

October, 2013

AN OPEN LETTER FROM THE DESK OF DAVID WALKER

To Our Donors:

All conscientious donors to charities reasonably expect assurance that their tax-deductible contributions are being used efficiently and effectively to support people who need help – in our case wounded veterans suffering from physical injuries and post-traumatic stress disorder (PTSD) incurred in war zones. You can be assured that the Coalition to Salute America's Heroes takes this obligation seriously and is committed to efficient and effective use of your support.

On this web site you will find detailed accounts of our many positive contributions we are making to the welfare of wounded veterans. You can obtain additional details and testimony on our Facebook page at https://www.facebook.com/SaluteHeroes.

Previous administrations of the Coalition did not file key information on the web site, an oversight which led to unfavorable ratings by some of the groups that monitor charities such as ours. Since I assumed the helm of the Coalition midway through last year (2012), we have addressed these oversights to assure full transparency of our organization. For example, you will now find copies of the independent audit of our finances and our IRS 990 on our web site. These will be regularly updated in the future.

The Coalition to Salute America's Heroes is governed by a strong board of independent directors fully committed to our mission. Their names are on this web site, and their status is clear. We are also developing a top-notch advisory committee that will help us expand our programs, increase our visibility, improve our fund-raising and better serve the veterans who depend on us.

In 2012, our last full year of operation, we reported total revenues of \$17,288,260. Of that amount, we spent \$2,361,480 on direct assistance to wounded veterans, usually in cash grants to enable many of them to meet critical needs – such as housing, food and paying the bills while they await support from the government. This is assistance government agencies simply cannot provide because of bureaucratic regulations, and that most other veterans support groups do not attempt to provide. This is our bread and butter –being able to step up and meet immediate needs of veterans in a way that larger organizations cannot. In fact, some of the larger organizations send veterans in need of immediate financial help to us because we have the flexibility to act immediately on their behalf.

We spent \$768,410 on various veterans' recovery activities. For example, we organize and manage the Road to Recovery Conference and Tribute, a four-day educational and motivational event for wounded veterans and their families. This event features seminars, workshops and panel discussions in which attendees learn about the array of support services available to them. We provide support to an array of worthy programs helping wounded veterans, such as the Boulder Crest Retreat in Virginia for wounded warriors and their families where they enjoy non-clinical, recreational therapeutic activities aimed to help them with their mental and spiritual recovery. These and other programs are some of the most worthwhile work we do – providing mentoring, advice and support to veterans who need it.

We spent \$7,520,952 raising public awareness of the needs of wounded veterans, and the work the Coalition is doing on their behalf. As a small charity, the Coalition faces a daily challenge of publicizing the dilemmas and stress facing wounded veterans. Absent such public awareness of the Coalition's work, few would know we exist and our financial support would evaporate. The development and distribution of public service announcements (PSAs) falls into this category as do brochures explaining how the Coalition works and press releases announcing Coalition-sponsored events. Another example is the hundreds of thousands of Thank You, Get Well, and Holiday Cards we obtain from donors and friends to send to veterans receiving support from the Coalition. These cards mainly serve to remind veterans how much their service and sacrifice is appreciated.

In 2012, we spent \$4,562,950 on fund-raising, mostly for direct mail services. The cost of direct mail fund-raising is regrettable but basic to most charitable organizations. Many of the larger charities are less dependent on direct mail than we are because they derive substantial support from corporations and foundations. They also generally have a much larger public profile than we do and thus generate a broader base of direct support. But even the biggest, best known charities invest in direct mail fundraising so they can continually broaden their support among the public.

We are working diligently to reduce our dependence on direct mail by relying more on direct appeals to our growing list of supporters and other sources, but in the present environment we are still heavily dependent on direct mail and will likely remain so for some time. Without it, we could not help deserving veterans.

In 2012, we spent \$1,093,991 on management and general expenses, reflecting our streamlined staff and barebones administrative operation. The percentage of our funding that goes directly to wounded veterans is rising rapidly in part because I have reduced staff overhead, saving substantial funding that will be better reflected in our financial reports for 2013.

In sum, we are committed to conscientious stewardship of your contributions and are providing critically needed services to hundreds of wounded veterans who need and deserve our assistance. We are working with the ratings agencies to assure they are aware of the changes we are making and of our determination to be transparent in all of our dealings with the public. You can be assured that your contribution to the Coalition to Salute America's Heroes will be used to help those who need it.

Sincerely,

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