** PUBLIC DISCLOSURE COPY **

Form **990** Department of the Treasury Internal Revenue Service

# Return of Organization Exempt From Income Tax

**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)**

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047 **2012** Open to Public Inspection

**A** For the 2012 calendar year, or tax year beginning and ending

**B** Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Terminated [ ] Amended return [ ] Application pending

**C** Name of organization: NAVY LEAGUE OF THE UNITED STATES

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address): 2300 WILSON BOULEVARD — Room/suite: 200

City, town, or post office, state, and ZIP code: ARLINGTON, VA 22201-3308

**D** Employer identification number: 53-0116710

**E** Telephone number: 703-528-1775

**G** Gross receipts $ 17,899,680.

**F** Name and address of principal officer: BRUCE K. BUTLER SAME AS C ABOVE

**H(a)** Is this a group return for affiliates? [ ] Yes [x] No

**H(b)** Are all affiliates included? [ ] Yes [ ] No If "No," attach a list. (see instructions)

**I** Tax-exempt status: [x] 501(c)(3) [ ] 501(c) ( ) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527

**J** Website: ▶ WWW.NAVYLEAGUE.ORG

**H(c)** Group exemption number ▶

**K** Form of organization: [x] Corporation [ ] Trust [ ] Association [ ] Other ▶ **L** Year of formation: 1902 **M** State of legal domicile: NY

## Part I Summary

**Activities & Governance**

1 Briefly describe the organization's mission or most significant activities: THE NAVY LEAGUE OF THE UNITED STATES IS A PROFESSIONAL ORGANIZATION WHOSE PRIMARY OBJECTIVE IS TO

2 Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its net assets.

| | | | |
|---|---|---|---|
| 3 | Number of voting members of the governing body (Part VI, line 1a) | 3 | 232 |
| 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 215 |
| 5 | Total number of individuals employed in calendar year 2012 (Part V, line 2a) | 5 | 45 |
| 6 | Total number of volunteers (estimate if necessary) | 6 | 245 |
| 7a | Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 1,262,724. |
| b | Net unrelated business taxable income from Form 990-T, line 34 | 7b | -249,633. |

| | | | Prior Year | Current Year |
|---|---|---|---|---|
| Revenue | 8 | Contributions and grants (Part VIII, line 1h) | 2,606,757. | 2,949,478. |
| | 9 | Program service revenue (Part VIII, line 2g) | 5,465,203. | 5,235,144. |
| | 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 188,812. | 162,194. |
| | 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | -145,221. | 365,342. |
| | 12 | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 8,115,551. | 8,712,158. |
| Expenses | 13 | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 604,347. | 619,656. |
| | 14 | Benefits paid to or for members (Part IX, column (A), line 4) | 0. | 0. |
| | 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 2,310,027. | 2,848,295. |
| | 16a | Professional fundraising fees (Part IX, column (A), line 11e) | 212,788. | 375,161. |
| | b | Total fundraising expenses (Part IX, column (D), line 25) ▶ 708,860. | | |
| | 17 | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 5,463,616. | 5,984,408. |
| | 18 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 8,590,778. | 9,827,520. |
| | 19 | Revenue less expenses. Subtract line 18 from line 12 | -475,227. | -1,115,362. |
| | | | **Beginning of Current Year** | **End of Year** |
| Net Assets or Fund Balances | 20 | Total assets (Part X, line 16) | 59,270,227. | 57,512,199. |
| | 21 | Total liabilities (Part X, line 26) | 59,159,984. | 57,426,372. |
| | 22 | Net assets or fund balances. Subtract line 21 from line 20 | 110,243. | 85,827. |

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here** ▶ Signature of officer — Date 11/14/13

▶ BRUCE K. BUTLER, EXECUTIVE DIRECTOR — Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name: YONG ZHANG, CPA — Preparer's signature — Date 11/14/13 — Check [ ] if self-employed — PTIN P01249785

Firm's name ▶ MCGLADREY LLP — Firm's EIN ▶ 42-0714325

Firm's address ▶ 8000 TOWERS CRESCENT DR. STE 500 VIENNA, VA 22182-6205 — Phone no. 703-336-6400

May the IRS discuss this return with the preparer shown above? (see instructions) [x] Yes [ ] No



SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

## Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ..... [X]

**1** Briefly describe the organization's mission:

THE NAVY LEAGUE OF THE UNITED STATES IS A PROFESSIONAL ORGANIZATION WHOSE PRIMARY OBJECTIVE IS TO BE A SOURCE OF INFORMATION TO THE GENERAL PUBLIC, PROVIDE DIRECT ASSISTANCE TO MEN AND WOMEN IN THE SEA SERVICES AND SPONSOR A NUMBER OF SCHOLARSHIPS, PUBLIC RECOGNITION, AND

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ..... [ ] Yes [X] No

If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services? ..... [ ] Yes [X] No

If "Yes," describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code: ) (Expenses $ 2,796,225. including grants of $ ) (Revenue $ 3,722,787. )

SEA-AIR-SPACE - AN ANNUAL SERIES OF SEMINARS & EXHIBITS CONCERNING THE STATUS OF THE U.S. ARMED FORCES, MILITARY TECHNOLOGY & OTHER NATIONAL SECURITY ISSUES. MILITARY & GOVERNMENT PERSONNEL ATTEND THE PROGRAM.

**4b** (Code: ) (Expenses $ 1,850,947. including grants of $ ) (Revenue $ 1,512,357. )

SEA POWER MAGAZINE & ALMANAC ARE INTERNATIONAL PUBLICATONS RELATING TO NAVAL ACTIVITIES; THE NAVY LEAGUER IS A NEWSPAPER DOCUMENTING THE ACTIVITIES OF THE NAVY LEAGUE HEADQUARTERS & ITS COUNCILS.

**4c** (Code: ) (Expenses $ 1,042,857. including grants of $ ) (Revenue $ )

COUNCIL DEVELOPMENT MEMBERSHIP - MAINTAINS MEMBERSHIP RECORDS & ISSUES CERTIFICATES, PINS, ETC.

**4d** Other program services (Describe in Schedule O.)

(Expenses $ 1,245,693. including grants of $ 619,656.) (Revenue $ )

**4e Total program service expenses ▶** 6,935,722.

## Part IV Checklist of Required Schedules

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A* | 1 | X | |
| 2 | Is the organization required to complete *Schedule B, Schedule of Contributors*? | 2 | X | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I* | 3 | | X |
| 4 | **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II* | 4 | X | |
| 5 | Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III* | 5 | | X |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I* | 6 | | X |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II* | 7 | | X |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III* | 8 | | X |
| 9 | Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV* | 9 | | X |
| 10 | Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V* | 10 | X | |
| 11 | If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | | |
| a | Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI* | 11a | X | |
| b | Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII* | 11b | X | |
| c | Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII* | 11c | | X |
| d | Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX* | 11d | | X |
| e | Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X* | 11e | | X |
| f | Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X* | 11f | X | |
| 12a | Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII* | 12a | | X |
| b | Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional* | 12b | X | |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E* | 13 | | X |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | 14a | | X |
| b | Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV* | 14b | | X |
| 15 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV* | 15 | | X |
| 16 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV* | 16 | | X |
| 17 | Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* | 17 | X | |
| 18 | Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II* | 18 | | X |
| 19 | Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III* | 19 | | X |
| 20a | Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H* | 20a | | X |
| b | If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? | 20b | | |

**Part IV Checklist of Required Schedules** *(continued)*

| | | | Yes | No |
|---|---|---|---|---|
| 21 | Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II* | 21 | X | |
| 22 | Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III* | 22 | | X |
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J* | 23 | X | |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No", go to line 25* | 24a | | X |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | | |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | | |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | | |
| 25a | **Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I* | 25a | | X |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I* | 25b | | X |
| 26 | Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II* | 26 | | X |
| 27 | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III* | 27 | | X |
| 28 | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions): | | | |
| a | A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | 28a | | X |
| b | A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | 28b | X | |
| c | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV* | 28c | | X |
| 29 | Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M* | 29 | | X |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M* | 30 | | X |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I* | 31 | | X |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II* | 32 | | X |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I* | 33 | X | |
| 34 | Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1* | 34 | X | |
| 35a | Did the organization have a controlled entity within the meaning of section 512(b)(13)? | 35a | X | |
| b | If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* | 35b | X | |
| 36 | **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2* | 36 | | X |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI* | 37 | | X |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O | 38 | X | |

## Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

| | | | | | Yes | No |
|---|---|---|---|---|---|---|
| 1a | Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable | 1a | 26 | | | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b | 0 | | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | | 1c | X | |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a | 45 | | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? | | | 2b | X | |
| | **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions) | | | | | |
| 3a | Did the organization have unrelated business gross income of $1,000 or more during the year? | | | 3a | X | |
| b | If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O* | | | 3b | X | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | | 4a | | X |
| b | If "Yes," enter the name of the foreign country: ▶ | | | | | |
| | See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | | | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | | 5a | | X |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | | 5b | | X |
| c | If "Yes," to line 5a or 5b, did the organization file Form 8886-T? | | | 5c | | |
| 6a | Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? | | | 6a | | X |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | | 6b | | |
| 7 | **Organizations that may receive deductible contributions under section 170(c).** | | | | | |
| a | Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor? | | | 7a | | X |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | | 7b | | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | | 7c | | X |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | | | |
| e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | | 7e | | X |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | | 7f | | X |
| g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | | | 7g | | |
| h | If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? | | | 7h | | |
| 8 | **Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | | 8 | | |
| 9 | **Sponsoring organizations maintaining donor advised funds.** | | | | | |
| a | Did the organization make any taxable distributions under section 4966? | | | 9a | | |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | | | 9b | | |
| 10 | **Section 501(c)(7) organizations.** Enter: | | | | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | | | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | | | |
| 11 | **Section 501(c)(12) organizations.** Enter: | | | | | |
| a | Gross income from members or shareholders | 11a | | | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b | | | | |
| 12a | **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041? | | | 12a | | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | 12b | | | | |
| 13 | **Section 501(c)(29) qualified nonprofit health insurance issuers.** | | | | | |
| a | Is the organization licensed to issue qualified health plans in more than one state? | | | 13a | | |
| | **Note.** See the instructions for additional information the organization must report on Schedule O. | | | | | |
| b | Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans | 13b | | | | |
| c | Enter the amount of reserves on hand | 13c | | | | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | | | 14a | | X |
| b | If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* | | | 14b | | |

## Part VI Governance, Management, and Disclosure

*For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI .......... X

### Section A. Governing Body and Management

| | | | Yes | No |
|---|---|---|---|---|
| 1a | Enter the number of voting members of the governing body at the end of the tax year (1a) 232. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. | | | |
| b | Enter the number of voting members included in line 1a, above, who are independent (1b) 215 | | | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | 2 | X | |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? | 3 | X | |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | 4 | | X |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | 5 | | X |
| 6 | Did the organization have members or stockholders? | 6 | X | |
| 7a | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | 7a | X | |
| b | Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | 7b | X | |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | | |
| a | The governing body? | 8a | X | |
| b | Each committee with authority to act on behalf of the governing body? | 8b | X | |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O* | 9 | | X |

### Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

| | | | Yes | No |
|---|---|---|---|---|
| 10a | Did the organization have local chapters, branches, or affiliates? | 10a | | X |
| b | If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | 10b | | |
| 11a | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | 11a | X | |
| b | Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | | |
| 12a | Did the organization have a written conflict of interest policy? *If "No," go to line 13* | 12a | X | |
| b | Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | 12b | X | |
| c | Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done* | 12c | X | |
| 13 | Did the organization have a written whistleblower policy? | 13 | X | |
| 14 | Did the organization have a written document retention and destruction policy? | 14 | X | |
| 15 | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | | |
| a | The organization's CEO, Executive Director, or top management official | 15a | X | |
| b | Other officers or key employees of the organization | 15b | X | |
| | If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). | | | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | 16a | X | |
| b | If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | 16b | | X |

### Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ SEE SCHEDULE O

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other *(explain in Schedule O)*

