



THE AMERICAN LEGION ANNUAL REPORT

2020

# PREAMBLE TO THE AMERICAN LEGION CONSTITUTION

*FOR GOD AND COUNTRY WE ASSOCIATE OURSELVES  
TOGETHER FOR THE FOLLOWING PURPOSES:*

*To uphold and defend the Constitution  
of the United States of America;*

*To maintain law and order;*

*To foster and perpetuate a  
one hundred percent Americanism;*

*To preserve the memories and incidents  
of our associations in all wars;*

*To inculcate a sense of individual obligation  
to the community, state and nation;*

*To combat the autocracy of both the classes  
and the masses;*

*To make right the master of might;*

*To promote peace and goodwill on earth;*

*To safeguard and transmit to posterity the principles  
of justice, freedom and democracy;*

*To consecrate and sanctify our comradeship  
by our devotion to mutual helpfulness.*

**The American Legion  
National Headquarters**

700 N. Pennsylvania St.  
Indianapolis, IN 46204  
(317) 630-1200

P.O. Box 1055  
Indianapolis, IN 46206

**The American Legion  
Washington Office**

1608 K St. NW  
Washington, D.C. 20006  
(202) 861-2700

**John H. Geiger  
Operations Center**

5745 Lee Road  
Indianapolis, IN 46216  
(317) 860-3100



## INSIDE THE AMERICAN LEGION ANNUAL REPORT

Pandemic Relief.....	2-5
American Legion Family.....	6-9
Veterans Affairs & Rehabilitation.....	10-15
Veterans Employment & Education.....	16-19
Operation Comfort Warriors.....	20-21
Troop Support.....	22-23
National Security.....	24-27
Legislative.....	28-29
Veterans & Children Foundation.....	30-31
American Legion Baseball.....	32-33
Honor & Remembrance.....	34-35
Americanism/Children & Youth.....	36-37
Scouting.....	38-39
Scholarships.....	40-41
Media & Communications.....	42-43
Membership.....	44-45
Emblem Sales.....	46-47
Relationships.....	48-49
Financial Statements.....	50-68

*Lee McDaniel, sergeant at arms for American Legion Post 401 in Troutman, N.C., organized a Red Cross blood drive at the post in the first weeks of quarantine.*  
*Logan Cyrus/The American Legion*



*“The enemy we are facing isn’t hiding in the bush ... yet is just as dangerous and deadly. The number of people who will test positive for the potentially fatal COVID-19 remains unknown, but there are steps we can take, and must take, to protect ourselves and help our fellow veterans and citizens.”*

**American Legion National Commander James W. “Bill” Oxford**, in a message to the organization’s membership soon after COVID-19 was declared a global pandemic on March 11, 2020

## Service and strength in the face of a global crisis

Few service organizations could have been better prepared to confront a global pandemic than The American Legion. The coronavirus and its effects struck every nerve of the nation in 2020. Local American Legion posts were closed during the worst of it. Youth programs and competitions were canceled. National meetings, including the national convention for the first time in history, were called off. The safety of members, employees and program participants came first as infection rates climbed and uncertainty lingered throughout the summer months.

American Legion posts throughout the nation and beyond, however, would not be stopped from fulfilling their “individual obligation to community, state and nation” in life-changing ways, from Brooklyn, N.Y., to Santa Clarita, Calif.

In his initial statement to the American Legion Family, National Commander James W. “Bill” Oxford specifically called on members to use the year-old Buddy Check program to reach out to older veterans and their families suddenly facing isolation and hardship due to shelter-in-place restrictions imposed nationwide. Local response to that national call to action was immediate, widespread, enduring and a perfect fit for the needs of veterans. According to an American Legion COVID-19 survey taken by more than 24,000 people – 95 percent of whom were veterans – between mid-April and mid-June, when asked what was most helpful for their emotional well-being during the pandemic, respondents marked “communication with friends and family” as their No. 1 choice. For the 40.58 percent who looked for a call, an email or a social-distanced visit to improve their well-being, Buddy Checks were both the right fit for the current situation and a model for the future.

“Now more than ever, due to social distancing, we want to make sure that our more vulnerable veterans aren’t being left too alone,” said Chris Page, past commander of American Legion Post 18 in Weehawken, N.J. “We need to make sure they’re doing well both mentally and physically. So we check in on them fairly regularly. Give them a call – a very simple ‘hey, how are you doing?’ It shows ... that there are people out there who care.”

### Connections

- [legion.org/coronavirus](https://legion.org/coronavirus)

*“We think it is critical for our post to play a role in whatever crisis faces our community, state or nation. Through the years, we have answered the call, and this is just another example of our post wanting to help our nation as it faces one of the most serious crises in our history.”*

**Blair Moran**, a member of American Legion Post 114 in Sikeston, Mo., during an April 3 Red Cross blood drive

## Blood drives, food drives, virtual ceremonies and more

Another pressing need The American Legion fulfilled during the pandemic was a nationwide call for blood. Due to the situation, more than 14,000 blood-collection events nationwide were canceled. American Legion posts deep-cleaned, sanitized and ramped up their existing blood-donor programs to help health-care facilities meet growing needs caused by the coronavirus. For the organization, this was an opportunity to amplify and retool a program that has made The American Legion a national leader in blood donations since World War II.

Across the country, local posts raised money, collected food and other household staples, provided drive-through meals and offered lunches to first responders, health-care providers and hungry community members. They raised money for personal protective equipment, such as gloves, gowns and face masks. Posts and American Legion Auxiliary units also stitched together thousands of masks for delivery throughout the country.

“So far we have distributed more than 10,000 latex gloves, 1,500 face shields, gallons of hand sanitizer, N95 and KN95 masks, and surgical gowns to our military men and women, fire departments, police departments, sheriff departments, ER and ICU doctors and nurses, senior nursing homes, Red Cross, Project C.U.R.E., etc.,” said China American Legion Post 1 Commander Scott Riebel in mid-April.

As May and June ceremonies neared to honor the fallen, congratulate graduates, celebrate birthdays, remember the D-Day invasion and respectfully retire U.S. flags, Legionnaires and American Legion Riders showed that these traditions and observances would not be dismissed due to the pandemic. While taking precautions, they brought smiles to faces as they rode by on motorcycles to celebrate meaningful moments in communities nationwide.

Meanwhile, The American Legion never stopped working for veterans and their families, providing free VA benefits assistance, disbursing scholarships, conducting virtual career events for job-hunting veterans and spouses, sending grants to communities where natural disaster had struck and more. As posts gradually reopened around the country, and American Legion staff members began returning to their offices and post homes, the nation’s largest veterans organization continued to serve and demonstrate, as most learned from military experience, what it means to adapt and overcome.

### Connection

- [legion.org](https://www.legion.org)

*Members of American Legion Post 483 in Rosedale, Queens, N.Y., fed hundreds of residents during the COVID-19 lockdown.*  
*Todd Maisel/The American Legion*





*American Legion Post 365 member Chris Yates is on the losing end of a squirt gun battle with children attending a Legion Family Play Day at the post home in Vista, Calif.  
Mitch Viquez/The American Legion*

*“When you think of Family Day, you have all the different elements of the Legion Family coming together. It gives the community a sense that we are doing something here, that we are a place where folks can congregate and have a good time with their kids.”*

**Scott Quilty**, Americanism/Children & Youth chairman  
at American Legion Post 116 in Fuquay-Varina, N.C.

## Family first at American Legion posts

American Legion posts have long supported families of veterans and servicemembers. Thanks to a resolution approved by the Legion’s National Executive Committee during the 2019 Spring Meetings, a new program exists to encourage family-focused events at posts.

Legion Family Play Days are designed to welcome families into the post, where they can learn more about The American Legion, how it supports veterans and servicemembers, its children and youth efforts, and more. At the same time, adults enjoy the camaraderie, while children play games in a fun and safe environment.

American Legion posts are tailoring their own Legion Family Play Days to what works best for their community, resources and climate. Here are some examples:

- In Fuquay-Varina, N.C., American Legion Post 116 made good use of its vast land area during a warm summer day. It offered activities for kids such as a dunk tank, ring toss, cornhole and more outdoor games.
- Near San Diego, American Legion Post 365 offered a mix of outdoor and indoor activities. Outside, teenagers zoomed around the parking lot on large tricycles, dodging water balloons and squirt gun blasts. Inside, younger kids decorated cookies, sang karaoke and had their faces painted.
- In Ames, Iowa, American Legion Post 37 warmly welcomed families on a cold January day. Post and community members mingled and played board games, cards, shuffleboard, bean bags, bingo and Wii games.

### Connections

- [legion.org/membership](https://legion.org/membership)
- For resources: [legion.org/publications](https://legion.org/publications)

*“Congress has acknowledged the service and sacrifice of at least 1,600 veterans who died or were wounded in previously undeclared periods of war.”*

American Legion National Judge Advocate Kevin Bartlett, after passage of the LEGION Act

## Legion Family opens doors to newly eligible members

Last summer, Congress and President Donald Trump honored more than 1,600 members of the U.S. Armed Forces who were killed or wounded in military action in times previously not defined by the federal government as “war.”

The Let Everyone Get Involved in Opportunities for National Service (LEGION) Act was signed July 30, 2019, expanding eligibility for American Legion membership, benefits and programs to veterans who previously did not qualify due to their time in service. The current eligibility period for American Legion membership now begins Dec. 7, 1941, and continues without gaps. More than 4 million veterans were made eligible to join The American Legion thanks to the LEGION Act.

The change also affects Sons of The American Legion members, who can now join the SAL as male descendants of veterans who served in previously undeclared times of war.

A month after the LEGION Act was signed, membership eligibility in the American Legion Auxiliary was extended to male spouses of veterans and military personnel.

“We are happy to welcome eligible male spouses of veterans and servicemembers to the American Legion Family,” American Legion Auxiliary National President Nicole Clapp said of the change, made at the 101st American Legion National Convention. “This is consistent with our longstanding legacy of embracing military families and supporting them any way we can.”

All of these new members of the American Legion Family are eligible to join the American Legion Riders, a popular program for motorcycle enthusiasts.

### Connections

- [legion.org/membership](https://legion.org/membership)
- [legion.org/join](https://legion.org/join)
- [legion.org/sons/join](https://legion.org/sons/join)
- [alaforveterans.org/join](https://alaforveterans.org/join)
- [legion.org/riders](https://legion.org/riders)



Mike Monserud of Ames, Iowa, was one of the earliest to claim membership in all four branches of the American Legion Family.  
Emily Blobaum/The American Legion



*Dr. Ann McKee examines a donated brain at the Boston Brain Bank.  
Ryan Young/The American Legion*

*“The (CLF) is working to raise awareness that you can pledge to donate your brain separately through [projectenlist.org](http://projectenlist.org). They don't just need veterans' brains. They don't just need athletes' brains, because in science you need a baseline. They need anybody's brain.”*

**Nicole Condrey**, surviving spouse and brain donor of a Navy SEAL who took his own life after multiple service-related head injuries

## Donated brains needed for TBI research

The Concussion Legacy Foundation (CLF) and Boston VA researchers are working together to build up the nation's largest brain bank. The bank is essential for medical research that advances understanding of traumatic brain injuries among veterans.

The CLF has worked to raise awareness and change rules in sports, including the National Football League, to protect athletes who sustain repeated blows to the head and multiple concussions. The only way to advance medical knowledge of brain injuries, explains VA Dr. Ann McKee, who runs the VA-BU-CLF Brain Bank in Boston, is to have actual brains to study, which must be pledged by donors. “It's very important to have the brains,” McKee says. “That informs us how to do the detection.”

The Concussion Legacy Foundation was featured on the cover of the January 2020 *American Legion Magazine*, and hundreds of brains were donated to the brain bank in the weeks that followed publication.

The American Legion's TBI/PTSD Committee, which works to find solutions for veterans facing brain injury and mental health problems, advocates for increased research to better detect the conditions and identify potential treatments. McKee and the CLF hope their efforts and research will help doctors catch TBI earlier and find new ways to treat it before it becomes a life-changing disability or, in the most tragic cases, leads to suicide.

### Contact

- [va&r@legion.org](mailto:va&r@legion.org)

### Connections

- [legion.org/veteranshealthcare](http://legion.org/veteranshealthcare)
- [projectenlist.org](http://projectenlist.org)
- [concussionfoundation.org](http://concussionfoundation.org)

*“It’s a time of big change for us ... We are working hard in VA to become what is called a ‘high-reliability organization.’ We want VA to become the safest health-care system in the country.”*

**VA Principal Deputy Undersecretary for Health Dr. Steven Lieberman,**  
speaking at the 101st American Legion National Convention in Indianapolis

## Implementation of the MISSION Act

The John S. McCain III, Daniel K. Akaka and Samuel R. Johnson VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act – also called the VA MISSION Act – has overhauled how veterans receive their health care through the Department of Veterans Affairs (VA).

Before passage and implementation of the sweeping veterans health-care bill, VA operated seven different programs to administer community care, each with different eligibility standards, methods of access, areas of care, and different payment methods for practitioners. This left veterans, providers and even VA frustrated by inadequacies under that system.

The MISSION Act includes provisions consolidating community care programs into a single, streamlined service; reformed the VA health-care infrastructure; and expanded VA’s Caregiver Support Program to eligible veterans who were injured prior to Sept. 11, 2001.

The legislation is comprehensive, with more titles that further address major areas of deficit, such as increased access to private-sector care and the recruitment of qualified medical professionals.

“The MISSION Act gives veterans greater access to care, whether at VA facilities or in the community,” VA Secretary Robert Wilkie said. “We are providing seamless access to care, improving efficiency and helping to ensure veterans get the care they need, where and when they need it.”

The American Legion continues to call on Congress to ensure the MISSION Act is accurately and quickly implemented, as intended.

### Contact

- [va&r@legion.org](mailto:va&r@legion.org)

### Connections

- [legion.org/veteranshealthcare](https://legion.org/veteranshealthcare)

*VA Secretary Robert Wilkie testifies  
before Congress about  
implementation of the  
VA MISSION Act.*

*Double O Photography/The American Legion*





*American Legion Veterans Affairs & Rehabilitation Division Director Chanin Nuntavong and Michael Hjelmstad of Hollywood American Legion Post 43 tour the West Los Angeles VA Healthcare Campus with Meghan Flanz, executive director of the VA Master Plan. VA is creating new facilities and programs for homeless veterans on the campus as part of a lawsuit settlement.*

*Justin L. Stewart/The American Legion*

*“The bottom line is this: We believe in VA. We need to give them more time to make things right. And we will provide them with whatever help they need to better assist our veterans.”*

**Chanin Nuntavong**, director of The American Legion’s Veterans Affairs & Rehabilitation Division, on progress made at the West Los Angeles VA campus during a System Worth Saving visit in 2019

## VA care worth saving

The American Legion has always believed in the quality of care at VA medical centers.

The System Worth Saving program was initiated by then-National Commander Ronald F. Conley, who in 2002 and 2003 visited and assessed more than 60 VA medical facilities across the country. The American Legion passed a resolution in 2004 making System Worth Saving a permanent program.

The American Legion National Executive Committee later realigned the program under the Veterans Affairs and Rehabilitation (VA&R) Commission.

