DAV (Disabled American Veterans) National Service Foundation

Financial Statements as of and for the Year Ended December 31, 2019, and Independent Auditors’ Report
INDEPENDENT AUDITORS’ REPORT

To the Board of Directors of
DAV (Disabled American Veterans) National Service Foundation:

We have audited the accompanying financial statements of DAV (Disabled American Veterans) National Service Foundation (the “Foundation”), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Foundation’s preparation and fair presentation of the 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 Foundation’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 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 financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Deloitte & Touche LLP

April 14, 2020
DAV (DISABLED AMERICAN VETERANS)  
NATIONAL SERVICE FOUNDATION  

STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2019  

ASSETS  

CASH  $ 2,475,325  
INTEREST AND DIVIDENDS RECEIVABLE  4,226  
ACCOUNTS RECEIVABLE  1,385  
INVENTORIES  4,246  
PREPAID EXPENSES  16,696  
INVESTMENTS  146,027,909  
TOTAL  $ 148,529,787  

LIABILITIES AND NET ASSETS  

LIABILITIES:  
Due to Disabled American Veterans  $ 99,265  
Other liabilities  38,628  
Total liabilities  137,893  

NET ASSETS:  
Without donor restrictions:  
Perpetual Rehabilitation Fund  75,525,411  
The Columbia Trust  2,064,615  
Total net assets without donor restrictions  77,590,026  

With donor restrictions:  
Purpose restricted for mission  70,570,174  
Purpose restricted for DAV Legislative Fund  231,694  
Total net assets with donor restrictions  70,801,868  

Total net assets  148,391,894  
TOTAL  $ 148,529,787  

See notes to financial statements.
# DAV (DISABLED AMERICAN VETERANS) NATIONAL SERVICE FOUNDATION

## STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

<table>
<thead>
<tr>
<th>With Donor Restrictions</th>
<th>Without Donor Restrictions</th>
<th>Purpose Restricted Mission</th>
<th>Purpose Restricted Columbia Trust</th>
<th>Purpose Restricted DAV Legislative Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUPPORT AND REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Support—contributions and bequests</td>
<td>$1,122,790</td>
<td>$ -</td>
<td>$1,021,100</td>
<td>$ -</td>
<td>$2,143,890</td>
</tr>
<tr>
<td>Revenues—net investment return</td>
<td>12,563,752</td>
<td>11,727,338</td>
<td>34,172</td>
<td>-</td>
<td>24,325,262</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>3,040,572</td>
<td>(1,985,300)</td>
<td>(1,055,272)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total public support and revenue</td>
<td>16,727,114</td>
<td>9,742,038</td>
<td>-</td>
<td>-</td>
<td>26,469,152</td>
</tr>
</tbody>
</table>

| **EXPENSES:** |                          |                            |                                   |                                        |       |
| Program expenses: |                          |                            |                                   |                                        |       |
| Grants and expenses in accordance with The Columbia Trust | 2,149,606 | - | - | - | 2,149,606 |
| Appropriations to DAV National Headquarters and other organizations | 4,109,098 | - | - | - | 4,109,098 |
| Total program expenses | 6,258,704 | - | - | - | 6,258,704 |
| Management and general expenses | 126,839 | - | - | - | 126,839 |
| Fundraising expenses | 94,428 | - | - | - | 94,428 |
| Total expenses | 6,479,971 | - | - | - | 6,479,971 |

| CHANGE IN NET ASSETS |                          |                            |                                   |                                        |       |
| 10,247,143 | 9,742,038 | - | - | 19,989,181 |
| NET ASSETS—Beginning of year | 67,342,883 | 60,828,136 | - | - | 128,402,713 |
| NET ASSETS—End of year | $77,590,026 | $70,570,174 | $ - | $231,694 | $148,391,894 |

See notes to financial statements.
### DAV (DISABLED AMERICAN VETERANS)
#### NATIONAL SERVICE FOUNDATION