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

RYAN C. DONALDSON, CORP. COUNSEL & SENIOR DIR. OF CONTRACTS & FINANCES

2300 WILSON BLVD, STE 200, ARLINGTON, VA 22201

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII ☐

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (1) CHARLES T. ALAIMO<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (2) JOHN W. ALGER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (3) PAMELA K. AMMERMAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (4) LINDA L. ASHBEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (5) RICHARD F. ASHBEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (6) BARBARA F. BAILEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (7) THOMAS W. BAKER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (8) P. PASHA BAKER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (9) EVAN S. BAKER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (10) MARYELLEN BALDWIN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (11) PHIL BALISLE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (12) CAREY G. BARNECUT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (13) CHARLES G. BAUMBACH<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (14) JAMES M. BEATY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (15) SHELLEY BECK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (16) DENNY BEHR<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (17) BERNARD BENNETT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position: Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (18) BRENT M. BENNITT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (19) ROGER W. BING<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (20) CHARLES A. BLACK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (21) HARRY M. BOYD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (22) PAULA BOZDECH-VEATER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (23) ROBERT BRACALENTE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (24) DANIEL B. BRANCH, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (25) JAMES P. BRAS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (26) WILLIAM G. BRAUND<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| **1b Sub-total** ▶ | | | | | | | | 0. | 0. | 0. |
| **c Total from continuation sheets to Part VII, Section A** ▶ | | | | | | | | 757,187. | 0. | 85,503. |
| **d Total (add lines 1b and 1c)** ▶ | | | | | | | | 757,187. | 0. | 85,503. |

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 5

| | | Yes | No |
|---|---|---|---|
| 3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual* | 3 | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual* | 4 | X | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person* | 5 | | X |

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|---|---|---|
| CHARLES A. HULL, 6406 BRASS BUCKET CT, STE 1, LAYTONSVILLE, MD 20882 | ADVERTISING SALES REP. | 214,674. |
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 1

SEE PART VII, SECTION A CONTINUATION SHEETS

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (27) JEFFREY R. BROWN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (28) ROGER BURKE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (29) STEWART V. BURLEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (30) FRANCIS CAMPBELL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (31) EVAN M. CHANIK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (32) CALVIN H. COBB, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (33) JEANIE COFFEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (34) WARD W. COOK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (35) J. ROBERT COOK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (36) RICHARD M. COOPER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (37) J. DOUGLAS CRAWFORD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (38) KAREN CRAWFORD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (39) WILLIAM L. CREEDON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (40) JOSEPH J. DAIGNEAULT, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (41) CAROLYN E. DANKERS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (42) WARREN H. DANLEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (43) RICHARD W. DEVLIN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (44) DENNIS A. DICKERSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (45) MARIA-ISABEL S. DICKEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (46) JOHN DONNELLY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (check all that apply): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (47) DOLPH DU MONT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (48) PATRICIA DU MONT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (49) WILLIAM E. DUDLEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (50) PHILIP L. DUNMIRE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (51) TODD DUNN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (52) JOHN E. EASTON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (53) JAMES H. ERLINGER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (54) WILLIAM J. EVANZIA<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (55) TIMOTHY O. FANNING<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (56) JOHN M. FELKER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (57) BOBBY V. FERGUSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (58) DARRELL J. FIKE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (59) ARTHUR FILETE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (60) MORGAN L. FITCH, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (61) ROBERT FORD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (62) LEROY J. FOURNIER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (63) VINCE FRAGOMENE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (64) ALBERT H. FRIEDRICH<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (65) LINDA FULGENZI<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (66) LISA M. GALLINAT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position: Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (67) THEODORE R. GALLINAT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (68) JON A. GALLINETTI<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (69) FRANK G. GALLOWAY, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (70) H. LAWRENCE GARRETT III<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (71) WILLIAM S. GARR<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (72) MACK C. GASTON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (73) DONALD A. GILES<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (74) ROBERT J. GILLHAM<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (75) CURT W. GOLDACKER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (76) NANCY F. GORELL<br>NATIONAL DIRECTOR | 1.00<br>1.00 | X | | | | | | 0. | 0. | 0. |
| (77) IRVING X. GORMAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (78) ALFRED M. GRAY, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (79) JOHN F. GRIFFING<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (80) WILLIAM C. GRIGGS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (81) CHARLES E. GUDMUNSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (82) LEE GURKE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (83) CAROL ANN HACKLEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (84) T. COLE HACKLEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (85) DONALD F. HALE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (86) MARK A. HALLER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (87) JUDY C. HALLERAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (88) RICHARD C. HALLERAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (89) SCOTT B. HANCOCK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (90) CATHERINE A. HANSEN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (91) ANNE HARPER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (92) NICHOLAS HARPER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (93) NICHOLAS HAYES<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (94) ALBERT J. HERBERGER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (95) BILLY L. HEWITT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (96) JAMES M. HICKERSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (97) SHIRLEY A. HILL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (98) PHELPS HOBART<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (99) SUSAN HODGE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (100) THOMAS W. HOFFMAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (101) GORDON S. HOLDER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (102) RANDY W. HOLLSTEIN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (103) BETTY HOWARD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (104) LORRAINE D. HUGHEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (105) TIMOTHY A. HUNSBERGER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (106) MELVIN H.W. ING<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (check all that apply): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (107) GRANT W. IVEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (108) DIANE Z. JAFFA<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (109) THOMAS E. JAFFA<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (110) JOAN S. JONES<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (111) ARTHUR JUDSON II<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (112) ALAN L. KAPLAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (113) JONATHAN D. KASKIN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (114) PATRICK J. KEAVENY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (115) FELIX P. KEELEY, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (116) WILLIAM R. KELLER<br>NATIONAL DIRECTOR | 1.00<br>1.00 | X | | | | | | 0. | 0. | 0. |
| (117) JAMES W. KELLER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (118) WILLIAM C. KELLEY, JR.<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (119) STEPHEN W. KELLY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (120) JACK M. KENNEDY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (121) RICHARD H. KENNEDY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (122) RICHARD T. KENNEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (123) JOHN KOCHER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (124) HANS H. KRUCKE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (125) TRAVIS LAGRONE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (126) KEITH A. LARSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (127) GWEN T. LARSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (128) JAMES M. LASHER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (129) HARRIETT A. LEARSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (130) JOSEPH LISSENDEN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (131) DAVID C. LIVINGSTON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (132) R. GLENN LOONEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (133) JAY LOFT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (134) R. STANLEY LOWE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (135) LAWRENCE P. LYNOTT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (136) LAWRENCE R. LYONS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (137) KEVIN D. MACFARLAND<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (138) PETER MARSHALL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (139) MARK H. MATHESON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (140) THOMAS MATTEO<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (141) KEN MCCONWELL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (142) CHARLES W. MCCULLOUGH<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (143) MARK MCDONALD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (144) THOMAS MCGLOIN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (145) J. MICHAEL MCGRATH<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (146) DOUGLAS A. MCHOUL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (check all that apply): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (147) SHEILA M. MCNEILL<br>NATIONAL DIRECTOR | 1.00<br>1.00 | X | | | | | | 0. | 0. | 0. |
| (148) MAX K. MILLER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (149) JOAN C. MITCHELL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (150) DONALD A. MORRISON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (151) GERALD MOSKWA<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (152) RAYMOND B. NELSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (153) JOHN H. OCHS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (154) RUDOLPH H. OETTING<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (155) JAMES H. OFFUTT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (156) C. WAYNE OLSEN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (157) TOMMASINA A. OLSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (158) HUGH O'NEILL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (159) CHRISTOPHER PADDOCK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (160) PATRICK E. PANG<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (161) JOHN A. PANNETON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (162) MARY VIRGINIA PITTMAN-WALLER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (163) JUDITH L. PLOTZ-BRANNIGAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (164) PATRICIA ANN POSEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (165) KEITH F. POST<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (166) BONNIE B. POTTER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

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**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (167) ROBERT W. PRICE | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (168) GEOFFREY G. PROSCH | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (169) THOMAS J. PRUTER | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (170) SIMONE RAMOS | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (171) JOHN M. RAU | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (172) WALTER H. REESE | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (173) ROB REILLY | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (174) DAVID J. REILLY | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (175) MARLENE G. REINECKE | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (176) STEWART E. REUTER | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (177) JACK F. RITTER, JR. | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (178) RAY ROTH | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (179) DAVID W. RUCKER | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (180) NORA RUEBROOK | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (181) JOHN D. RUSH | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (182) ELEANOR E. SAMUELS | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (183) SAM SAUSE | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (184) WARREN H. SAVAGE | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (185) JERRY E. SCOTT | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| (186) PAMELA SILVER | 1.00 | | | | | | | | | |
| NATIONAL DIRECTOR | | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position: Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (187) JAMES T. SKETCHLEY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (188) MICHAEL J. SLEIN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (189) NORBERT F. SMITH<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (190) EDMUND S. SOBIERAY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (191) PETER J. SOLER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (192) JOHN J. SPITTLER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (193) GERARD J. ST. GERMAIN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (194) JOHN D. STEGMAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (195) JACKSON C. STEVENS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (196) PETE STILES<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (197) DAVID C. SULLIVAN<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (198) JOHN G. SUTTER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (199) REBECCA B. SUTTON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (200) ROBERT SUTTON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (201) TINA SWALLOW<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (202) TODD P. TARBY<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (203) WILLIAM E. THOMPSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (204) A. HUNT THORNHILL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (205) DANIEL M.THYS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (206) DAVID N. TODD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

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**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position: Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (207) STEVEN J. TOMASZESKI<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (208) GORDON EVANS VAN HOOK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (209) JOHN T. VARGO<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (210) DAVID J. VISNESKI<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (211) DONALD B. WALKER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (212) JAMES H. WALLER<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (213) GEORGE A. WARDWELL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (214) EDNA M. WARDWELL<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (215) OWEN WATFORD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (216) STEPHEN F. WAYLETT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (217) MICHAEL WERBOWETSKI<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (218) JOEL R. WHITEHEAD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (219) DOYLE WILHITE<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (220) A. DUANE WILLS<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (221) ROBERT WILSON<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (222) THOMAS C. WINANT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (223) STANLEY WINOWICZ<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (224) SKIP WITUNSKI<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (225) ROYCEALEE J. WOOD<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (226) PHIL WORK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position: Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| (227) GARLAND P. WRIGHT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (228) THOMAS W. WRIGHT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (229) DIANE S. WRIGHT<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (230) JAMES F. YOUNG<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (231) KENNETH A. ZADWICK<br>NATIONAL DIRECTOR | 1.00 | X | | | | | | 0. | 0. | 0. |
| (232) DALE A. LUMME<br>NAT. EXE. DIRECTOR | 40.00<br>2.00 | X | | X | | | | 234,261. | 0. | 32,422. |
| (233) HOWARD B. SIEGEL<br>CHIEF FINANCIAL OFFICER | 40.00<br>2.00 | | | X | | | | 124,991. | 0. | 12,247. |
| (234) EVA HOCHARD<br>DIRECTOR OF FINANCE | 40.00 | | | | | X | | 117,662. | 0. | 7,456. |
| (235) KEVIN TRAVER<br>STAFF VP-CORP AFFAIRS &MEMB | 40.00 | | | | | X | | 175,877. | 0. | 14,610. |
| (236) AMY WITTMAN<br>EDITOR IN CHIEF | 40.00 | | | | | X | | 104,396. | 0. | 18,768. |
| Total to Part VII, Section A, line 1c | | | | | | | | 757,187. | | 85,503. |

