



2013 ANNUAL REPORT



9 Mari 15-8-J. Marc Burgess National Adjutant & Chief Executive Officer



Joseph W. Johnston National Commander



Chairman Board of Directors

Dear Friends of DAV,

Throughout the nearly hundred-year history of this organization, we have stood proudly beside America's injured and ill veterans as they faced some of life's most challenging struggles. Our mission, from the very beginning, has been to lift up those who have sacrificed so much for their country and to empower them to lead healthy and successful lives after leaving the military.

Service to a nation at war has brought many of America's sons and daughters home with wounds of the flesh and scars of the soul, both in today's military force and in the generations that came before. DAV believes that none of these brave individuals should have to face the road home alone.

DAV remains a strong and influential veterans' advocate, working tirelessly to safeguard the full range of services and protections veterans have earned through service. We do this by providing free professional assistance to all veterans and their families in obtaining benefits from the Department of Veterans Affairs and by advocating on behalf of veterans on Capitol Hill, ensuring their voices are heard by lawmakers.

In 2013, through 100 offices across the United States and Puerto Rico, we assisted veterans with more than 330,000 claims to ensure they received the most successful opportunity to obtain earned benefits from the VA. Without relying on any government funding, we offer our services at no cost to veterans and their families. Our National Service Officers and Transition Service Officers are highly trained professionals and more importantly—they are veterans themselves. They are able to provide veterans and family members critical counseling and assistance obtaining VA disability compensation, rehabilitation and education programs, pensions, death benefits and employment and training programs.

In addition to DAV's service and advocacy work, our Voluntary Services Programs are an integral part of many veterans' lives. The nationwide Transportation Network, in many cases, makes the difference between whether or not a veteran has access to VA medical care. Volunteer drivers dedicate their time and compassion, logging countless miles and hundreds of hours in order to serve America's heroes. And by partnering with individuals and organizations that share our commitment to empowering the men and women who served, DAV has helped veterans find numerous ways to heal both physically and emotionally, to secure meaningful employment after transitioning from the military and to put themselves on track to build high-quality, successful lives.

In the pages that follow, you'll learn more about DAV's accomplishments and our unyielding commitment to America's injured heroes. As a veteran-run organization, we are committed to putting veterans and their families first and to ensuring that we, as a nation, honor our promises to those who served. It is the duty and the sacred vow of American citizens to honor those who protect and defend our way of life by remembering their sacrifices and providing the resources that help veterans regain a sense of normalcy.

In turn, it is the vow of DAV to ensure that those who generously support our programs are able to see how their gifts benefit veterans and their family members. Our books are always open, and we are confident this annual report reflects a commitment to wise stewardship, as one should expect from an organization dedicated to serving veterans. We hope that after you have read this annual report, you will take away a sense of fulfillment knowing you have contributed to a cause as deserving as helping our injured heroes. As always, we are happy to answer any questions regarding DAV's financial status or about the work we do on behalf of America's injured and ill veterans and their families.

DAV MISSION STATEMENT

We are dedicated to one single purpose: empowering veterans to lead high-quality lives with respect and dignity. We accomplish this by making sure veterans and their families can access the full range of benefits available to them; fighting for the interests of America's injured heroes on Capitol Hill; and educating the public about the great sacrifices and needs of veterans transitioning back to civilian life.

This mission is carried forward by:

- ★ Providing free, professional assistance to veterans and their families in obtaining benefits and services earned through military service and provided by the Department of Veterans Affairs and other agencies of government;
- ★ Providing outreach concerning its program services to the American people generally, and to disabled veterans and their families specifically;
- ★ Representing the interests of disabled veterans, their families, their widowed spouses and their orphans before Congress, the White House and the Judicial Branch, as well as state and local government;
- ★ Extending the DAV's mission of hope into the communities where these veterans and their families live through a network of state-level Departments and local Chapters; and
- ★ Providing a structure through which disabled veterans can express their compassion for their fellow veterans through a variety of volunteer programs.

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NATIONAL SERVICE PROGRAM



National Service Officer Afua Whiteside assists Carter Chromartie of Independence, Ky., with filing for VA benefits he earned through his service as a combat veteran of Iraq.

Fulfilling our promises to America's veterans and their families and survivors is accomplished through service. Service has always been at the heart of what DAV does. Our largest endeavor in fulfilling DAV's mission is our National Service Program. In 100 offices throughout the United States and in Puerto Rico, we employ a corps of approximately 270 National Service Officers (NSOs) and 32 Transition Service Officers (TSOs) who counsel and represent veterans and their families with claims for benefits from the Department of Veterans Affairs, the Department of Defense and other government agencies.

Veterans need not be members to take advantage of our assistance, which is provided free of charge. With outlays of \$47,060,645 in 2013, these direct services make up the largest item in our budget for program activities. Between January 1, 2013, and December 31, 2013, our NSOs and TSOs, all wartime-wounded, injured and ill veterans, provided representation for over 330,000 claims for veterans and their families before VA, obtaining for them more than \$4.3

billion in new and retroactive benefits.

NSOs function as attorneys-in-fact, assisting veterans and their families in filing claims for VA disability compensation, rehabilitation and education programs, pensions, death benefits and employment and training programs. They provide free services, such as information seminars and counseling and community outreach activities such as the Mobile Service Office (MSO) Program. NSOs also represent veterans and active-duty military personnel before Discharge Review Boards, Boards for Correction of Military Records, Physical Evaluation Boards, the Disability Transition Assistance Program, the Transition Assistance Program and other official panels.

DAV NATIONAL SERVICE OFFICER TRAINING PROGRAMS

DAV National Service Officers continually train throughout their careers to stay current with the changes in all laws and regulations affecting veterans' benefits. This continuous training ensures that all DAV NSOs are at the forefront of veterans' advocacy. NSOs are educated professionals and skilled experts in

developing and prosecuting veterans' claims through in-depth reviews of medical histories. in conjunction with representation of current law and regulations. Additionally, they review rating board decisions and inform veterans and their families of the appeals process and of their appellate rights.

The extensive preparation required for these crucial services begins with a 16-month, on-the-job training program, which was recently updated to

digitally connect participants with up-to-date online resources. This interactive, self-directed training program provides the foundation for trainees to become effective advocates. Trainees are instructed and mentored by tenured supervisory NSOs. The National Service staff at National Service and Legislative Headquarters administers and oversees the successful completion of this training.

