

ANNUAL REPORT
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NATIONAL SERVICE DIRECTOR
to the
DISABLED AMERICAN VETERANS
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“Transformation”

*The one unchangeable certainty is that nothing is certain or
unchangeable ~ President John F. Kennedy*

It is my sincere pleasure as National Service Director to present to the delegates my report on the continued success of the National Service Department. This annual report provides details about the DAV National Service Programs during 2012. Since the 1920's, DAV has long understood and has laid the foundation for establishing a strong voice to advocate for the rights, and interests of injured and ill veterans and their dependents across all eras and generations. With this being said, President Herbert Hoover once stated, “The words without action assassinate the idealism.” Through our commitment and dedication, our words have instilled both change and action throughout 2012, and we will continue to do so for however long our services are needed by our nation's heroes.

“Fulfilling our promises to the men and women who served” is not just a catchphrase - it is the fundamental responsibility of our organization. Our effective communication and influence are required to instill our strategic plan with innovative solutions in today's technological society. As such, we have been a vital voice in addressing concerns with the VAs Veterans Benefits Management System (VBMS) and Stakeholder Enterprise Portal (SEP) by not only participating in the initial development of these programs, but by being involved in the test phases before release of these products nationwide.

Our unique understanding, from the perspective of experienced veterans that have been through the VA adjudicative process and as advocates who have represented clients before both state and federal governments has aided the Department of Veterans Affairs in developing technological advances which will greatly benefit veterans, and service men and women alike. The VBMS and SEP not only have the potential of reducing the amount of time a veteran will have to wait for a decision to be rendered on a claim, but will provide today's heroes

opportunities which have not been possible in the past. This cutting-edge technology is providing our defenders of freedom with opportunities such as applying for benefits online, accessing VA payment history, checking on the status of a pending Compensation and Pension claim and much more.

Throughout DAV's history, we have continually adapted to the ever-changing needs of our nation's heroes, their dependents and survivors. As our business practices continue to evolve based upon the rapidly changing advancements in technology, we will do everything possible to ensure all of our country's injured and ill veterans and their families receive the rights and benefits they have earned.

As we advance forward into the future, DAV continues to understand the vital importance of being a strong and influential advocate for the rights of injured and ill veterans, DAV members and their families. Throughout the past year, we have fought for the rights of our nation's heroes and their families, and this report will speak toward a few of our efforts in ensuring their voices did not go unheard.

NATIONAL SERVICE PROGRAM

Fulfilling our promises to the men and women who served is accomplished through service. Service has always been the mainstay of DAV. 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 34 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.

Our heroes need not be members to take advantage of our assistance, which is provided free of charge. With outlays of \$45,034,562.36 in 2012, these direct services make up the largest item in our budget for program activities. Between January 1, 2012, and December 31, 2012, our NSOs and TSOs, who have defended the American way of life, represented nearly a quarter million veterans and their families in their claims for VA benefits, obtaining for them nearly \$5.2 billion in new and retroactive benefits.

NSOs function as attorneys in fact, assisting injured heroes and their families in filing claims for VA compensation, rehabilitation and education programs, pensions, death benefits, 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 service men and women before Discharge Review Boards, Boards for Correction of Military Records, Physical Evaluation Boards, the Transition Goals Planning Service (GPS) and other official panels.

NATIONAL SERVICE OFFICER TRAINING PROGRAMS

DAV National Service Officers continually train throughout their careers so that they are cognizant of the changes in all laws and regulations affecting veterans' benefits. This constant training assures that all DAV NSOs are at the forefront of veterans' advocacy. Our NSOs are highly trained professionals and skilled experts in developing and prosecuting veterans' claims through in-depth reviews of medical histories, in conjunction with application of current law and regulations. They also review rating board decisions, informing veterans and their families of the appeals process and of their appellate rights.

The extensive preparation required for these essential services provided by NSOs begins with a 16-month On-the-Job Training Program, which provides the foundation for new trainees. Trainees are instructed by tenured supervisory NSOs. The National Service staff at National Service and Legislative Headquarters administers and monitors the program and the instructors.

An NSO's training does not stop after completing 16 months of initial training. In fact training never stops because the laws, regulations and policies, which govern 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 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.

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. In 2012, the BVA decided 44,300 cases in which more than 96 percent of the claims before the board involve 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 more than 31 percent of all cases decided by the BVA in 2012. Approximately 76 percent of the appeals represented by DAV at the BVA resulted in original decisions being overturned or remanded to the regional office for additional development and re-adjudication.