#### STATEMENT OF FUNCTIONAL EXPENSES
**FOR THE YEAR ENDED DECEMBER 31, 2019**

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Management and Program</th>
<th>General</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allocations to charitable programs</td>
<td>$ 6,210,950</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 6,210,950</td>
</tr>
<tr>
<td>Grant proposal processing</td>
<td>44,050</td>
<td></td>
<td></td>
<td>44,050</td>
</tr>
<tr>
<td>Administrative charges</td>
<td>44,050</td>
<td>12,610</td>
<td></td>
<td>56,660</td>
</tr>
<tr>
<td>Travel</td>
<td>12,462</td>
<td></td>
<td></td>
<td>12,462</td>
</tr>
<tr>
<td>Postage and shipping</td>
<td>16</td>
<td>4,055</td>
<td>30,965</td>
<td>35,036</td>
</tr>
<tr>
<td>Printing, stationery, and supplies</td>
<td>298</td>
<td>2,236</td>
<td>37,823</td>
<td>40,357</td>
</tr>
<tr>
<td>Legal fees</td>
<td>6,840</td>
<td></td>
<td></td>
<td>6,840</td>
</tr>
<tr>
<td>Professional fees</td>
<td>29,894</td>
<td></td>
<td></td>
<td>29,894</td>
</tr>
<tr>
<td>Insurance</td>
<td>3,774</td>
<td></td>
<td></td>
<td>3,774</td>
</tr>
<tr>
<td>Registration fees</td>
<td>3,488</td>
<td>6,190</td>
<td></td>
<td>9,678</td>
</tr>
<tr>
<td>Awards</td>
<td>12,287</td>
<td></td>
<td></td>
<td>12,287</td>
</tr>
<tr>
<td>Banking and credit card fees</td>
<td>3,390</td>
<td>5,294</td>
<td></td>
<td>8,684</td>
</tr>
<tr>
<td>Maintenance</td>
<td>8,820</td>
<td></td>
<td></td>
<td>8,820</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>479</td>
<td></td>
<td></td>
<td>479</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 6,258,704</strong></td>
<td><strong>$ 126,839</strong></td>
<td><strong>$ 94,428</strong></td>
<td><strong>$ 6,479,971</strong></td>
</tr>
</tbody>
</table>

See notes to financial statements.
DAV (DISABLED AMERICAN VETERANS)
NATIONAL SERVICE FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES:
Change in net assets $ 19,989,181
Adjustments to reconcile change in net assets to net cash used in operating activities:
Net gain on sale and change in appreciation of investment securities (20,912,970)
Changes in operating assets and liabilities:
Interest and dividends receivable 56,530
Accounts receivable 2,195
Inventory 10,260
Prepaid expenses 3,065
Due to Disabled American Veterans 1,350
Other liabilities (30,103)

Net cash used in operating activities (880,492)

CASH FLOWS FROM INVESTING ACTIVITIES:
Purchases of investment securities (19,155,823)
Proceeds from sale of investment securities 19,788,395

Net cash provided by investing activities 632,572

NET DECREASE IN CASH (247,920)

CASH—Beginning of year 2,723,245

CASH—End of year $ 2,475,325

See notes to financial statements.
DAV (DISABLED AMERICAN VETERANS)
NATIONAL SERVICE FOUNDATION

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2019

1. ORGANIZATION

DAV (Disabled American Veterans) National Service Foundation (the "Foundation") is a financial auxiliary of the Disabled American Veterans (DAV). The purpose of the Foundation, as set forth in Article 3 of the Articles of Incorporation, is as follows:

"To receive and maintain a fund or funds of personal or real property, or both; to solicit and obtain contributions from the public; and, subject to the restrictions set forth in the Articles of Incorporation, to use and apply the whole or any part of the income and principal of said fund exclusively for the promotion of social welfare (including incidental nonpartisan legislative activity in furtherance of such purpose) within the meaning of Section 501(c)(4) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, primarily for the assistance, aid, maintenance, care, support, and rehabilitation of disabled veterans and their dependents, either directly or by contributions to the DAV, a Congressionally chartered organization, or any chapter or department thereof."

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statements—The accompanying 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).


