



2018 APSC Annual Report

501 (c) (3) Public Charity: 45-3827638

W30 – Military & Veterans Organizations
(National Taxonomy of Exempt Entities Code)

Mission Statement

Assist Veterans and their Surviving Spouses in obtaining VA Benefits. This service is provided at no cost to the Veteran or their family

Dear Fellow Patriots,

2018 has been a wonderful year for APSC and for the Veterans and their families that we serve. Our highlights include:

- Our documented benefits since inception have grown from \$63,950,049 as of December 31, 2017 to \$88,368,695 as of December 31, 2018 – an increase of nearly \$25,000,000 dollars (see exhibit 1)
- We opened 740 new Pension files 2018 (see exhibit 2)
- Our ratios are excellent as fund raising was only 2.991% of Revenue and Admin came in at only 1.525% (see exhibit2)
- We retained our qualification for the BBB Seal

The following is an overview of American Patriot Service Corp.'s income and expenses for 2016:

Revenue:

• Contributions and Grants	406,259	
• Program Service Revenue	<u>16,918</u>	
Total Revenue		<u>\$ 423,190</u>

Expenses:

• Administrative Overhead	4,291	
• Fund Raising Expenses	6,372	
• Program Service Expenses	<u>380,645</u>	
Total Expense		<u>\$ 391,308</u>

Net Income **\$ 31,308**

Net Assets as of December 31, 2017 **\$ 78,389**

Leadership Roster as of December 31, 2018:

Name	Address	Phone #	Position Held	Description of Duties	Dates of Service
Robert L Payne	90 West 500S Suite 603 Bountiful, UT 84010	(801) 318- 7810	Exec. VP Corporate Counsel & VA Acc. Attorney	Supervise all Legal Functions & all correspondence with the VA	December 15, 2017 to Present
Richard Nelson	562 S. 10 West Farmington, UT 84025	(801) 949- 1598	CEO/President and Board Member	Supervision, Direction, Accounting & Compliance	November 2011 to Present
David Tucker, CPA	1443 South 2000 East Salt Lake City, UT 84108	(801) 573- 4940	Sec/Treasurer and Board Member	Approve Invoices, Sign Checks, CEO Evaluation Finance Committee	November, 2011 to Present
Stan Benfell	757 W 700 South Woods Cross, UT 84087	(801) 397- 3030	Board Chairman and Member	Approve Invoices, Sign Checks, CEO Evaluation, Board Meetings	November 2011 to Present
Rayfel Bachiller	11582 Hickory Valley Drive Sandy, UT 84092	(801) 430- 8762	Board Member	CEO Evaluation Team VA Issues	November 2011 to Present
Phillip C. Wright	2085 Orchard Dr. Bountiful, UT 84010	(801) 337-8317	Board Member	Fund Raising Finance Committee Govt. Relations	June 2015 to Present

Appendix – Detailed Objectives & Results

2018 Objectives

- Increase our outreach to Veterans, especially the expected influx of Vietnam Veterans
- Improve the quality and quantity of our services
- Improve our fund-raising results
- Maintain and if possible, improve our operating ratios
- Increase our Membership Income

Specific goals to meet our objectives were set as follows:

1. Recruit a Paid in-house VA Accredited Attorney to supervise our Legal Team
2. Confirm at least \$85,000,000 dollars in documented benefits by year end
3. Generate \$50,000 in sustaining membership donations
4. Generate \$250,000 dollars in Corporate and In-Kind donations
5. Generate \$100,000 dollars in Pay-it-Forward Gifts
6. Generate 800 new pension files
7. Generate \$19,440 dollars in Program Service Revenue
8. Increase our Pay-it-Forward Donation to an average of 210 dollars/gift
9. Sign up at least 1 new major corporate sponsor
10. Manage our affairs so that at least 90% of all expenditures in 2018 support our primary service activity.

2018 Actual Results

1. **Recruit a Paid in-house VA Accredited Attorney – Goal Accomplished.** Robert L Payne a VA Accredited Attorney joined us and moved into our offices December 15, 2017 and worked the entire year of 2018. We were able to secure a grant to cover his modest salary. All legal work is under his direct supervision to assist Veterans in applying for earned benefits.
2. **Our Paid Claims goal for 2018 was \$85,000,000 dollars – Goal Accomplished.** Actual Paid claims as of December 31st was 88,368,695.
3. **Objective was to generate \$50,000 in sustaining membership donations – Goal Accomplished.** 2018 membership donations came in at \$53,036.
4. **Generate \$250,000 in Corporate Donations – Goal Accomplished.** Actual Corporate donations for 2018 were \$251,864.
5. **Generate \$100,000 in “pay it forward” donations from the families of those we have assisted. We missed our goal by 17%.** We never charge a fee for our service. We do encourage those that have received assistance from us to “Pay it Forward” since the help they received from us was paid for by someone else. Our “Pay it Forward” Donations for 2018 were **\$82,981**.
6. **Identify and assist 800 new Veterans/Surviving Spouses in applying for the non-service-connected pension. We missed our goal by 60 as we ended the year at 740 new cases.**

7. **2018 goal was to generate \$19,440 in Program Service Revenue.** This number is driven by number of new cases that are generated and by the % of people that help us cover the 27.00/file cost of sending files via UPS 2-day service. As was mentioned above, we missed our case count goal by 60. **Actual program service revenue was 16,891 so we missed this goal by \$2,549.**
8. **2018 Goal was to average at least \$210 dollars per pay it forward gift.** We successfully met our goal in that our average pay-it-forward gift in 2018 was \$211.15. Results in 2017 was \$214.80 as compared to \$193.60 in 2016 and \$156.88 in 2015. **Goal Accomplished**
9. **Sign up 1 new major corporate sponsor - Goal Accomplished.** We received a large multiyear grant commitment from a major US corporation.
10. **2018 Goal was to manage our affairs so that at least 90% of all expenditures supported our primary service activity. Goal Accomplished.** Fund raising expenses were 2.991% of revenue and Administrative expense were 1.525% of revenue. Total Expenditures in 2018 were \$391,308 with primary service activities accounting for \$380,645 generating a ratio of 97.28%.

Conclusion

We are very pleased with our accomplishments and the progress we have made (for detailed month by month goal versus actual results please refer to Exhibit #2). Though in retrospect our goals may have been a little over ambitious, it did cause us to stretch. Our fundamentals are excellent and we are positioned to continue to grow very quickly. But there is a cautionary note going forward.

There are two very serious issues that could really hurt us. First, the VA made major changes to how the Aid and Attendance benefit is processed. This caused a massive slowdown at the end of the year of new cases as well as service standards from the VA. These changes could dramatically impact our volunteers, double the amount of work to process a claim, and likely dramatically extend, at least temporarily, the amount of time it takes the VA to process a claim. Second, we receive a large 3-year grant from Sagikor. If for some reason, they don't follow through with their grant commitment, there would be a significant negative impact.

For more information, please visit our website at: www.apscnp.org