JUDICIAL APPEALS

DAV continues its *pro bono* representation program for clients seeking review in the United States Court of Appeals for Veterans Claims. Through the DAV National Appeals Office, in 2012, these *pro bono* attorneys extended an offer of free representation before the veteran's court in 1,253 appeals, which were denied by the BVA, and provided personal representation at the Court in almost 1,060 of those cases. Since the inception of DAV's *pro bono* program before the federal courts, *pro bono* attorneys have made offers of free representation in more than 3,750 cases and provided free representation before the court in approximately 2,260 cases.

The substantial growth of this program would not have been possible without the coordinated efforts of two top-notch law firms – Finnegan Henderson of Washington, D.C., and Chisholm Chisholm & Kilpatrick of Providence, Rhode Island and Washington, D.C. Robert Chisholm (of the Chisholm firm) and Ron Smith (of Finnegan) are two of the nation's most accomplished members of the veterans bar, and DAV is pleased to have them in prominent roles in our enlarged program at the court. By this time next year, we hope to be able to report still another substantial increase in the number of appealed cases.

TRANSITION SERVICE PROGRAM

For the defenders of freedom making the all-important transition back into civilian life, DAV participates in Transition Assistance and Transition Goals Planning Success (GPS) 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. By filing compensation claims at separation centers where service medical records and examination facilities are readily available, we are able to provide prompt service to these future veterans. Over the last year, our TSOs conducted 2,760 formal presentations to 63,215 transitioning service men and women. During that same time they filed 18,214 claims for VA benefits. Counsel and representation for active duty service men and women during their transition was provided through the military's disability evaluation system. We devoted approximately \$1.95 million to this program in 2012.

MOBILE SERVICE OFFICE PROGRAM

The Mobile Service Office Program continues to reach out to veterans in their own communities. Not all veterans are willing or able to visit a DAV office due to distance, transportation, health or other reasons. By literally putting our service offices on the road, assisting veterans where they live, DAV is increasing their access to benefits. With 10 specially equipped MSOs visiting communities across the country, this outreach effort generates a considerable amount of claims work from those veterans who may not otherwise have the opportunity to seek assistance at our National Service Offices. During 2012, our MSOs traveled more than 102,288 miles, visiting 872 cities and towns. Our NSOs interviewed 17,352 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. During 2012, the MSOs participated in 183 days of activities for 164 individual Harley-Davidson dealerships as part of this program, compared to 155 dealerships in 2011, reflecting a 6 percent increase in Harley-Davidson dealership participation. Nearly \$857,000 was expended for the Mobile Service Office program in 2012.

OUTREACH PROGRAMS

The National Service Department has the cooperation, support and assistance of Department and Chapter Service Officers across the country. Each receives the 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 our defenders of freedom. In 2012, DAV trained and certified 1,956 Department and Chapter Service Officers in 38 states.

During 2012, we conducted 29 Information Seminars at various Chapters across the country, with 2,959 individuals in attendance. 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 and NASCAR.

WOMEN VETERANS

Serving in record numbers, women make up nearly one-fifth of today's active duty, Guard and reserve military forces. Over 150 service women have made the ultimate sacrifice in combat deployments in Iraq and Afghanistan. Thousands more were critically wounded by visible and invisible injuries. Once they have served, women veterans are enrolling in VA health care in unprecedented numbers, and they are seeking a wide array of VA benefits and services that they have fully earned. As a consequence VA at all levels is experiencing a large influx of new women veterans, including those of childbearing age, who are in need of gender-specific services that VA traditionally did not provide.

VA acknowledges the need to make an internal cultural change to improve and expand services for women veterans and to tailor VA programs to meet their needs. DAV is helping to make that change in fostering greater awareness of women veterans and working cooperatively with VA officials through our legislative, communications and foundation resources; 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 and is the leading veteran's service organization in promoting the needs of women veterans at the national, Department and Chapter levels. In addition, DAV's own Women's Advisory Committee, made up of women veterans from across the country, meets annually at our National Convention to help set our agenda on women and their needs. To ensure women's unique experiences and sacrifices in serving our nation in uniform are properly recognized, DAV actively seeks out and recruits women veterans to add to the 54 women now serving in our NSO and TSO corps.

EMPLOYMENT PROGRAM

Our National Service Program in conjunction with our National Legislative Program is responsible for the organization's employment-related program and works alongside the Department of Labor, the VA, the Office of Personnel Management, Congress and other government agencies to ensure our injured and ill veterans are treated fairly and equitably in the work force.