An NSO's training does not stop after completing 16 months of initial training. In fact, training never stops because the laws, regula-

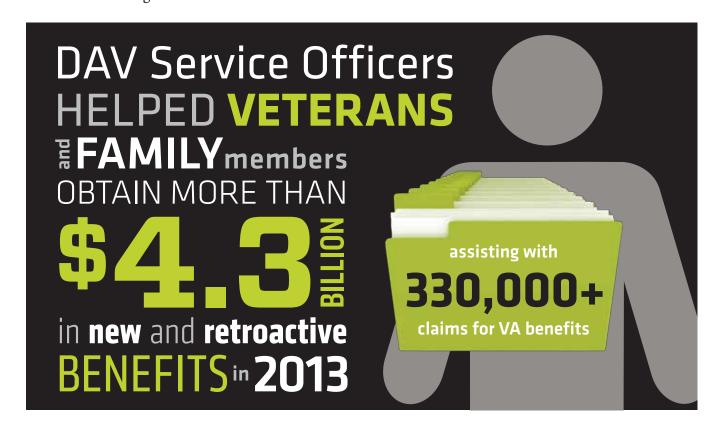
tions and policies governing veterans' benefits continue to change and grow in complexity. That's why equipping our NSOs with state-of-the-art computers and keeping their cutting-edge advocacy skills up to date is of paramount importance. DAV is the only veterans' service organization to have a training program certified for college credit in legal research and writing, administrative law, litigation, introduction to paralegalism, pathophysiology and

human anatomy by the American Council on Education.

In addition to these training programs, supervisory staff and selected NSOs from field offices across the country receive specialized instruction in management and leadership development. The goal is to produce the most highly trained representatives possible to serve veterans and their families.



DAV distributed nearly 400 emergency grants to veterans.





Mobile Service Offices travel into communities across the country, including college campuses, increasing veterans' access to DAV benefits assistance services. In 2013, MSOs visited more than 832 cities and towns.

NATIONAL APPEALS OFFICE

The Board of Veterans' Appeals (BVA) is the highest appellate level within the VA responsible for the final decision concerning entitlement to veterans benefits. About 96 percent of the claims before the board involve disability compensation issues. Our highly skilled National Appeals Officers serve appellants in the preparation of written briefs for BVA review and conduct formal hearings before Veterans Law Judges. We maintain the largest staff of any advocacy group, representing nearly 30 percent of all cases decided by the BVA in 2013.



JUDICIAL APPEALS

DAV continues its *pro bono* representation program for veterans seeking review in the United States Court of Appeals for Veterans Claims. DAV currently works with two of the most accomplished law firms in the country dealing with veterans' issues at the court. In fiscal year 2013, the Board of Veterans Appeals (BVA) took action on more than 12,000 cases involving DAV clients. Each one of those cases was reviewed to identify those in which a veteran's claim was improperly denied. Thanks to DAV and our relationship with the two private

law firms, 1,161 of these cases previously denied by the BVA were appealed to the court. The partnership has allowed this program to grow exponentially over the past few years. DAV is proud to have them in prominent roles in our enlarged program at the court.

TRANSITION SERVICE PROGRAM

For service members making the all-important transition to civilian life, DAV participates in Transition Assistance and Disabled Transition Assistance Programs.

Our TSOs provide benefits counseling and assistance to service members filing initial claims for VA benefits at more than 100 military installations throughout the country. Over the last year, our TSOs conducted 1,390 formal presentations to 54,220 transitioning service members. During that time, they filed 19,898 claims for VA benefits. Counsel and representation for active-duty service members during their transition was provided through the military's Disability Evaluation System. We devoted in excess of \$2.1 million to this program in 2013.

MOBILE SERVICE OFFICE PROGRAM

The Mobile Service Office (MSO) Program continues to seek new venues to bring DAV service to veterans and dependents in their own communities. DAV National Service Offices are not always easy for veterans to visit due to distance, transportation, health and other reasons. By putting our service offices on the road and assisting veterans where they live, DAV is increasing veterans' accessibility to benefits.

With 10 specially equipped MSOs visiting communities across the country, this outreach effort generates a considerable amount of claims work from veterans who may not otherwise have the opportunity to seek assistance at our National Service Offices. During 2013, our MSOs traveled more than 89,000 miles, visiting 832 cities and towns. Our NSOs interviewed 20,075 veterans and other potential claimants.

The Harley-Davidson Foundation in August 2010 pledged a second \$1 million over four years to partner with DAV to maintain the Harley's Heroes® Program. Throughout 2013, the MSOs participated in 122 events at Harley-Davidson dealerships. Nearly \$1.1 million was expended for the MSO Program in 2013.

OUTREACH PROGRAMS

The National Service Department has the cooperation, support and assistance of Department and Chapter Service Officers across the country. Participating Departments and Chapters receive training and information necessary to assist those we serve. Our Department and Chapter Service Officer Certification Training Program guarantees the vitality and growth of our local service programs. This provides an environment where our Hospital Service Coordinators, Department and Chapter Service Officers and volunteers work together for the common goal of service to injured and ill veterans. After updating and revamping this annual training initiative in 2013, DAV trained and certified 1,638 Department and Chapter Service Officers in 31 states.

During 2013, we conducted 32 Information Seminars at various Chapters across the country, allowing DAV to assist 3,360 individuals in educating and obtaining benefits they have earned. These Information Seminars provide the opportunity for veterans to discuss VA benefits with our NSOs in their own community, giving Chapters an opportunity to recruit new members and encourage their involvement.

Since 2006, DAV NSOs have offered services at other community-based events, including participation with state and county fairs, air shows, Major League Baseball, the National Football League, the National Hockey League, NASCAR and on college campuses across the country.



WOMEN VETERANS

Now serving in record numbers, women make up nearly one-fifth of active-duty guard and reserve forces. Nearly 160 women service members have made the ultimate sacrifice in combat deployments in Iraq and Afghanistan, and thousands more have been critically wounded. As a result, the VA is enrolling an increasing number of women veterans into its health care system. The number of VA users who are women has doubled in the past 10 years, with a projection for them to represent 10 percent or more of the total user population by 2018.

The VA acknowledges the need for internal cultural changes to improve and expand comprehensive health care services to women veterans and to tailor VA programs to meet their unique challenges. DAV is helping to foster greater awareness of the needs of women veterans and is working cooperatively with VA officials through our legislative, communications and Foundation resources; by providing testimony before Congress and by conducting a variety of forums and discussion groups in Washington, D.C., and throughout the nation.