**Part VIII** **Statement of Revenue**

Check if Schedule O contains a response to any question in this Part VIII ☐

| | | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 |
|---|---|---|---|---|---|---|---|---|
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a | Federated campaigns | 1a | | | | | |
| | b | Membership dues | 1b | 2,042,068. | | | | |
| | c | Fundraising events | 1c | | | | | |
| | d | Related organizations | 1d | | | | | |
| | e | Government grants (contributions) | 1e | | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f | 907,410. | | | | |
| | g | Noncash contributions included in lines 1a-1f: $ | | | | | | |
| | h | **Total.** Add lines 1a-1f ▶ | | | 2,949,478. | | | |
| Program Service Revenue | | | Business Code | | | | | |
| | 2 a | SEA-AIR SPACE EXPO. | 611710 | | 3,722,787. | 3,722,787. | | |
| | b | PUBLICATIONS | 541800 | | 1,512,357. | | 1,512,357. | |
| | c | | | | | | | |
| | d | | | | | | | |
| | e | | | | | | | |
| | f | All other program service revenue | | | | | | |
| | g | **Total.** Add lines 2a-2f ▶ | | | 5,235,144. | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) ▶ | | | 162,194. | | | 162,194. |
| | 4 | Income from investment of tax-exempt bond proceeds ▶ | | | | | | |
| | 5 | Royalties ▶ | | | 78,169. | | | 78,169. |
| | | | (i) Real | (ii) Personal | | | | |
| | 6 a | Gross rents | 7,575,278. | | | | | |
| | b | Less: rental expenses | 7,824,911. | | | | | |
| | c | Rental income or (loss) | -249,633. | | | | | |
| | d | Net rental income or (loss) ▶ | | | -249,633. | | -249,633. | |
| | 7 a | Gross amount from sales of assets other than inventory | (i) Securities: 1,362,611. | (ii) Other | | | | |
| | b | Less: cost or other basis and sales expenses | 1,362,611. | | | | | |
| | c | Gain or (loss) | 0. | | | | | |
| | d | Net gain or (loss) ▶ | | | 0. | | | |
| | 8 a | Gross income from fundraising events (not including $ ____ of contributions reported on line 1c). See Part IV, line 18 | a | | | | | |
| | b | Less: direct expenses | b | | | | | |
| | c | Net income or (loss) from fundraising events ▶ | | | | | | |
| | 9 a | Gross income from gaming activities. See Part IV, line 19 | a | | | | | |
| | b | Less: direct expenses | b | | | | | |
| | c | Net income or (loss) from gaming activities ▶ | | | | | | |
| | 10 a | Gross sales of inventory, less returns and allowances | a | | | | | |
| | b | Less: cost of goods sold | b | | | | | |
| | c | Net income or (loss) from sales of inventory ▶ | | | | | | |
| | | Miscellaneous Revenue | Business Code | | | | | |
| | 11 a | OTHER REVENUE | 900099 | | 536,806. | | | 536,806. |
| | b | | | | | | | |
| | c | | | | | | | |
| | d | All other revenue | | | | | | |
| | e | **Total.** Add lines 11a-11d ▶ | | | 536,806. | | | |
| | 12 | **Total revenue.** See instructions. ▶ | | | 8,712,158. | 3,722,787. | 1,262,724. | 777,169. |

## Part IX Statement of Functional Expenses

*Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).*

Check if Schedule O contains a response to any question in this Part IX ..... [X]

| *Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.* | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|---|---|---|---|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 | 619,656. | 619,656. | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 403,921. | 248,207. | 140,035. | 15,679. |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 1,928,767. | 1,043,267. | 819,596. | 65,904. |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | 111,636. | 61,344. | 46,417. | 3,875. |
| 9 Other employee benefits | 232,885. | 127,823. | 96,987. | 8,075. |
| 10 Payroll taxes | 171,086. | 94,547. | 70,566. | 5,973. |
| 11 Fees for services (non-employees): | | | | |
| a Management | 169,442. | | 169,442. | |
| b Legal | 4,111. | | 4,111. | |
| c Accounting | 6,340. | 6,340. | | |
| d Lobbying | 94,458. | 94,458. | | |
| e Professional fundraising services. See Part IV, line 17 | 375,161. | | | 375,161. |
| f Investment management fees | 57,366. | 31,702. | 23,661. | 2,003. |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.) | 1,490,465. | 1,417,371. | 71,011. | 2,083. |
| 12 Advertising and promotion | 72,951. | 123. | 16,364. | 56,464. |
| 13 Office expenses | 738,892. | 625,008. | 105,222. | 8,662. |
| 14 Information technology | 211,602. | 99,748. | 68,551. | 43,303. |
| 15 Royalties | | | | |
| 16 Occupancy | 1,591,301. | 401,525. | 1,164,411. | 25,365. |
| 17 Travel | 71,315. | 70,510. | 770. | 35. |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 1,660,203. | 1,446,469. | 212,216. | 1,518. |
| 20 Interest | 3,084,631. | 17,214. | 3,066,330. | 1,087. |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 2,217,098. | 161,668. | 2,045,217. | 10,213. |
| 23 Insurance | 6,000. | 6,000. | | |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a CONDO FEES | 1,331,516. | | 1,331,516. | |
| b FREELANCE | 91,171. | 91,171. | | |
| c MEMBERSHIP | 64,862. | 41,292. | 23,570. | |
| d RENTAL EXP ON LINE 6B | -7,824,911. | | -7,824,911. | |
| e All other expenses | 845,595. | 230,279. | 531,856. | 83,460. |
| 25 **Total functional expenses.** Add lines 1 through 24e | 9,827,520. | 6,935,722. | 2,182,938. | 708,860. |
| 26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ [ ] if following SOP 98-2 (ASC 958-720) | | | | |

## Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X ☐

| | | | (A) Beginning of year | | (B) End of year |
|---|---|---|---|---|---|
| Assets | 1 | Cash - non-interest-bearing | 150. | 1 | 150. |
| | 2 | Savings and temporary cash investments | 2,790,437. | 2 | 3,053,195. |
| | 3 | Pledges and grants receivable, net | 276,788. | 3 | 1,021,614. |
| | 4 | Accounts receivable, net | 120,971. | 4 | 232,671. |
| | 5 | Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 | Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L | | 6 | |
| | 7 | Notes and loans receivable, net | | 7 | |
| | 8 | Inventories for sale or use | | 8 | |
| | 9 | Prepaid expenses and deferred charges | 1,113,071. | 9 | 1,146,510. |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a: 49,345,191. | | | |
| | b | Less: accumulated depreciation — 10b: 17,219,514. | 34,019,666. | 10c | 32,125,677. |
| | 11 | Investments - publicly traded securities | 8,691,097. | 11 | 9,288,695. |
| | 12 | Investments - other securities. See Part IV, line 11 | 7,657,730. | 12 | 6,928,610. |
| | 13 | Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 | Intangible assets | 2,092,862. | 14 | 1,649,437. |
| | 15 | Other assets. See Part IV, line 11 | 2,507,455. | 15 | 2,065,640. |
| | 16 | **Total assets.** Add lines 1 through 15 (must equal line 34) | 59,270,227. | 16 | 57,512,199. |
| Liabilities | 17 | Accounts payable and accrued expenses | 2,194,068. | 17 | 1,607,081. |
| | 18 | Grants payable | | 18 | |
| | 19 | Deferred revenue | 4,433,378. | 19 | 3,593,666. |
| | 20 | Tax-exempt bond liabilities | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 | Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | 52,532,538. | 23 | 52,225,625. |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 25 | Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | | 25 | |
| | 26 | **Total liabilities.** Add lines 17 through 25 | 59,159,984. | 26 | 57,426,372. |
| Net Assets or Fund Balances | | **Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.** | | | |
| | 27 | Unrestricted net assets | -398,789. | 27 | -550,296. |
| | 28 | Temporarily restricted net assets | 305,303. | 28 | 432,394. |
| | 29 | Permanently restricted net assets | 203,729. | 29 | 203,729. |
| | | **Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.** | | | |
| | 30 | Capital stock or trust principal, or current funds | | 30 | |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| | 33 | Total net assets or fund balances | 110,243. | 33 | 85,827. |
| | 34 | Total liabilities and net assets/fund balances | 59,270,227. | 34 | 57,512,199. |

## Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☐

| | | | |
|---|---|---|---|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 8,712,158. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 9,827,520. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | -1,115,362. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 110,243. |
| 5 | Net unrealized gains (losses) on investments | 5 | 1,090,945. |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain in Schedule O) | 9 | 0. |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 85,826. |

## Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☒

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other<br>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | 2a | | X |
| | If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:<br>☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis | | | |
| b | Were the organization's financial statements audited by an independent accountant? | 2b | X | |
| | If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:<br>☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis | | | |
| c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? | 2c | X | |
| | If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | 3a | | X |
| b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits | 3b | | |

**SCHEDULE A**
**(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

# Public Charity Status and Public Support

**Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.**
**▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No. 1545-0047
**2012**
**Open to Public Inspection**

**Name of the organization**
NAVY LEAGUE OF THE UNITED STATES

**Employer identification number**
53-0116710

## Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state:
5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

**a** ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

**e** ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

**f** If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

**g** Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

| | | Yes | No |
|---|---|---|---|
| **(i)** A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? | **11g(i)** | | |
| **(ii)** A family member of a person described in (i) above? | **11g(ii)** | | |
| **(iii)** A 35% controlled entity of a person described in (i) or (ii) above? | **11g(iii)** | | |

**h** Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization in col. (i) listed in your governing document? Yes | No | (v) Did you notify the organization in col. (i) of your support? Yes | No | (vi) Is the organization in col. (i) organized in the U.S.? Yes | No | (vii) Amount of monetary support |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| **Total** | | | | | | | | | |

**Part II** **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

## Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | 3,253,859. | 2,469,283. | 2,523,222. | 2,606,757. | 2,949,478. | 13,802,599. |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 **Total.** Add lines 1 through 3 | 3,253,859. | 2,469,283. | 2,523,222. | 2,606,757. | 2,949,478. | 13,802,599. |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | 116,814. |
| 6 **Public support.** Subtract line 5 from line 4. | | | | | | 13,685,785. |

## Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|---|---|---|---|---|---|---|
| 7 Amounts from line 4 | 3,253,859. | 2,469,283. | 2,523,222. | 2,606,757. | 2,949,478. | 13,802,599. |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 252,549. | 175,627. | 180,666. | 435,146. | 240,363. | 1,284,351. |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | 1,441,010. | 690,817. | 643,989. | 759,743. | 536,806. | 4,072,365. |
| 11 **Total support.** Add lines 7 through 10 | | | | | | 19,159,315. |

12 Gross receipts from related activities, etc. (see instructions) | 12 | 17,051,398.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

## Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) | 14 | 71.43 %

15 Public support percentage from 2011 Schedule A, Part II, line 14 | 15 | 71.52 %

16a **33 1/3% support test - 2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☒ X

b **33 1/3% support test - 2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

## Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

### Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 **Total.** Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 **Public support** (Subtract line 7c from line 6.) | | | | | | |

### Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2008 | (b) 2009 | (c) 2010 | (d) 2011 | (e) 2012 | (f) Total |
|---|---|---|---|---|---|---|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 13 **Total support.** (Add lines 9, 10c, 11, and 12.) | | | | | | |

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

### Section C. Computation of Public Support Percentage

| | | | |
|---|---|---|---|
| 15 | Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 | Public support percentage from 2011 Schedule A, Part III, line 15 | 16 | % |

### Section D. Computation of Investment Income Percentage

| | | | |
|---|---|---|---|
| 17 | Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 | Investment income percentage from **2011** Schedule A, Part III, line 17 | 18 | % |

19a **33 1/3% support tests - 2012.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2011.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

# Schedule B
**(Form 990, 990-EZ, or 990-PF)**
Department of the Treasury
Internal Revenue Service

# Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**

OMB No. 1545-0047

**2012**

| **Name of the organization** | **Employer identification number** |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

**Organization type** (check one):

| **Filers of:** | **Section:** |
|---|---|
| Form 990 or 990-EZ | [X] 501(c)( 3 ) (enter number) organization |
| | [ ] 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation |
| | [ ] 527 political organization |
| Form 990-PF | [ ] 501(c)(3) exempt private foundation |
| | [ ] 4947(a)(1) nonexempt charitable trust treated as a private foundation |
| | [ ] 501(c)(3) taxable private foundation |

Check if your organization is covered by the **General Rule** or a **Special Rule.**

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

[ ] For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

**Special Rules**

[X] For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than $1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of $5,000 or more during the year .................................................. ▶ $ ____________

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on Part I, line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

| Name of organization | Employer identification number |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

**Part I** **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

| (a) No. | (b) Name, address, and ZIP + 4 | (c) Total contributions | (d) Type of contribution |
|---|---|---|---|
| 1 | | $ 125,000. | Person [X] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.) |
| | | $ | Person [ ] Payroll [ ] Noncash [ ] (Complete Part II if there is a noncash contribution.) |

| Name of organization | Employer identification number |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

**Part II** **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|---|---|---|---|
| | | $ | |

**Name of organization** NAVY LEAGUE OF THE UNITED STATES

**Employer identification number** 53-0116710

**Part III** *Exclusively* **religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than $1,000 for the year.** Complete columns **(a)** through **(e) and** the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **$1,000 or less** for the year. (Enter this information once.) ▶ $

Use duplicate copies of Part III if additional space is needed.