Historically, our injured and ill heroes have not fared as well as non-injured or ill veterans and other workers in the job market. Our primary goal is to seek legislation and policies to enhance programs and services provided by the Departments of Labor and Veterans Affairs, the Small Business Administration, the Office of Personnel Management and other government agencies. Through active involvement and oversight, we are empowering our veterans to live high-quality and fulfilled lives in the job market.

HOMELESS VETERANS

Homelessness has been a constant presence in America's cities, towns and rural areas for many years. Since the early 1980s, homelessness has been a regular focus of media interest and a topic of policy debate and remains one of America's most complicated and important social issues.

DAV's Homeless Veterans Initiative seeks legislation and policies to enhance programs and services to help homeless veterans break the cycle of poverty and isolation and move from the streets to self-sufficiency. Your National Service Officers and Department and Chapter members have participated in Stand Downs for homeless veterans nationwide, and on behalf of the National Service Staff, I extend thanks for all that each of you do to make a significant difference in the lives of homeless veterans and their families across the nation.

RETIREMENTS

DAV NSOs uphold the great principles of this organization by ensuring our defenders of freedom and their families have legal representation and a voice when filing claims to the VA for benefits. NSOs understand their role as veterans' advocates and are committed to DAV's mission of service for those who sacrificed in our defense.

This year we only had one retirement from our National Service Officer Corps but it was undeniably a significant one. After 47 years of service to our organization, Arthur H. Wilson announced his retirement effective June 1, 2013. In addition to his many contributions to include those as a National Service Officer, most recently Art served for 19 years as the National Adjutant. Art retired with a legacy of commitment and dedication of serving veterans, service members and survivors. His daily presence will be greatly missed but his contributions as a leader in providing direction to our organization will be seen for many years. I would like to take this opportunity to recognize the many sacrifices that Art has made in his 47 years with DAV. We wish him well in his retirement and know that we will continue to see him at future events. We take great relief in knowing we will be able to seek his counsel well into the future.

DEATHS

We call to remembrance our National Service Officers whose demise occurred this year. As the nation's veteran population rapidly declines -- the attrition takes its toll on our NSO ranks. These NSOs have provided services and helped improve the quality of life for scores of injured and ill veterans, their dependents and survivors. We shall recall and preserve the legacy of the following departed NSOs: James Bennett, William Gearhart, Richard Krueger, Paul Majo, John Regan, and Bruce Burgess.

CONCLUSION

At this time, I wish to recognize the leadership, professionalism and personal sacrifices made by our National Commander Larry Polzin and all of the National Line Officers; members of the National Executive Committee; the National Finance Committee; and the Officers and Board of Directors for both the National Service Foundation and Charitable Service Trust. I extend my thanks and appreciation and salute you for a job well done.

I thank National Adjutant Marc Burgess and recently retired National Adjutant Arthur H. Wilson for their continued leadership, vision and direction. Our success is a reflection of their tireless efforts to inspire and ensure quality and professionalism in all that we do. They have kept us focused on what it takes to bring to fruition our mission of service to injured and ill veterans and their families. In addition, I express my gratitude to National Headquarters for their support of our goals and programs during the past year. I also want to thank Washington Headquarters Executive Director Barry Jesinoski. The Service Department has gained a leader who has been involved in the service side of our organization for many years, and his knowledge and passion for the National Service Program have proved to strengthen everything that we have done this past year as a result of his support and contributions.

Appreciation is extended to the National Service Department staff members with whom I have the pleasure of working: Deputy National Service Director Jim Marszalek; Assistant National Service Directors, Scott Trimarchi, Chad Moos and John Maki; and Associate National Service Director Justin Hart; and our staff of devoted Service Support Specialists, Emily Hall, Amanda Evans and Angela D'Aguilar-Kauffin.

Our successes are not single-handed. We receive the dedicated and capable assistance and cooperation of the DAV Auxiliary, Department and Chapter Service Officers, and Hospital Service Coordinators. Thank you all for your support.

Last and most important of all, I wish to thank our loyal and dedicated corps of National Service Officers, Transition Service Officers and support staff members who advocate on behalf of America's injured and ill veterans, and their families. The National Service Department will continue to do everything possible to ensure all of our country's defenders of the American way of life and their families receive free, professional assistance in obtaining VA and other government benefits earned through the service.