



February 8, 2016

To Our Friends and Supporters:

As we embark into 2016, the Coalition to Salute America's Heroes continues to do good work providing direct financial support to wounded veterans returning from the battlefield who must often wait months to receive their government benefits – but in the meantime must somehow find ways to make the rent and car payments, cover the costs of medical care for their families and put food on the table. We provide a variety of other services to wounded veterans: helping them find new careers in the private sector, link up with other wounded veterans who share their experience, and in some cases find places to live. But providing direct financial aid immediately is our distinguishing characteristic that sets us apart from other veterans' aid groups.

Recent weeks have brought a series of critical reports in the news media about some veterans' aid groups – primarily for the way they spend their revenues to benefit their employees. The Coalition was not featured in any of those reports because no one here is taking advantage. We operate with a lean budget and mind our spending carefully. In fact, many of our employees are themselves wounded veterans. We are all motivated primarily by a desire to help wounded veterans, not enrich ourselves or live high on the hog.

It is true that in the past we were rated poorly by a couple of ratings agencies but those ratings were based upon our 2012 Form 990 filing with the Internal Revenue Service that is long out of date. That report said almost half of our revenues were spent on overhead, which is the kind of thing that can raise questions about any charity's credibility.

For the record, 2012 was the year I brought my new administration to the Coalition to Salute America's Heroes, and we immediately began a thorough top-to-bottom review of all of our activities with an eye to reducing overhead and directing a greater proportion of our resources to the wounded veterans we are here to help. Over the past three years, the dedicated Coalition team has taken this organization to a new level.

Today, we are included in the Combined Federal Campaign (CFC) for the third year in a row. The CFC does not make such decisions lightly. They spent a lot of quality time getting to know us, reviewing our financials and working with us. Even the Internal Revenue Service commented, after an audit of our books, that we are one of the best. We received the Gold Star from the GuideStar charity rating agency a year ago, and more recently, we were named a "Top-Rated NonProfit" by the GreatNonProfits organization which is aligned with GuideStar, The Huffington Post, TechSoup, and Volunteer Match. Even Charity Navigator, which had been highly critical of the Coalition in the past, today awards us nearly two stars, with four stars for our transparency, and I anticipate Charity Navigator will award us at least two stars in the next

rating cycle. We are making progress with the ratings agencies as we continue to do our good work for wounded veterans.

But perhaps the most significant milestone of all is one that does not entail stars or awards. In our meticulous annual audit (conducted by an outside auditor of course) we have demonstrated that our program expense-to-contributions rate today is 75.98 percent. Three years ago when we embarked on this journey, it was 62 percent. The minimum threshold deemed acceptable by charity rating agencies is 65 percent. We are well over that today – nearly 76%.

When I assumed the helm here, the Coalition was disbursing about \$500,000 less per year to wounded veterans than it should've been. For the past few years, we have increased our direct giving by nearly \$1 million a year, despite a decline in revenues. We have been able to do this by cutting back on administrative costs and achieving other efficiencies. Every day we are getting better and better. We are proud of what we are doing and what we have achieved.

In sum, our purpose is providing support and assistance to wounded veterans and their families – especially during that down time when they return home and have to wait weeks or months to receive the benefits they have earned. We operate a variety of programs to assist our heroes, but I believe most of them count this direct cash support as the most valuable to them, at least in the short term. Sadly, the need for our work has not diminished. Daily comes news of more turbulence in Afghanistan, Iraq, and other nations in the grip of terrorism. The steady stream of wounded Americans returning home continues unabated. I fear this traffic will continue indefinitely. For as long as it does – we, with your help – will be there for our heroes in their hour of need.

Sincerely,

David W. Walker
President & CEO
Coalition to Salute America's Heroes
www.saluteheroes.org