At the time of its inception, the System Worth Saving program adopted a “boots on the ground” approach to evaluating VA health-care facilities. The American Legion produced its first Veterans Crisis Command Center and town hall meeting two weeks after a report from the VA Inspector General’s Office substantiated claims that as many as 40 veterans in Arizona died waiting for medical appointments. Since then, The American Legion and VA have been working together to improve the VA health-care system.

In 2019, commission members, staff from the American Legion National Headquarters office in Washington, D.C., as well as representatives from VA and members of local congressional delegations, conducted 13 site visits to VA medical facilities and regional offices. During these visits, they meet with veterans, their families, VA administrators and employees to discuss successes, challenges and limitations of the local VA system.

The American Legion stands strong behind the mantra that VA health care is a “System Worth Saving.”

### Contact

- [va&r@legion.org](mailto:va&r@legion.org)

### Connections

- [legion.org/systemworthsaving](https://legion.org/systemworthsaving)

*“The diversity, character and entrepreneurial skills of America’s servicemembers and veterans make them the ideal leaders to (re)build the economic vitality of our American economy. I urge every administration to understand this and to utilize veteran entrepreneurs.”*

**Bill Elmore**, former associate administrator for the SBA’s Office of Veterans Business Development

## Support for veteran entrepreneurship

The American Legion’s Veterans Employment & Education Division continues to work with the U.S. Small Business Administration (SBA) to support and increase the number of veteran-owned small businesses.

Larry Stubblefield, associate administrator of SBA’s Office of Veterans Business Development, noted at the Veterans Small Business Roundtable at the 2019 American Legion national convention that the number of self-employed veterans in the labor force had dropped from 16 percent in 1998 to 11 percent in 2018. Among the factors in that decline: inability to access capital, a strong veteran job market, and millennials being less likely to want to start businesses.

Stubblefield encouraged American Legion members to help veteran entrepreneurs by pointing them to the SBA’s free programs and reminding them of the Veterans Small Business Enhancement Act of 2018. That legislation adds veterans to the list of eligible recipients for federal surplus personal property, from office equipment and furniture to specialized apparatuses, including scientific devices and heavy machinery.

The American Legion and SBA have also been working on entrepreneurship summits to help servicemembers, veterans and military spouses interested in owning a small business. One event, scheduled for March in Las Cruces, N.M., was postponed due to the COVID-19 pandemic.

### Contact

- [ve&e@legion.org](mailto:ve&e@legion.org)

### Connections

- [legion.org/careers](https://legion.org/careers)



*Larry Stubblefield, associate administrator for the Office of Veterans Business Development at the U.S. Small Business Administration, speaks at the Veterans Small Business Roundtable in Indianapolis.*  
*Ben Mikesell/The American Legion*



*Event organizer Jeremiah Bull stands on the porch of a tiny home built by the Veterans Community Project during the fourth annual Hold 'Em For Heroes charity event, organized by the American Legion Department of Kansas District 2 in De Soto, Kan. Katie Currid/The American Legion*

*“Who better to take care of homeless veterans than veterans who understand the struggle when you transition out of the military and have to re-create yourself and assimilate back into civilian society?”*

**John Crosby**, American Legion Department of Indiana adjutant

## Commitment continues to help homeless veterans

While a January report by the Department of Housing and Urban Development showed veteran homelessness at a 10-year low, the issue remains an important one for The American Legion.

Departments and posts nationwide continue to lead efforts to help homeless veterans:

- In Arlington, Va., American Legion Post 139 met a need for a new building to help homeless veterans in the area. The post sold its property to the Arlington Partnership for Affordable Housing in 2016, and construction will begin this year on a new building that will house the post as well as 160 affordable housing units, half of which will be made available to homeless veterans.
- In Topsham, Maine, American Legion Post 202's sixth annual Winter Classic softball tournament raised more than \$4,500 for Maine Veterans in Need, a nonprofit with the mission of eradicating veteran homelessness.
- In Boothbay, Maine, American Legion Post 36 members converted a cargo trailer into a temporary residence for veterans to use between applying for housing and being placed in a residence.
- District 2 Kansas American Legion Family members have raised nearly \$103,000 in three years for the Veterans Community Project, a Kansas City-based organization working to end veteran homelessness through the building of tiny homes and providing on-site resource assistance.
- The Department of Indiana and state lawmakers put together 500 care packages filled with non-perishable food and toiletries for the Helping Our Hoosier Heroes Donation Drive.
- American Legion Post 671 in Hutchinson County, Texas, has placed RVs on its property to give homeless veterans a place to live.
- The Department of New Jersey is working with other agencies in a consortium whose aim is to address additional issues affecting homeless veterans, including access to health care and employment opportunities.

### Contact

- [ve&e@legion.org](mailto:ve&e@legion.org)

### Connections

- [legion.org/homelessveterans](https://legion.org/homelessveterans)

*“I thought we ought to keep (OCW) going because you’re always going to have injured, troops who are going to get ill, they’re always going to need comfort items. Even if there were no wars they’re going to get hurt. I don’t see Operation Comfort Warriors ever being done away with.”*

**James Koutz**, past American Legion national commander

## **OCW delivers support to wounded warriors, veterans**

Operation Comfort Warriors (OCW) continues to provide necessary items and recreational activities for servicemembers and veterans recovering from injuries and illnesses. Donations made by American Legion Family members continue to drive the program.

OCW is dedicated to meeting the needs of wounded, injured or ill military personnel by providing them with comfort items not usually supplied by the government. OCW ensures that patients at U.S. military hospitals and warrior transition units are given items like sweat suits, iPads, puzzles, electronic devices, books, calling cards and more.

Recent OCW efforts have included \$16,000 to help more than 100 wounded veterans spend three days fishing on Lake Erie during the annual Walleyes for Wounded Heroes event, and teaming up with Hawthorne Gardening Company to invite 500 veterans and their families to a Tacoma Rainiers minor-league baseball game in August.

Operation Comfort Warriors also funded the cost of admission and lunch at Six Flags Fiesta Texas in San Antonio for hundreds of patients and their families from Brooke Army Medical Center. OCW has worked with the Department of Texas since 2012 to make this annual event possible. The Indiana Veterans’ Home received nine smart TVs installed in the common areas in buildings throughout the campus in West Lafayette, thanks to a donation by the Department of Indiana via an OCW grant. In Virginia, American Legion department leadership delivered a \$10,000 OCW grant to the Warrior Retreat at Bull Run in Haymarket to provide a week’s stay for five recovering wounded servicemembers and their families.

More recently, a \$42,000 OCW grant placed 166 43-inch Samsung smart TVs in the rooms of servicemembers recovering at the Warrior Transition Battalion Liberty Barracks at Brooke Army Medical Center at Fort Sam Houston, Texas. Patients had been spending most of their time in their rooms to maintain social distancing, but had no televisions.

### **Contact**

- [\*\*ocw@legion.org\*\*](mailto:ocw@legion.org)

### **Connections**

- [\*\*legion.org/operationcomfortwarriors\*\*](http://legion.org/operationcomfortwarriors)
- [\*\*legion.org/donate\*\*](http://legion.org/donate)



*Department of Indiana Commander Allen Connelly delivers a television donated by Operation Comfort Warriors to the Indiana Veterans' Home in West Lafayette, Ind.  
Ben Mikesell/The American Legion*



*Michael King, 8, of Sons of The American Legion Squadron 408 in Derby, Kan., helps load carts during the 2019 Turkey Run at Fort Riley.  
Ben Mikesell/The American Legion*

*“We really enjoy the interaction of these folks. We want them to know that there are people out there who care.”*

**Roger Beckley**, member of Post 39 in Abilene, Kan., and Big Red One Turkey Run chairman

## American Legion Family support for those in uniform

As U.S. military missions continue throughout the world, American Legion posts provide much-needed support to troops and their families at the local level through dinners, care packages and activities.

In Kansas, the American Legion Family’s 12th annual Big Red One Turkey Run provided a Thanksgiving meal to hundreds of Fort Riley families, many of whom are at the Warrior Transition Battalion. In Somers Point, N.J., American Legion Post 352 provided a full meal and a day away from training for more than two dozen U.S. Coast Guard recruits from Training Center Cape May; members of the Legion Family offered their cellphones so the recruits could call home.

Similar efforts sprang up in Illinois, where American Legion Post 208 in Arlington Heights, American Legion Post 134 in Morton Grove, and American Legion Post 159 and Post 974 in Leyden Township provided meals and much more to recruits at Naval Station Great Lakes. American Legion Post 35 in Columbus, Ga., adopted the 1st Security Force Assistance Brigade at Fort Benning to provide care packages for soldiers, and offer activities for family members to share with their loved ones via video and photos.

Last September, American Legion Post 201 in Alpharetta, Ga., sent its 10,000th care package to a deployed servicemember. Each package contains a variety of items, including magazines, books, toiletries, non-perishable foods and snacks.

American Legion Post 267 in Marshall, Texas, established a program to honor servicemembers returning from boot camp or deployments, or transitioning out of the military. At least once a month, the post’s “Welcome Home” initiative brings together an honored servicemember with the post’s American Legion Family and local community members.

In the earliest weeks of the pandemic, American Legion Post 38 in South Korea purchased nearly \$300 in food and other necessities for 17 active-duty servicemembers quarantined at U.S. Army Garrison Humphreys. In Alaska, American Legion Post 1 provided 100 bags of snacks to personnel quarantined in the barracks at Joint Base Elmendorf-Richardson.

### Contact

- [acy@legion.org](mailto:acy@legion.org)

### Connections

- [legion.org/troops](https://legion.org/troops)

*“Consistent with our National Defense Strategy, the United States Space Force will ensure we compete, deter and win from a position of strength, securing our way of life and our national security.”*

**Air Force Gen. John Raymond**, commander of U.S. Space Command

## Space Force joins U.S. military, American Legion

The White House directed the Pentagon to develop, operate and maintain space-control capabilities to ensure freedom of maneuver in space, and on order to deny an adversary from occupying or traversing an area of land, air or sea. When President Donald Trump signed the 2020 National Defense Authorization Act, the United States Space Force became the sixth and newest branch of the U.S. Armed Forces on Dec. 20, 2019.

With the signing of the act, the Space Force was established within the Department of the Air Force. The Air Force secretary has overall responsibility for the nation’s newest branch of service. 16,000 active-duty airmen and civilians who work at Air Force Space Command were assigned to the Space Force.

Congress and the president agreed to create the Space Force as a new military branch to safeguard our national security, communication systems, transportation systems, financial systems, and intellectual properties. Because much of our day-to-day lives depends on GPS satellites that provide us with the internet and navigation resources, the United States must advance to be completely prepared to face adversarial threats through space domains.

A new military branch with new facilities, manning, training and equipping significantly increases the defense budget. A top legislative priority of The American Legion continues to firmly support a strong national defense. Since U.S. Code now includes the Space Force in its definition of the U.S. Armed Forces, no specific actions were required by the federally chartered American Legion to accept Space Force servicemembers into the organization.

### Contact

- [ns@legion.org](mailto:ns@legion.org)

### Connections

- [legion.org/security](https://legion.org/security)



*Pararescuemen work with 45th Operations Group, Detachment 3 personnel and mission partners in the weeks leading up to the return to human space flight. Exercises took place at Cape Canaveral Air Force Station and off its coast, working on tactics and procedures for astronaut rescue and recovery operations.*

*U.S. Space Force photo by Senior Airman Dalton Williams*

*“The best way to ensure peace and stability in the Asia-Pacific (region) is to maintain strong Taiwan-U.S. relations, so that together we can defend democracy and freedom. I would like to thank The American Legion for always supporting these shared beliefs.”*

**Tsai Ing-Wen**, president of Taiwan

## Promoting peace, preserving democracy

A delegation from The American Legion traveled to Hawaii, Taiwan and Australia last December, led by National Commander James W. “Bill” Oxford. During preparation for the expedition, the delegation was mindful of the Department of Defense’s capstone defense guidance as outlined in the National Defense Strategy (NDS), which translates and refines the National Security Strategy into essential instructions for force posturing and force modernization toward future uncertainties.

Prior to leaving, the delegation received desk briefings presented by regional specialists from DoD at the Pentagon, the State Department and the White House National Security Commission. It was also informed on and became familiar with key roles and responsibilities of the chief of missions, minister of defense, minister of veterans affairs and minister of foreign affairs.

The primary focus of the delegation’s travel was to build and strengthen alliances with host nations while aligning efforts with the NDS, as well as to meet with military leadership, ambassadors, diplomatic officers, government officials, servicemembers and Legionnaires to better inform the views of The American Legion in this vital region of the world.

The information received during the trip will enable The American Legion to articulate legislative goals to the administration, Congress, DoD, the State Department, the United States Embassy, servicemembers, veterans and their families. The American Legion reaffirmed its diplomatic principle by the support of peaceful democracies through a strong national and international defense.

### Contact

- [ns@legion.org](mailto:ns@legion.org)

### Connections

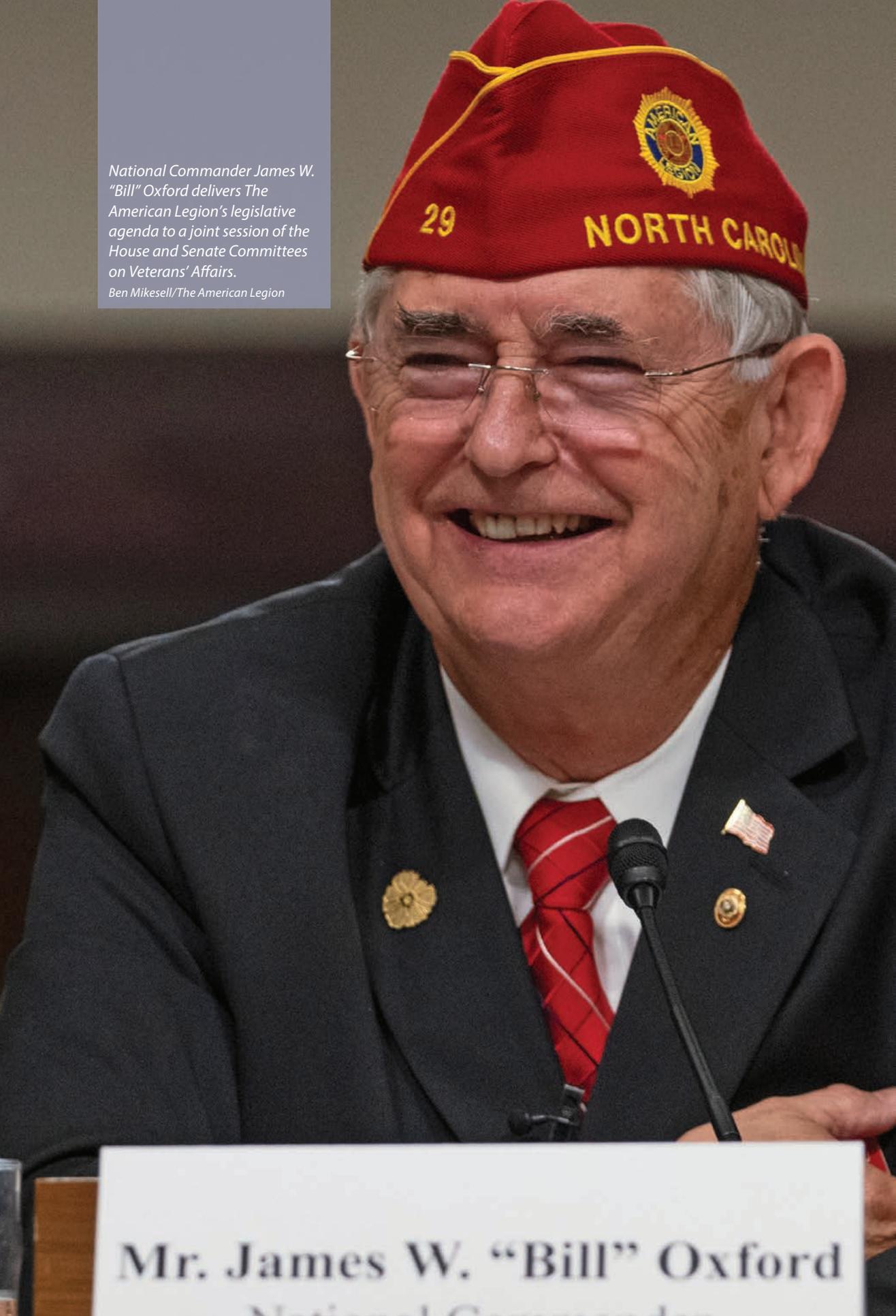
- [legion.org/security](https://legion.org/security)



American Legion National Commander James W. "Bill" Oxford talks with David Tawei Lee, secretary-general of Taiwan's National Security Council, at the president's office in Taipei.