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---|---|---|
| | | | |

(e) Transfer of gift

| Transferee's name, address, and ZIP + 4 | Relationship of transferor to transferee |
|---|---|
| | |

**SCHEDULE C (Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

# Political Campaign and Lobbying Activities

**For Organizations Exempt From Income Tax Under section 501(c) and section 527**

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **See separate instructions.**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

**If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then**

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

**If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then**

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

**If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), or Form 990-EZ, Part V, line 35c (Proxy Tax), then**

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

| Name of organization | Employer identification number |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

## Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.

2 Political expenditures ▶ $

3 Volunteer hours

## Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV.

## Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $

3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ $

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

| **(a)** Name | **(b)** Address | **(c)** EIN | **(d)** Amount paid from filing organization's funds. If none, enter -0-. | **(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-. |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

**Part II-A** **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

| **Limits on Lobbying Expenditures** (The term "expenditures" means amounts paid or incurred.) | **(a)** Filing organization's totals | **(b)** Affiliated group totals |
|---|---|---|
| **1a** Total lobbying expenditures to influence public opinion (grass roots lobbying) | 6,005. | |
| **b** Total lobbying expenditures to influence a legislative body (direct lobbying) | 0. | |
| **c** Total lobbying expenditures (add lines 1a and 1b) | 6,005. | |
| **d** Other exempt purpose expenditures | 17,207,505. | |
| **e** Total exempt purpose expenditures (add lines 1c and 1d) | 17,213,510. | |
| **f** Lobbying nontaxable amount. Enter the amount from the following table in both columns. | 1,000,000. | |

| If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: |
|---|---|
| Not over $500,000 | 20% of the amount on line 1e. |
| Over $500,000 but not over $1,000,000 | $100,000 plus 15% of the excess over $500,000. |
| Over $1,000,000 but not over $1,500,000 | $175,000 plus 10% of the excess over $1,000,000. |
| Over $1,500,000 but not over $17,000,000 | $225,000 plus 5% of the excess over $1,500,000. |
| Over $17,000,000 | $1,000,000. |

| | (a) | (b) |
|---|---|---|
| **g** Grassroots nontaxable amount (enter 25% of line 1f) | 250,000. | |
| **h** Subtract line 1g from line 1a. If zero or less, enter -0- | 0. | |
| **i** Subtract line 1f from line 1c. If zero or less, enter -0- | 0. | |

**j** If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

**4-Year Averaging Period Under Section 501(h)**
**(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)**

**Lobbying Expenditures During 4-Year Averaging Period**

| Calendar year (or fiscal year beginning in) | **(a)** 2009 | **(b)** 2010 | **(c)** 2011 | **(d)** 2012 | **(e)** Total |
|---|---|---|---|---|---|
| **2a** Lobbying nontaxable amount | 927,807. | 927,726. | 975,594. | 1,000,000. | 3,831,127. |
| **b** Lobbying ceiling amount (150% of line 2a, column(e)) | | | | | 5,746,691. |
| **c** Total lobbying expenditures | 175,142. | 183,520. | 265,991. | 6,005. | 630,658. |
| **d** Grassroots nontaxable amount | 231,952. | 231,932. | 243,899. | 250,000. | 957,783. |
| **e** Grassroots ceiling amount (150% of line 2d, column (e)) | | | | | 1,436,675. |
| **f** Grassroots lobbying expenditures | 4,943. | 4,757. | 700. | 6,005. | 16,405. |

**Part II-B** **Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

| *For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.* | (a) Yes | (a) No | (b) Amount |
|---|---|---|---|
| **1** During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of: | | | |
| **a** Volunteers? | | | |
| **b** Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? | | | |
| **c** Media advertisements? | | | |
| **d** Mailings to members, legislators, or the public? | | | |
| **e** Publications, or published or broadcast statements? | | | |
| **f** Grants to other organizations for lobbying purposes? | | | |
| **g** Direct contact with legislators, their staffs, government officials, or a legislative body? | | | |
| **h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? | | | |
| **i** Other activities? | | | |
| **j** Total. Add lines 1c through 1i | | | |
| **2a** Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? | | | |
| **b** If "Yes," enter the amount of any tax incurred under section 4912 | | | |
| **c** If "Yes," enter the amount of any tax incurred by organization managers under section 4912 | | | |
| **d** If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? | | | |

**Part III-A** **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

| | | Yes | No |
|---|---|---|---|
| **1** Were substantially all (90% or more) dues received nondeductible by members? | 1 | | |
| **2** Did the organization make only in-house lobbying expenditures of $2,000 or less? | 2 | | |
| **3** Did the organization agree to carry over lobbying and political expenditures from the prior year? | 3 | | |

**Part III-B** **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."**

| | | |
|---|---|---|
| **1** Dues, assessments and similar amounts from members | 1 | |
| **2** Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).** | | |
| **a** Current year | 2a | |
| **b** Carryover from last year | 2b | |
| **c** Total | 2c | |
| **3** Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues | 3 | |
| **4** If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year? | 4 | |
| **5** Taxable amount of lobbying and political expenditures (see instructions) | 5 | |

**Part IV** **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

**SCHEDULE D** (Form 990)

Department of the Treasury
Internal Revenue Service

# Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
**2012**
**Open to Public Inspection**

| Name of the organization | Employer identification number |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

## Part I — Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

| | | (a) Donor advised funds | (b) Funds and other accounts |
|---|---|---|---|
| 1 | Total number at end of year | | |
| 2 | Aggregate contributions to (during year) | | |
| 3 | Aggregate grants from (during year) | | |
| 4 | Aggregate value at end of year | | |

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

## Part II — Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | | | Held at the End of the Tax Year |
|---|---|---|---|
| a | Total number of conservation easements | 2a | |
| b | Total acreage restricted by conservation easements | 2b | |
| c | Number of conservation easements on a certified historic structure included in (a) | 2c | |
| d | Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register | 2d | |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ______

4 Number of states where property subject to conservation easement is located ▶ ______

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ ______

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ______

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

## Part III — Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

(ii) Assets included in Form 990, Part X ▶ $ ______

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

b Assets included in Form 990, Part X ▶ $ ______

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

| | | Amount |
|---|---|---|
| c Beginning balance | 1c | |
| d Additions during the year | 1d | |
| e Distributions during the year | 1e | |
| f Ending balance | 1f | |

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|---|---|---|---|---|---|
| 1a Beginning of year balance | 203,729. | 203,729. | 203,729. | 203,729. | 203,729. |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | 203,729. | 203,729. | 203,729. | 203,729. | 203,729. |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ ______ %

b Permanent endowment ▶ 100.00 %

c Temporarily restricted endowment ▶ ______ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

| | | Yes | No |
|---|---|---|---|
| (i) unrelated organizations | 3a(i) | | X |
| (ii) related organizations | 3a(ii) | | X |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | | |

4 Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|---|---|---|---|
| 1a Land | | 4,102,268. | | 4,102,268. |
| b Buildings | | 29,237,767. | 5,387,857. | 23,849,910. |
| c Leasehold improvements | | | | |
| d Equipment | | | | |
| e Other | | 16,005,156. | 11,831,657. | 4,173,499. |

**Total.** Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶ 32,125,677.

## Part VII Investments - Other Securities. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|---|---|
| (1) Financial derivatives | | |
| (2) Closely-held equity interests | 6,762,361. | COST |
| (3) Other | | |
| (A) PAINTING | 42,000. | END-OF-YEAR MARKET VALUE |
| (B) CASH SURRENDER VALUE OF INSURANCE | 124,249. | END-OF-YEAR MARKET VALUE |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| (I) | | |
| **Total.** (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶ | 6,928,610. | |

## Part VIII Investments - Program Related. See Form 990, Part X, line 13.

| (a) Description of investment type | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|---|---|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| (10) | | |
| **Total.** (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ | | |

## Part IX Other Assets. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|---|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| **Total.** *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶ | |

## Part X Other Liabilities. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|---|
| (1) Federal income taxes | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| (10) | |
| (11) | |
| **Total.** *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶ | |

**2.** FIN 48 (ASC 740) Footnote. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII X

## Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total revenue, gains, and other support per audited financial statements | | | 1 | 17,947,714. |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | | |
| a | Net unrealized gains on investments | 2a | 1,090,945. | | |
| b | Donated services and use of facilities | 2b | | | |
| c | Recoveries of prior year grants | 2c | | | |
| d | Other (Describe in Part XIII.) | 2d | 8,144,611. | | |
| e | Add lines **2a** through **2d** | | | 2e | 9,235,556. |
| 3 | Subtract line **2e** from line **1** | | | 3 | 8,712,158. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line **1**: | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | | |
| b | Other (Describe in Part XIII.) | 4b | | | |
| c | Add lines **4a** and **4b** | | | 4c | 0. |
| 5 | Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)* | | | 5 | 8,712,158. |

## Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total expenses and losses per audited financial statements | | | 1 | 17,160,510. |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | | | |
| a | Donated services and use of facilities | 2a | | | |
| b | Prior year adjustments | 2b | | | |
| c | Other losses | 2c | | | |
| d | Other (Describe in Part XIII.) | 2d | 7,771,911. | | |
| e | Add lines **2a** through **2d** | | | 2e | 7,771,911. |
| 3 | Subtract line **2e** from line **1** | | | 3 | 9,388,599. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line **1**: | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | | |
| b | Other (Describe in Part XIII.) | 4b | 438,921. | | |
| c | Add lines **4a** and **4b** | | | 4c | 438,921. |
| 5 | Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)* | | | 5 | 9,827,520. |

## Part XIII Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART V, LINE 4: THE EARNINGS FROM THESE ENDOWMENTS ARE AVAILABLE IN SUPPORT OF PROGRAMS OF THE LEAGUE. THE LEAGUE APPROPRIATES THE ENTIRE BALANCE OF THE ANNUAL EARNINGS TO BE AVAILABLE FOR THE PROGRAMS LISTED BELOW.

AWARDS AND YOUTH PROGRAMS: $186,536

OCEANIC EDUCATION: $17,193

**Part XIII Supplemental Information** *(continued)*

PART X, LINE 2: THE LEAGUE FOLLOWS THE ACCOUNTING STANDARD ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES, WHICH ADDRESSES THE DETERMINATION OF WHETHER TAX BENEFITS CLAIMED OR EXPECTED TO BE CLAIMED ON A TAX RETURN SHOULD BE RECORDED IN THE FINANCIAL STATEMENTS. THE LEAGUE MAY RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS MORE-LIKELY-THAN-NOT THAT THE TAX POSITION WILL BE SUSTAINED ON EXAMINATION BY TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION. THE TAX BENEFITS RECOGNIZED IN THE FINANCIAL STATEMENTS FROM SUCH A POSITION ARE MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50% LIKELIHOOD OF BEING REALIZED UPON ULTIMATE SETTLEMENT. THE GUIDANCE ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES ALSO ADDRESSES DE-RECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES ON INCOME TAXES, AND ACCOUNTING IN INTERIM PERIODS.