DAV continues our determined advocacy for women. At the national, Department and Chapter levels, DAV continues to be the leading veterans' service organization in promoting the needs of women veterans. In addition, DAV's own Women Veterans Interim Committee, made up of women veterans from across the country, meets annually at our Mid-Winter Conference and National Convention to help set our agenda on the needs of women veterans. DAV also actively seeks out and recruits women veterans to add to the 55 women now serving in our National and Transition Service Officer corps. *



We fight for veterans' rights by making sure their voices are heard in Congress.



Washington Headquarters Executive Director Garry Augustine, at microphone, is flanked by Senate Veterans' Affairs Committee Chairman Bernie Sanders (I-Vt.), right, and House Veterans' Affairs Committee Chairman Jeff Miller (R-Fla.) during a Capitol Hill news conference to urge passage of legislation to provide advance funding for all VA programs and service. Representatives from several other veterans and military organizations lent their support for the Putting Veterans Funding First Act.

NATIONAL LEGISLATIVE PROGRAM

DAV's National Legislative Department is responsible for developing, strengthening and expanding federal policies, programs, benefits and services to empower injured and ill veterans to lead high-quality lives with respect and dignity. DAV works with Congress, the Department of Veterans Affairs and other federal agencies that help fulfill our nation's promises to the men and women who served. The guid-

ing principles of our advocacy efforts emanate directly from our legislative agenda as set forth by the resolutions adopted by delegates to our annual National Conventions and strengthened by DAV's Constitution and Bylaws.

The Legislative Department works closely with members of Congress and their staffs to promote, enact and implement reasonable, responsible legislation, and with VA and other agencies that craft regulations and policies to carry out congressional intent with respect to veterans and their needs. We accomplish our objectives through numerous activities in Washington, D.C., and by drawing upon the grassroots strength of our more than 1.2 million DAV members across the country.

Reaching out through DAV CAN (Commander's Action Network) in 2013, we were able to generate 272,178 written communications to members of the United States Senate and House of Representatives in support of our legislative and policy priorities, an astounding 444-percent increase from the 50,000 contacts generated in 2012. This dramatic increase, in part, was related to the 16-day government shutdown that occurred in 2013. DAV members, veterans' families and other DAV supporters responded overwhelmingly to hold our elected officials accountable for the shutdown's impact on veterans' benefits and services, but they also alerted Congress to legislation that was important to DAV.



Then-Commander Larry A. Polzin testified on Capitol Hill to urge Congress to fix the VA claims process.

Although the Veterans' Affairs Committees held numerous veteran-related hearings and other public and private events that DAV participated in during the first Session of the 113th Congress, little legislation was accomplished by year's end. However, Congress did enact the Veterans' Compensation Cost-of-Living Adjustment (COLA) Act of 2013, resulting in a 1.5-percent cost-of-living increase for this

year. As a major DAV accomplishment, for the first time in almost two decades, the COLA increment in monthly payments is not being rounded down to the nearest whole dollar. DAV's long-standing resolution has sought legislation to end the unfair practice that had siphoned millions of dollars annually from disabled veterans, their families and survivors in what was originally justified decades ago as a temporary measure.

DAV must remain vigilant in the current unpredictable political climate. The bipartisan budget agreement approved by Congress and the President in January 2014 contains a provision detrimental to disabled veterans who were medically retired. The provision reduces future COLAs for veterans who retired due to medical reasons, including those who suffered combat wounds. This reduction of the military retirement COLA shrinks payments to those veterans by hundreds of millions of dollars over the next decade.

DAV immediately expressed disappointment in learning that this unconscionable policy was contained in the budget agreement. DAV urged Congress to repeal this unacceptable provision. Cutting benefits for medically retired veterans in order to reduce the deficit is a major betrayal of those who have sacrificed so much for their country. Legislation to overturn this policy was enacted by Congress and signed by the President mere days after enactment of the budget agreement.

Thanks to our hard-earned reputation in Washington, D.C., we are regularly invited to testify before Congressional committees overseeing veterans' programs to offer our insights on the challenges veterans face and to provide legislative testimony on proposals under consideration. DAV also leverages influence over budget and policy formulation through our role as a co-author of the annual Independent Budget, a budget and policy device that is endorsed each year by dozens of military and other veterans' organizations.

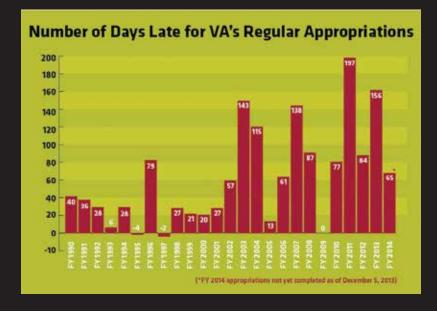
Despite political gridlock and budget stalemates in Congress this past year, the Legislative Department continued our efforts related to our Stand Up for Veterans grassroots initiative. Although originally oriented toward veterans of the wars in Iraq and Afghanistan when it was launched several years ago, the initiative continues to influence the development of sound veterans policy along multiple tracks: advance appropriations for all VA funding accounts; adequate funding for VA health care and capital infrastructure; providing caregiver services and supports to wounded, injured and ill veterans of all eras of military service; improving benefits and health services for women veterans: increasing funding for VA biomedical research; improving access to post-deployment mental health care; providing services for traumatic

brain injury and post-traumatic stress disorder and strengthening transition, vocational rehabilitation and employment programs for America's wounded, injured and ill veterans.

The most important achievement of the Stand Up initiative was passage of the Veterans Health Care Budget Reform and Transparency Act of 2009, an act that authorized advance appropriations for veterans' health care programs. In response to leadership by DAV's Legislative Department in Washington, D.C., a unified coalition of veterans' service organizations and a motivated DAV grassroots network across the nation, Congress passed and the President signed this historic law in October 2009.

Last year, for the fifteenth time in 16 years, Congress failed to complete the budget and appropriations process on time. However, because of advance appropriations, the VA health care system received its full-year appropriation for fiscal year 2013 on time. DAV is now focused on achieving advance appropriations for all VA accounts to stabilize funding for the Veterans Benefits Administration, the National Cemetery Administration and other VA discretionary accounts, as well as the mandatory accounts for disability compensation, pensions, vocational rehabilitation, survivors' benefits and education benefits.