In March 2017, the FASB issued ASU No. 2017-08, Receivables—Nonrefundable Fees and Other Costs (Subtopic 310-20): Premium Amortization on Purchased Callable Debt Securities. ASU No. 2017-08 amends guidance on the amortization period of premiums on certain purchased callable debt securities. The amendments shorten the amortization period of premiums on certain purchased callable debt securities to the earliest call date. The amendments should be applied on a modified retrospective basis through a cumulative-effect adjustment to beginning retained earnings. The effective date of ASU No. 2017-08 is for annual reporting periods beginning after December 15, 2019. The ASU has not yet been adopted; however, it is not expected to have a material impact on the Foundation’s financial position, cash flows, or results of operations.
In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses*, which is included in ASC Topic 326, *Measurement of Credit Losses on Financial Instruments*. The new standard revises the accounting requirements related to the measurement of credit losses and will require organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. Assets must be presented in the financial statements at the net amount expected to be collected. This standard will be effective for the annual financial statements beginning January 1, 2023. A modified retrospective approach is to be used for certain parts of this standard, while a prospective approach is to be used for other parts. Management has not yet evaluated the impact of ASU No. 2016-13 on the financial statements.

**Newly Adopted Accounting Principles**—In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This standard implements a single framework for recognition of all revenue earned from customers. This framework ensures that entities appropriately reflect the consideration to which they expect to be entitled in exchange for goods and services by allocating transaction price to identified performance obligations and recognizing revenue as performance obligations are satisfied. Qualitative and quantitative disclosures are required to enable users of financial statements to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The guidance is effective for the Foundation beginning January 1, 2019.

Analysis of various provisions of this standard resulted in no significant changes in the way the Foundation recognizes revenue, and therefore no changes to the previously issued audited financial statements were required on a modified retrospective basis.

**Cash**—The Foundation considers all liquid instruments purchased with a maturity date of three months or less to be cash equivalents that are stated at cost, which approximates fair value. The earnings credit received on the Foundation’s checking accounts were $51,754 in 2019. The Foundation maintains its cash in bank deposit accounts, which, at times, exceed federally insured limits. The Foundation has not experienced any losses in such accounts.

**Inventories**—Inventories are carried at the lower of cost or net realizable value, generally determined on the first-in, first-out basis. Inventory consists of solicitation materials and other items.

**Investments**—Investments are recorded at fair value. The fair value of the Foundation’s investments is determined based on the quoted market prices of the related securities or quoted prices in active markets for instruments that are similar or model-derived valuations in which all significant inputs and significant value drivers are observable in active markets. Gains and losses on the sale of investment securities are recognized based upon the specific identification method and are reflected as a separate component of revenue for the investments of the Foundation. The Foundation’s policy is to report cash and cash equivalents, which include money market funds, within its trust accounts as investments.

**Contributions**—The Foundation recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return—are not recognized until the conditions on which they depend have been met.
Contributions received are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions. Donated assets are recorded at their fair market value at the time of the donation.

**Net Assets Without Donor Restrictions**—All contributions and bequests without donor restrictions to the Foundation are designated by the board of directors (the “Board”) for investment in a Board-designated endowment fund, known as the Perpetual Rehabilitation Fund, as a reserve for future needs.

Investment income derived from these invested amounts is included in net assets without donor restrictions and used for current operations of the Foundation or appropriated by the Foundation for use by DAV.

For 2019, appropriations to the Columbia Trust of $1,500,000 is excluded from the statement of activities due to the transaction being an internal appropriation.

For 2019, the Board has designated $2,064,615 as total net assets without donor restrictions for the Columbia Trust and are not included in the Board-designated endowment fund. The Columbia Trust recorded an increase in net assets without donor restrictions of $449,716 in 2019. No appreciation (depreciation) of investments is designated to the Columbia Trust's net assets from the general fund without donor restrictions. As of December 31, 2019, the Columbia Trust held $235,965 in money market funds.

**Net Assets with Donor Restrictions**—Funds considered with donor restriction for mission are restricted by their purpose to being invested prudently and used in fulfilling the Foundation’s mission. As of December 31, 2019, the net assets with donor restrictions of $70,570,174 are included within the investments balance in the statement of financial position.

Funds contributed to the Columbia Trust are matched 100% by DAV, up to a maximum of $3,000,000 per year. In 2019, the Columbia Trust received $60,550 in contributions, which were matched by DAV. In 2019, the Columbia Trust received $900,000 from the DAV Charitable Service Trust to be used for the DAV Transportation Network Vehicle Grant Program.

Contributions for the DAV Legislative Program are considered contributions with donor restriction. Investment income of $7,298 in 2019 from the DAV Legislative Fund was transferred to DAV for use by DAV’s Legislative Program. The net assets with donor restrictions of $231,694 as of December 31, 2019 are included within the investments balance in the statement of financial position.