MANAGEMENT EVALUATED THE LEAGUE'S TAX POSITIONS AND CONCLUDED THAT THE LEAGUE HAD TAKEN NO UNCERTAIN TAX POSITIONS THAT REQUIRE ADJUSTMENT TO THE FINANCIAL STATEMENTS TO COMPLY WITH THE PROVISIONS OF THIS GUIDANCE. GENERALLY, THE LEAGUE IS NO LONGER SUBJECT TO INCOME TAX EXAMINATIONS BY THE U.S. FEDERAL, STATE OR LOCAL TAX AUTHORITIES FOR YEARS BEFORE 2009.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

| | |
|---|---|
| CONSOLIDATED FINANCIAL STATEMENT ELIMINATION | -3,778,668. |
| ELIMINATION BETWEEN LLC AND NLUS | 1,807,353. |
| INCOME OF THE NAVY LEAGUE DEVELOPMENT CORPORATION | 624,996. |
| INCOME OF THE NAVY LEAGUE BUILDING CONDO UNIT OWNERS ASSOCIATION | 1,666,019. |
| RENTAL EXPENSES INCLUDED IN PART VIII LINE 6B | 7,824,911. |
| FUNDRAISING EXPENSE REPORTED ON LINE 8B | |

**Part XIII Supplemental Information** *(continued)*

| | |
|---|---|
| TOTAL TO SCHEDULE D, PART XI, LINE 2D | 8,144,611. |
| | |
| PART XII, LINE 2D - OTHER ADJUSTMENTS: | |
| CONSOLIDATED FINANCIAL STATEMENT ELIMINATION | -3,513,044. |
| ELIMINATION BETWEEN LLC AND NLUS | 712,489. |
| EXPENSES OF THE NAVY LEAGUE DEVELOPMENT CORPORATION | 1,081,536. |
| EXPENSES OF THE NAVY LEAGUE BUILDING CONDO UNIT OWNERS | |
| ASSOCIATION | 1,666,019. |
| RENTAL EXPENSES INCLUDED IN PART VIII LINE 6B | 7,824,911. |
| FUNDRAISING EXPENSE REPORTED ON LINE 8B | |
| TOTAL TO SCHEDULE D, PART XII, LINE 2D | 7,771,911. |
| | |
| PART XII, LINE 4B - OTHER ADJUSTMENTS: | |
| SAS 2012 ADJSUTMENT | 438,921. |

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

# Supplemental Information Regarding Fundraising or Gaming Activities

**Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.**
**▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No. 1545-0047
**2012**
**Open To Public Inspection**

Name of the organization: NAVY LEAGUE OF THE UNITED STATES
**Employer identification number**: 53-0116710

**Part I** **Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a [X] Mail solicitations
b [X] Internet and email solicitations
c [X] Phone solicitations
d [ ] In-person solicitations
e [ ] Solicitation of non-government grants
f [ ] Solicitation of government grants
g [ ] Special fundraising events

2 a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? [X] **Yes** [ ] **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization.

| (i) Name and address of individual or entity (fundraiser) | (ii) Activity | (iii) Did fundraiser have custody or control of contributions? Yes | No | (iv) Gross receipts from activity | (v) Amount paid to (or retained by) fundraiser listed in col. (i) | (vi) Amount paid to (or retained by) organization |
|---|---|---|---|---|---|---|
| HARRIS CONNECT, LLC - 1511 ROUTE 22, SUITE C-25, | DIRECT MAIL DESIGN SERVICES, TELEPHONE & | | X | 349,285. | 375,161. | -25,876. |
| | | | | | | |
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| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| **Total** ▶ | | | | 349,285. | 375,161. | -25,876. |

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

AL,AK,AZ,AR,CA,CO,CT,DE,FL,GA,HI,ID,IL,IN,IA,KS,KY,LA,ME,MD,MA,MI,MN,MS,MO
MT,NE,NV,NH,NJ,NM,NY,NC,ND,OH,OK,OR,PA,RI,SC,SD,TN,TX,UT,VT,VA,WA,WV,WI,WY


SEE PART IV FOR CONTINUATIONS

**Part II** **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

| | | **(a)** Event #1 | **(b)** Event #2 | **(c)** Other events | **(d)** Total events (add col. **(a)** through col. **(c)**) |
|---|---|---|---|---|---|
| | | (event type) | (event type) | (total number) | |
| Revenue | 1 Gross receipts | | | | |
| | 2 Less: Contributions | | | | |
| | 3 Gross income (line 1 minus line 2) | | | | |
| Direct Expenses | 4 Cash prizes | | | | |
| | 5 Noncash prizes | | | | |
| | 6 Rent/facility costs | | | | |
| | 7 Food and beverages | | | | |
| | 8 Entertainment | | | | |
| | 9 Other direct expenses | | | | |
| | 10 Direct expense summary. Add lines 4 through 9 in column (d) ▶ | | | | ( ) |
| | 11 Net income summary. Combine line 3, column (d), and line 10 ▶ | | | | |

**Part III** **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

| | | **(a)** Bingo | **(b)** Pull tabs/instant bingo/progressive bingo | **(c)** Other gaming | **(d)** Total gaming (add col. **(a)** through col. **(c)**) |
|---|---|---|---|---|---|
| Revenue | 1 Gross revenue | | | | |
| Direct Expenses | 2 Cash prizes | | | | |
| | 3 Noncash prizes | | | | |
| | 4 Rent/facility costs | | | | |
| | 5 Other direct expenses | | | | |
| | 6 Volunteer labor | ☐ Yes ____ % ☐ No | ☐ Yes ____ % ☐ No | ☐ Yes ____ % ☐ No | |
| | 7 Direct expense summary. Add lines 2 through 5 in column (d) ▶ | | | | ( ) |
| | 8 Net gaming income summary. Combine line 1, column d, and line 7 ▶ | | | | |

9 Enter the state(s) in which the organization operates gaming activities: ____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: ____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: ____

11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in:

a The organization's facility 13a %

b An outside facility 13b %

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶

Address ▶

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ ______ and the amount of gaming revenue retained by the third party ▶ $ ______ .

c If "Yes," enter name and address of the third party:

Name ▶

Address ▶

16 Gaming manager information:

Name ▶

Gaming manager compensation ▶ $

Description of services provided ▶

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

SCHEDULE G, PART I, LINE 2B, LIST OF TEN HIGHEST PAID FUNDRAISERS:

(I) NAME OF FUNDRAISER: HARRIS CONNECT, LLC

(I) ADDRESS OF FUNDRAISER: 1511 ROUTE 22, SUITE C-25, BREWSTER, NY 10509

(II) ACTIVITY: DIRECT MAIL DESIGN SERVICES, TELEPHONE & EMAIL SOLICITATIONS

**SCHEDULE I**
**(Form 990)**

Department of the Treasury
Internal Revenue Service

# Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

**Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.**
**▶ Attach to Form 990.**

OMB No. 1545-0047
**2012**
**Open to Public Inspection**

Name of the organization: NAVY LEAGUE OF THE UNITED STATES

**Employer identification number** 53-0116710

**Part I** **General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? [X] **Yes** [ ] **No**

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II** **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

| 1 (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|---|---|---|---|---|---|---|---|
| NAVAL SEA CADET CORPS<br>2300 WILSON BLVD<br>ARLINGTON, VA 22201 | 52-0808385 | 501(C)(3) | 619,656. | 0. | | | GENERAL SUPPORT. |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ 1.

3 Enter total number of other organizations listed in the line 1 table ▶ 0.

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.** **Schedule I (Form 990) (2012)**

232101
12-18-12

**Part III** **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---|---|---|---|---|---|
| | | | | | |
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**Part IV** **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

SCHEDULE I, PART I, LINE 2: THIS GRANT TO A FEDERALLY CHARTERED 501(C)(3) YOUTH ORGANIZATION THAT IS MONITORED BY THE NSCC'S BOARD OF DIRECTORS --WHOSE MEMBERS [A MAJORITY OF WHICH ] ARE APPOINTED BY THE NATIONAL PRESIDENT OF THE NAVY LEAGUE OF THE UNITED STATES. THE GRANT IS FOR THE GENERAL SUPPORT OF THE ORGANIZATION. AN AUDITED FINANCIAL STATEMENT IS PROVIDED TO US EACH YEAR.

**SCHEDULE J (Form 990)**

Department of the Treasury
Internal Revenue Service

# Compensation Information

**For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**

**▶ Attach to Form 990. ▶ See separate instructions.**

OMB No. 1545-0047

**2012**

**Open to Public Inspection**

Name of the organization: NAVY LEAGUE OF THE UNITED STATES

**Employer identification number**: 53-0116710

## Part I Questions Regarding Compensation

| | | | Yes | No |
|---|---|---|---|---|
| 1a | Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.<br>☐ First-class or charter travel ☐ Housing allowance or residence for personal use<br>☐ Travel for companions ☐ Payments for business use of personal residence<br>☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees<br>☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef) | | | |
| b | If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain | 1b | | |
| 2 | Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? | 2 | | |
| 3 | Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.<br>☒ Compensation committee ☐ Written employment contract<br>☐ Independent compensation consultant ☒ Compensation survey or study<br>☐ Form 990 of other organizations ☒ Approval by the board or compensation committee | | | |
| 4 | During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: | | | |
| a | Receive a severance payment or change-of-control payment? | 4a | | X |
| b | Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b | | X |
| c | Participate in, or receive payment from, an equity-based compensation arrangement? | 4c | | X |
| | If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III. | | | |
| | **Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.** | | | |
| 5 | For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: | | | |
| a | The organization? | 5a | X | |
| b | Any related organization? | 5b | | X |
| | If "Yes" to line 5a or 5b, describe in Part III. | | | |
| 6 | For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: | | | |
| a | The organization? | 6a | | X |
| b | Any related organization? | 6b | | X |
| | If "Yes" to line 6a or 6b, describe in Part III. | | | |
| 7 | For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III | 7 | | X |
| 8 | Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III | 8 | | X |
| 9 | If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? | 9 | | |

**Part II** **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

| (A) Name and Title | | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported as deferred in prior Form 990 |
|---|---|---|---|---|---|---|---|---|
| | | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| (1) DALE A. LUMME | (i) | 196,791. | 37,332. | 138. | 21,649. | 10,773. | 266,683. | 0. |
| NAT. EXE. DIRECTOR | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (2) KEVIN TRAVER | (i) | 142,778. | 33,009. | 90. | 12,265. | 2,345. | 190,487. | 0. |
| STAFF VP-CORP AFFAIRS &MEMB | (ii) | 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
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| | (i) | | | | | | | |
| | (ii) | | | | | | | |

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 5: TWO OF THE PERSONS LISTED ON FORM 990, PART VII,

SECTION A, LINE 1A, HAD EMPLOYMENT AGREEMENTS THAT PAY THEM A BONUS

CONTINGENT ON REVENUE RAISED FOR THE NAVY LEAGUE.