If enacted, all VA programs would be removed



Congress and the Administration have failed to complete their budget and appropriations work on time for 15 of the past 16 years going back to fiscal year 1998. The DAV-backed advance appropriations law (P.L. 111-81) has helped shield the VA health care system from the worst effects of these budget failures, but other veterans' programs still face challenges caused by the broken budget process. DAV is working to strengthen and expand advance appropriations to other VA programs, including information technology, research, construction and VBA operations in order to provide all veterans' programs with more sufficient, timely and predictable funding.

from the paralysis afflicting the budget process in Washington. Moreover, thanks to pressure brought by DAV, Congress also provided the VBA with supplemental funding to support its efforts to reform the claims process and reduce its enormous backlog of pending disability claims. In addition, our Legislative Department worked with key leaders in Congress to pressure the Administration to clarify that all VA funding should be exempt from any reductions that could be caused by so-called

"sequestration" (across-the-board cuts to much of the federal government).

Throughout 2013, the Legislative Department was actively engaged with Congress and the VBA to oversee and guide ongoing efforts to transform the veterans' benefits claims processing system from an outdated, inefficient, paper-based system into a modern, paperless and intelligently automated system. We remain steadfastly focused not only on reducing the backlog, but also on creating

a new culture inside the VBA that is built upon the simple goal of deciding each claim correctly the first time. In support of this DAV priority, our Legislative Department testified multiple times before Congress to outline our recommendations for building a new claims reform process

based on quality, accuracy and accountability.

In 2013, the VBA rolled out a new organizational model to all of its regional offices and is scheduled to soon finish deploying its new Veterans Benefits Management System. For years, we have pressed the VBA and Congress to commit to a fully paperless system, and, in 2012, the VBA made the pivotal decision to convert all active claims files into digital formats prior to any processing. We will continue to push the VBA to complete this transformation while



Members of DAV and other veterans service organizations gather for a town hall rally in Boston on Dec. 17, 2013.

ensuring that Congress maintains sufficiently vigorous and comprehensive oversight to ensure these reforms are sustained.

The Legislative Department will continue to promote all of DAV's legislative priorities over the next year, taking advantage of the opportunities that arise as a result of our excellent reputation as the foremost advocate for our nation's wounded, ill and injured veterans. In conducting this work, no funds from chari-

> table contributions are used to cover the expenses of our Legislative Program, with the exception of contributions donated explicitly to fund legislative efforts. All other legislative operations are funded from Life Membership dues.

During 2013, even though the

investment in our legislative program (both non-lobbying and lobbying combined) was quite small, constituting about one percent of DAV's total expenditures, DAV's efforts in this arena achieved important results for the men and women who served. The successes and ongoing efforts of this program demonstrate our dedication, strength and leadership in advocating for the protection and enhancement of veterans' rights and all the benefits they have earned by their sacrifices for the nation. *

No funds from charitable contributions are used to cover the expenses of our Legislative Program, except when donated explicitly to fund legislative efforts.

We offer services for veterans that address their overall health and well-being.



DAV volunteers distribute water, food and supplies to veterans and their families affected by disaster, as was the case in May 2013, when Oklahoma was struck by devastating tornados.

NATIONAL VOLUNTARY SERVICES PROGRAM

Service is the cornerstone of DAV's mission of empowering veterans to lead high-quality and fulfilled lives. Our thousands of dedicated volunteers across the country help us to provide the best care, morale and service to our nation's heroes. DAV truly appreciates and recognizes those who volunteer their time and talents and is committed to supporting these efforts. In 2013 alone, the organization devoted \$41,631,740 to voluntary service initiatives through an extensive network of programs. Volunteers are the key to the success of our mission, and they positively impact the lives of the veterans we serve.

TRANSPORTATION NETWORK

DAV's Transportation Network is one of the country's largest voluntary transportation programs. This unique program provides vehicles and volunteers throughout the country to transport veterans to and from their medical appointments at Department of Veterans Affairs (VA) medical centers. This program is managed by 192 Hospital Service Coordinators located at 152 VA medical centers and is operated by

nearly 9,000 volunteer drivers. Since the inception of the program in 1987, DAV Departments and Chapters have donated 2,714 vehicles to the VA at a cost to DAV of \$57.6 million.

The amount of hours that DAV volunteers dedicate, the amount of miles they drive and the number of rides they provide to veterans are impressive. To put this into perspective, DAV volunteer drivers have driven 588,984,938 miles, which is equivalent to 82,862 round trips across the United States, from Maine to California, since the program's inception. In 2013 alone, volunteers traveled 25,923,124 miles, providing 717,009 free rides to veterans and donating 1,792,450 hours of their time.

The benefit of DAV's Transportation Network goes beyond the veterans in need by extending the benefits to the VA. Based on the Independent Sector's methodology, the VA has valued the DAV Transportation Network's 1,792,450 hours of service at \$39,684,843, based on the current formula of \$22.14 per hour. Additionally, each veteran passenger could potentially cost the VA \$0.415 per mile in Beneficiary Travel expense





"Just because I'm in a wheelchair doesn't mean I'm not a Marine anymore."

Marshall Abbott, Marine veteran

reimbursement for travel to an appointment or treatment. In 2013 alone, the 25,923,124 miles traveled by our volunteer drivers would have cost the VA \$10,758,096. The Transportation Network continues to fill a substantial need for veterans, delivers a powerful impact on local communities and proves to have great value.

NATIONAL DISABLED VETERANS WINTER SPORTS CLINIC

For over a quarter century, DAV and the VA have co-hosted the National Disabled Veterans Winter Sports Clinic, a physical rehabilitation program held in the mountains of Colorado. Since its inception, this program has transformed the lives of 7,744 of America's most severely injured and ill veterans. This unique program—often referred to as "Miracles on a Mountainside"—helps severely injured veterans to rebuild confidence and regain balance in their lives. In 2013, 343 veterans from across the nation with multiple amputations, traumatic brain and spinal cord injuries, severe neurological deficits and even total blindness participated in the clinic to develop winter sports skills and take part in a variety of workshops and educational sessions.

This event promotes rehabilitation and restoration by coaching and encouraging veterans with severe injuries to conquer adaptive skiing, rock climbing, kayaking, scuba diving and other sports they may not have considered after surviving the effects of

a profound disability. Veterans from all eras attend the clinic, including many who were injured in the wars in Iraq and Afghanistan. Often, this seminal event offers veterans their very first experience in winter sports and gives them motivation to overcome any perceived limitations—motivation which enhances their quality of life and rehabilitative journeys.

