

# 2016 Annual Report

[www.specialops.org](http://www.specialops.org)



Hannibal Santiago is one of the Foundation's college scholarship recipients. Hannibal's father, Army Sgt. Anibal Santiago, lost his life in 2010 in Afghanistan while assigned to the 75th Ranger Regiment. Hannibal is a freshman at Marquette University.

Special Operations Warrior Foundation is the recipient of its 11th consecutive four-star rating from Charity Navigator, placing the Special Operations Warrior Foundation in the top 1% of the charities rated by Charity Navigator.



## A Message from the President & Chief Executive Officer

Special Operations Warrior Foundation is committed to providing support and assistance to the brave men and women serving in America's Special Operations Forces (Army, Navy, Air Force and Marine Corps) and their families.

Special Operations Forces quietly go about their business in over 100 countries throughout the world often engaging in important, yet dangerous missions that are rarely publicly reported. Special Operations Forces are now suffering the majority of all combat casualties.

In 2016, 30 Special Operations warriors lost their lives in the line of duty, leaving behind 40 children. The Foundation has pledged to provide full funding for a college education to each child of a fallen warrior. We have made this solemn promise to nearly 700 children who are not yet college age, including some who are in their first year of life. Providing a college education to the surviving children is the least we can do for the brave men and women who have made the ultimate sacrifice for our country.

In 2016, 36 service members were severely wounded and hospitalized. SOWF provided \$148,000 in immediate financial assistance, as well as iPads, to combat wounded and injured special operations personnel. SOWF provided funding for 181 students to attend colleges and universities across the country, and 23 students graduated from college.

As part of our commitment to helping students achieve their academic goals, SOWF offers professional tutoring and educational coaching at no cost to our students, from kindergarten through college graduation. Our goal is to prepare them for college and give them the tools to succeed in life.

Because of the generosity of our donors and supporters, SOWF is the proud recipient of our 11th consecutive Charity Navigator Four-Star rating which places us in the top 1% of all charities rated by Charity Navigator.

Your support ensures that the memory and sacrifices of our Nation's Special Operations personnel will live on, that their children's education will be taken care of, and the families of severely wounded will be able to be with their loved ones as they recuperate.

Our Foundation is honored to have your support. Thank you!

Sincerely,



Joe Maguire  
Vice Admiral, USN Retired  
President & CEO



Joe Maguire  
Vice Admiral, USN, Retired  
President, Special Operations  
Warrior Foundation

# Our Programs

## College Scholarship Grants

The Special Operations Warrior Foundation ensures full financial assistance for a post-secondary degree from an accredited college, university, technical, or trade school, to all surviving children of special operations personnel who have lost a parent in the line of duty. *This includes all Army, Navy, Air Force, and Marine Corps personnel (active, reserve, and National Guard) who are assigned to a special operations unit.*

## Family Services

Our educational and family support services go hand-in-hand with our scholarship program. To help each student reach their full potential, the Special Operations Warrior Foundation offers individual academic counseling as well as provides funding for professional tutoring services for students in kindergarten through college graduation.

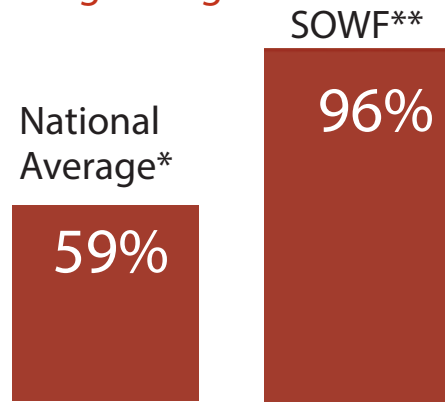
## Support to Wounded Special Operations Service Members

We deliver immediate financial assistance to severely combat wounded special operations service members so the family can be bedside and not be concerned with expenses as their loved one recovers. Since 2006, the Foundation has provided \$2.27 million to special operations wounded service members and their families.



As part of its commitment to help students achieve their academic goals, SOWF hosts a one-week college planning conference, called Operation EPIC (educational planning information conference). All of the graduates of this program have been accepted into college.

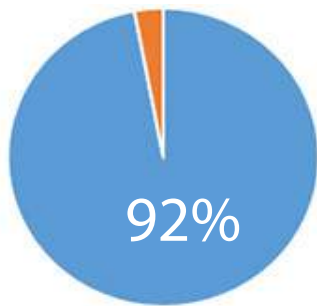
## Percent of High School Graduates Entering College



\* Source: The National Center for Educational Statistics

\*\* 2016

## 2016 Program Accomplishments



of SOWF students are currently in college or have graduated. (2012 - 2016)

181 sons and daughters of fallen special operators attended post-secondary educational institutions across the country.

27 of the 28 high school graduates in the SOWF program, entered college, 1 student entered the military.

23 SOWF students graduated from college.

36 seriously wounded special operations service members received immediate financial assistance (\$5,000 grants).