**SCHEDULE L**
**(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

# Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047
**2012**
**Open To Public Inspection**

Name of the organization: NAVY LEAGUE OF THE UNITED STATES
**Employer identification number**: 53-0116710

## Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

| 1 (a) Name of disqualified person | (b) Relationship between disqualified person and organization | (c) Description of transaction | (d) Corrected? Yes | No |
|---|---|---|---|---|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ $

## Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

| (a) Name of interested person | (b) Relationship with organization | (c) Purpose of loan | (d) Loan to or from the organization? To | From | (e) Original principal amount | (f) Balance due | (g) In default? Yes | No | (h) Approved by board or committee? Yes | No | (i) Written agreement? Yes | No |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | |
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| | | | | | | | | | | | | |
| Total ▶ $ | | | | | | | | | | | | |

## Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

| (a) Name of interested person | (b) Relationship between interested person and the organization | (c) Amount of assistance | (d) Type of assistance | (e) Purpose of assistance |
|---|---|---|---|---|
| | | | | |
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**Part IV** **Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

| **(a)** Name of interested person | **(b)** Relationship between interested person and the organization | **(c)** Amount of transaction | **(d)** Description of transaction | **(e)** Sharing of organization's revenues? Yes | No |
|---|---|---|---|---|---|
| BILL WAYLETT | SEE PART V | 84,397. | SEE PART V | | X |

**Part V** **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: BILL WAYLETT

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF DIRECTOR STEPHEN WAYLETT

(D) DESCRIPTION OF TRANSACTION: EMPLOYEE OF NLUS

**SCHEDULE O**
**(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

# Supplemental Information to Form 990 or 990-EZ

**Complete to provide information for responses to specific questions on Form 990 or 990-EZ or to provide any additional information.**
**▶ Attach to Form 990 or 990-EZ.**

OMB No. 1545-0047
**2012**
**Open to Public Inspection**

| Name of the organization | Employer identification number |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

BE A SOURCE OF INFORMATION TO THE GENERAL PUBLIC, PROVIDE DIRECT ASSISTANCE TO MEN AND WOMEN IN THE SEA SERVICES AND SPONSOR A NUMBER OF SCHOLARSHIPS, PUBLIC RECOGNITION, AND YOUTH PROGRAMS WHICH ARE GEARED TOWARDS THE SEA SERVICES. FINALLY, THE NAVY LEAGUE SERVES AS AN ADVOCATE FOR THE SEA SERVICES IN VARIOUS PUBLIC FORUMS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

YOUTH PROGRAMS WHICH ARE GEARED TOWARDS THE SEA SERVICES. FINALLY, THE NAVY LEAGUE SERVES AS AN ADVOCATE FOR THE SEA SERVICES IN VARIOUS PUBLIC FORUMS.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

U.S. NAVAL SEA CADETS - GRANT TO FEDERALLY CHARTERED SECTION 501(C)(3) YOUTH ORGANIZATIONS ENGAGED IN NAVAL RELATED EDUCATIONAL PROGRAMS.

EXPENSES $ 686,951.   INCLUDING GRANTS OF $ 619,656.   REVENUE $ 0.

EDUCATIONAL PROGRAMS.

EXPENSES $ 558,742.   INCLUDING GRANTS OF $ 0.   REVENUE $ 0.

FORM 990, PART VI, SECTION A, LINE 2: FAMILY RELATIONSHIPS

DR. CAROL ANN HACKLEY AND T. COLE HACKLEY, BOTH DIRECTORS

STEPHEN WAYLETT, DIRECTOR AND WILLIAM J. WAYLETT, JR., EMPLOYEE OF NLUS

| Name of the organization | Employer identification number |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

SHARON GURKE AND LEE GURKE, BOTH DIRECTORS

ANNE HARPER AND NICK HARPER, BOTH DIRECTORS

PAT DUMONT AND DOLPH DUMONT, BOTH DIRECTORS

LINDA L. ASHBEY AND RICHARD ASHBEY, BOTH DIRECTORS

ROBERT COOK AND WARD COOK, BOTH DIRECTORS

REBECCA SUTTON AND ROBERT SUTTON, BOTH DIRECTORS

J. DOUGLAS CRAWFORD AND KAREN CRAWFORD, BOTH DIRECTORS

DIANE Z. JAFFA AND THOMAS E. JAFFA, BOTH DIRECTORS

FORM 990, PART VI, SECTION A, LINE 3: THE NLUS HAS CONTRACTED WITH CASSIDY/TURLEY, WHICH REPLACED LINCOLN PROPERTY-NLUS' FORMER COMMERCIAL PROPERTY MANAGEMENT COMPANY ON MARCH 1, 2012. CASSIDY/TURLEY IS A COMMERCIAL REAL ESTATE SERVICE THAT MANAGES THE DAILY OPERATIONS OF THE NAVY LEAGUE BUILDING - AND INVESTMENT OF THE NAVY LEAGUE.

FORM 990, PART VI, SECTION A, LINE 6: THE ORGANIZATION HAS ONE VOTING CLASS OF MEMBERS THAT ELECTS THE DIRECTORS. ALL MEMBERS HAVE EQUAL VOTING RIGHTS. ONE VOTE PER MEMBER.

FORM 990, PART VI, SECTION A, LINE 7A: THE MEMBERSHIP OF THE ORGANZIATION ELECTS THE DIRECTORS OF THE ORGANIZATION. THERE IS ONLY ONE CLASS AND EACH

| Name of the organization | Employer identification number |
| --- | --- |
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

MEMBER HAS ONE VOTE.

FORM 990, PART VI, SECTION A, LINE 7B: THE MEMBERS ELECT THE GOVERNING BODY OF THE ORGANIZATION.

FORM 990, PART VI, SECTION B, LINE 11: THE TOP MANAGEMENT OFFICIAL, TOP FINANCIAL OFFICIAL ALONG WITH MEMBERS OF THE FINANCIAL TEAM REVIEWED THE RETURN AFTER IT WAS PREPARED BY OUR AUDITORS FROM THE BOOKS, RECORDS AND OTHER INFORMATION SUPPLIED BY THE ORGANIZATION. THE RETURN WAS THEN MADE AVAILABLE TO THE STEERING COMMITTEE, AUTHORIZED BY THE LEAGUE'S BYLAWS TO ACT ON BEHALF OF THE BOARD OF DIRECTORS WHEN THE BOARD IS NOT IN SESSION, FOR REVIEW PRIOR TO FILING THESE DOCUMENTS WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C: WHEN THE BOARD OF THE LEAGUE MEETS THE NATIONAL PRESIDENT REMINDS THE BOARD OF THE CONFLICT OF INTEREST POLICY AND ASKS THEM TO DISCLOSE ANY CONFLICTS OF INTEREST. THE NLUS REQUIRES ALL BOARD MEMBERS, OFFICERS AND STAFF TO SIGN THE CONFLICT OF INTEREST POLICY, ACKNOWLEDGING THAT THEY HAVE READ AND UNDERSTOOD IT AND THAT THEY WILL INFORM THE LEAGUE IN WRITING OF ANY CONFLICTS UNDER THIS POLICY. NEW BOD MEMBERS AND STAFF ARE REQUIRED TO SIGN THE POLICY.

FORM 990, PART VI, SECTION B, LINE 15: THE NLUS EXECUTIVE DIRECTOR'S COMPENSATION IS DETERMINED AND REVIEWED BY THE NATIONAL PRESIDENT IN CONSULTATION WITH THE COMPENSATION COMMITTEE OF THE LEAGUE. THE COMMITTEE MAY CONSULT WITH INDEPENDENT PERSONS IN DETERMINING THE PAY PACKAGE OFFERED TO THE EXECUTIVE DIRECTOR. A WRITTEN EMPLOYMENT AGREEMENT IS EXECUTED. THE NLUS STAFF'S COMPENSATION IS DETERMINED AND REVIEWED BY THE EXECUTIVE DIRECTOR [ED]. THE ED MAY CONSULT WITH THE NATIONAL PRESIDENT AND THE

| Name of the organization | Employer identification number |
|---|---|
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

COMPENSATION COMMITTEE ON PAY RANGES AND FRINGE BENEFITS OFFERED TO THE EMPLOYEES OF THE LEAGUE. ALL STAFF HAVE WRITTEN EMPLOYMENT AGREEMENTS.

FORM 990, PART VI, LINE 17, LIST OF STATES RECEIVING COPY OF FORM 990:

AL,AK,AZ,AR,CA,CO,DC,DE,FL,HI,IA,KS,LA,ME,MD,MA,MI,MN,NC,ND,NJ,NH,NM,NY,OH
OK,OR,PA,RI,SD,TX,UT,VT,WA,WV,WY,CT,GA,IN,IL,KY,MT,MO,MS,NV,NE,SC,TN,VA,IL

FORM 990, PART VI, SECTION C, LINE 19: TO THE LEAGUE AT:  NAVY LEAGUE OF THE UNITED STATES, ATTN: EXECUTIVE DIRECTOR, 2300 WILSON BOULEVARD, SUITE 200. ARLINGTON, VA. 22201.

THE LEAGUE'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST AND ON THE "GUIDESTAR" WEBSITE.

FORM 990, PART IX, LINE 11G, OTHER FEES:

OTHER PROFESSIONAL FEES:

| | |
|---|---|
| PROGRAM SERVICE EXPENSES | 1,417,371. |
| MANAGEMENT AND GENERAL EXPENSES | 71,011. |
| FUNDRAISING EXPENSES | 2,083. |
| TOTAL EXPENSES | 1,490,465. |
| TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A | 1,490,465. |

FORM 990, PART XII, LINE 2C

THE PROCESS FOR OVERSEEING THE AUDIT OF THE FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT THAT AUDITED THE FINANCIAL STATEMENTS HAS BEEN CONSISTENT WITH PRIOR YEARS.

| Name of the organization | Employer identification number |
| --- | --- |
| NAVY LEAGUE OF THE UNITED STATES | 53-0116710 |

FORM 990, PART VI, SECTION B, LINE 16B

THE ORGANIZATION IS CURRENTLY IMPLEMENTING A WRITTEN POLICY THAT REQUIRES THE ORGANIZATION TO NEGOTIATE, IN ITS TRANSACTION AND ARRANGEMENTS WITH OTHER MEMBERS OF THE ARRANGEMENT, SUCH TERMS AND SAFEGUARDS AS ARE ADEQUATE TO ENSURE THAT THE ORGANIZATION'S EXEMPT STATUS IS PROTECTED.  THE WRITTEN POLICY WILL BE PUT INTO EFFECT BY THE END OF FY 2013.

**SCHEDULE R (Form 990)**
Department of the Treasury
Internal Revenue Service

# Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
**2012**
**Open to Public Inspection**

Name of the organization: NAVY LEAGUE OF THE UNITED STATES

**Employer identification number** 53-0116710

**Part I** **Identification of Disregarded Entities** (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

| (a) Name, address, and EIN (if applicable) of disregarded entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Total income | (e) End-of-year assets | (f) Direct controlling entity |
|---|---|---|---|---|---|
| NAVY LEAGUE BUILDING, LLC - 54-2061880<br>2300 WILSON BOULEVARD<br>ARLINGTON, VA 22201 | TO OWN, OPERATE, LEASE, SELL OR MANAGE COMMERCIAL REAL ESTATE. | DELAWARE | 8,785,660. | 47,528,865. | NAVY LEAGUE OF THE UNITED STATES |
| | | | | | |
| | | | | | |
| | | | | | |

**Part II** **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? Yes | No |
|---|---|---|---|---|---|---|---|
| NAVY LEAGUE FOUNDATION - 31-1677884<br>2300 WILSON BLVD.<br>ARLINGTON, VA 22201 | AWARD COLLEGESCHOLARSHIPS TO DEPENDENTS/DESCENDENTS OF SEA SERVICE PERSONNEL | DELAWARE | 501(C)(3) | 7 | NAVY LEAGUE OF THE UNITED STATES | X | |
| NAVAL SEA CADET CORPS - 52-0808385<br>2300 WILSON BLVD.<br>ARLINGTON, VA 22201 | A FEDERALLY CHARTERED YOUTH ORGANIZATION THAT IS ENGAGED IN NAVAL RELATED | WASHINGTON | 501(C)(3) | 7 | NAVY LEAGUE OF THE UNITED STATES | X | |
| | | | | | | | |
| | | | | | | | |

**For Paperwork Reduction Act Notice, see the Instructions for Form 990.** **Schedule R (Form 990) 2012**

SEE PART VII FOR CONTINUATIONS

**Part III** **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Predominant income (related, unrelated, excluded from tax under sections 512-514) | (f) Share of total income | (g) Share of end-of-year assets | (h) Disproportionate allocations? Yes | (h) No | (i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? Yes | (j) No | (k) Percentage ownership |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |

**Part IV** **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Direct controlling entity | (e) Type of entity (C corp, S corp, or trust) | (f) Share of total income | (g) Share of end-of-year assets | (h) Percentage ownership | (i) Section 512(b)(13) controlled entity? Yes | (i) No |
|---|---|---|---|---|---|---|---|---|---|
| NAVY LEAGUE DEVELOPMENT CORPORATION - 20-2522528, 2300 WILSON BLVD., ARLINGTON, VA 22201 | OWN,OPERATE GARAGE AT 2300 WILSON | DE | NAVY LEAGUE BUILDING, LLC. | C CORP | 624,996. | 6,774,209. | 100.00% | | X |
| NAVY LEAGUE BUILDING CONDOMINIUM UNIT OWNERS ASSOCIATION - 20-5692155, 2300 WILSON BLVD., ARLINGTON, VA 22201 | MANAGE OFFICE CONDO. | VA | NAVY LEAGUE OF THE UNITED STATES | C CORP | 1,666,019. | 1,039,032. | 95.86% | X | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

**Part V Transactions With Related Organizations** (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35b, or 36.)

| **Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule. | | Yes | No |
|---|---|---|---|
| **1** During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV? | | | |
| **a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity | 1a | | X |
| **b** Gift, grant, or capital contribution to related organization(s) | 1b | X | |
| **c** Gift, grant, or capital contribution from related organization(s) | 1c | | X |
| **d** Loans or loan guarantees to or for related organization(s) | 1d | | X |
| **e** Loans or loan guarantees by related organization(s) | 1e | | X |
| **f** Dividends from related organization(s) | 1f | | X |
| **g** Sale of assets to related organization(s) | 1g | | X |
| **h** Purchase of assets from related organization(s) | 1h | | X |
| **i** Exchange of assets with related organization(s) | 1i | | X |
| **j** Lease of facilities, equipment, or other assets to related organization(s) | 1j | | X |
| **k** Lease of facilities, equipment, or other assets from related organization(s) | 1k | | X |
| **l** Performance of services or membership or fundraising solicitations for related organization(s) | 1l | | X |
| **m** Performance of services or membership or fundraising solicitations by related organization(s) | 1m | | X |
| **n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) | 1n | X | |
| **o** Sharing of paid employees with related organization(s) | 1o | X | |
| **p** Reimbursement paid to related organization(s) for expenses | 1p | | X |
| **q** Reimbursement paid by related organization(s) for expenses | 1q | | X |
| **r** Other transfer of cash or property to related organization(s) | 1r | | X |
| **s** Other transfer of cash or property from related organization(s) | 1s | | X |

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| | **(a)** Name of other organization | **(b)** Transaction type (a-s) | **(c)** Amount involved | **(d)** Method of determining amount involved |
|---|---|---|---|---|
| **(1)** | NAVAL SEA CADET CORPS | B | 619,656. | CASH |
| **(2)** | | | | |
| **(3)** | | | | |
| **(4)** | | | | |
| **(5)** | | | | |
| **(6)** | | | | |

## Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

| (a) Name, address, and EIN of entity | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Predominant income (related, unrelated, excluded from tax under section 512-514) | (e) Are all partners sec. 501(c)(3) orgs.? Yes | (e) No | (f) Share of total income | (g) Share of end-of-year assets | (h) Dispropor-tionate allocations? Yes | (h) No | (i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065) | (j) General or managing partner? Yes | (j) No | (k) Percentage ownership |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
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| | | | | | | | | | | | | | |

## Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

PART II, IDENTIFICATION OF RELATED TAX-EXEMPT ORGANIZATIONS:

NAME OF RELATED ORGANIZATION:

NAVAL SEA CADET CORPS

PRIMARY ACTIVITY: A FEDERALLY CHARTERED YOUTH ORGANIZATION THAT IS ENGAGED

IN NAVAL RELATED ED

## 2012 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 10 990

| Asset No. | Description | Date Acquired | Method | Life | Conv | Line No. | Unadjusted Cost Or Basis | Bus % Excl | Section 179 Expense | * Reduction In Basis | Basis For Depreciation | Beginning Accumulated Depreciation | Current Sec 179 Expense | Current Year Deduction | Ending Accumulated Depreciation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | BUILDINGS | | | | | | | | | | | | | | |
| 5 | BUILDING | VARIOUS | SL | 39.00 | MM | 16 | 29237767. | | | | 29237767. | 4,638,171. | | 749,686. | 5,387,857. |
| | * 990 PAGE 10 TOTAL BUILDINGS | | | | | | 29237767. | | | | 29237767. | 4,638,171. | | 749,686. | 5,387,857. |
| | FURNITURE & FIXTURES | | | | | | | | | | | | | | |
| 1 | FURNITURE & EQUIPMENT | VARIOUS | 200DB | 7.00 | HY | 17 | 731,121. | | | | 731,121. | 589,852. | | 66,907. | 656,759. |
| | * 990 PAGE 10 TOTAL FURNITURE & FIXTURES | | | | | | 731,121. | | | | 731,121. | 589,852. | | 66,907. | 656,759. |
| | LAND | | | | | | | | | | | | | | |
| 3 | LAND | VARIOUS | L | | | | 4,102,268. | | | | 4,102,268. | | | 0. | |
| | * 990 PAGE 10 TOTAL LAND | | | | | | 4,102,268. | | | | 4,102,268. | 0. | | 0. | 0. |
| | OTHER | | | | | | | | | | | | | | |
| 2 | COMPUTER EQUIPMENT | VARIOUS | 200DB | 5.00 | HY | 17 | 1,435,900. | | | | 1,435,900. | 1,150,480. | | 149,628. | 1,300,108. |
| 4 | LAND IMPROVEMENTS | VARIOUS | SL | 15.00 | | 16 | 994,532. | | | | 994,532. | 492,421. | | 50,208. | 542,629. |
| 6 | TENANT IMPROVEMENTS | VARIOUS | SL | 15.00 | | 16 | 10188733. | | | | 10188733. | 5,585,314. | | 1,157,375. | 6,742,689. |
| 7 | INFORMATION SYSTEMS | VARIOUS | 200DB | 5.00 | HY | 17 | 2,561,444. | | | | 2,561,444. | 2,561,444. | | 0. | 2,561,444. |
| 8 | LOAN COST | VARIOUS | | 10M | HY | 43 | 504,717. | | | | 504,717. | 344,748. | | 159,969. | 504,717. |
| 9 | LEASE COMMISSIONS | VARIOUS | | 15M | HY | 43 | 4,661,676. | | | | 4,661,676. | 3,172,211. | | 1,489,465. | 4,661,676. |
| 10 | CAPITALIZED LEASE-GREAT AMERICA | VARIOUS | 200DB | 10.00 | HY | 17 | 93,426. | | | | 93,426. | 9,343. | | 18,685. | 28,028. |
| | * 990 PAGE 10 TOTAL OTHER | | | | | | 20440428. | | | | 20440428. | 13315961. | | 3,025,330. | 16341291. |

228111
05-01-12

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

## 2012 DEPRECIATION AND AMORTIZATION REPORT

FORM 990 PAGE 10 990

| Asset No. | Description | Date Acquired | Method | Life | Conv | Line No. | Unadjusted Cost Or Basis | Bus % Excl | Section 179 Expense | * Reduction In Basis | Basis For Depreciation | Beginning Accumulated Depreciation | Current Sec 179 Expense | Current Year Deduction | Ending Accumulated Depreciation |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | * GRAND TOTAL 990 PAGE 10 DEPR & AMORT | | | | | | 54511584. | | | | 54511584. | 18543984. | | 3,841,923. | 22385907. |

228111
05-01-12

(D) - Asset disposed

* ITC, Salvage, Bonus, Commercial Revitalization Deduction, GO Zone

Form **990-T** | **Exempt Organization Business Income Tax Return** | OMB No. 1545-0687

**(and proxy tax under section 6033(e))**

**2012**

Department of the Treasury
Internal Revenue Service

For calendar year 2012 or other tax year beginning , and ending

Open to Public Inspection for 501(c)(3) Organizations Only

A [ ] Check box if address changed

Name of organization ( [ ] Check box if name changed and see instructions.)

NAVY LEAGUE OF THE UNITED STATES

D Employer identification number (Employees' trust, see instructions.) 53-0116710

B Exempt under section [X] 501(c )(3 ) [ ] 408(e) [ ] 220(e) [ ] 408A [ ] 530(a) [ ] 529(a)

Print or Type

Number, street, and room or suite no. If a P.O. box, see instructions.
2300 WILSON BOULEVARD, NO. 200

City or town, state, and ZIP code
ARLINGTON, VA 22201-3308

E Unrelated business activity codes (See instructions)
541800 531120

C Book value of all assets at end of year 57,951,119.

F Group exemption number (see instructions) ▶

G Check organization type ▶ [X] 501(c) corporation [ ] 501(c) trust [ ] 401(a) trust [ ] Other trust

H Describe the organization's primary unrelated business activity. ▶ ADVERTISING INCOME FROM PUBLICATIONS AND RENTAL ACTIVITIES

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ▶ [ ] Yes [X] No

If "Yes," enter the name and identifying number of the parent corporation. ▶

J The books are in care of ▶ RYAN C. DONALDSON, CORP. COUNSEL Telephone number ▶ 703-528-1775

## Part I Unrelated Trade or Business Income

| | | Line | (A) Income | (B) Expenses | (C) Net |
|---|---|---|---|---|---|
| 1a | Gross receipts or sales | | | | |
| b | Less returns and allowances c Balance ▶ | 1c | | | |
| 2 | Cost of goods sold (Schedule A, line 7) | 2 | | | |
| 3 | Gross profit. Subtract line 2 from line 1c | 3 | | | |
| 4a | Capital gain net income (attach Schedule D) | 4a | | | |
| b | Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) | 4b | | | |
| c | Capital loss deduction for trusts | 4c | | | |
| 5 | Income (loss) from partnerships and S corporations (attach statement) | 5 | | | |
| 6 | Rent income (Schedule C) | 6 | | | |
| 7 | Unrelated debt-financed income (Schedule E) | 7 | 7,575,278. | 7,824,911. | -249,633. |
| 8 | Interest, annuities, royalties, and rents from controlled organizations (Sch. F) | 8 | | | |
| 9 | Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | 9 | | | |
| 10 | Exploited exempt activity income (Schedule I) | 10 | | | |
| 11 | Advertising income (Schedule J) | 11 | 1,512,357. | 1,069,992. | 442,365. |
| 12 | Other income (see instructions; attach statement) | 12 | | | |
| 13 | **Total.** Combine lines 3 through 12 | 13 | 9,087,635. | 8,894,903. | 192,732. |

## Part II Deductions Not Taken Elsewhere (see instructions for limitations on deductions)

(except for contributions, deductions must be directly connected with the unrelated business income)

| | | | | Line | Amount |
|---|---|---|---|---|---|
| 14 | Compensation of officers, directors, and trustees (Schedule K) | | | 14 | |
| 15 | Salaries and wages | | | 15 | |
| 16 | Repairs and maintenance | | | 16 | |
| 17 | Bad debts | | | 17 | |
| 18 | Interest (attach statement) | | | 18 | |
| 19 | Taxes and licenses | | | 19 | |
| 20 | Charitable contributions (see instructions for limitation rules) | | | 20 | |
| 21 | Depreciation (attach Form 4562) | 21 | | | |
| 22 | Less depreciation claimed on Schedule A and elsewhere on return | 22a | | 22b | |
| 23 | Depletion | | | 23 | |
| 24 | Contributions to deferred compensation plans | | | 24 | |
| 25 | Employee benefit programs | | | 25 | |
| 26 | Excess exempt expenses (Schedule I) | | | 26 | |
| 27 | Excess readership costs (Schedule J) | | | 27 | 442,365. |
| 28 | Other deductions (attach statement) | | | 28 | |
| 29 | **Total deductions.** Add lines 14 through 28 | | | 29 | 442,365. |
| 30 | Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 | | | 30 | -249,633. |
| 31 | Net operating loss deduction (limited to the amount on line 30) | | | 31 | 0. |
| 32 | Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 | | | 32 | -249,633. |
| 33 | Specific deduction (generally $1,000, but see instructions for exceptions) | | | 33 | 1,000. |
| 34 | **Unrelated business taxable income.** Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 | | | 34 | -249,633. |