THE POWER OF YOUTH VOLUNTEERS

The power of young volunteers providing care to our nation's heroes and strengthening their local communities is shown through DAV's Jesse Brown Memorial Youth Scholarship program. Annually, our scholarship program honors outstanding young volunteers who participate in the VA Voluntary Service Program and/or through DAV's Local Veterans Assistance Program. Last year, DAV awarded \$75,000 to youth volunteers who donated their time and compassion to injured and ill veterans. Since its inception, DAV has awarded 147 individual scholarships valued at a total of \$1,043,000 to enable these exceptional young people to pursue their goals in higher education.

Last year's top honor of \$20,000 went to Max Freeman of Northport, N.Y., who volunteered 1,200 hours helping veterans find homes and apply for jobs. He also entertained veterans with his trumpet and set up accessible personal computers for nursing home residents. He passionately stated, "Volunteering for veterans



Youth volunteer Max Freeman, right.









DAV 5K volunteers donated their time and effort before, during and after the inaugural event on Nov. 9, 2013.

is very rewarding. You're helping America's heroes. I've learned a lot from veterans, and they have served as real role models." This program empowers student volunteers to gain life and job experiences, strive to be successful students and become active community members.

VA VOLUNTARY SERVICE PROGRAM

VA medical centers, community living centers and clinics appreciate the service of DAV volunteers. In 2013, DAV volunteers assisted service members, their families and caregivers through the VA Voluntary Service Program (VAVS) by sharing their time and talents and performing a wide range of duties.

DAV volunteers performed duties as basic as being a buddy to a veteran during days of recovery or therapy, to those requiring highly technical and professional skills. Through the VAVS program, DAV volunteers help veterans gain meaningful experiences and assist them in living healthy and fulfilling lives.

CELEBRITY PROGRAM

DAV's Celebrity Entertainment Program provides an amazing opportunity for professional athletes and celebrities to generously volunteer their time visiting hospitalized veterans and their families at VA medical centers across the country.

Dedicated celebrities include Major League Baseball Umpire Jerry Layne and retired Major League Umpire Larry Barnett. In 2013, Layne and Barnett made nearly 100 visits to VA medical centers throughout the country.

STRENGTHENING COMMUNITIES THROUGH LOCAL VOLUNTEERISM

DAV's Local Veterans Assistance Program (LVAP) was established to facilitate and recognize initiatives in which volunteers can contribute their skills, talents, professional

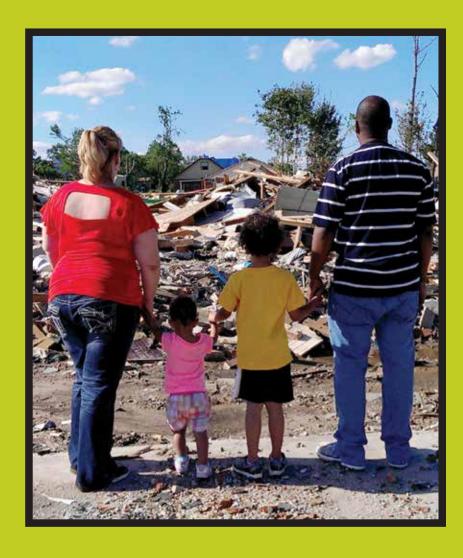
abilities and time in ways that benefit veterans residing within their local communities. The program empowers individuals to find and develop new and unique ways to support the service and sacrifice of our veterans and their families. By providing resources, assistance or help with everyday needs, volunteers allow these heroes and their families to enjoy the best quality of life possible.

LVAP initiatives are managed by state-level DAV Departments and are carried out through our Departments, Chapters, Auxiliary Units, associated organizations, corporations and individual volunteers. LVAP initiatives range from Homeless Stand Downs to disaster cleanups. They include things like household chores and providing respite for caregivers. There are 5K walks and runs to benefit veteran communities, and our volunteers also lead efforts to assist in the upkeep of veterans' cemeteries. Since the inception of the LVAP program in 2007, 5,006 volunteers have donated 1,622,442 hours of service to veterans residing within their local communities.

DAV's 5K inaugural race on Saturday, November 9, 2013, was a tremendous success. Nearly 3,000 participants, including 200 motorcyclists, came together to salute our heroes for Veterans Day at Sawyer Point in Cincinnati, Ohio. The event was facilitated by more than 225 volunteers. This amount of support is unheard of for first-year race events. It was the dedication and support from our volunteers working tirelessly behind the scenes that allowed us to pull off such a feat.

DAV volunteers assisted not just with the event itself but in all phases leading up to the actual race. Volunteers helped prepare "thankyou" bags, packet pick-up, staging of race day materials, transportation and the set-up and tear-down of the event. *

We respond not just to the needs of veterans returning home, but to the needs of their entire families.



"I'm joining DAV.
I'm so overjoyed
that I want to
be part of the
organization to
help pay it back."

Allisa Thompson,
Army veteran

STATE SERVICES AND DISASTER RELIEF



DAV Department of Oklahoma was first on the scene with members and volunteers turning out immediately to help process emergency grant applications for affected veterans.

DAV operates a program that provides direct grants to help veterans and their families in times of need, as well as a plan to fund statelevel services to them. During 2013, spending on these programs totaled \$4,390,895.

DISASTER RELIEF PROGRAM

When disaster strikes, our National Service Officers are dispatched to the affected area to provide monetary assistance, conduct benefit counseling and offer referral services. We provided disaster relief grants in the aftermath of natural disasters and emergencies in various areas around the nation to help veterans and their families secure temporary lodging, food and other necessities. During 2013, almost \$275,000 was granted to tornado, flood and fire victims. Since the program's inception in 1968, \$9,310,000 has been disbursed.

We help fund services that our state-level Departments provide to veterans and their families. In some cases, these Department programs extend, supplement or dovetail services we provide through our nationwide programs. In other cases, Departments have created entirely new programs to meet the unique needs of veterans in their states. Grants to Departments under this program totaled \$3,947,000 in 2013. ★

STATE SERVICE PROGRAM

We empower veterans to live high-quality and fulfilled lives.



"DAV supports disabled American veterans in their efforts to lead high-quality lives. Now it's safe to say that our country would not be the same without their sacrifice."

Dean Cain

NATIONAL COMMUNICATIONS PROGRAM



National Commander Joseph Johnston and his wife, Vicki Linn, a DAV Auxiliary life member, greet the crowd at the 82nd Annual Hollywood Christmas Parade, which saluted DAV.