Photo by Larry Cline/The American Legion

*National Commander James W. "Bill" Oxford delivers The American Legion's legislative agenda to a joint session of the House and Senate Committees on Veterans' Affairs.*  
*Ben Mikesell/The American Legion*



**Mr. James W. "Bill" Oxford**  
National Commander

*“It would be impossible for me to detail all the work The American Legion has performed throughout your more-than-a-century of service.”*

Rep. Phil Roe, R-Tenn., House Veterans’ Affairs Committee ranking member

## Delivery of American Legion legislative agenda

As the American Legion national commander does each year, James W. “Bill” Oxford presented the organization’s legislative agenda to a joint session of the Senate and House Committees on Veterans’ Affairs March 10, during the organization’s annual Washington Conference. It includes:

- **Toxic exposures and burn pits:** Establishing a presumption of exposure, as well as continued studies on the effects of burn pits.
- **Improved health care for women veterans.**
- **Support VA’s suicide-prevention efforts:** Expanding and promoting mental health treatment for veterans, and urging Congress to provide VA necessary funds to hire mental health professionals and proper staffing for its Integrative Health and Wellness Program.
- **Reaffirm commitment to our allies:** Provide the State Department necessary resources to maintain and expand our alliance system, ensure aid programs to allies remain properly funded, and promote our national interests abroad.
- **Fully fund a superior national defense:** Supports a defense budget that complies with the Pentagon’s National Defense Strategy.
- **Pay the Coast Guard:** Supporting bills and provisions that will ensure Coast Guard personnel are paid without interruption during government shutdowns.
- **Implement, oversee American Legion-backed laws passed by 115th Congress:** From the backlog-aimed VA Appeals Modernization Act to the omnibus VA MISSION Act.
- **Protect the GI Bill** for student veterans whose for-profit institutions fail to meet standards.
- **Help end veteran homelessness.**
- **Support for Gold Star Families.**
- **Protect the U.S. flag.** Urges Congress to propose and approve an amendment to the U.S. Constitution that would allow Congress to prohibit physical desecration of the flag of the United States.

### Contact

- [legislative@legion.org](mailto:legislative@legion.org)

### Connections

- [legion.org/legislative](https://legion.org/legislative)

*“Whether funds are used to assist Coast Guardsmen who are missing paychecks ... or a military family struggling to make ends meet, the Veterans & Children Foundation needs your support.”*

James W. “Bill” Oxford, American Legion national commander

## Standing by America’s veterans, families and children

Since its creation in 1925, the American Legion Veterans & Children Foundation (V&CF) has delivered more than \$30 million in financial assistance in support of veterans seeking their earned benefits and military families with minor children at home who are facing financial shortfalls.

The foundation, originally called the American Legion Endowment Fund, was started by then-National Commander James A. Drain. With a membership of roughly 600,000 members, the Legion raised \$5 million – the equivalent of more than \$70 million today – in just eight months in 1924 and 1925.

V&CF uses donations to fund two specific programs: the work of service officers and the American Legion Temporary Financial Assistance (TFA) program.

Approximately 2,500 American Legion service officers provide free assistance to veterans seeking help with their VA claims. At any one time, these dedicated service officers are working on behalf of around 700,000 veterans, widows and families. V&CF funds pay to train these service officers.

The most recent four-year average of the TFA program delivered \$693,000 annually in cash grants. Eligible recipients are families of American Legion members and active-duty servicemembers with minor children at home who have encountered financial struggles through no fault of their own. TFA funds enable families to put food on the table, pay utility bills and cover other necessary expenses.

### Contact

- [marketing@legion.org](mailto:marketing@legion.org)

### Connections

- [legion.org/donate](https://legion.org/donate)



*American Legion service officers like Ray Odum of Trinidad, Colo., receive training, and families in need of financial assistance are supported, through donations to the American Legion Veterans & Children Foundation.*

*Nick Cote/The American Legion*



*Idaho Falls American Legion Post 56 team members celebrate victory over Fargo American Legion Post 2 after the championship game of the 2019 American Legion World Series at Veterans Field at Keeter Stadium in Shelby, N.C.*

*Ryan Young/The American Legion*

*“The American Legion brings the opportunity for a team to grow and develop together, and to grow into something bigger than themselves. In my opinion, that’s what athletics is all about: playing for something bigger than yourself.”*

**Ryan Alexander**, who coached Post 56 to the 2019 American Legion World Series title

## Another year of firsts for American Legion Baseball

For the second year in a row, an American Legion Baseball team won its state’s first American Legion World Series championship. Idaho Falls American Legion Post 56 overcame rain delays to win the Department of Idaho’s first ALWS title in 2019, with a 5-3 win over American Legion Post 2 of Fargo, N.D.

In conjunction with The American Legion’s centennial, fans voted for an all-centennial team of former American Legion Baseball players in 2019. A total of 85 nominees, including all of the 78 former American Legion Baseball players inducted into the Baseball Hall of Fame as players or coaches, were presented to the American Legion Baseball Committee, which pared the list down to 60 for a fan vote. Votes came in by the thousands for a final 18-man roster, the same size as an American Legion Baseball team. The team consisted of 17 Hall of Famers and still-active Albert Pujols, a likely future Hall of Famer.

Other members of the American Legion All-Centennial Team were Yogi Berra, Johnny Bench, Harmon Killebrew, Joe Morgan, Brooks Robinson, Pee Wee Reese, Robin Yount, Ted Williams, Stan Musial, Tony Gwynn, Frank Robinson, Bob Feller, Bob Gibson, Greg Maddux, Warren Spahn, Rollie Fingers, Lee Smith, Sparky Anderson and Joe Torre.

In April, the Americanism Commission, in consultation with National Commander James W. “Bill” Oxford, canceled the 2020 regional tournaments and the American Legion World Series in response to the COVID-19 pandemic. The decision allowed departments to take responsibility for their own programs and the choice to sponsor their own teams, outside the national American Legion umbrella.

### Contact

- [baseball@legion.org](mailto:baseball@legion.org)

### Connections

- [legion.org/baseball](https://legion.org/baseball)

*“The book, I hope, honors veterans, their deeds, and continues to keep them in the forefront of our collective consciousness.”*

**Lorenzo Fiorentino**, commander of American Legion Post 335 in River Grove, Ill., who wrote “Illinois Military Monuments” and gave presentations at area American Legion posts

## Sites of remembrance

In November 2016, the American Legion Veterans Memorial Identification Project database was released after a resolution by the organization’s National Executive Committee. The database’s purpose is to identify and document U.S. war, military and veteran memorials both in the United States and around the world. American Legion Family members hunt for new additions in their areas, gather information, take photos, then upload it all using a form on The American Legion’s national website.

As of July, the database had nearly 2,900 submissions from all 50 states and 14 foreign countries, dating as far back as the French and Indian War. It is one of the largest such collections in the world. The project is open-ended, meaning that the database will be perpetually accessible and open to new submissions.

The database is just part of The American Legion’s commitment to honor and remembrance of U.S. conflicts and those who fought in them, as well as their families. The American Legion has played a supportive role in the construction of several national veteran memorials in Washington, D.C., from the Vietnam Veterans Memorial and the Vietnam Women’s Memorial to the National World War II Memorial and the in-progress National World War I Memorial. On the local level, a good number of the monuments and memorials in the database were brought about by their local American Legion posts.

The popular Legiontown website gives individual veterans the chance to tell their own stories of service, with categories such as “My WWII Story,” “Family Legacy” and “Memories of Basic Training.” Some are selected for further use in American Legion media.

### Connections

- [legion.org/memorials](https://legion.org/memorials)
- [legion.org/honor](https://legion.org/honor)
- [legiontown.org](https://legiontown.org)
- On Facebook, search for “The American Legion: Honor and Remembrance”



*The Sentinel, a memorial built in the likeness of a World War I soldier, stands in Washington Park in Centralia, Wash., in remembrance of four Legionnaires killed on Armistice Day 1919.*

*Scott Spiker/The American Legion*

THE  
SENTINEL

IT WAS THEIR DESTINY  
RATHER IT WAS THEIR  
DUTY - THE HIGHEST OF IN  
NORLAND ENTRY

*“(The American Legion’s Oratorical Contest) has built so many skills for me, such as confidence, charisma, how to research effectively, how to write speeches effectively, and present to an audience.”*

Patrick Junker of Waukee, Iowa, 2019 American Legion National Oratorical Contest winner

## National Oratorical Contest awards over \$203,000

Nearly 3,000 high school youth participate in The American Legion’s Oratorical Contest, a constitutional speech program, at the post level every year with hopes of making it to the national finals in Indianapolis for a top-three finish. Scholarships awarded to the three finalists had remained consistent for the past 22 years – \$18,000 (first place), \$16,000 (second place) and \$14,000 (third place) – until the 2019 Fall National Executive Committee Meetings, where Resolution 2 was passed to increase the amounts.

Effective in 2021, the National Oratorical Contest winner will receive \$25,000, followed by \$22,500 for second place and \$20,000 for third place. Additionally, \$2,000 will be awarded to each department winner (up to 53) who participates in the first round of the national contest, and an additional \$2,000 will be awarded to those (up to 15) who advance to the second round.

Since 1938, the contest has taught high school youth leadership, the history of our nation’s laws, the ability to think and speak clearly, and a better understanding of the Constitution of the United States as well as the rights, responsibilities and privileges of U.S. citizenship. The program has a number of prominent alumni, including Vice President Mike Pence, former presidential candidate Alan Keyes and national television commentator Lou Dobbs.

### Contact

- [americanism@legion.org](mailto:americanism@legion.org)

### Connections

- [legion.org/oratorical](https://legion.org/oratorical)



*Patrick Junker of Waukee, Iowa, delivers his assigned topic oration during The American Legion's 82nd annual National Oratorical Contest finals.*  
*Lucas Carter/The American Legion*



American Legion Rider Mark Thomson of American Legion MIA Post 231 in Lake Texoma, Texas, thanks Orlando Vega of Boy Scout Troop 68 for a warm welcome to American Legion Post 336 in Onalaska, Wis., during the 2018 Legacy Run.

Justin L. Stewart/The American Legion

*“I strongly believe in helping my community, which in turn is a service to God, and showing patriotism through active involvement with military veterans and their families who have all sacrificed so much for our nation.”*

**Jaden Anderson of Provo, Utah, 2019 Eagle Scout of the Year**

## Over 100 years of support for Scouting

The American Legion has supported Boy Scouts of America since the adoption of Resolution 87 at its first national convention in Minneapolis in 1919. The resolution stated that “The American Legion heartily commends the principles and achievements of the Boy Scouts and recommends that each post assist the Scout troop in its community in whatever manner practicable.”

The American Legion’s support has remained constant since 1919, with local posts chartering more than 2,300 Scout troops and providing other forms of support. For veterans and other adult volunteers, Scouting is a tangible way to be a positive influence on young people. Besides fun, friendship and adventure, the program offers opportunities to grow in character, leadership, citizenship and personal fitness.

In 2019, 152 youth were recognized by American Legion National Headquarters with certificates for their achievements in BSA’s Venturing, Sea Scouts or Explorers programs. An additional 3,430 youth were recognized by National Headquarters with certificates for achieving the rank of Eagle Scout.

Annually, an Eagle Scout is recognized as the American Legion Eagle Scout of the Year and is awarded a \$10,000 college scholarship. Scholarships of \$2,500 each are awarded to three runners-up. The Eagle Scout of the Year is honored at The American Legion’s annual national convention.

### Contact

- [americanism@legion.org](mailto:americanism@legion.org)

### Connections

- [legion.org/scouting](http://legion.org/scouting)

*“It warms my heart to know that organizations such as The American Legion care about the services and lives of veterans and their families. I know my father would be incredibly grateful for (The American Legion) as well.”*

**Summer Chapline**, a 2019 Legacy Scholarship recipient studying at Indiana University

## Higher education with help from the Legion

The American Legion offers a number of financial scholarships through its national youth programs, but the American Legion Legacy Scholarship stands alone in its criteria – and its impact.

The scholarship provides college funding to children of post-9/11 veterans who died on active duty, or those who have a combined VA disability rating of 50 percent or greater. For 2020, 35 students received Legacy Scholarship grants; up to \$20,000 will be awarded to each for the expense of graduate or post-graduate tuition, books, room and board, meal plans and other supplies. Since the first grants in 2004, 366 children of fallen servicemembers and disabled veterans have received more than \$3 million in aid.

The Legacy Scholarship allows recipients to go to the college of their choice, pursue their studies without having to get a job, or study abroad. Over the years, a number of those recipients have reported back to The American Legion about how the scholarship has changed their college experience. One is Summer Chapline from Oklahoma, whose father served in the Army during Operation Iraqi Freedom and died in September 2015 from injuries sustained during his service. Chapline is attending Indiana University, studying Arabic and international studies with a minor in international relations (although not in her home state, IU has a strong language program). Seeking to follow her father’s example of service – and foreign-language acquisition – she hopes to work for the U.S. government after graduation.

“I have always looked up to my dad, and he is the entire reason I study what I am currently studying,” Chapline said. “Because of my father, I want to make a difference in the world and protect our country.”

### Contact

- [scholarships@legion.org](mailto:scholarships@legion.org)

### Connections

- [legion.org/scholarships](https://legion.org/scholarships)
- View the Legacy Donor and Legacy Scholarship pamphlets online: [legion.org/publications](https://legion.org/publications)



*Rosa-Maria Valdes is a college student in Manchester, N.H., and a recipient of the American Legion Legacy Scholarship.*

*Gabe Souza/The American Legion*

*The Tango Alpha Lima podcast  
launched in April 2020.  
The American Legion*



*“Gone are the days when our only media contact with members was the monthly magazine. Today’s media consumer demands information in various formats: social media, web, mobile, audio and video. With the Tango Alpha Lima podcast joining our other electronic media platforms, we are fulfilling that desire.”*

Walter Ivie, American Legion Media & Communications Commission chairman

## A growing array of media options

The American Legion distributes news, information and resources to its nearly 2 million members, patriotic Americans, media and other influencers via a vast array of print and digital platforms.