**Allocation of Expenses**—The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of the organization. Those expenses include grant proposal processing, administrative charges, postage, shipping, printing, stationery and supplies. All expenses are allocated based on estimates of time and effort toward each program or supporting service. Allocation estimates are reviewed annually based on the specific expense and adjusted accordingly.

**Income Taxes**—As a not-for-profit service organization, the Foundation has received a determination from the Internal Revenue Service that it is exempt from federal income taxes as a Section 501(c)(4) organization. Contributions made to the Foundation are tax deductible by the contributor as provided in Section 170 of the Internal Revenue Code.
Use of Estimates—The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

3. ENDOWMENT FUNDS

The following table represents the composition of the Foundation’s endowment net assets by type of fund for the year ended December 31, 2019:

<table>
<thead>
<tr>
<th>Without Donor Restrictions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board designated Perpetual Rehabilitation Fund</td>
</tr>
</tbody>
</table>

The Foundation’s Board-designated endowment fund included in net assets without donor restrictions, also known as the Perpetual Rehabilitation Fund, for the year ended December 31, 2019, had the following activity:

Net assets—beginning of year $65,727,984
Public support—contributions and bequests 1,122,790
Revenues—net investment return 12,563,752
Total public support and revenue 13,686,542
Expenses:
Program:
  Appropriations to DAV National Headquarters and other organizations 2,123,798
  Internal appropriation to the Columbia Trust 1,500,000
  Grant proposal processing 44,050
  Total program expenses 3,667,848
Management and general 126,839
Fundraising 94,428
Total expenses 3,889,115
Total change in Board-designated endowment fund 9,797,427
Net assets—end of year $75,525,411

4. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Foundation’s working capital and cash flows are attributable to the contributions received throughout the year. As of December 31, 2019, the Foundation’s financial assets (total assets, less inventory and prepaid expenses) totaled $148,508,845. The financial assets, with the exception of the donor-restricted by purpose for DAV Legislative Fund investment of $231,694 as of December 31, 2019, are available to fund general
expenditures within one year following the statement of financial position date. Donor-restricted funds of $70,570,174 for 2019 have been included because they are restricted for programs considered general expenditures by the organization. The Foundation has an investment spending policy that would allow for withdrawals from the long-term investment portfolio, from both general assets without donor restrictions and with donor restriction purpose restricted for its mission.

The Foundation has a policy to structure its financial assets to be available as its program, fundraising, management, and general expenses become due. In addition, as part of its liquidity management, the Foundation invests cash in excess of daily requirements in various short-term and long-term investments. The short-term investments are invested for capital preservation and liquidity for cash flow requirements in money market funds. The Foundation’s long-term investments, such as marketable fixed-income and equity securities, index and actively managed mutual funds, and Exchange Traded Funds (ETFs), are invested with the intent of providing a safe return on investments for future use.

5. **FAIR VALUE MEASUREMENTS**

ASC Topic 820 provides a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market, but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Foundation did not hold any financial assets requiring the use of inputs that are unobservable and significant (Level 3) to the overall fair value measurement during 2019.

The Foundation’s policy is to recognize transfers between levels at the actual date of the event. There were no transfers during 2019.

**Asset Valuation Techniques**—Valuation techniques used maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets recorded at fair value. There have been no changes in the methodologies used at December 31, 2019.

Cash equivalents, composed of money market funds, are categorized as Level 1, and are valued at cost, which approximates fair value. The money market funds represent the Foundation’s shares in a registered investment company’s fund.

Common stock securities and ETFs held are categorized as Level 1. They are valued at the closing price reported in the active market in which the individual security is traded.

Corporate bonds are categorized as Level 2, and are valued using third-party pricing services. These services may use, for example, model-based pricing methods that utilize observable market data as inputs. Broker-dealer bids or quotes of securities with similar characteristics may also be used.