The National Communications Department oversees internal and external communications programs, including media relations, publications, contacts with other organizations and a variety of public outreach initiatives to tell DAV's story. A full-color magazine keeps our members informed about important issues and our

government's policies affecting the federal benefits and services they've earned. This bi-monthly publication also showcases the many successful service programs and accomplishments of our state-level Departments and local DAV Chapters nationwide.

Our communications staff produces news releases, speeches, op-eds, brochures, print messages, public service announcements, videos and other materials that provide information about DAV and the full range of free services that empower veterans to live

high-quality lives with respect and dignity. In addition to these traditional tools, social media such as Facebook, Twitter and YouTube also

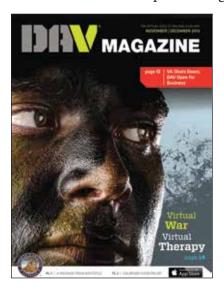
enable DAV and its members to build an even stronger community to carry out our mission, now and in the future.

Marking a major milestone along the road to DAV's second century of service and advocacy, the National Communications Department is implementing a comprehensive strategy to cre-

> ate greater awareness, among both our members and the general public, of who we are and how we serve all veterans. We have refreshed our principal communications to help clarify and better explain our organization and the positive impact we have on the lives of veterans.

> We have significantly grown our social media community using the Facebook platform, which provides individuals with a way to directly engage with DAV as frequently as they choose. DAV page "Likes" (our "captured" audience)

grew from 65,000 in 2011 to more than 250,000 in 2013. Our Facebook "reach" (the number of people who received an impression of a page





post) soared from 268,000 in 2011 to nearly 10 million in 2013. And the number of people talking about DAV on their own Facebook posts climbed from 8,000 in 2011 to 40,500 in 2013.

Our Twitter following went from 3,200 in 2011 to 13,000 in 2013. Meanwhile, DAV YouTube subscribers topped the 1,200 mark, and our videos garnered 600,000 views in 2013.

Our website, www.dav.org, is another vital information and education resource for veterans and the general public. The site, which was completely redeveloped in 2013, provides timely, easy access to legislative matters, service programs and critical issues. It also allows our members, as well as the general public, to make their

voices heard on important public policy issues through an electronic mail feedback feature.

Activity on DAV's website grew considerably during the year, from 1.5 million visits in 2011 to 2.1 million in 2013. Likewise, the number of unique visitors showed a marked increase, from 1.15 million to 1.5 million.

Special events such as Community of Heroes events and air shows at military bases and civilian venues help us reach the public to inform them of our free services and volunteer opportunities in their own communities. Our Airshow Outreach program works with the owners of two vintage B-25 Mitchell bombers

000 000

to bring DAV's message to these veteran-friendly audiences across the nation. Through this unique outreach program, DAV has been able to reach millions of Americans with our message of service and volunteerism in support of wounded, injured and ill veterans.

With such a vast array of programs, our Communications Department is able to provide in-depth research and resources to help explain issues more fully and sharpen the focus of news stories. As a result, our educational public service and outreach programs continue to promote awareness of veterans' issues and honor veterans' service

to our nation. A total of \$10,839,074 was spent on publications and other outreach in 2013.

Another important part of our communications efforts is making sure DAV and Auxiliary members and other supporters are aware of vital issues through a very active social networking community. You are invited to visit us on our website, www.dav.org; on Facebook at fb.com/thedav; on Twitter @davhq and on Instagram at instagram.com/daveterans. *

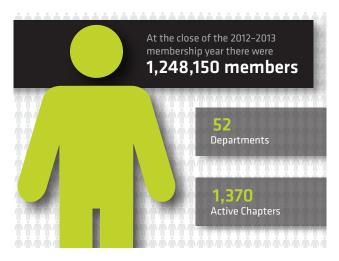
NATIONAL MEMBERSHIP PROGRAM



DAV's lifeblood is its members, who are the veterans we serve and those who support our mission. This support has made DAV what it is today.

DAV is committed to its membership's overall success. This commitment has enabled DAV to become the leading voice for the nation's injured and ill veterans and their families, regardless of era served. This commitment is expressed in our mission statement and is carried forth in our actions.

Our founders formed DAV because they believed there was a need to structure an organization through which injured and ill veterans



can seek mutual support and camaraderie and receive the services necessary to make an effective transition to civilian life. That concept of veterans helping veterans is our continuing legacy.

For more than nine decades, DAV has continually evolved to meet the needs of its members amid the ever-changing demographics that come with social progress. This enables us to see that all veterans are able to lead high quality lives with respect and dignity.

Today, with the convergence of technology and social diversity, DAV members continue to play a vital role as agents of change. They drive our organization's adaptation to emerging trends so that we can effectively respond to the needs of the current generation of veterans and also recognize the emerging issues related to the care of those from previous generations who have sacrificed so much.

DAV has nearly 5,000 members dedicated to recruiting new ones so that our base remains strong and vibrant well into the future.

With 52 state-level Departments and 1,370 active Chapters nationwide, we closed the 2012-2013 membership year with 1,248,150 veterans in DAV. *

We are veterans serving veterans, because no one should go it alone.



Members of WM Washington Chapter 7, Jacksonville, Fla., attend a town hall rally.

PUBLIC AWARENESS OUTREACH



Members of DAV and other veterans service organizations came together for a town hall rally in support of advance appropriations for the VA in Jacksonville, Fla.

When our heroes return home from military service, many struggle to regain a sense of normalcy. They must start the long and often difficult process of healing and rehabilitation so that they can begin to rebuild the lives they once knew. They must find jobs and often housing in a difficult economy, as well as relearn how to relate to their families after having been away for long periods of time. Accessing basic health services can be daunting. That's why DAV is here to help them every step of the way.

Too many of our injured and ill veterans haven't accessed the benefits and services they've earned. Most simply aren't aware of their rights and benefits or the free help our National Service Program can provide with filing for benefits from the Department of Veterans Affairs

and other government agencies.

Neither are they aware of the wide range of other programs we offer for ill and injured veterans and their families. This program supplements the outreach efforts already built into our other program services. It offers the American public an even greater opportunity to become personally involved in identifying and assisting those men and women who have served our nation. In 2013, \$34,156,802 was spent on this large-scale outreach effort, an investment that's making a real difference in the lives of veterans and their families. About \$7.7 million is from the value of donated media, primarily for airing of a public service announcement on DAV services available to assist ill and injured veterans. *

We are dedicated to the service of our nation's ill and injured heroes.



Past National Commander Bobby Barrera speaks with veteran Louis Groger during the Military Appreciation Monday event at Golden Corral in Ft. Wright, Ky.