On April 1, The American Legion launched its first podcast, Tango Alpha Lima. The weekly episodes feature co-hosts who are post-9/11 veterans and American Legion members. During their lively and engaging exchanges, they discuss topics of interest to the military community. A video version of the podcast is available on YouTube.

Additionally, 2020 saw the launch of The American Legion Media Alliance, or TALMA. The Media & Communications Commission oversees TALMA, which is dedicated to helping members with media resources, tools and guidance to promote their post activities.

The flagship of the media program remains *The American Legion Magazine*. The monthly publication was once again named the “best-read” magazine out of nearly 180 surveyed by independent auditor GfK MRI.

Meanwhile, The American Legion’s digital program is growing in influence. Its national website, [legion.org](http://legion.org), has demonstrated increased visibility and engagement since a redesign a few years ago.

### Contact

- [magazine@legion.org](mailto:magazine@legion.org)

### Connections

- [legion.org/media](http://legion.org/media)
- [legion.org/talma](http://legion.org/talma)
- [legion.org/facebook](http://legion.org/facebook)
- [twitter.com/AmericanLegion](https://twitter.com/AmericanLegion)
- [youtube.com/user/AmericanlegionHQ](https://youtube.com/user/AmericanlegionHQ)
- [instagram.com/theamericanlegion](https://instagram.com/theamericanlegion)
- On LinkedIn, under Companies, search for “The American Legion”

*“My main goal in all of my calls is to ensure that if they need assistance in any way ... I just want to let them know that we are out there for them and for their needs. If we can provide the service, I'm going to do that.”*

**Leroy T. Lippi Jr.**, service officer at American Legion Post 272 in Linglestown, Pa.

## Buddy Checks make a difference

As the pandemic led to stay-at-home orders across the nation, the need for Buddy Checks to assist isolated veterans was amplified. But even before that, American Legion Family members throughout the country had been checking up on their fellow veterans regularly.

National Commander James W. “Bill” Oxford made a call for Buddy Checks around Veterans Day 2019 and was answered with efforts from posts in states such as North Carolina, Ohio, Oklahoma and New Jersey. American Legion Post 18 in Weehawken, N.J., spent Veterans Day making in-person Buddy Checks. In Oklahoma, members of American Legion Post 20 were conducting Buddy Checks and came into contact with an 87-year-old Korean War veteran who hadn't paid his membership dues in two years. The post processed the veteran's membership with “Pay It Forward” funds.

When the coronavirus hit, a toolkit for performing Buddy Checks during the pandemic was made available. American Legion Family members increased their efforts, making thousands of check-ins on their fellow veterans.

Weehawken Post 18 has made regular phone calls to its most at-risk members, even showing up in person to assist with cleaning up the outside of a World War II veteran's home. Woodland Hills, Calif., American Legion Post 826 Legionnaires delivered groceries and over-the-counter medicine to socially distancing veterans found through Buddy Checks. American Legion Post 43 in Tullahoma, Tenn., worked with Boy Scouts and Junior ROTC to deliver food and supplies to veterans contacted through Buddy Checks. American Legion Post 154 in Rathdrum, Idaho, called all of its more than 100 members to check on their needs and well-being.

And in Pennsylvania, American Legion Post 272 Service Officer Leroy T. Lippi Jr. made Buddy Checks a calling. By early April, Lippi had already made more than 430 calls to fellow members, adding to the more than 1,200 he'd made since 2018. Hundreds of posts are reaching out in their local communities, especially to veterans whose age puts them at risk for infection. If ever a veterans-service program was built for pandemic relief, it's the Buddy Check,” Oxford said. “In communities large and small everywhere on the map, Buddy Checks are making big differences for veterans, their spouses and families.”

### Connections

- [legion.org/membership](https://legion.org/membership)
- [legion.org/publications/247460/buddy-check-event-toolkit](https://legion.org/publications/247460/buddy-check-event-toolkit)



*Jasmin Pettiford, first vice commander at American Legion Post 500 in Speedway, Ind., makes a Buddy Check call.*

*Ben Mikesell/The American Legion*



*Posts can earn Emblem Sales credit  
for each U.S. flag purchased.*

*Corey Perrine/The American Legion*

*“Last year, we purchased and provided nearly 3,000 small flags within the community. The patriotic materials have all come from Emblem Sales, and we are determined to continue to share this and more materials with our children and local school systems.”*

**Tracy Rascoe**, past Department of California vice commander, in a blog post describing how items from Emblem Sales helped the nonprofit he co-founded promote Americanism in his community

## Emblem Sales keeps the flags flying

The American Legion Emblem Sales Division offers a variety of merchandise for the entire American Legion Family, much of which can be customized. From apparel to accessories to goods of all kinds, they come from the John H. Geiger Operations Center in Indianapolis. Orders can be taken online, over the phone, through the mail, or in person.

Emblem Sales is also a leading seller of American-made U.S. flags, providing more than 1 million each year. The Flag Rewards program enables American Legion posts to earn 10 cents for each flag they – or individuals, friends, neighbors, schools and businesses that “sponsor” the post – purchase, good toward anything Emblem Sales offers in the next year.

American Legion Post 44 in Newburgh, Ind., earned \$400 in Emblem Sales merchandise credit in 2018 to spend in 2019. Post members planned to purchase more flags with the money, then resell them to community members and donate the proceeds to The American Legion’s Operation Comfort Warriors (OCW) program. As of June, 674 posts across the country had earned Flag Rewards credit for 2021.

### Emblem Sales shopping

- To receive an Emblem Sales catalog free of charge, call **(888) 453-4466** between 8 a.m. and 5 p.m. Eastern on weekdays, fax an order to **(317) 630-1381** or email **emblem@legion.org**.
- The American Legion Emblem Sales website – **emblem.legion.org** – provides safe, convenient online shopping for a variety of items and products for individuals and posts.
- For custom orders, email **specialorders@legion.org**, call **(866) 632-7131** or fax **(317) 630-1250**.

### Contact

- **emblem@legion.org**

### Connections

- **(888) 453-4466 (toll-free)**
- **(317) 630-1381 (fax)**

*“I want to continue helping veterans any way I can. This will be a forever-going passion for me, taking care of veterans with the American Legion, with education and community. It’s a passion that will stick for life. I will be a Legionnaire for life.”*

**Nestor Palma**, Broward College student,  
former Navy corpsman and Student Veterans of America member

## Relationships help expand American Legion purposes

The American Legion continued to strengthen relationships with like-minded organizations and associations in 2019 and 2020. As the pandemic spread, American Legion posts and American Red Cross chapters teamed up to collect much-needed blood in multiple drives across the country. The U.S. Chamber of Commerce, JobZone, Hirepurpose and Avue continued to work with The American Legion’s Employment & Education Division to improve career opportunities for veterans and their families. The American Legion and Boy Scouts of America continue to maintain a century-long relationship of support. And The American Legion’s association with Student Veterans of America (SVA) took new steps.

In recent years, a growing number of SVA members attending the group’s national conference have expressed appreciation of American Legion support. Local posts have provided facility space for chapters, students have received scholarships and grants to attend meetings, and American Legion national staff and officers have participated actively in breakout sessions, panel discussions and other events put on by SVA.

The American Legion continues to connect with such other groups as Team Red, White & Blue, The Mission Continues and Team Rubicon at the local level. American Legion posts in southern California are among those that serve veterans through multi-organization collaboratives to ensure that they can work efficiently in their communities.

At the 12th Student Veterans of American National Conference in January, more than 30 young veterans spoke on camera about their American Legion support, membership and intention to keep strengthening the nation by working together in their communities.

One of those students, Curtis Baab of Cascadia College in Washington state, put it this way: “With The American Legion, I hope to push for more reforms in order to help vets in general, whether it be homelessness, health care or any other program that may need some change.”

### Connections

- [legion.org/publications/232708/post-911-veterans](https://legion.org/publications/232708/post-911-veterans)
- [legion.org/careers/relationships](https://legion.org/careers/relationships)
- [legion.org/alliances](https://legion.org/alliances)



*Nestor Palma and other student veterans share their American Legion stories at an exhibit hall booth during Student Veterans of America's NATCON2020 in Los Angeles.*

*Holly K. Soria/The American Legion*



Crowe LLP  
Independent Member Crowe Global

Members of the National Finance Commission  
The American Legion National Headquarters  
Indianapolis, Indiana

### Report on Financial Statements

We have audited the accompanying consolidated financial statements of The American Legion National Headquarters ("Legion"), which comprise the consolidated statements of financial position as of December 31, 2019 and 2018, and the related consolidated statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The American Legion National Headquarters as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

### Emphasis of Matter

As discussed in Note 1 to the financial statements, the Legion has adopted ASU 2014-09 – *Revenue from Contracts with Customers (Topic 606)* and ASU 2018-08 – *Not-for-Profit Entities (Topic 958)* for the year-ended December 31, 2019. Our opinion is not modified with respect to this matter.

### Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual companies and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

A handwritten signature in dark blue ink that reads "Crowe LLP".  
Crowe LLP

Indianapolis, Indiana  
June 4, 2020

**THE AMERICAN LEGION NATIONAL HEADQUARTERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018**

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,312,619	\$ 3,012,220
Accounts receivable	7,123,577	5,460,308
Interest receivable	1,008,765	885,540
Prepaid expenses and deposits	2,403,235	2,755,099
Deferred membership expense	4,183,155	4,077,478
Inventory	3,508,922	2,861,202
Investment in affiliate (CFA)	37,307	11,070
Beneficial interest in trust	<u>36,264</u>	<u>76,729</u>
	20,613,844	19,139,646
Investments		
General	21,551,826	18,387,061
Segregated for Restricted and Reserved Funds	37,361,797	34,986,881
Paid-Up-For-Life Membership fund	26,539,113	25,452,708
Samsung scholarship fund	7,669,826	7,209,799
Building funds	7,254,020	6,501,856
Sept. 11 Memorial scholarship fund	16,341,850	14,349,042
Special account – Endowment Fund	2,066,042	2,009,882
General account – Endowment Fund	9,094,112	8,037,160
National Emergency Fund	6,658,915	5,822,925
American Legion Charities	5,255,325	5,006,983
Other	<u>4,315,975</u>	<u>3,817,097</u>
	144,108,801	131,581,394
Property, plant and equipment, net	<u>4,062,080</u>	<u>3,753,291</u>
	<u>\$ 168,784,725</u>	<u>\$ 154,474,331</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 4,777,975	\$ 3,994,332
Scholarships payable	1,589,399	1,406,831
Deposits on emblem merchandise sales	586,078	453,450
Deferred income	1,439,307	1,416,956
Deferred dues income	24,071,863	24,893,121
Deferred income – direct membership solicitation	3,428,607	3,382,071
Accrued vacation benefits	802,152	754,932
Accrued pension expense	20,709,800	17,838,379
Other liabilities	1,323,678	1,044,811
Notes payable	215,148	426,698
Deferred dues income – Paid-Up-For-Life membership	23,908,398	22,367,575
Life memberships due to state and local posts	<u>26,766,460</u>	<u>25,041,442</u>
	109,618,865	103,020,598
<b>NET ASSETS</b>		
Without donor restriction	10,986,426	9,753,041
With donor restriction	<u>48,179,434</u>	<u>41,700,692</u>
Total net assets	<u>59,165,860</u>	<u>51,453,733</u>
	<u>\$ 168,784,725</u>	<u>\$ 154,474,331</u>

*See accompanying notes to consolidated financial statements.*

## THE AMERICAN LEGION NATIONAL HEADQUARTERS CONSOLIDATED STATEMENT OF ACTIVITIES Year ended December 31, 2019

	Without Donor Restriction	With Donor Restriction	Total
<b>Revenue, gains and other support</b>			
National member dues	\$ 29,293,372	\$ -	\$ 29,293,372
Direct membership solicitations	5,887,420	-	5,887,420
Member service fees income	449,344	-	449,344
Affinity income	4,000,000	-	4,000,000
Sales of emblem items	14,283,830	-	14,283,830
Advertising	8,032,884	-	8,032,884
Contributions	12,863,986	5,747,894	18,611,880
Label and printing fees	347,473	-	347,473
Interest and dividends, net of fees	2,044,411	1,172,374	3,216,785
Net realized losses - investments	(110,044)	(162,997)	(273,041)
Other	<u>3,412,106</u>	<u>1,441,758</u>	<u>4,853,864</u>
	80,504,782	8,199,029	88,703,811
Net assets released from restriction	<u>3,721,305</u>	<u>(3,721,305)</u>	<u>-</u>
Total revenues, gains, and other support	84,226,087	4,477,724	88,703,811
<b>Expenses</b>			
Salaries	14,587,909	-	14,587,909
Employee benefits	6,662,698	-	6,662,698
Cost of sales – Legion	7,834,317	-	7,834,317
Department and magazine costs	1,381,692	-	1,381,692
Direct publications	10,004,545	-	10,004,545
Executive, staff and program travel	3,671,878	-	3,671,878
Commission and committee	1,772,354	-	1,772,354
Printing and postage	14,480,642	-	14,480,642
Scholarships, grants and awards	3,323,903	-	3,323,903
Office and other operating	14,495,363	-	14,495,363
Occupancy and usage	2,197,550	-	2,197,550
Special projects and programs	<u>3,809,444</u>	<u>-</u>	<u>3,809,444</u>
	<u>84,222,295</u>	<u>-</u>	<u>84,222,295</u>
Change in net assets from operations	3,792	4,477,724	4,481,516
Net unrealized gain – investments	2,765,626	2,001,018	4,766,644
Net change in PUFL	497,406	-	497,406
Amortization of pension loss	(1,996,688)	-	(1,996,688)
Pension-related changes other than net periodic pension cost	<u>(36,751)</u>	<u>-</u>	<u>(36,751)</u>
<b>Change in net assets</b>	1,233,385	6,478,742	7,712,127
Net assets, beginning of year	<u>9,753,041</u>	<u>41,700,692</u>	<u>51,453,733</u>
<b>Net assets, end of year</b>	<u>\$ 10,986,426</u>	<u>\$ 48,179,434</u>	<u>\$ 59,165,860</u>

See accompanying notes to consolidated financial statements.

