144	\$ -	\$ 186,364	\$ 170,521
Grants and Donations	342,800	-	-	342,800	208,251
Professional Fees	35,016	1,273,509	2,214,891	3,523,416	1,503,468
Marketing	-	15,835	-	15,835	33,725
Utilities	41,569	21	-	41,590	52,430
Repairs and Maintenance	38,286	-	-	38,286	49,627
Bank Fees	-	1,265	19,095	20,360	24,379
Travel	10,243	1,288	-	11,531	16,906
Depreciation	43,790	-	-	43,790	37,200
Insurance	31,892	2,150	-	34,042	38,957
Telephone	12,767	-	-	12,767	12,315
Taxes, Licenses, Etc.	909	4,051	-	4,960	6,685
Office Supplies	4,316	223	75	4,614	6,282
Printing	602	1,040	-	1,642	1,298
Miscellaneous	2,135	-	-	2,135	288
Postage and Shipping	541	643	-	1,184	1,979
Furniture and Equipment	7,458	-	-	7,458	5,085
Total Functional Expenses	\$ 757,544	\$ 1,301,169	\$ 2,234,061	\$ 4,292,774	\$ 2,169,396

See Accompanying Notes to Financial Statements

STATEMENT OF CASH FLOWS

Veterans Support Foundation

For the Year Ended September 30, 2016

(With Comparative Totals For The Year Ended September 30, 2015)

CASH FLOWS FROM OPERATING ACTIVITIES	2016	2015
Increase (Decrease) in Net Assets	\$ 205,216	\$ (34,824)
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by (Used in) Operating Activities		
Depreciation	43,790	37,200
Gain on Fixed Index Annuities	(4,050)	(19,800)
(Increase) Decrease in Assets		
Per Diem Grants Receivable	436	(1,673)
Unconditional Promises to Give	1,175	3,626
Prepaid Expenses	(1,224)	5,323
Increase (Decrease) in Liabilities		
Accounts Payable and Accrued Expenses	(16,859)	67,066
Grants Payable	<u>121,511</u>	<u>18,322</u>
Net Cash Provided by (Used in) Operating Activities	<u>349,995</u>	<u>75,240</u>
CASH FLOWS FROM INVESTING ACTIVITIES	2016	2015
Purchase of Property and Equipment	(15,649)	(22,663)
Purchases of Fixed Index Annuities	<u>(30,000)</u>	<u>-</u>
Net Cash Provided by (Used in) Investing Activities	<u>(45,649)</u>	<u>(22,663)</u>
Net Increase (Decrease) in Cash	304,346	52,577
Cash, Beginning of Year	<u>184,280</u>	<u>131,703</u>
Cash, End of Year	\$ <u>488,626</u>	\$ <u>184,280</u>

See Accompanying Notes to Financial Statements

1. ORGANIZATION

Veterans Support Foundation (the "Foundation") is a nonprofit organization headquartered in Silver Spring, Maryland. Its dual functions are providing funds to selected nonprofit organizations to support community-based, veteran-related projects throughout the United States and running several houses as transitional and permanent residences for homeless veterans.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Foundation uses the accrual method of accounting. Under this method, revenues are recognized when earned rather than when received and expenses are recognized when incurred rather than when paid.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make 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.

COMPARATIVE INFORMATION

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class or functional expense category. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended September 30, 2015, from which the summarized information was derived.

PER DIEM GRANTS RECEIVABLE

Per diem grants receivable are stated at their outstanding balances in accordance with accounting principles generally accepted in the United States of America. Per diem grants are expected to be collected within three months as these grants are paid by the Federal Government's Department of Veterans Affairs Grant and Per Diem Program. In management's judgment, no valuation allowance is considered necessary for per diem grants receivable because there has never been collection issues with these types of receivables.

PROMISES TO GIVE

Promises to give are stated at their outstanding balances, net of an allowance for doubtful accounts and the Combined Federal Campaign administrative fees, in accordance with accounting principles generally accepted in the United States of America.

PROMISES TO GIVE (CONTINUED)

Promises to give are expected to be collected within one year. Management provides for possible uncollectible amounts for prior year's unpaid promises to give through a provision for bad debt expense and a valuation allowance based on a historical analysis of the collections and accounts written-off. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to promises to give.

PROPERTY AND EQUIPMENT

Property and equipment in excess of \$2,000 are recorded at cost. Buildings, improvements and vehicles are depreciated under the straight-line method over their estimated economic useful lives. Buildings and improvements are depreciated over useful lives of 23 to 30 years and vehicles are depreciated over five years.

FIXED INDEX ANNUITIES

Fixed index annuities are contracts with insurance companies that provide a guaranteed annual interest rate and earnings potential linked to the S&P 500 Index. Realized and unrealized gains and losses are included in the statement of activities. Investment income is allocated to the Foundation based on minimums and caps as specified in the contracts. Investment income is allocated to the contract on the anniversary date. Income accrued, but not yet allocated to the Foundation is not material.