## Part III Tax Computation

35 **Organizations taxable as corporations** (see instructions for tax computation).
Controlled group members (sections 1561 and 1563) check here ▶ ☐ **See instructions** and:
a Enter your share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order):
(1) $ (2) $ (3) $
b Enter organization's share of: (1) Additional 5% tax (not more than $11,750) $
(2) Additional 3% tax (not more than $100,000) $

| | | |
|---|---|---|
| c Income tax on the amount on line 34 ▶ | 35c | 0. |
| 36 **Trusts taxable at trust rates** (see instructions for tax computation). Income tax on the amount on line 34 from: ☐ Tax rate schedule or ☐ Schedule D (Form 1041) ▶ | 36 | |
| 37 **Proxy tax** (see instructions) ▶ | 37 | |
| 38 Alternative minimum tax | 38 | |
| 39 **Total.** Add lines 37 and 38 to line 35c or 36, whichever applies | 39 | 0. |

## Part IV Tax and Payments

| | | | | |
|---|---|---|---|---|
| 40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) | 40a | | | |
| b Other credits (see instructions) | 40b | | | |
| c General business credit. Attach Form 3800 | 40c | | | |
| d Credit for prior year minimum tax (attach Form 8801 or 8827) | 40d | | | |
| e **Total credits.** Add lines 40a through 40d | | | 40e | |
| 41 Subtract line 40e from line 39 | | | 41 | 0. |
| 42 Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach statement) | | | 42 | |
| 43 **Total tax.** Add lines 41 and 42 | | | 43 | 0. |
| 44 a Payments: A 2011 overpayment credited to 2012 | 44a | | | |
| b 2012 estimated tax payments | 44b | | | |
| c Tax deposited with Form 8868 | 44c | | | |
| d Foreign organizations: Tax paid or withheld at source (see instructions) | 44d | | | |
| e Backup withholding (see instructions) | 44e | | | |
| f Credit for small employer health insurance premiums (Attach Form 8941) | 44f | | | |
| g Other credits and payments: ☐ Form 2439 ☐ Form 4136 ☐ Other Total ▶ | 44g | | | |
| 45 **Total payments.** Add lines 44a through 44g | | | 45 | |
| 46 Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ ☐ | | | 46 | |
| 47 **Tax due.** If line 45 is less than the total of lines 43 and 46, enter amount owed ▶ | | | 47 | 0. |
| 48 **Overpayment.** If line 45 is larger than the total of lines 43 and 46, enter amount overpaid ▶ | | | 48 | 0. |
| 49 Enter the amount of line 48 you want: **Credited to 2013 estimated tax** ▶ | | **Refunded** ▶ | 49 | |

## Part V Statements Regarding Certain Activities and Other Information (see instructions)

| | Yes | No |
|---|---|---|
| 1 At any time during the 2012 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here ▶ | | X |
| 2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the organization may have to file. | | X |
| 3 Enter the amount of tax-exempt interest received or accrued during the tax year ▶ $ | | |

## Schedule A - Cost of Goods Sold. Enter method of inventory valuation ▶ N/A

| | | | | | |
|---|---|---|---|---|---|
| 1 Inventory at beginning of year | 1 | | 6 Inventory at end of year | 6 | |
| 2 Purchases | 2 | | 7 **Cost of goods sold.** Subtract line 6 from line 5. Enter here and in Part I, line 2 | 7 | |
| 3 Cost of labor | 3 | | 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? | Yes | No |
| 4a Additional section 263A costs (att. statement) | 4a | | | | |
| b Other costs (attach statement) | 4b | | | | |
| 5 **Total.** Add lines 1 through 4b | 5 | | | | |

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

▶ Signature of officer | Date | ▶ EXECUTIVE DIRECTOR Title

May the IRS discuss this return with the preparer shown below (see instructions)? X Yes ☐ No

**Paid Preparer Use Only**

| Print/Type preparer's name | Preparer's signature | Date | Check ☐ if self- employed | PTIN |
|---|---|---|---|---|
| YONG ZHANG, CPA | | | | P01249785 |
| Firm's name ▶ MCGLADREY LLP | | | Firm's EIN ▶ | 42-0714325 |
| Firm's address ▶ 8000 TOWERS CRESCENT DR. STE 500 VIENNA, VA 22182-6205 | | | Phone no. | 703-336-6400 |

## Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property) (see instructions)

1. Description of property

| |
|---|
| (1) |
| (2) |
| (3) |
| (4) |

| 2. Rent received or accrued | | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach statement) |
|---|---|---|
| (a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%) | (b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income) | |
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| Total 0. | Total 0. | |
| (c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ▶ | 0. | (b) Total deductions. Enter here and on page 1, Part I, line 6, column (B) ▶ 0. |

## Schedule E - Unrelated Debt-Financed Income (see instructions)

| 1. Description of debt-financed property | 2. Gross income from or allocable to debt-financed property | 3. Deductions directly connected with or allocable to debt-financed property (a) Straight line depreciation (attach statement) | (b) Other deductions (attach statement) |
|---|---|---|---|
| | | SEE STATEMENT 2 | SEE STATEMENT 3 |
| (1) OFFICE BUILDING | 7,575,278. | 2,377,340. | 5,447,571. |
| (2) | | | |
| (3) | | | |
| (4) | | | |

| | 4. Amount of average acquisition debt on or allocable to debt-financed property (attach statement) | 5. Average adjusted basis of or allocable to debt-financed property (attach statement) | 6. Column 4 divided by column 5 | 7. Gross income reportable (column 2 x column 6) | 8. Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
|---|---|---|---|---|---|
| | SEE STATEMENT 4 | SEE STATEMENT 5 | | | |
| (1) | 52,379,082. | 33,072,672. | 100.00% | 7,575,278. | 7,824,911. |
| (2) | | | % | | |
| (3) | | | % | | |
| (4) | | | % | | |
| | | | | Enter here and on page 1, Part I, line 7, column (A). | Enter here and on page 1, Part I, line 7, column (B). |
| Totals ▶ | | | | 7,575,278. | 7,824,911. |
| Total dividends-received deductions included in column 8 ▶ | | | | | 0. |

## Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

| 1. Name of controlled organization | 2. Employer identification number | Exempt Controlled Organizations 3. Net unrelated income (loss) (see instructions) | 4. Total of specified payments made | 5. Part of column 4 that is included in the controlling organization's gross income | 6. Deductions directly connected with income in column 5 |
|---|---|---|---|---|---|
| (1) | | | | | |
| (2) | | | | | |
| (3) | | | | | |
| (4) | | | | | |

Nonexempt Controlled Organizations

| 7. Taxable Income | 8. Net unrelated income (loss) (see instructions) | 9. Total of specified payments made | 10. Part of column 9 that is included in the controlling organization's gross income | 11. Deductions directly connected with income in column 10 |
|---|---|---|---|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| | | | Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A). | Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B). |
| Totals ▶ | | | 0. | 0. |

## Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization
(see instructions)

| 1. Description of income | 2. Amount of income | 3. Deductions directly connected (attach statement) | 4. Set-asides (attach statement) | 5. Total deductions and set-asides (col. 3 plus col. 4) |
|---|---|---|---|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| | Enter here and on page 1, Part I, line 9, column (A). | | | Enter here and on page 1, Part I, line 9, column (B). |
| Totals ▶ | 0. | | | 0. |

## Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income
(see instructions)

| 1. Description of exploited activity | 2. Gross unrelated business income from trade or business | 3. Expenses directly connected with production of unrelated business income | 4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. | 5. Gross income from activity that is not unrelated business income | 6. Expenses attributable to column 5 | 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4). |
|---|---|---|---|---|---|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| | Enter here and on page 1, Part I, line 10, col. (A). | Enter here and on page 1, Part I, line 10, col. (B). | | | | Enter here and on page 1, Part II, line 26. |
| Totals ▶ | 0. | 0. | | | | 0. |

## Schedule J - Advertising Income (see instructions)

### Part I Income From Periodicals Reported on a Consolidated Basis

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|---|---|---|---|---|---|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals (carry to Part II, line (5)) ▶ | 0. | 0. | | | | 0. |

### Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|---|---|---|---|---|---|---|
| (1) SEA POWER | 1,512,357. | 1,069,992. | 442,365. | 238,758. | 942,607. | 442,365. |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals from Part I | 0. | 0. | | | | 0. |
| | Enter here and on page 1, Part I, line 11, col. (A). | Enter here and on page 1, Part I, line 11, col. (B). | | | | Enter here and on page 1, Part II, line 27. |
| Totals, Part II (lines 1-5) ▶ | 1,512,357. | 1,069,992. | | | | 442,365. |

## Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

| 1. Name | 2. Title | 3. Percent of time devoted to business | 4. Compensation attributable to unrelated business |
|---|---|---|---|
| (1) | | % | |
| (2) | | % | |
| (3) | | % | |
| (4) | | % | |
| Total. Enter here and on page 1, Part II, line 14 ▶ | | | 0. |

FOOTNOTES STATEMENT 1

NET OPERATING LOSS CARRYFORWARD SCHEDULE

| | |
|---|---|
| 2002 NET OPERATING LOSS | 96,912. |
| 2003 NET OPERATING LOSS | 6,600. |
| 2004 NET OPERATING LOSS | 11,598. |
| 2005 NET OPERATING LOSS | 2,012,024. |
| 2006 NET OPERATING LOSS | 2,224,935. |
| 2007 NET OPERATING LOSS | 1,895,688. |
| 2008 NET OPERATING LOSS | 1,445,989. |
| 2009 NET OPERATING LOSS | 698,909. |
| 2010 NET OPERATING LOSS | 1,304,776. |
| 2011 NET OPERATING LOSS | 516,509. |
| TOTAL NET OPERATING LOSS AVAILABLE | 10,213,940. |

FORM 990-T SCHEDULE E - DEPRECIATION DEDUCTION STATEMENT 2

| DESCRIPTION | ACTIVITY NUMBER | AMOUNT | TOTAL |
|---|---|---|---|
| DEPRECIATION | | 1,930,172. | |
| AMORTIZATION | | 447,168. | |
| - SUBTOTAL - | 1 | | 2,377,340. |
| TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(A) | | | 2,377,340. |

FORM 990-T SCHEDULE E - OTHER DEDUCTIONS STATEMENT 3

| DESCRIPTION | ACTIVITY NUMBER | AMOUNT | TOTAL |
|---|---|---|---|
| CONDO ASSOC DUES | | 1,331,516. | |
| INTEREST EXPENSE | | 3,053,482. | |
| MANAGEMENT/PROFESSIONAL FEES | | 190,388. | |
| OTHER EXPENSES | | 4,212. | |
| PROPERTY TAX | | 867,973. | |
| - SUBTOTAL - | 1 | | 5,447,571. |
| TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 3(B) | | | 5,447,571. |

FORM 990-T AVERAGE ACQUISITION DEBT ON OR ALLOCABLE TO DEBT-FINANCED PROPERTY STATEMENT 4

| DESCRIPTION | ACTIVITY NUMBER | AMOUNT | TOTAL |
|---|---|---|---|
| AVERAGE ACQUISITION DEBT | | 52,379,082. | |
| - SUBTOTAL - | 1 | | 52,379,082. |
| TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 4 | | | 52,379,082. |

FORM 990-T AVERAGE ADJUSTED BASIS OF OR ALLOCABLE TO DEBT-FINANCED PROPERTY STATEMENT 5

| DESCRIPTION | ACTIVITY NUMBER | AMOUNT | TOTAL |
|---|---|---|---|
| AVERAGE ADJUSTED BASIS | | 33,072,672. | |
| - SUBTOTAL - | 1 | | 33,072,672. |
| TOTAL OF FORM 990-T, SCHEDULE E, COLUMN 5 | | | 33,072,672. |