**THE AMERICAN LEGION NATIONAL HEADQUARTERS**  
**CONSOLIDATED STATEMENT OF ACTIVITIES**  
Year ended December 31, 2018

	Without Donor Restriction	With Donor Restriction	Total
<b>Revenue, gains and other support</b>			
National member dues	\$ 30,394,651	\$ -	\$ 30,394,651
Direct membership solicitations	6,074,433	-	6,074,433
Member service fees income	636,526	-	636,526
Affinity income	4,228,914	-	4,228,914
Sales of emblem items	13,917,701	-	13,917,701
Advertising	8,674,307	-	8,674,307
Contributions	12,507,600	3,380,136	15,887,736
Label and printing fees	360,920	-	360,920
Interest and dividends, net of fees	1,934,050	1,124,419	3,058,469
Net realized losses - investments	(339,600)	(102,058)	(441,658)
Other	<u>4,121,753</u>	<u>25,000</u>	<u>4,146,753</u>
	82,511,255	4,427,497	86,938,752
Net assets released from restriction	<u>2,669,226</u>	<u>(2,669,226)</u>	<u>-</u>
Total revenues, gains, and other support	85,180,481	1,758,271	86,938,752
<b>Expenses</b>			
Salaries	17,262,927	-	17,262,927
Employee benefits	5,962,222	-	5,962,222
Cost of sales – Legion	7,468,856	-	7,468,856
Department and magazine costs	1,564,384	-	1,564,384
Direct publications	10,240,139	-	10,240,139
Executive, staff and program travel	3,823,788	-	3,823,788
Commission and committee	1,700,086	-	1,700,086
Printing and postage	12,567,362	-	12,567,362
Scholarships, grants and awards	2,083,162	-	2,083,162
Office and other operating	14,646,154	-	14,646,154
Occupancy and usage	2,120,396	-	2,120,396
Special projects and programs	<u>3,714,040</u>	<u>-</u>	<u>3,714,040</u>
	<u>83,153,516</u>	<u>-</u>	<u>83,153,516</u>
Change in net assets from operations	2,026,965	1,758,271	3,785,236
Net unrealized loss – investments	(2,225,419)	(546,866)	(2,772,285)
Net change in PUFL	2,702,057	-	2,702,057
Amortization of pension loss	(2,262,117)	-	(2,262,117)
Pension-related changes other than net periodic pension cost	<u>4,333,383</u>	<u>-</u>	<u>4,333,383</u>
<b>Change in net assets</b>	4,574,869	1,211,405	5,786,274
Net assets, beginning of year	<u>5,178,172</u>	<u>40,489,287</u>	<u>45,667,459</u>
<b>Net assets, end of year</b>	<u>\$ 9,753,041</u>	<u>\$ 41,700,692</u>	<u>\$ 51,453,733</u>

*See accompanying notes to consolidated financial statements.*

# 2020

THE AMERICAN LEGION NATIONAL HEADQUARTERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018

## THE AMERICAN LEGION NATIONAL HEADQUARTERS CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES Years ended December 31, 2019 and 2018

	Program Services		Supporting Services			2019 Total
	Veterans Programs Services	Americanism and Children and Youth Activities	Management and General	Member Development	Fundraising	
2019						
Salaries	\$ 6,602,790	\$ 527,288	\$ 6,652,509	\$ 805,322	\$ -	\$14,587,909
Employee benefits	665,970	52,406	5,864,674	79,648	-	6,662,698
Cost of sales - Legion Department and magazine costs	7,834,317	-	-	-	-	7,834,317
Direct publications	1,305,222	-	10,473	-	65,997	1,381,692
Executive, staff and program travel	10,004,545	-	-	-	-	10,004,545
Commission and committee	1,226,242	1,428,626	964,338	52,672	-	3,671,878
Printing and postage	937,731	248,545	470,592	115,486	-	1,772,354
Scholarships, grants, and awards	2,257,816	9,123	79,817	2,602,858	9,531,028	14,480,642
Office and other operating	458,074	2,673,634	-	191,985	210	3,323,903
Occupancy and usage	3,567,474	147,054	3,788,554	6,742,187	250,094	14,495,363
Special projects and programs	27,249	1,352	1,639,670	529,279	-	2,197,550
	2,175,806	725,275	908,363	-	-	3,809,444
<b>Total</b>	<b>\$ 37,063,236</b>	<b>\$ 5,813,303</b>	<b>\$20,378,990</b>	<b>\$ 11,119,437</b>	<b>\$ 9,847,329</b>	<b>\$84,222,295</b>

	Program Services		Supporting Services			2018 Total
	Veterans Programs Services	Americanism and Children and Youth Activities	Management and General	Member Development	Fundraising	
2018						
Salaries	\$ 7,014,252	\$ 518,571	\$ 8,803,868	\$ 926,236	\$ -	\$17,262,927
Employee benefits	722,259	52,277	5,096,699	90,987	-	5,962,222
Cost of sales - Legion Department and magazine costs	7,468,856	-	-	-	-	7,468,856
Direct publications	1,439,535	-	17,608	-	107,241	1,564,384
Executive, staff and program travel	10,240,139	-	-	-	-	10,240,139
Commission and committee	1,285,290	1,456,482	1,026,231	55,785	-	3,823,788
Printing and postage	867,076	254,430	488,504	90,076	-	1,700,086
Scholarships, grants, and awards	2,044,490	16,548	96,603	2,359,896	8,049,825	12,567,362
Office and other operating	555,333	1,394,383	-	133,446	-	2,083,162
Occupancy and usage	3,988,158	168,576	4,314,848	5,972,112	202,460	14,646,154
Special projects and programs	18,835	1,426	1,574,119	526,016	-	2,120,396
	2,235,451	681,254	797,335	-	-	3,714,040
<b>Total</b>	<b>\$ 37,879,674</b>	<b>\$ 4,543,947</b>	<b>\$22,215,815</b>	<b>\$ 10,154,554</b>	<b>\$ 8,359,526</b>	<b>\$83,153,516</b>

See accompanying notes to consolidated financial statements.

**THE AMERICAN LEGION NATIONAL HEADQUARTERS**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
Years ended December 31, 2019 and 2018

	2019	2018
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 7,712,127	\$ 5,786,274
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation expense	726,941	791,860
Realized loss on sale of investments	273,041	441,658
Unrealized (gain) loss on investments	(4,766,644)	2,772,285
Net change in Paid-Up-For-Life annuity	(497,406)	(2,702,057)
Amortization of pension loss	1,996,688	2,262,117
Pension-related changes other than net periodic pension cost	36,751	(4,333,383)
Contributions restricted for long-term purposes	(1,147,682)	(653,274)
Changes in assets and liabilities:		
Accounts receivable	(1,663,269)	(419,730)
Interest receivable	(123,225)	19,133
Prepaid expenses and deposits	351,864	(1,801,612)
Deferred membership expense	(105,677)	518,817
Inventories	(647,720)	(99,796)
Beneficial interest in trust	40,465	37,471
Accounts and scholarships payable	966,211	726,854
Deferred income	3,143,504	114,918
Accrued pension expense	837,982	460,188
Other accrued liabilities	<u>326,087</u>	<u>(7,692)</u>
Net cash from operating activities	7,460,038	3,914,031
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(1,037,776)	(106,933)
Sales of property and equipment	2,046	50,899
Purchase of investments	(100,808,016)	(66,855,851)
Sales and maturities of investments	92,774,212	63,386,504
Investments in affiliate (CFA)	<u>(26,237)</u>	<u>441</u>
Net cash from investing activities	(9,095,771)	(3,524,940)
<b>Cash flows from financing activities</b>		
Contributions restricted for long-term purposes	1,147,682	653,274
Repayment on notes payable	<u>(211,550)</u>	<u>(205,051)</u>
Net cash from financing activities	<u>936,132</u>	<u>448,223</u>
Net increase (decrease) in cash and cash equivalents	(699,601)	837,314
Cash and cash equivalents, beginning of year	<u>3,012,220</u>	<u>2,174,906</u>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 2,312,619</b>	<b>\$ 3,012,220</b>
Supplemental cash flows information		
Interest paid	\$ 12,204	\$ 19,278
Investment maturities	2,556,599	-

*See accompanying notes to consolidated financial statements.*

## NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Organization:** The American Legion National Headquarters (“Legion”) is a national veterans organization, which was declared to be a corporate body by an Act of the United States Congress on September 16, 1919.

According to the Original Act and Subsequent Amendments, the purpose of the Legion is “To uphold and defend the Constitution of the United States of America; to promote peace and goodwill among the peoples of the United States and all the nations of the earth; to preserve the memories and incidents of the two World Wars and the other great hostilities fought to uphold democracy; to cement the ties and comradeship born of service; and to consecrate the efforts of its members to mutual helpfulness and service to their country.”

Approximately 40% of the Legion’s income is derived from membership dues (including amounts allocated for magazine subscriptions). Contributions generate an additional 18 - 22% of revenue. Advertising for the American Legion Magazine derives approximately 10% of income. Another significant source of income is Emblem sales, which includes the sale of apparel, jewelry, and other items bearing the American Legion Emblem. Income is expended by the Legion on several different programs including The American Legion Magazine, Emblem sales, veterans’ assistance and rehabilitation, youth programs and others. The Legion’s youth programs include American Legion baseball, oratorical contests and Boys Nation.

**Principles of Consolidation:** The consolidated financial statements include the accounts of The American Legion National Headquarters, The American Legion Charities (“ALC”), The American Legion Endowment Fund Corporation (“ALEF”); and the National Emergency Fund (“NEF”) (collectively, “the Legion”). All material inter-organizational accounts and transactions have been eliminated in consolidation.

The American Legion Charities includes the consolidated balances and activities of the American Legion Charities Trust and the American Legion Charities, Inc. The ALC was established to solicit funds from the individuals, organizations and corporations and to disburse said funds as may be directed to various Legion programs and charities. The ALC also promotes the common good and general welfare of the people of the United States of America by raising money for the programs of the Legion and its departments and posts.

The American Legion Endowment Fund Corporation, a tax-exempt Indiana corporation, was created to provide permanent funding for the rehabilitation of American veterans and assistance to orphans of veterans.

The National Emergency Fund is a tax-exempt trust established to provide gifts and grants to relieve suffering and ameliorate financial hardship incurred by American Legion members, families and Posts.

**Basis of Accounting:** The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

**Use of Estimates in Preparation of Financial Statements:** The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reported period. Actual results could differ from those estimates.

**Financial Statement Presentation:** The financial statements have been prepared in accordance with GAAP, which requires, among other things, that the financial statements report the changes in and total of each of the net asset classes, based upon donor restrictions, as applicable. Net assets are to be classified as without donor restriction and with donor restriction.

The following classes of net assets are maintained:

**Net Assets Without Donor Restriction** – The net asset without donor restriction class includes general assets and liabilities of the Legion, as well as assets and liabilities designated by the National Executive Committee, the governing body of the Legion. The net asset without donor restriction of the Legion may be used at the discretion of management to support the Legion’s purposes and operations. There are \$1,367,990 and \$1,105,506 of board designated net assets included in the net assets without donor restrictions as of December 31, 2019 and 2018, respectively. These funds have been designated by the American Legion Charities Board for quasi endowment.

**Net Assets With Donor Restrictions** – The net asset with donor restriction class includes assets of the Legion related to gifts with explicit donor-imposed restrictions that have not been met as to specified purpose, or to later periods of time or after specified dates. Unconditional promises to give that are due in future periods are classified as net asset with donor restriction. As the restrictions are met, the net assets are released from restrictions and included in net assets without donor restriction. Contributions for which the restrictions are met in the same period in which the contribution is received are also recorded as net assets with donor restrictions and released from restrictions. The net asset with donor restriction class also includes assets of the Legion for which the donor has stipulated that the contribution be maintained in perpetuity. Donor-imposed restrictions limiting the use of the assets or its economic benefit neither expire with the passage of time nor can be removed by satisfying a specific purpose.

**Cash and Cash Equivalents:** Cash and cash equivalents include cash on hand and less than 90 day deposit balances with banks. The Legion maintains all of its cash deposits in banks and brokerage firms. This may result in a concentration of credit risk in the case of a severe regional financial failure. The maximum amount at risk is the excess of the deposit liabilities reported by the banks over the amounts that would have been covered by federal insurance. The Federal Deposit Insurance Corporation (“FDIC”) insures deposits up to \$250,000 per financial institution.

**Accounts Receivable and Allowance for Uncollectible Accounts:** The Legion bills members, posts, and departments for dues and bills agencies for advertising in the Legion magazine. Interest is not normally charged on receivables. Management establishes a reserve for losses on its accounts based on historic loss experience and current economic conditions. Losses are charged off to the reserve when management deems further collection efforts will not produce additional recoveries. Management estimated that no allowance was necessary for the years ended December 31, 2019 and 2018.

The Charities collects donations from members, posts, and departments. Losses are charged off to the reserve when management deems further collection efforts will not produce additional recoveries. Management estimated that no allowance was necessary for the years ended December 31, 2019 and 2018.

**NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Inventory:** Inventory consists of Emblem items held for sale, magazine paper and publication rights and is stated at the lower of cost or market using the first-in, first-out (“FIFO”) method. Supplies which are not intended for sale are expensed when purchased.

**Investments:** Investments are carried at fair value. The fair values of investments are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments. Realized and unrealized gains and losses are reflected in the consolidated statements of activities. Premiums or discounts on investments are generally recognized at the time of disposal or maturity. Interest and dividends are shown net of fees on the statements of activities.

**Property, Plant, and Equipment:** Expenditures for property, plant, and equipment and items, which substantially increase the useful lives of existing assets and are greater than \$1,500 are capitalized at cost. The Legion records depreciation on the straight-line method at rates designated to depreciate the costs of assets over their estimated useful lives. Buildings are depreciated on the straight-line method using a thirty year life. All other capital assets are depreciated over lives ranging from three to seven years.

**Impairment of Long-Lived Assets:** In accordance with GAAP, the Legion reviews its property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized during the years ended December 31, 2019 and 2018.

**Collections:** The Legion owns many collectible military related items and historical documents, which were not recorded as they were acquired. It is often impracticable to determine a value for collections and accordingly, the Legion has concluded that they need not be capitalized. Some of these items have been appraised for insurance purposes.

**Support and Revenue:** The Legion reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

**Revenue Recognition:** The Legion recognizes revenue either as performance obligations are materially satisfied, contracts expire or are invalidated, and/or as applicable terms warrant. This includes affinity income, sales of emblems, advertising and other revenue streams not specifically outlined in note 1.

**Member Dues Income and Expense:** Member Dues are recognized as income over the applicable membership period, which is on a calendar-year basis. In addition to other methods of obtaining new members, the Legion uses direct mail and other direct marketing approaches. The income generated from direct membership solicitation is recognized over the applicable membership period (calendar year). The direct-response expenses incurred in obtaining new members are deferred and recognized in the subsequent membership year.

**Income Taxes:** The Legion is exempt from federal income taxes under section 501(c)(19) of the U.S. Internal Revenue Code. ALC, ALEF and NEF are exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code. None of the entities are considered to be a private foundation. The Legion is subject to income tax on unrelated business income. In 2019 and 2018, the Legion incurred no tax expense.

Current accounting standards require the Legion to disclose the amount of potential benefit or obligation to be realized as a result of an examination performed by a taxing authority. For the years ended December 31, 2019 and 2018, management has determined that the Legion does not have any tax positions that result in any uncertainties regarding the possible impact on the Legion’s financial statements. The Legion does not expect the total amount of unrecognized tax benefits to significantly change in the next 12 months. The Legion recognizes interest and/or penalties related to income tax matters in income tax expense. The Legion did not have any amounts accrued for interest and penalties at December 31, 2019 and 2018.

**Fair Value of Financial Instruments:** The carrying amount of all financial instruments of the Legion, which include cash and cash equivalents, accounts receivable, beneficial interest in trust, investments, accounts payable, and notes payable, approximate fair value.

