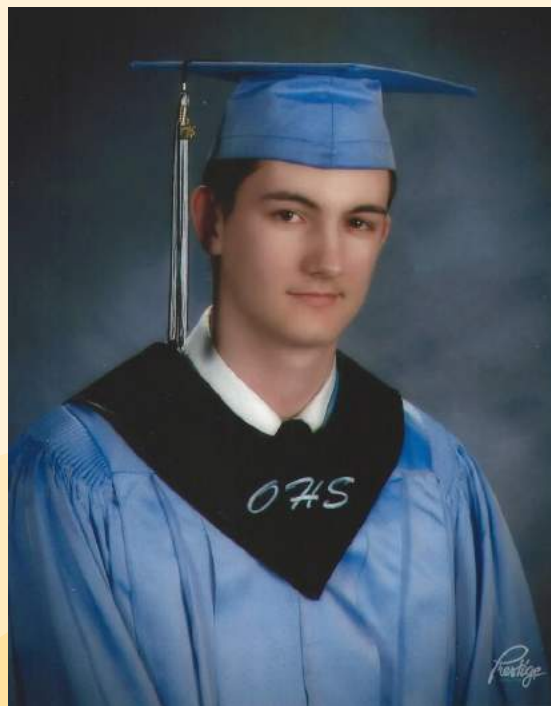


2017 Annual Report

www.specialops.org



Bailey Taylor is one of the Foundation's college scholarship recipients. Bailey's father, SFC John Taylor, lost his life in 2003 in Iraq while serving with 3rd Special Forces Group. Bailey is a sophomore at Central Carolina Community College and plans on getting his bachelors in Broadcasting.

Special Operations Warrior Foundation is the recipient of its 12th 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 2017, 48 Special Operations warriors lost their lives in the line of duty, leaving behind 93 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 over 750 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 2017, 80 service members were severely wounded and hospitalized. SOWF provided \$400,000 in immediate financial assistance, as well as iPads, to combat wounded and injured special operations personnel. SOWF provided funding for 187 students to attend colleges and universities across the country, and 19 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 12th 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.

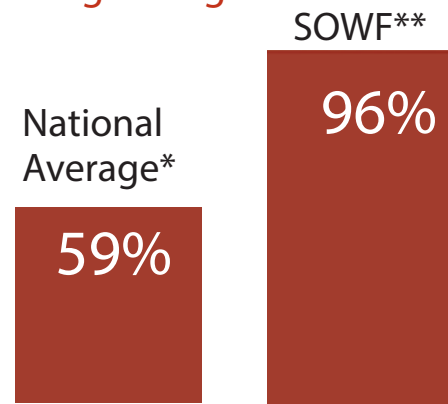
Support to Wounded Special Operations Service Members

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 \$2.8 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

2017 Program Accomplishments

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

36 of the **44** high school graduates in the SOWF program, entered college, **2** students entered the military.

19 SOWF students graduated from college.

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

Financial Statements

for the year ended December 31, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
STATEMENT OF FINANCIAL POSITION				
ASSETS				
Cash and cash equivalents	\$ 1,768,391	\$ 28,500	\$ 16,000	\$ 1,812,891
Investments	121,678,981	153,721	830,000	122,662,702
Pledges receivable, net	136,120	95,616		\$ 231,736
Prepaid expenses and other assets	7,049			7,049
Property and equipment, net of accumulated depreciation	875,397			\$ -
TOTAL ASSETS	\$ 124,465,938	\$ 277,837	\$ 846,000	\$ 125,589,775
LIABILITIES AND NET ASSETS				
Accounts payable and accrued expenses	\$ 131,875	\$ -	\$ -	\$ 131,875
Accrued scholarships payable	41,710,000	-	-	41,710,000
Total liabilities	41,841,875	-	-	\$ 41,841,875
Net assets	82,624,063	277,837	846,000	83,747,900
TOTAL LIABILITIES AND NET ASSETS	\$ 124,465,938	\$ 277,837	\$ 846,000	\$ 125,589,775
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS				
PUBLIC SUPPORT AND REVENUE				
Public support				
Contributions	\$ 11,013,248	\$ 28,500	\$ 16,000	\$ 11,057,748
Special events, net of direct costs of \$330,689	(152,779)	-	-	(152,779)
Total public support	10,860,469	28,500	16,000	\$ 10,904,969
Other revenue				
Interest and dividends	3,817,178	30,809	-	3,847,987
Realized gain on investments	203	-	-	\$ 203
Unrealized gain on investments	10,727,460	86,239	-	10,813,699
Total other revenue	14,544,841	117,048	-	14,661,889
Net assets released from restrictions	45,702	(45,702)	-	-
TOTAL PUBLIC SUPPORT AND REVENUE	\$ 25,451,012	\$ 99,846	\$ 16,000	\$ 25,566,858
EXPENSES				
Program Services				
Scholarships and related expenses	\$ 9,464,875	\$ -	\$ -	\$ 9,464,875
Counseling, tutoring, preschool and internships	528,496	-	-	528,496
Support to Special Operations Wounded Personnel	521,357	-	-	521,357
Total program services	10,514,728	-	-	10,514,728
Supporting services				
Management and general	537,418	-	-	537,418
Fundraising	678,344	-	-	678,344
Total supporting services	1,215,762	-	-	1,215,762
TOTAL EXPENSES	\$ 11,730,490	\$ -	\$ -	\$ 11,730,490
Change in net assets	13,720,522	99,846	16,000	13,836,368
Net assets in beginning of year	68,903,541	177,991	830,000	69,911,532
NET ASSETS AT END OF YEAR	\$ 82,624,063	\$ 277,837	\$ 846,000	\$ 83,747,900