INCOME TAXES AND UNCERTAIN TAX POSITIONS

The Foundation is a tax-exempt organization under the provisions of Section 501(c)(3) of the Internal Revenue Code.

The Foundation follows the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC), which provides guidance on accounting for uncertainty in income taxes recognized in the Foundation's financial statements. The guidance prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, and also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. As of September 30, 2016, the Foundation had no uncertain tax positions that qualify for either recognition or disclosure in its financial statements.

The Foundation's policy is to recognize interest and penalties on tax positions related to its unrecognized tax benefits in income tax expense in the financial statements. No interest and penalties were recorded during the year ended September 30, 2016.

Generally, the tax years before 2012 are no longer subject to examination by federal, state, or local taxing authorities.

SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through November 15, 2016, the date on which the financial statements were available to be issued. There were no subsequent events that meet the criteria for disclosure.

3. CONCENTRATION OF CREDIT RISK

The Foundation maintains its cash in accounts with financial institutions that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. As of September 30, 2016, the deposits did not exceed the insured coverage.

4. FIXED INDEX ANNUITIES

The cost basis and contract value are summarized below:

	Cost	Fair Value
Indexed Annuity Contracts	\$ 616,000	\$ 687,912

The cash surrender value of both funds as of September 30, 2016, is \$624,318.

The Foundation has two indexed annuity contracts. Investment income is allocated to the Foundation based on income crediting strategies stated in the contracts. Both indexed annuities are allocated 10%, 55%, and 35% to the fixed rate strategy, point-to-point cap index strategy and monthly cap index strategy, respectively. The guaranteed investment income minimums and caps are shown below:

	7 Year		10 Year	
	Minimum Guarantee	Maximum Cap	Minimum Guarantee	Maximum Cap
Fixed rate	1.00%	1.50%	1.00%	1.50%
Point-to-Point	0.00%	4.25%	0.00%	3.50%
Monthly Cap Index	0.00%	1.90%	0.00%	1.50%

5. VETERANS HOUSING

The Foundation owns and operates four residential properties located in West Haven and Manchester, Connecticut. Three of the four houses comprise the Foundation's Transitional Housing Program, which provides up to twenty-four homeless veterans the opportunity to live in a secure, supported environment while each works on his individual recovery. One of the residences provides permanent housing to six veterans. The veterans remain in active treatment with the U.S. Department of Veterans Affairs (VA) while they reside in the houses.

6. PROPERTY AND EQUIPMENT

Property and equipment at September 30, 2016, were as follows:

	Cost	Accumulated Depreciation	Net Book Value
Land	\$ 80,000	\$ -	\$ 80,000
Buildings	403,221	(281,841)	121,380
Improvements	619,230	(324,683)	294,547
Vehicles	45,375	(15,247)	30,128
	<u>\$ 1,147,826</u>	<u>\$ (621,771)</u>	<u>\$ 526,055</u>

Depreciation expense was \$43,790 for the year ended September 30, 2016.

7. RELATED PARTY TRANSACTIONS

Vietnam Veterans of America, Inc., (VVA) is a related party because of common members of administrative management.

The Foundation granted \$208,181 in fiscal year 2016 to VVA, which is included in program services expense. These funds are subsequently used by VVA to help administer the nationwide VVA service officer program. Any previously awarded grants that are not used are credited to program services expense. Total grants payable to VVA were \$201,154 as of September 30, 2016.

During 2013, the Foundation agreed to pay VVA \$50,000 annually for the financial and accounting assistance provided by VVA to the Foundation and the personnel providing those services. Total management fees paid to VVA during 2016 were \$50,000. This amount is allocated 54% and 46% to program service expense and general and administrative expense, respectively.

8. TEMPORARILY RESTRICTED NET ASSETS

Net assets represents time restrictions that fully expire in the fiscal year ending September 30, 2016 and purpose restrictions for the repair and maintenance of the transitional houses. The restricted activity is as follows:

	October 1	Contributions	Releases	September 30
Time Restrictions	\$ 53,236	\$ 83,549	\$ (84,724)	\$ 52,061
Transitional Houses	4,918	55,731	(60,649)	-
	<u>\$ 58,154</u>	<u>\$ 139,280</u>	<u>\$ (145,373)</u>	<u>\$ 52,061</u>

9. PER DIEM GRANT REVENUE

The Foundation participates in the VA's homeless grant and per diem program to support the housing of homeless veterans on a per diem basis. The VA pays the Foundation a portion of the cost associated with housing veterans referred by the VA or for those for whom the VA authorizes the provision of supportive housing or supportive services. Total per diem grant revenue associated with this program was \$262,364 for the year ended September 30, 2016.

10. VETERANS SUPPORT

The Foundation, as part of its ongoing service to veterans, provides funding in the form of grants to veteran-related projects throughout the United States. The Foundation gives priority to matching funds projects. The Foundation provides funding solely for scientific, charitable, and educational purposes. These grants are scheduled for a one-year period.



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