Shares of registered investment companies (mutual funds) are categorized as Level 1. They are valued at quoted market prices that represent the net asset value of shares held at year-end.
The major categories of financial assets measured at fair value on a recurring basis as of December 31, 2019, are as follows:

<table>
<thead>
<tr>
<th>Asset category:</th>
<th>Quoted Prices in Active Markets for Significant Identical Observable Assets (Level 1)</th>
<th>Significant Observable Inputs (Level 2)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$ 966,534</td>
<td>$ -</td>
<td>$ 966,534</td>
</tr>
<tr>
<td>Common stocks</td>
<td>11,859,729</td>
<td></td>
<td>11,859,729</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td></td>
<td>14,557,593</td>
<td>14,557,593</td>
</tr>
<tr>
<td>Mutual funds/ETFs:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic fixed-income funds</td>
<td>33,434,720</td>
<td></td>
<td>33,434,720</td>
</tr>
<tr>
<td>Domestic equity funds</td>
<td>58,805,295</td>
<td></td>
<td>58,805,295</td>
</tr>
<tr>
<td>International equity funds</td>
<td>22,826,916</td>
<td></td>
<td>22,826,916</td>
</tr>
<tr>
<td>Real estate equity funds</td>
<td>3,577,122</td>
<td></td>
<td>3,577,122</td>
</tr>
<tr>
<td>Total mutual funds/ETFs</td>
<td>118,644,053</td>
<td></td>
<td>118,644,053</td>
</tr>
<tr>
<td>Total assets</td>
<td>$131,470,316</td>
<td>$14,557,593</td>
<td>$146,027,909</td>
</tr>
</tbody>
</table>

The Foundation has adopted an investment policy for the Perpetual Rehabilitation Fund and investments with donor restrictions. The primary goals of the investment portfolio are safeguarding of the assets; maximizing return on the interest, dividends, and appreciation of capital; and avoiding undue interest rate risk in the fixed-income portion of the portfolio. The portfolio performance objective is to exceed a custom benchmark of 60% Russell 3000/40% Barclays Intermediate Government Credit over a five-year period and a full market cycle.

The Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investment to achieve its long-term return objective within prudent risk constraints.
6. **NET ASSETS RELEASED FROM DONOR RESTRICTIONS**

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors. The net assets released from restrictions are as follows:

<table>
<thead>
<tr>
<th>Purpose restrictions accomplished:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose restriction—mission</td>
<td>$ 1,985,300</td>
</tr>
<tr>
<td>The Columbia Trust</td>
<td>1,055,272</td>
</tr>
</tbody>
</table>

Net assets released from restrictions $ 3,040,572

7. **RELATED-PARTY TRANSACTIONS**

During 2019, DAV personnel assisted the Foundation on a limited basis in administering its business operations and fundraising program. For these services, the Foundation reimbursed DAV $100,710 in 2019. At December 31, 2019, the Foundation owed DAV $99,265. DAV provides the Foundation with the use of facilities, equipment, and occasional magazine space at no charge.

As discussed in Note 2, DAV contributed $60,550 to the Columbia Trust in 2019.

In 2019, the DAV Charitable Service Trust made contributions of $900,000 to the Columbia Trust for the DAV Transportation Network Vehicle Grant Program. In 2019, the DAV Charitable Service Trust made contributions of $2,350 to the National Service Foundation to be used in assisting disabled veterans and their dependents.

In 2019, the Foundation appropriated $4,101,800 in support of DAV programs and services.

In performing the duties of their positions, DAV's National Commander and National Adjutant serve on the Foundation’s Board. In performing the duties of their positions as a Foundation Director, some members also serve on the DAV Charitable Service Trust’s Board and the Disabled Veterans’ Life Memorial Foundation’s Board.

8. **GRANTS AND EXPENSES OF THE COLUMBIA TRUST**

At December 31, 2019, the grants and expenses of the Columbia Trust are as follows:

Grants to DAV chapters and departments in accordance with The Columbia Trust:

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital Service Coordinator Program</td>
<td>$ 789,280</td>
</tr>
<tr>
<td>Transportation Network Vehicle Grant Program</td>
<td>1,097,846</td>
</tr>
<tr>
<td>Other grants to service programs</td>
<td>214,726</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>3,704</td>
</tr>
<tr>
<td>Grant proposal processing</td>
<td>44,050</td>
</tr>
</tbody>
</table>

Total $ 2,149,606

In 2019, net assets with donor restrictions of $1,055,272 and net assets without donor restrictions of $1,094,334 were used.
9. **SUBSEQUENT EVENTS**

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which are likely to negatively impact the Foundation’s financial position, cash flows, or results of operations. Other financial impact could occur though such potential impact is unknown at this time.

No other events have occurred after December 31, 2019, but before April 14, 2020, the date the financial statements were available to be issued, that require consideration as adjustments to, or disclosures in, the financial statements.

* * * * *