**Expense Allocation:** Expenses have been classified as program services, management and general, member development and fund raising based on actual direct expenditures. Additionally, salary and employee benefits expenses are allocated among departments based upon estimates of the amount of time spent by Legion employees performing services for these departments.

**Recent Accounting Pronouncement:** In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Updated (ASU) 2014-09, *Revenue from Contracts with Customers Topic (606)*. This ASU affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards (e.g., insurance contracts or lease contracts). This ASU has superseded the revenue recognition requirements in *Topic 605, Revenue Recognition*, and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Legion applied the amendments in this ASU for the year ended December 31, 2019, but was not materially impacted by the ASU and as a result, no cumulative effect adjustment was recorded upon adoption.

In June 2018, the FASB issued ASU 2018-08 – *Not-for-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this Update provide a more robust framework to determine when a transaction should be accounted for as a contribution under Subtopic 958-605 or as an exchange transaction accounted for under other guidance (for example, Topic 606). The amendments also provide additional guidance about how to determine whether a contribution is conditional. The Legion applied the amendments in this ASU for the year ended December 31, 2019.

The Legion implemented ASU 2018-08 using a modified retrospective method of application. There were no changes to the recognition or presentation of revenue as a result of the application of ASU 2018-08. As a result, no cumulative effect adjustment was recorded upon adoption.

# 2020

THE AMERICAN LEGION NATIONAL HEADQUARTERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018

## NOTE 1 – NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Subsequent Events:** Management has performed an analysis of the activities and transactions subsequent to December 31, 2019, to determine the need for any adjustments or disclosures to the financial statements for the year ended December 31, 2019. Management has performed their analysis through June 4, 2020, the date the financial statements were available to be issued.

In December 2019, a novel strain of coronavirus surfaced in Wuhan, China, and has spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the Legion could be materially adversely affected. Significant estimates as disclosed in Note 1, fair values of investments, membership dues revenues and related expenses, and contributions, among other things, may be materially adversely impacted by national, state and local events designed to contain the coronavirus.

## NOTE 2 – COLLECTIONS

The Legion owns many collectible military related items and historical documents, which were not recorded as they were acquired. It is often impracticable to determine a value for collections and accordingly, the Legion has concluded that they need not be capitalized. These items have been appraised, or are in the process of being appraised for insurance purposes and are as follows:

	Appraisal date	(unaudited) Replacement value
World War I Posters	12/10/2015	\$ 492,204
World War II Posters	12/10/2015	469,039
Military Unit Histories	12/10/2015	112,410
Fine Art Collection	12/10/2015	980,000
Museum Collection	12/10/2015	120,475

## NOTE 3 – INVESTMENT IN AFFILIATE

The Legion, in conjunction with approximately 120 other organizations, has created a nonprofit corporation known as The Citizens Flag Alliance, Inc. ("CFA") for the purpose of aiding in the campaign to secure a constitutional amendment empowering the Congress and the States to enact legislation to protect the Flag of the United States of America from physical desecration.

CFA recognized a change in net assets of \$26,237 and \$(441) in 2019 and 2018, respectively. Accordingly, the Legion's investment in CFA has been changed by these amounts and corresponding adjustments have been reflected in unrestricted net assets for 2019 and 2018.

## NOTE 4 – BENEFICIAL INTEREST IN CHARITABLE LEAD TRUST

The ALEF has been named a beneficiary of a charitable lead trust. Under the charitable trust, the ALEF is to receive quarterly distributions in the amount of \$9,919 until December 2020, or until the funds of the trust are exhausted. Based on the terms of the trust and a 1.67% discount rate in 2019 and a 3.01% discount rate in 2018, the present value of future benefits expected to be received by the ALEF is estimated to be \$36,264 and \$76,729 at December 31, 2019 and 2018, respectively.

## NOTE 5 – FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received for an asset or paid to transfer a liability (an exit price) in the Legion's principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

GAAP establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. GAAP describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy.

The fair value of money markets and common stock are based on quoted prices in active markets (Level 1 inputs). The fair value of U.S. Government obligations, corporate bonds, and state and municipal bonds are based on quoted market prices of similar securities with similar due dates using the market approach (Level 2 inputs).

The fair value of beneficial interest in trust assets is determined using the income approach and is based on a valuation model that calculates the present value of estimated distributed income. The valuation model incorporates assumptions that market participants would use in estimating future distributed income. The Legion is able to compare the valuation model inputs and results to widely available published industry data for reasonableness; however, the Legion is unable to redeem the assets of the trust and only receives distributions (Level 3 inputs).

**Assets and Liabilities Measured on a Recurring Basis:** Assets and liabilities measured at fair value on a recurring basis are summarized below:

	Fair Value Measurements at Dec. 31, 2019 using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:			
Beneficial interest in trust	\$ -	\$ -	\$ 36,264
Money market accounts	24,497,357	-	-
U.S. Government obligations	-	30,139,064	-
State and municipal bonds	-	42,225,724	-
Corporate bonds	-	46,783,508	-
Common Stock	463,148	-	-
	<u>\$ 24,960,505</u>	<u>\$ 119,148,296</u>	<u>\$ 36,264</u>

**NOTE 5 – FAIR VALUE OF FINANCIAL INSTRUMENTS** (continued)

	Fair Value Measurements at Dec. 31, 2018 using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Assets:</b>			
Beneficial interest in trust	\$ -	\$ -	\$ 76,729
Money market accounts	14,158,119	-	-
U.S. Government obligations		42,988,776	-
State and municipal bonds	-	29,242,544	-
Corporate bonds	-	44,736,885	-
Common Stock	455,070		
	<u>\$ 14,613,189</u>	<u>\$ 116,968,205</u>	<u>\$ 76,729</u>

The tables below presents a reconciliation and statement of activities classification of gains and losses for all assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2019 and 2018:

	Beneficial Interest in Trust	
Beginning balance, January 1, 2018	\$	114,200
Change in value of split interest agreements		2,205
Distributions from trust		(39,676)
Ending balance, December 31, 2018	<u>\$</u>	<u>76,729</u>
Beginning balance, January 1, 2019	\$	76,729
Change in value of split interest agreements		(789)
Distributions from trust		(39,676)
Ending balance, December 31, 2019	<u>\$</u>	<u>36,264</u>

**NOTE 6 – PROPERTY AND EQUIPMENT**

The Legion's property and equipment, and the related accumulated depreciation at December 31, 2019 and 2018 are as follows:

	2019		2018	
Washington, D.C., real estate				
Land	\$	80,000	\$	80,000
Building		5,661,735		5,661,735
Indianapolis real estate				
Land		389,264		389,264
Building		4,134,868		4,134,868
Furniture, fixtures and equipment				
National Headquarters, Indianapolis		6,966,263		6,946,165
Washington, D.C.		710,450		701,597
Construction in progress		975,402		-
		18,917,982		17,913,629
Less: accumulated depreciation		(14,855,902)		(14,160,338)
	<u>\$</u>	<u>4,062,080</u>	<u>\$</u>	<u>3,753,291</u>

Depreciation expense for the years ended, December 31, 2019 and 2018 was \$726,941 and \$791,860, respectively.

**NOTE 7 – LONG-TERM DEBT**

In 2013, the Legion refinanced its long-term debt. Principal and interest is payable in monthly installment, with the final payment due December 3, 2020. The stated interest rate is 1.35% plus the 30-day London Inter Bank Offered Rate ("LIBOR"). The outstanding balance on long-term debt is \$215,148 and \$426,698 as of December 31, 2019 and 2018.

The future maturities of the long-term debt are as follows:

2020	215,148
<b>Total</b>	<u>\$ 215,148</u>

Interest expense was \$12,204 and \$19,278 for the years ended December 31, 2019 and 2018, respectively.

As a strategy to mitigate exposure to the risk of interest rate fluctuations, the Legion entered into an interest rate swap agreement on the long-term debt on December 3, 2013. This interest rate swap has been designated as a derivative and provided for the Legion to receive interest from the counterparty at the 30-day LIBOR rate plus 1.35% and to pay interest to the counterparty at fixed rate of 2.98% on a notional amount of \$215,148 and \$426,698 at December 31, 2019 and December 31, 2018, respectively. The interest rate swap matures in 2020. Under the agreement, the Legion pays or receives the net interest amount monthly, with the monthly settlements included in interest expense.

**NOTE 8 – LEASES**

The Legion has several non-cancelable operating leases, primarily for facilities, computer equipment, and copiers that expire at various dates through 2023. Rent expense under these leases for the years ended December 31, 2019 and 2018 was \$367,262 and \$386,313, respectively.

Minimum lease commitments are as follows:

2020	\$ 343,526
2021	327,883
2022	163,756
2023	34,218
	<u>\$ 869,383</u>

In addition, the Legion had a lease with the State of Indiana for rental of the National Headquarters building in Indianapolis, which expired on June 30, 2013. The Legion is operating on a month-to-month basis until a new lease agreement extending the lease term is finalized. According to the terms of the lease, the Legion is required to maintain the interior of the building, and provide adequate insurance on the building in lieu of lease payments. The cost of maintenance for 2019 and 2018 was \$818,248 and \$901,879, respectively. Insurance coverage is included in the Legion's general insurance policy.

# 2020

THE AMERICAN LEGION NATIONAL HEADQUARTERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018

## NOTE 9 – PAID-UP-FOR-LIFE MEMBERSHIP FUND

The National Executive Committee approved the establishment of a life membership plan available to any member of a participating department. In accordance with the plan, the assets of the Paid-Up-For-Life (“PUFL”) Membership Fund are included in without donor restriction, board designated net assets and segregated in a trust account from which funds equal to the annual dues of life members are withdrawn for current operations each year. The trust agreement provides that the Legion has the right to withdraw part or all of the assets of the trust account and to modify or terminate the trust agreement at its discretion.

Under the terms of the PUFL program, participating member’s national, state and local dues are paid by the Legion for the remainder of the individual’s life. Management has estimated and recognized a liability for the future payments to state and local Legion organizations. Likewise, management has deferred recognition of the national dues portion of the members’ payment. Deferred PUFL dues are recognized in annual amounts equal to the national dues in effect each year. The liability and deferred revenue amounts are estimated by the Legion’s actuaries using PUFL membership summaries and discount rates comparable to the Legion’s recent investment performance.

## NOTE 10 – RESTRICTED AND RESERVE DESIGNATED FUNDS

The restricted fund is designated for use by the National Finance Commission and National Executive Committee and reported as without donor restriction, board designated net assets. Earnings of the restricted fund, along with the principal, can be expended only upon recommendation of the National Finance Commission and a two-thirds affirmative vote of the National Executive Committee at two successive meetings. It is the policy of the Legion to transfer 10% of the prior year’s defined net income from operations to the restricted fund. The Legion made no transfers to the restricted fund in 2019 and 2018. As of December 31, 2019 and 2018, the restricted fund had an investment balance of \$35,164,769 and \$32,870,839, respectively.

The reserve fund is also designated for use by the National Finance Commission and National Executive Committee and reported as without donor restriction, board designated net assets. However, earnings of the reserve fund may be used for the general operations of the Legion. The principal can be expended only by action of the Legion at its national convention, or by a two-thirds affirmative vote of the National Executive Committee in two successive meetings not less than 60 days apart. As of December 31, 2019 and 2018, the reserve fund had an investment balance of \$2,197,028 and \$2,116,042, respectively.

## NOTE 11 – NET ASSETS WITH DONOR RESTRICTION

Net assets with donor restrictions have assets that are donor-restricted for specific purposes or have assets that represent donor-restricted gifts that have been invested and are to be maintained in perpetuity.

Income from the Samsung scholarship fund is to be used to fund undergraduate scholarships for descendants of Korean War veterans and other wars in which U.S. service men and service women participated. Income from the American Legion Endowment Fund is to be used to support the veterans affairs and rehabilitation and children and youth activities of the Legion.

At December 31, 2019 and 2018, net assets with donor restriction by specific purpose and in perpetuity are as follows:

	2019	2018
<u>With specific purpose</u>		
Overseas graves decoration fund	\$ 958,750	\$ 953,471
Samsung scholarship	1,942,279	1,658,791
American Legacy Fund	15,391,936	14,425,418
National Emergency Fund	7,075,265	6,146,647
Boy Scouts	467,899	467,899
Operation Comfort Warrior	3,705,001	3,270,363
John DeVore	342,187	319,164
Edwin J. Dentz VA Boy’s State	631,277	617,244
Samsung American Legion Alumni Association	390,716	89,235
Commemorative coin	1,441,758	-
Others	874,520	152,540
Total with specific purpose	\$ 33,221,588	\$ 28,100,772
<u>In perpetuity</u>		
Samsung scholarship	5,000,000	5,000,000
American Legion Endowment Fund	9,957,846	8,599,920
Total in perpetuity	14,957,846	13,599,920
Total assets with donor restriction	\$ 48,179,434	\$ 41,700,692

## NOTE 12 – NET ASSETS RELEASED FROM RESTRICTION

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2019	2018
<u>Purpose restrictions accomplished</u>		
Overseas graves decoration	\$ 27,791	\$ 25,106
Scholarships and grants (including relief aid)	1,925,948	1,712,649
Veterans Affairs & Rehabilitation and Children & Youth programs	1,767,566	931,471
	\$ 3,721,305	\$ 2,669,226

## NOTE 13 – ENDOWMENT COMPOSITION

The Legion’s endowments include donor restricted endowment funds that are comprised of two separate funds, the American Legion Endowment Fund and the Samsung scholarship fund. In accordance with GAAP, net assets associated with endowment funds, including funds designated by the National Executive Committee to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Interpretation of Relevant Law: The National Executive Committee has interpreted the State of Indiana’s Prudent Management of Institutional Funds Act (“SPMIFA”) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Legion classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) net accumulations to the permanent endowment made in accordance with the governing documents of the Legion. The remaining portion of the donor restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for

**NOTE 13 – ENDOWMENT COMPOSITION** (continued)

expenditure by the Legion in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Legion considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Legion and the donor restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Legion
- (7) The investment policies of the Legion

Endowment net asset composition by type of fund as of December 31, 2019:

	Without Donor Restriction	With Donor Restriction	Total
Donor restricted endowment funds	\$ 56,600	\$ 16,929,275	\$ 16,985,875
Total Funds	\$ 56,600	\$ 16,929,275	\$ 16,985,875

Endowment net asset composition by type of fund as of December 31, 2018:

	Without Donor Restriction	With Donor Restriction	Total
Donor restricted endowment funds	\$ 270	\$ 15,258,711	\$ 15,258,981
Total Funds	\$ 270	\$ 15,258,711	\$ 15,258,981

Changes in endowment net assets for the year ended December 31, 2019:

	Without Donor Restriction	With Donor Restriction	Total
Net assets, beginning of year	\$ 270	\$ 15,258,711	\$ 15,258,981
Investment gain:			
Investment income, net of fees	47,872	422,518	470,390
Net depreciation (realized and unrealized)	53,863	580,626	634,489
Total investment gain	101,735	1,003,144	1,104,879
New gifts	-	1,147,682	1,147,682
Appropriation of endowment assets for expenditure	(45,405)	(480,262)	(525,667)
Net assets, end of year	\$ 56,600	\$ 16,929,275	\$ 16,985,875

Changes in endowment net assets for the year ended December 31, 2018:

	Without Donor Restriction	With Donor Restriction	Total
Net assets, beginning of year	\$ 457	\$ 15,090,894	\$ 15,091,351
Investment gain/(loss)			
Investment income, net of fees	43,767	395,371	439,138
Net depreciation (realized and unrealized)	(22,117)	(393,479)	(415,596)
Total investment gain	21,650	1,892	23,542
New gifts	-	653,274	653,274
Appropriation of endowment assets for expenditure	(21,837)	(487,349)	(509,186)
Net assets, end of year	\$ 270	\$ 15,258,711	\$ 15,258,981

**Return Objectives and Risk Parameters:** The Legion has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Legion must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the National Executive Committee, the endowment assets are invested in a manner that is intended to produce income while assuming a low level of investment risk.