# Financial Statements

## for the year ended December 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>STATEMENT OF FINANCIAL POSITION</b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,956,065	\$ -	\$ -	\$ 1,956,065
Investments	102,255,792	36,673	830,000	103,122,465
Pledges receivable, net	213,284	141,318		354,602
Prepaid expenses and other assets	31,652			31,652
Property and equipment, net of accumulated depreciation	879,986			879,986
<b>TOTAL ASSETS</b>	<b>\$ 105,336,779</b>	<b>\$ 177,991</b>	<b>\$ 830,000</b>	<b>\$ 106,344,770</b>
<b>LIABILITIES AND NET ASSETS</b>				
Accounts payable and accrued expenses	\$ 112,238	\$ -	\$ -	\$ 112,238
Accrued scholarships payable	36,321,000	-	-	36,321,000
Total liabilities	36,433,238	-	-	36,433,238
Net assets	68,903,541	177,991	830,000	69,911,532
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 105,336,779</b>	<b>\$ 177,991</b>	<b>\$ 830,000</b>	<b>\$ 106,344,770</b>
<b>STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS</b>				
<b>PUBLIC SUPPORT AND REVENUE</b>				
Contributions	\$ 11,271,710	\$ -	\$ 315,000	\$ 11,586,710
Special events, net of direct costs of \$163,291	(44,664)	-	-	(44,664)
Total public support	11,227,046	-	315,000	11,542,046
Other revenue				
Interest and dividends	3,029,239	16,103	-	3,045,342
Realized gain (loss) on investments	(498,550)	2,392	-	(496,158)
Unrealized gain on investments	4,888,070	17,971	-	4,906,041
Total other revenue	7,418,759	36,466	-	7,455,225
<b>TOTAL PUBLIC SUPPORT AND REVENUE</b>	<b>\$ 18,645,805</b>	<b>\$ 36,466</b>	<b>\$ 315,000</b>	<b>\$ 18,997,271</b>
<b>EXPENSES</b>				
Program Services				
Scholarships and related expenses	\$ 7,139,261	\$ -	\$ -	\$ 7,139,261
Counseling and tutoring	363,446	-	-	363,446
Support to Special Operations Wounded				
Personnel	277,578	-	-	277,578
Total program services	7,780,285	-	-	7,780,285
Supporting services				
Management and general	517,457	-	-	517,457
Fundraising	618,016	-	-	618,016
Total supporting services	1,135,473	-	-	1,135,473
<b>TOTAL EXPENSES</b>	<b>\$ 8,915,758</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,915,758</b>
Change in net assets	\$ 9,730,047	\$ 36,466	\$ 315,000	\$ 10,081,513
Net assets in beginning of year	\$ 59,228,972	\$ 186,047	\$ 415,000	\$ 59,830,019
Transfers	\$ (55,478)	\$ (44,522)	\$ 100,000	\$ -
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 68,903,541</b>	<b>\$ 177,991</b>	<b>\$ 830,000</b>	<b>\$ 69,911,532</b>

# Statement of Cash Flow

for the year ended December 31, 2016

## CASH FLOW FROM OPERATING ACTIVITIES

Change in net assets	\$ 10,081,513
Adjustments to reconcile change in assets to net cash provided by operating activities	
Depreciation	45,080
Net realized and unrealized (gain) loss on investments	(4,409,883)
Decrease in pledges receivable	60,789
(Increase) decrease in prepaid expenses and other assets	(24,426)
(Decrease) increase in accounts payable and accrued expenses	(7,504)
Decrease in accrued scholarships for cash disbursements	(2,063,979)
Accrued scholarships payable adjustments	6,127,979
Total adjustments	<u>(271,944)</u>
Net cash provided by operating activities	<u>9,809,569</u>
Cash flows used in investing activities	
Dividends/interest received on investments	(3,045,342)
Purchases and sales of investments, net	(6,187,572)
Purchases of property, plant and equipment	<u>(8,450)</u>
Net cash used in investing activities	<u>(9,241,364)</u>
Net change in cash and cash equivalents	568,205
Cash and cash equivalents at beginning of year	<u>\$ 1,387,860</u>
<b>Cash and cash equivalents at end of year</b>	<b><u>\$ 1,956,065</u></b>
Supplemental disclosures of cash flow information	
Income taxes paid	<u>\$ -</u>
Interest paid	<u>\$ -</u>

*An independent audit of SOWF was prepared by Rivero, Gordimer and Company, Certified Public Accountants.*

# Our Organization

The 2016 Foundation was governed by a Board of Directors of 17 members. The Board has three standing committees: Executive, Audit & Finance, and Governance. SOWF is headquartered in Tampa, Florida.

Retired Army General Bryan “Doug” Brown, 7th Commander, United States Special Operations Command, serves as the SOWF Chairman of the Board. Retired Navy Vice Admiral Joseph Maguire serves as the President and Chief Executive Officer.

## SOWF 2016 Board of Directors

### **Bryan “Doug” Brown**

General, USA, Retired

#### **Chairman**

7th Commander, U.S. Special Operations Command

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Vice Admiral, USN, Retired

#### **President/CEO**

Former Commander, Naval Special Warfare Command

### **Thomas Arthur**

#### **Secretary**

President, ASAP Capital Partners

### **Michael Cohen, CPA**

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Retired Partner, CohnReznick LLP

Assistant Professor, Rutgers Business School

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Colonel, USA, Retired

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Former Command Sgt. Major, Joint Special Operations

Command and Owner, Praetorian Standard, Inc.

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Special Operations Policy Analyst, SAIC

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### **Dennis Hejlik**

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Former Commander, U. S. Marine Corps Forces and Marine Corps

Special Operations Command

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Lecturer, Yale University

Jackson Institute for Global Affairs

### **Georgeann McRaven**

Director - Southwest Region

### **Kevin Miller**

CW3, USA, Retired

President/CEO, Sciolex Companies

### **Eric Olson**

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8th Commander, U.S. Special Operations Command

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U. S. Secret Service (Retired)

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Managing General Partner,

New York Yankees