FUNDRAISING

DAV has the honor of working on behalf of, and giving back to, the brave and selfless men and women who fought to protect our freedoms each and every day, but we do not do this alone. Last year, more than 2.8 million donors decided to stand beside our veterans to ensure they have the ability to lead fulfilled lives with the honor and dignity they have earned.

Every supporter of DAV's mission has committed himself or herself to fulfilling the promises made to those who served. Through their generosity, they ensure that the sacrifices made by our veterans are not forgotten. Their caring of injured and ill veterans reflects the selfless qualities of the men and women who protected each other, and our nation, during their service. The veterans we serve are touched by DAV's generous supporters through our programs and through messages of gratitude.

One such message was from Frank Sostarich, who said, "If it wasn't for DAV advocating for people like me, I wouldn't have a thing. I was so grateful for their service that I wrote a check to DAV. If there's ever anything more I can do, I would step up at a moment's notice."

"We are here for Michael Robert Bradford, my husband, who was killed overseas, as well as any other veteran who lost their life over there or was injured."

Sasha Bradford DAV 5K participant





"If it wasn't for DAV advocating for people like me, I wouldn't have a thing. I was so grateful for their service that I wrote a check to DAV. If there's ever anything more I can do, I would step up at a moment's notice."

Frank Sostarich

Mr. Sostarich is just one example of the many generous friends who have joined our DAV family by responding to our needs from a mailing or email, engaging in one of our corporate initiatives, making a legacy gift or encouraging others to become involved in our promise to provide a secure and bright future for all veterans.

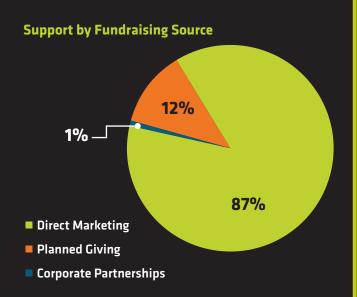
From the generosity of our donors in 2013, DAV raised \$113,633,364 in fundraising revenue. DAV also acquired more than 400,000 new supporters across the nation.

DIRECT MARKETING

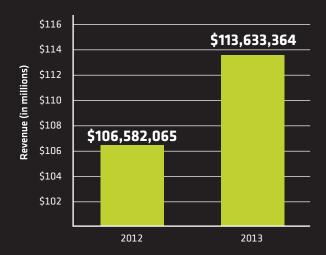
Direct mail, email and online initiatives continue to be the core foundation of our fundraising program. This past year, these channels generated gross support of \$97.3 million dollars. While direct mail accounts for 97% of these funds, we continue to expand and enhance our robust online marketing program, which includes e-newsletters to keep our donors informed of the impact of their generosity, as generating online dollars is less expensive, and the average gift size is three times more than direct mail. This past year, we generated almost \$3 million in email and online revenue.

SPECIAL EVENTS

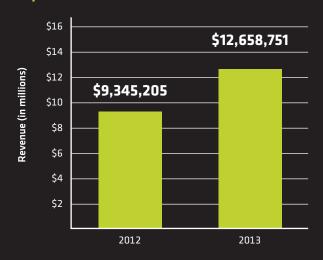
Special events are a great way to engage and galvanize support from new constituencies and communities at the grassroots level. As such,



Gross Fundraising Revenue



Bequest Revenue



we have developed and implemented plans to launch a series of DAV 5K events across the country. The purpose of these events is to bring local communities together to honor those who have served and to raise awareness of the issues our heroes face every day. This past November, we launched our inaugural DAV 5K in Cincinnati. Almost 3,000 individuals participated, including over 600 veterans and 200 motorcycle riders. Plans are underway for our second DAV 5K event in Cincinnati in November 2014, as well as the expansion of 5K events in other cities.



A legacy gift to DAV seems a fitting final tribute to our...fellow veterans, who have sacrificed so much for our nation. Ours is a personal expression of gratitude for their selfless service."

Marsha and Michael Maurer

GIFT PLANNING

Each year, the brave men and women who have served are honored by individuals who decide to include DAV in their wills. These special individuals ensure their support for veterans leaves a legacy—a legacy that inspires others to stand alongside our injured heroes and a legacy of caring for others. We are truly humbled by the generosity and kindness of those who have chosen to honor and support those who have served in this manner.

This past year, more than \$12.6 million in support was generated from bequests. While the income from this source makes up just 12 percent of our fundraising support, we will continue to expand and enhance our efforts to secure a greater number of these types of gifts, as the

average gift from these sources is significantly higher than others. In 2013, the average gift of a bequest was approximately \$42,000.

CORPORATE PARTNERSHIPS

This past year, more than 30 companies and organizations around the country raised funds in support of DAV's programs and services. Through their generosity and the kindness of their employees and customers, \$544,499 was raised. In addition, their campaigns significantly increased awareness of DAV, which ensures that more of our injured and ill veterans gain access to the benefits they need and deserve.

These good corporate citizens have also helped DAV further our mission by providing us with valuable goods and services. Ford has been a loyal friend of DAV since 1922, when Henry Ford provided 50 Model "T" Fords to help disabled World War I veterans attend the organization's second national convention. Ford continues lending its support today by donating vans for use in DAV's nationwide Transportation Network. Through the generosity of their grants, 171 vans have been purchased and donated to the VA over the life of the Transportation Network program.

Golden Corral, another long-standing friend of DAV, has raised nearly \$1.4 million for DAV Departments and Chapters while providing free meals to more than 433,500 veterans through its 13th Annual Military Appreciation Monday event.

While these wonderful corporate citizens provide this support to DAV without seeking recognition or reward, they are certainly deserving of our gratitude and sincere thanks. *











Barry Keiser (center) and Jay Heroux (right) of Hewlett Packard Enterprise Service, presented DAV National Adjutant Marc Burgess a check for \$150,000 at the conclusion of the inaugural DAV 5K, November 9, 2013. Partnerships with organizations like HP help DAV continue its never-ending mission of service and empowerment to veterans and their families. The need for DAV's services will grow as the number of veterans returning home from conflicts increases.



We at ICF International value veterans and disabled veterans as employees and business partners.

As employees, they enrich our perspective and strengthen our client services. As partners, they offer reliability and trust. It is a privilege for ICF to support the veteran community through our partnership with DAV.