**Strategies Employed for Achieving Objectives:** To satisfy its long-term rate-of-return objectives, the Legion relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Legion targets fixed income securities to achieve its long-term return objectives within prudent risk constraints.

**Spending Policy and How the Investment Objectives Relate to Spending Policy:** Realized and unrealized gains/losses are added to the principal of the American Legion Endowment Fund and distributions are limited to cumulative interest, net of fees. On the Samsung scholarship fund, the capital appreciation can be spent, along with the interest, net of fees, according to the spending policy. Endowment fund principal, unless otherwise directed by the donor, shall not be disbursed except for emergency situations. In order to make a principal disbursement, a majority vote by the Legion National Executive Committee will be required.

**Funds with Deficiencies:** From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor of SPMIFA requires the Legion to retain as a fund of perpetual duration. As of December 31, 2019 and 2018, the Legion did not have any funds with deficiencies.

**NOTE 14 – EMPLOYEE BENEFITS**

The Legion has a 401(k) savings plan with a qualified automatic contribution arrangement that was effective July 1, 2008. The plan calls for a 100% match of the first 1% contributed by the employee and a 50% match of the next 5% contributed by the employee. Thus, the maximum matching percentage an employee will receive is 3.5%. The Legion made contributions of \$365,022 and \$405,316 in 2019 and 2018, respectively.

# 2020

## THE AMERICAN LEGION NATIONAL HEADQUARTERS CONSOLIDATED STATEMENTS OF FINANCIAL POSITION December 31, 2019 and 2018

### NOTE 14 – EMPLOYEE BENEFITS (continued)

The Legion has two defined-benefit pension plans. The first plan (Plan A) covers substantially all of its employees as well as those of certain affiliated and subordinated groups. The plan was established in 1944 by vote of the Legion's National Convention. Contributions to Plan A are made by the Legion, and other participating groups, on the basis of annual actuarial valuations. The second plan (Plan B) covers substantially all of its employees. The plan was established in October of 2016 and was effective January 1, 2017. Contributions to Plan B are made by the Legion on the basis of annual actuarial valuations.

In May 2008, the Legion voted to freeze the Plan A effective June 30, 2008. The result of the freeze is that current employees still received the benefits they had earned as of June 30, 2008, but no future benefits were earned and no new employees were added.

The following table sets forth the Legion's portion of Plan A's funded status and amounts recognized in the Legion's consolidated statement of financial position at December 31, 2019 and 2018:

	2019	2018
Benefit obligation	\$ (59,971,338)	\$ (56,910,890)
Fair value of plan assets	44,389,962	42,739,269
Funded status	\$ (15,581,376)	\$ (14,171,621)
Interest cost	\$ 2,202,980	\$ 2,015,470
Actual loss (return) on assets	(5,213,436)	684,408
Amortization of prior service costs	442,267	442,267
Amortization of loss	1,996,688	2,208,584
Difference between expected and actual return on assets	2,359,848	(3,822,680)
Net periodic pension cost	\$ 1,788,347	\$ 1,528,049
Net gain (loss)	\$ 63,675	\$ (1,887,949)
Prior service cost	(442,267)	(442,267)
Pension-related changes other than net periodic pension cost	\$ (378,592)	\$ (2,330,216)
Prepaid benefit cost	\$ 5,166,034	\$ 6,954,381
Accumulated benefit obligation	59,971,338	56,910,890
Vested benefit obligation	59,014,117	55,894,475
Net periodic pension cost	1,788,347	1,528,049
Benefits paid	3,562,743	3,382,363
Measurement date	12/31/2019	12/31/2018

### Estimated future benefit payments:

2020	\$ 3,761,044
2021	3,778,132
2022	3,822,272
2023	3,828,737
2024	3,779,083
Years 2025-2028	18,019,467

The asset investment policy is a lower risk strategy with the primary objective of preservation of capital with an emphasis on long-term growth and generation of current income to provide adequate cash flow needed for benefit payments. The target asset allocation is 0-20% in cash or cash equivalents, 40-70% in fixed income and 30-60% in equities. Prohibited investments include real estate investment trusts, real estate partnerships, mutual funds, private equity, hedge funds and guaranteed investment certificates.

The fair value of Plan A assets at December 31, 2019 and 2018 are as follows. See Note 5 for descriptions of inputs for each type of asset.

	Fair Value Measurements at Dec. 31, 2019, using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Accrued interest	\$ 239,242	\$ -	\$ -
Money market accounts	2,000,374	-	-
U.S. Government and agency obligations	-	4,820,249	-
Municipal bonds	-	5,812,686	-
Corporate bonds	-	16,740,929	-
Common stock:			
Materials	437,671	-	-
Industrials	1,299,715	-	-
Consumer discretionary	1,178,680	-	-
Consumer staples	1,150,380	-	-
Energy	706,459	-	-
Health care	2,367,315	-	-
Financials	2,123,496	-	-
Telecommunication	1,564,105	-	-
Technology	3,528,392	-	-
Utilities	420,269	-	-
	\$ 17,016,098	\$ 27,373,864	\$ -

**NOTE 14 – EMPLOYEE BENEFITS** (continued)

	Fair Value Measurements at Dec. 31, 2018, using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Accrued interest	\$ 258,936	\$ -	\$ -
Money market accounts	873,336	-	-
U.S. Government and agency obligations	-	10,173,194	-
Asset backed securities	-	637,123	-
Municipal bonds	-	3,971,276	-
Corporate bonds	-	15,075,278	-
Common stock:			
Materials	320,739	-	-
Industrials	788,041	-	-
Consumer discretionary	750,589	-	-
Consumer staples	885,548	-	-
Energy	576,777	-	-
Health care	2,137,164	-	-
Financials	2,159,984	-	-
Telecommunication	821,890	-	-
Technology	2,765,154	-	-
Utilities	544,240	-	-
	<u>\$ 12,882,398</u>	<u>\$ 29,856,871</u>	<u>\$ -</u>

Historical returns of multiple asset classes were analyzed to develop a risk free real rate of return and risk premium for each asset class. The overall rate for each asset class was developed by combining a long-term inflation component, the risk free real rate of return, and the associated risk premium. A weighted average rate was developed based on those overall rates and the target asset allocation of the plan.

Weighted-average assumptions	2019	2018
Discount rate	2.94%	4.01%
Expected return on plan assets	7.00	7.00
Rate of compensation increase	0.00	0.00

The amounts of net loss and net prior service cost expected to be recognized as components of net periodic benefit cost for the year ending December 31, 2019 are \$1,996,688 and \$442,267, respectively.

The following table sets forth Plan B's funded status and amounts recognized in the Legion's consolidated statement of financial position at December 31, 2019 and 2018:

	2019	2018
Benefit obligation	\$ (7,499,979)	\$ (5,127,475)
Fair value of plan assets	2,371,555	1,460,717
Funded status	<u>\$ (5,128,424)</u>	<u>\$ (3,666,758)</u>
Service cost	\$ 584,473	\$ 653,399
Interest cost	215,705	185,551
Actual loss (return) on assets	(88,808)	112,162
Amortization of prior service costs	370,027	370,027
Amortization of loss	-	53,533
Difference between expected and actual return on assets	(35,074)	(180,416)
Net periodic pension cost	<u>\$ 1,046,323</u>	<u>\$ 1,194,256</u>
Net loss	\$ 785,370	\$ (1,633,140)
Prior service cost	(370,027)	(370,027)
Pension-related changes other than net periodic pension cost	<u>\$ 415,343</u>	<u>\$ (2,003,167)</u>
Prepaid benefit cost	\$ (829,305)	\$ (651,075)
Accumulated benefit obligation	4,067,950	1,254,953
Vested benefit obligation	4,765,899	1,453,765
Net periodic pension cost	1,046,323	1,194,256
Benefits paid	46,063	17,975
Measurement date	12/31/2019	12/31/2018

Estimated future benefit payments:

2020	94,456
2021	107,083
2022	132,704
2023	171,828
2024	199,740
Years 2025-2029	1,715,025

The asset investment policy is a lower risk strategy with the primary objective of preservation of capital with an emphasis on long-term growth and generation of current income to provide adequate cash flow needed for benefit payments. The target asset allocation is 0-20% in cash or cash equivalents, 40-70% in fixed income and 30-60% in equities. Prohibited investments include real estate investment trusts, real estate partnerships, mutual funds, private equity, hedge funds and guaranteed investment certificates.

The fair value of Plan B assets at December 31, 2019 and 2018 are as follows. See Note 5 for descriptions of inputs for each type of asset

**NOTE 14 – EMPLOYEE BENEFITS** (continued)

	Fair Value Measurements at Dec. 31, 2019 using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Accrued interest	\$ 12,823	\$ -	\$ -
Money market accounts	31,639	-	-
U.S. government and agency obligations		501,794	-
Municipal bonds		513,236	-
Corporate bonds		673,406	-
Common stock:		-	-
Materials	20,360		
Industrials	57,136	-	-
Consumer discretionary	55,507	-	-
Consumer staples	52,048	-	-
Energy	32,276	-	-
Health care	107,157	-	-
Financials	98,897	-	-
Technology	125,527	-	-
Utilities	19,771	-	-
	<u>\$ 683,119</u>	<u>\$ 1,688,436</u>	<u>\$ -</u>

	Fair Value Measurements at Dec. 31, 2018 using		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Accrued interest	\$ 7,941	\$ -	\$ -
Money market accounts	31,639	-	-
U.S. government and agency obligations	-	497,647	-
Municipal bonds	-	49,579	-
Corporate bonds	-	467,949	-
Common stock:			
Materials	11,334		
Industrials	19,698	-	-
Consumer discretionary	27,082	-	-
Consumer staples	30,969	-	-
Energy	20,378	-	-
Health care	75,383	-	-
Financials	76,043	-	-
Telecommunication	29,247		
Technology	96,758	-	-
Utilities	19,070		
	<u>\$ 445,542</u>	<u>\$ 1,015,175</u>	<u>\$ -</u>

Historical returns of multiple asset classes were analyzed to develop a risk free real rate of return and risk premium for each asset class. The overall rate for each asset class was developed by combining a long-term inflation component, the risk free real rate of return, and the associated risk premium. A weighted average rate was developed based on those overall rates and the target asset allocation of the plan.

Weighted-average assumptions	2019	2018
Discount rate	3.21%	3.62%
Expected return on plan assets	7.00	7.00
Rate of compensation increase	3.00	3.00

The amounts of net loss and net prior service cost expected to be recognized as components of net periodic benefit cost for the year ending December 31, 2019 are \$0 and \$370,027, respectively.

**NOTE 15 – LIQUIDITY AND AVAILABILITY**

The Legion's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	2019	2018
Financial assets at year-end:		
Cash and cash equivalents	\$ 2,312,619	\$ 3,012,220
Accounts receivable, net	7,123,577	5,460,308
Interest receivable	1,008,765	885,540
Investments	131,581,394	131,581,394
Total financial assets	<u>154,553,762</u>	<u>140,939,462</u>
Less amounts not available for general expenditure within one year:		
Donor-restricted endowment funds	(14,921,582)	(13,523,191)
Financial assets not available to be used within one year	(14,921,582)	(13,523,191)
Financial assets available to meet general expenditures within one year	<u>\$ 139,632,180</u>	<u>\$ 127,416,271</u>

As part of the Legion's liquidity management, the Legion invests its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**NOTE 16 – LITIGATION**

The Legion is currently involved in and/or has been mentioned as a defendant or co-defendant in several legal actions. It is the opinion of the National Judge Advocate that these claims are without merit and any ultimate liability of the Legion with respect to these actions will not materially affect the financial statements of the Legion.

**SUPPLEMENTARY INFORMATION**  
**THE AMERICAN LEGION NATIONAL HEADQUARTERS**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**December 31, 2019**

	American Legion National Headquarters	American Legion Charities	American Legion Endowment Fund	National Emergency Fund	Eliminations	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 1,051,217	\$ 303,982	\$ 606,454	\$ 350,966	\$ -	\$ 2,312,619
Accounts receivable	6,959,578	107,291	124,724	5,665	(73,681)	7,123,577
Interest receivable	818,879	43,316	86,851	59,719	-	1,008,765
Prepaid expenses and deposits	2,403,235	-	-	-	-	2,403,235
Deferred membership expense	4,183,155	-	-	-	-	4,183,155
Due from American Legion Endowment Fund	2,000,000	-	-	-	(2,000,000)	-
Inventory	3,508,922	-	-	-	-	3,508,922
Investment in affiliate (CFA)	37,307	-	-	-	-	37,307
Beneficial interest in trust	-	-	36,264	-	-	36,264
	<u>20,962,293</u>	<u>454,589</u>	<u>854,293</u>	<u>416,350</u>	<u>(2,073,681)</u>	<u>20,613,844</u>
Investments						
General	21,551,826	-	-	-	-	21,551,826
Segregated for Restricted and Reserved funds	37,361,797	-	-	-	-	37,361,797
Paid-Up-For-Life Membership fund	26,539,113	-	-	-	-	26,539,113
Samsung scholarship fund	7,669,826	-	-	-	-	7,669,826
Building funds	7,254,020	-	-	-	-	7,254,020
Sept. 11 Memorial scholarship fund	16,341,850	-	-	-	-	16,341,850
Special account – Endowment Fund	-	-	2,066,042	-	-	2,066,042
General account – Endowment Fund	-	-	9,094,112	-	-	9,094,112
National Emergency Fund	-	-	-	6,658,915	-	6,658,915
American Legion Charities	-	5,255,325	-	-	-	5,255,325
Other	4,315,975	-	-	-	-	4,315,975
	<u>121,034,407</u>	<u>5,255,325</u>	<u>11,160,154</u>	<u>6,658,915</u>	<u>-</u>	<u>144,108,801</u>
Property, plant and equipment, net	4,062,080	-	-	-	-	4,062,080
	<u>\$ 146,058,780</u>	<u>\$ 5,709,914</u>	<u>\$ 12,014,447</u>	<u>\$ 7,075,265</u>	<u>\$ (2,073,681)</u>	<u>\$ 168,784,725</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 4,761,185	\$ 90,471	\$ -	\$ -	\$ (73,681)	\$ 4,777,975
Scholarships payable	1,589,399	-	-	-	-	1,589,399
Due to American Legion National Headquarters	-	-	2,000,000	-	(2,000,000)	-
Deposits on emblem merchandise sales	586,078	-	-	-	-	586,078
Deferred income	1,439,307	-	-	-	-	1,439,307
Deferred dues income	24,071,863	-	-	-	-	24,071,863
Deferred income – direct membership solicitation	3,428,607	-	-	-	-	3,428,607
Accrued vacation benefits	802,152	-	-	-	-	802,152
Accrued pension expense	20,709,800	-	-	-	-	20,709,800
Other liabilities	1,323,678	-	-	-	-	1,323,678
Notes payable	215,148	-	-	-	-	215,148
Deferred dues income – Paid-Up-For-Life Membership	23,908,398	-	-	-	-	23,908,398
Life memberships due to state and local posts	26,766,460	-	-	-	-	26,766,460
	<u>109,602,075</u>	<u>90,471</u>	<u>2,000,000</u>	<u>-</u>	<u>(2,073,681)</u>	<u>109,618,865</u>
<b>NET ASSETS</b>						
Without donor restriction	9,116,245	1,813,581	56,600	-	-	10,986,426
With donor restriction	27,340,460	3,805,862	9,957,847	7,075,265	-	48,179,434
Total net assets	<u>36,456,705</u>	<u>5,619,443</u>	<u>10,014,447</u>	<u>7,075,265</u>	<u>-</u>	<u>59,165,860</u>
	<u>\$ 146,058,780</u>	<u>\$ 5,709,914</u>	<u>\$ 12,014,447</u>	<u>\$ 7,075,265</u>	<u>\$ (2,073,681)</u>	<u>\$ 168,784,725</u>