Statement of Cash Flow

for the year ended December 31, 2017

CASH FLOW FROM OPERATING ACTIVITIES

Change in net assets	\$ 13,836,368
Adjustments to reconcile change in assets to net cash provided by operating activities	
Depreciation	35,788
Net realized and unrealized gain on investments	(10,813,902)
Decrease in pledges receivable	122,866
Decrease (increase) in prepaid expenses and other assets	24,603
Increase (decrease) in accounts payable and accrued expenses	19,637
Cash disbursements for accrued scholarships	(3,051,998)
Accrued scholarships payable adjustments	8,440,998
Total adjustments	<u>(5,222,008)</u>
Net cash provided by operating activities	<u>8,614,360</u>
Cash flows used in investing activities	
Dividends/interest received on investments	(38,479,897)
Purchases and sales of investments, net	(4,878,348)
Purchases of property, plant and equipment	<u>(31,199)</u>
Net cash used in investing activities	<u>(8,757,534)</u>
Net change in cash and cash equivalents	(143,174)
Cash and cash equivalents at beginning of year	\$ <u>1,956,065</u>
Cash and cash equivalents at end of year	\$ <u>1,812,891</u>
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 2017 Foundation was governed by a Board of Directors of 18 members. The Board has four standing committees: Executive, Audit & Finance, Investment Advisory, 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 2017 Board of Directors

Bryan “Doug” Brown

General, USA, Retired

Chairman

7th Commander, U.S. Special Operations Command

Joseph Maguire

Vice Admiral, USN, Retired

President/CEO

Former Commander, Naval Special Warfare Command

Thomas Arthur

Secretary

President, ASAP Capital Partners

Michael Cohen, CPA

Treasurer

Retired Partner, CohnReznick LLP

Assistant Professor, Rutgers Business School

Edwin “Andy” Anderson

Colonel, USA, Retired

Former Commander, 1st Special Warfare Training Group

Craig Brotchie

Colonel, USAF, Retired

Former Commander, 720th Special Tactics Group

Barron Collier, II

President, Collier Group

Richard Davis

Command Sgt. Major, USA, Retired

Former Command Sgt. Major, Joint Special Operations

Command and Owner, Praetorian Standard, Inc.

Thomas Deitz

Commander, USN, Retired

Former Commanding Officer, SEAL Team FIVE

Special Operations Policy Analyst, SAIC

George Ferkes

Colonel, USAF, Retired

Former Commander Special Operations Group

Richard Forsyth

President & CEO, Wendover Art Group

Dennis Hejlik

Lt. General, USMC, Retired

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

Special Operations Command

Dr. Michele Malvesti, PhD

Lecturer, Yale University

Jackson Institute for Global Affairs

Georgeann McRaven

Director - Southwest Region

Kevin Miller

CW3, USA, Retired

President/CEO, Sciolex Companies

Eric Olson

Admiral, USN, Retired

8th Commander, U.S. Special Operations Command

Thomas Quinn

U. S. Secret Service (Retired)

Director, Federal Air Marshal Service (Retired)

Harold Steinbrenner

Managing General Partner,

New York Yankees