Sudhakar Kesavan Chairman and Chief Executive Officer ICF International







of commitment to the service of those who sacrificed in our defense

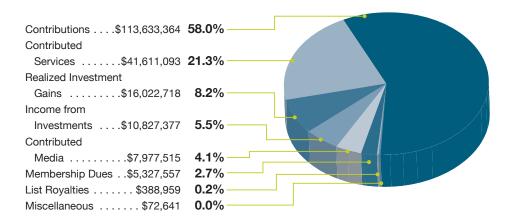


2013 FINANCIALS

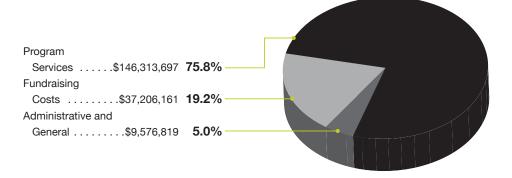
SUPPORT AND REVENUE

Support	
Contributions	113,633,364
Contributed Services and Facilities, Primarily Services	41,611,093
Contributed Media and Materials	7,977,515
Total Support	\$163,221,972
Revenue	
Membership Dues and Fees	5,327,557
Income from Investments, Net	10,827,377
Realized Investment Gains	16,022,718
List Royalties	388,959
Miscellaneous	72,642
Total Revenue	\$32,639,253
TOTAL SUPPORT AND REVENUE	\$195,861,225
EXPENSES	
Program Services	
National Service Program	47,060,645
National Legislative Program	1,612,140
National Voluntary Services Program	41,631,740
State Services and Disaster Relief	4,390,895
National Communications Program	10,839,074
National Membership Program	6,622,401
Public Awareness Outreach	34,156,802
Total Program Services	\$146,313,697
Supporting Services	
Fundraising Costs	37,206,161
Administrative and General	9,576,819
Total Supporting Services	\$46,782,980
TOTAL EXPENSES	\$193,096,677
Excess of Support and Revenue Over Expenses	\$2,764,548
Change in Unrealized Appreciation of Investments	19,033,797
Excess of Support and Revenue and Change in Unrealized Appreciation of Investments Over Expenses	\$21,798,345
Pension Liability and Other Postretirement Benefit Obligation Adjustment	20,741,425
Change in Unrestricted Net Assets	\$42,539,770
Unrestricted Net Assets, Beginning of Year	\$248,662,925
Unrestricted Net Assets, End of Year	\$291,202,695

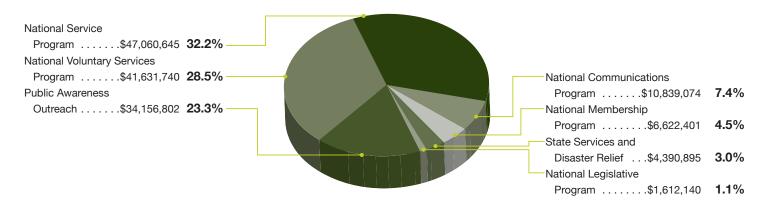
SUPPORT AND REVENUE



TOTAL EXPENSES



PROGRAM SERVICES



Complete financial statements have been audited and received an unqualified opinion.

Copies of the statements are available from our National Headquarters upon request.

Nonprofit Status

The Disabled American Veterans is a tax-exempt organization, and contributions made to DAV are tax deductible. DAV is a federally incorporated, nonprofit organization. It was incorporated by an Act of Congress on June 17, 1932. The organization's Congressional Charter can be found at 36 U.S.C. § 50301 et seq. DAV is recognized by the Internal Revenue Service as tax exempt under 26 U.S.C. § 501 (c)(4). Contributions are deductible pursuant to 26 U.S.C. § 170 (c)(3).

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DIRECTOR Marlowe Benner Stockton, California

ADVISOR Michael E. Dobmeier Grand Forks, North Dakota



Back row: Michael Dobmeier, Chad Richmond, Gary Lucus, Marlowe Benner, Danny Oliver, J. Marc Burgess Front row: Larry Polzin, Joseph Johnston, Ron Hope

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Senior Vice Commander

Ron F. Hope

Clemmons, North Carolina

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2nd Junior Vice Commander

David Riley

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Walpole, Massachussets

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Gary Lucus

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NEC 18th District **Edward Kawamura** Kapaa, Hawaii

NEC 19th District Fay A. Lyon

Kennewick, Washington

NEC 20th District **Edgar Meiser**Big Spring, Texas

NEC 21st District **Danny Oliver**Coweta, Oklahoma

DAV STRUCTURE

Our national programs are administered by a professional staff under the leadership of National Adjutant J. Marc Burgess, a Life Member of Chapter 19 in Cold Spring, Ky., and a U.S. Navy veteran. Mr. Burgess is the Chief Executive Officer of the National Organization and serves as Secretary of our seven-member Board of Directors. The board is responsible for approval of the annual budget, as well as for the responsible management and investment of all of the organization's assets.

Each representative on the Board of Directors is a DAV member. With the exception of the National Adjutant, who is a DAV employee, board members are uncompensated volunteers. Two of these volunteers serve by virtue of their election to national office by DAV's membership. The remaining four Directors are selected by the National Executive Committee from its ranks.

Our fraternal activities are an essential part of DAV's mission of service to ill and injured veterans and their families. The National Commander, our official spokesperson, is elected annually by the membership at the National Convention. The National Commander chairs the National Executive Committee, which includes five Vice Commanders and 21 District

Representatives. All are elected at the National Convention. The immediate Past National Commander also serves on the committee, which receives support and guidance from National Judge Advocate Michael E. Dobmeier of Grand Forks, N.D., and National Chaplain Rev. Ronald R. Ringo, Jr., of Montrose, Colorado. These positions are also filled by membership election at the National Convention.

Our business structure is designed to vest control of the organization in its membership and to ensure the greatest degree of operational efficiency possible in the delivery of services to ill and injured veterans and their loved ones. The National Organization funds and operates programs that serve veterans throughout the United States and its territories.

Fifty-two Departments and 1,370 Chapters augment the service programs of the National Organization on a local level and, in addition, serve as the essential framework for our fraternal activities.

Through the devotion of our members, DAV continues to be the premier veterans' service organization. The strength of our membership allows us to continue fulfilling our promises to the men and women who served. *







NATIONAL HEADQUARTERS 3725 Alexandria Pike Cold Spring, KY 41076 859-441-7300 Toll Free 877-426-2838

NATIONAL SERVICE AND LEGISLATIVE HEADQUARTERS 807 Maine Avenue, SW Washington, DC 20024 202-554-3501

WWW.DAV.ORG