# 2020

THE AMERICAN LEGION NATIONAL HEADQUARTERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018

## SUPPLEMENTARY INFORMATION

### THE AMERICAN LEGION NATIONAL HEADQUARTERS CONSOLIDATING STATEMENT OF FINANCIAL POSITION December 31, 2018

	American Legion National Headquarters	American Legion Charities	American Legion Endowment Fund	National Emergency Fund	Eliminations	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,145,654	\$ 493,954	\$ 105,199	\$ 267,413	\$ -	\$ 3,012,220
Accounts receivable	5,430,308	272,534	311,874	2,680	(557,088)	5,460,308
Interest receivable	733,983	38,583	59,345	53,629	-	885,540
Prepaid expenses and deposits	2,755,099	-	-	-	-	2,755,099
Deferred membership expense	4,077,478	-	-	-	-	4,077,478
Due from American Legion Endowment Fund	2,000,000	-	-	-	(2,000,000)	-
Inventory	2,861,202	-	-	-	-	2,861,202
Investment in affiliate (CFA)	11,070	-	-	-	-	11,070
Beneficial interest in trust	-	-	76,729	-	-	76,729
	<u>20,014,794</u>	<u>805,071</u>	<u>553,147</u>	<u>323,722</u>	<u>(2,557,088)</u>	<u>19,139,646</u>
Investments						
General	18,387,061	-	-	-	-	18,387,061
Segregated for Restricted and Reserved funds	34,986,881	-	-	-	-	34,986,881
Paid-Up-For-Life Membership fund	25,452,708	-	-	-	-	25,452,708
Samsung scholarship fund	7,209,799	-	-	-	-	7,209,799
Building funds	6,501,856	-	-	-	-	6,501,856
Sept. 11 Memorial scholarship fund	14,349,042	-	-	-	-	14,349,042
Special account – Endowment Fund	-	-	2,009,882	-	-	2,009,882
General account – Endowment Fund	-	-	8,037,160	-	-	8,037,160
National Emergency Fund	-	-	-	5,822,925	-	5,822,925
American Legion Charities	-	5,006,983	-	-	-	5,006,983
Other	3,817,097	-	-	-	-	3,817,097
	<u>110,704,444</u>	<u>5,006,983</u>	<u>10,047,042</u>	<u>5,822,925</u>	<u>-</u>	<u>131,581,394</u>
Property, plant and equipment, net	<u>3,753,291</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,753,291</u>
	<u>\$ 134,472,529</u>	<u>\$ 5,812,054</u>	<u>\$ 10,600,189</u>	<u>\$ 6,146,647</u>	<u>\$ (2,557,088)</u>	<u>\$ 154,474,331</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 3,747,879	\$ 803,541	\$ -	\$ -	\$ (557,088)	\$ 3,994,332
Scholarships payable	1,406,831	-	-	-	-	1,406,831
Due to American Legion National Headquarters	-	-	2,000,000	-	(2,000,000)	-
Deposits on emblem merchandise sales	453,450	-	-	-	-	453,450
Deferred income	1,416,956	-	-	-	-	1,416,956
Deferred dues income	24,893,121	-	-	-	-	24,893,121
Deferred income – direct membership solicitation	3,382,071	-	-	-	-	3,382,071
Accrued vacation benefits	754,932	-	-	-	-	754,932
Accrued pension expense	17,838,379	-	-	-	-	17,838,379
Other liabilities	1,044,811	-	-	-	-	1,044,811
Notes payable	426,698	-	-	-	-	426,698
Deferred dues income – Paid-Up-For-Life Membership	22,367,575	-	-	-	-	22,367,575
Life memberships due to state and local posts	25,041,442	-	-	-	-	25,041,442
	<u>102,774,145</u>	<u>803,541</u>	<u>2,000,000</u>	<u>-</u>	<u>(2,557,088)</u>	<u>103,020,598</u>
<b>NET ASSETS</b>						
Without donor restriction	8,113,877	1,638,895	269	-	-	9,753,041
With donor restriction	23,584,507	3,369,618	8,599,920	6,146,647	-	41,700,692
Total net assets	<u>31,698,384</u>	<u>5,008,513</u>	<u>8,600,189</u>	<u>6,146,647</u>	<u>-</u>	<u>51,453,733</u>
	<u>\$ 134,472,529</u>	<u>\$ 5,812,054</u>	<u>\$ 10,600,189</u>	<u>\$ 6,146,647</u>	<u>\$ (2,557,088)</u>	<u>\$ 154,474,331</u>

**SUPPLEMENTARY INFORMATION**  
**THE AMERICAN LEGION NATIONAL HEADQUARTERS**  
**CONSOLIDATING STATEMENT OF ACTIVITIES**  
Year ended December 31, 2019

	American Legion National Headquarters	American Legion Charities	American Legion Endowment Fund	National Emergency Fund	Eliminations	Total
<b>Revenue, gains and other support</b>						
National member dues	\$ 29,293,372	\$ -	\$ -	\$ -	\$ -	\$ 29,293,372
Direct membership solicitation	5,887,420	-	-	-	-	5,887,420
Member service fees income	449,344	-	-	-	-	449,344
Affinity income	4,000,000	-	-	-	-	4,000,000
Sales of emblem items	14,283,830	-	-	-	-	14,283,830
Advertising	8,032,884	-	-	-	-	8,032,884
Contributions	16,193,544	1,157,564	1,147,682	492,945	(379,855)	18,611,880
Label and printing fees	347,473	-	-	-	-	347,473
Interest and dividends, net of fees	2,657,609	107,870	241,141	184,455	25,710	3,216,785
Net realized losses - investments	(211,077)	(7,579)	(1,065)	(53,320)	-	(273,041)
American Legion Endowment Fund income	211,372	-	-	-	(211,372)	-
Other	4,879,574	-	-	-	(25,710)	4,853,864
	<u>86,025,345</u>	<u>1,257,855</u>	<u>1,387,758</u>	<u>624,080</u>	<u>(591,227)</u>	<u>88,703,811</u>
<b>Expenses</b>						
Salaries	14,587,909	-	-	-	-	14,587,909
Employee benefits	6,662,698	-	-	-	-	6,662,698
Cost of sales – Legion	7,834,317	-	-	-	-	7,834,317
Department and magazine costs	1,381,692	-	-	-	-	1,381,692
Direct publications	10,004,545	-	-	-	-	10,004,545
Executive, staff and program travel	3,666,761	-	5,117	-	-	3,671,878
Commission and committee	1,772,354	-	-	-	-	1,772,354
Printing and postage	14,480,642	-	-	-	-	14,480,642
Scholarships, grants and awards	2,904,280	711,033	211,372	88,445	(591,227)	3,323,903
Office and other operating	14,441,664	30,852	22,184	663	-	14,495,363
Occupancy and usage	2,197,550	-	-	-	-	2,197,550
Special projects and programs	3,651,984	157,460	-	-	-	3,809,444
	<u>83,586,396</u>	<u>899,345</u>	<u>238,673</u>	<u>89,108</u>	<u>(591,227)</u>	<u>84,222,295</u>
Change in net assets from operations	2,438,949	358,510	1,149,085	534,972	-	4,481,516
Net unrealized gains - investments	3,855,405	252,420	265,173	393,646	-	4,766,644
Net change in PUFL	497,406	-	-	-	-	497,406
Amortization of pension loss	(1,996,688)	-	-	-	-	(1,996,688)
Pension-related changes other than net periodic pension cost	(36,751)	-	-	-	-	(36,751)
<b>Change in net assets</b>	4,758,321	610,930	1,414,258	928,618	-	7,712,127
Net assets, beginning of year	31,698,384	5,008,513	8,600,189	6,146,647	-	51,453,733
<b>Net assets, end of year</b>	<u>\$ 36,456,705</u>	<u>\$ 5,619,443</u>	<u>\$ 10,014,447</u>	<u>\$ 7,075,265</u>	<u>\$ -</u>	<u>\$ 59,165,860</u>

# 2020

THE AMERICAN LEGION NATIONAL HEADQUARTERS  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018

## SUPPLEMENTARY INFORMATION THE AMERICAN LEGION NATIONAL HEADQUARTERS CONSOLIDATING STATEMENT OF ACTIVITIES Year ended December 31, 2018

	American Legion National Headquarters	American Legion Charities	American Legion Endowment Fund	National Emergency Fund	Eliminations	Total
<b>ASSETS</b>						
Cash and cash equivalents	\$ 2,145,654	\$ 493,954	\$ 105,199	\$ 267,413	\$ -	\$ 3,012,220
Accounts receivable	5,430,308	272,534	311,874	2,680	(557,088)	5,460,308
Interest receivable	733,983	38,583	59,345	53,629	-	885,540
Prepaid expenses and deposits	2,755,099	-	-	-	-	2,755,099
Deferred membership expense	4,077,478	-	-	-	-	4,077,478
Due from American Legion Endowment Fund	2,000,000	-	-	-	(2,000,000)	-
Inventory	2,861,202	-	-	-	-	2,861,202
Investment in affiliate (CFA)	11,070	-	-	-	-	11,070
Beneficial interest in trust	-	-	76,729	-	-	76,729
	<u>20,014,794</u>	<u>805,071</u>	<u>553,147</u>	<u>323,722</u>	<u>(2,557,088)</u>	<u>19,139,646</u>
Investments						
General	18,387,061	-	-	-	-	18,387,061
Segregated for Restricted and Reserved funds	34,986,881	-	-	-	-	34,986,881
Paid-Up-For-Life Membership fund	25,452,708	-	-	-	-	25,452,708
Samsung scholarship fund	7,209,799	-	-	-	-	7,209,799
Building funds	6,501,856	-	-	-	-	6,501,856
Sept. 11 Memorial scholarship fund	14,349,042	-	-	-	-	14,349,042
Special account – Endowment Fund	-	-	2,009,882	-	-	2,009,882
General account – Endowment Fund	-	-	8,037,160	-	-	8,037,160
National Emergency Fund	-	-	-	5,822,925	-	5,822,925
American Legion Charities	-	5,006,983	-	-	-	5,006,983
Other	3,817,097	-	-	-	-	3,817,097
	<u>110,704,444</u>	<u>5,006,983</u>	<u>10,047,042</u>	<u>5,822,925</u>	<u>-</u>	<u>131,581,394</u>
Property, plant and equipment, net	3,753,291	-	-	-	-	3,753,291
	<u>\$ 134,472,529</u>	<u>\$ 5,812,054</u>	<u>\$ 10,600,189</u>	<u>\$ 6,146,647</u>	<u>\$ (2,557,088)</u>	<u>\$ 154,474,331</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 3,747,879	\$ 803,541	\$ -	\$ -	\$ (557,088)	\$ 3,994,332
Scholarships payable	1,406,831	-	-	-	-	1,406,831
Due to American Legion National Headquarters	-	-	2,000,000	-	(2,000,000)	-
Deposits on emblem merchandise sales	453,450	-	-	-	-	453,450
Deferred income	1,416,956	-	-	-	-	1,416,956
Deferred dues income	24,893,121	-	-	-	-	24,893,121
Deferred income – direct membership solicitation	3,382,071	-	-	-	-	3,382,071
Accrued vacation benefits	754,932	-	-	-	-	754,932
Accrued pension expense	17,838,379	-	-	-	-	17,838,379
Other liabilities	1,044,811	-	-	-	-	1,044,811
Notes payable	426,698	-	-	-	-	426,698
Deferred dues income – Paid-Up-For-Life Membership	22,367,575	-	-	-	-	22,367,575
Life memberships due to state and local posts	25,041,442	-	-	-	-	25,041,442
	<u>102,774,145</u>	<u>803,541</u>	<u>2,000,000</u>	<u>-</u>	<u>(2,557,088)</u>	<u>103,020,598</u>
<b>NET ASSETS</b>						
Without donor restriction	8,113,877	1,638,895	269	-	-	9,753,041
With donor restriction	23,584,507	3,369,618	8,599,920	6,146,647	-	41,700,692
Total net assets	<u>31,698,384</u>	<u>5,008,513</u>	<u>8,600,189</u>	<u>6,146,647</u>	<u>-</u>	<u>51,453,733</u>
	<u>\$ 134,472,529</u>	<u>\$ 5,812,054</u>	<u>\$ 10,600,189</u>	<u>\$ 6,146,647</u>	<u>\$ (2,557,088)</u>	<u>\$ 154,474,331</u>

# American Legion national contacts

## **Veterans Affairs & Rehabilitation**

(202) 263-5759  
va&r@legion.org

## **Veterans Employment & Education**

(202) 263-5771  
ve&e@legion.org

## **Legislative**

(202) 263-5752  
legislative@legion.org

## **National Security**

(202) 263-5765  
ns@legion.org

## **Americanism**

(317) 630-1203  
americanism@legion.org

## **Membership**

(317) 630-1327  
membership@legion.org

## **Internal Affairs**

(317) 630-1330  
ia@legion.org

## **Finance**

(317) 630-1218  
finance@legion.org

## **Convention & Meetings**

(317) 630-1313  
convention@legion.org

## **Media & Communications**

(317) 630-1298  
magazine@legion.org

## **Marketing**

(317) 630-1398  
marketing@legion.org

## **American Legion Riders**

(317) 630-1327  
legionriders@legion.org

## **Emblem Sales**

(888) 453-4466  
emblem@legion.org

## **Sons of The American Legion**

(317) 630-1205  
sal@legion.org

## **American Legion Auxiliary**

(317) 569-4500  
alahq@alaforveterans.org



## THE AMERICAN LEGION

P.O. Box 1055  
Indianapolis, IN 46206  
(317) 630-1200

***legion.org***  
***legion.org/join***  
***legion.org/donate***  
***legion.org/Facebook***  
***twitter.com/AmericanLegion***