

Coast Guard Mutual Assistance



2010 Annual Report



Coast Guard Mutual Assistance

provides essential financial aid to the entire Coast Guard family, chiefly through interest-free loans, grants, and financial counseling. Coast Guard Mutual Assistance (CGMA) strives to promote financial stability and general well being of the people it serves. Eligibility extends to Active Duty, Retired and Selected Reserve military personnel, Civilian employees, and Auxiliary members.

Then & Now

A Quick Sketch of CGMA History

1924

The League of Coast Guard Women is founded with a mission to “minister to the general welfare of the commissioned officers, warrant officers, enlisted men and civilian employees of the Coast Guard and their immediate families”

*Admiral F. C. Billard is Commandant;
Mrs. Billard becomes the first “Honorary President”*

1941

As the U.S. enters World War II, Coast Guard Welfare is formally established and assumes the League’s mission

1979

The organization’s name changes to Coast Guard Mutual Assistance

1998

CGMA centralizes operations and is incorporated in the Commonwealth of Virginia

2005

CGMA distributes \$3 million in direct aid to families affected by Hurricanes Katrina, Rita and Wilma

2009

CGMA celebrates 85 years of service to the men and women of the Coast Guard

Today

CGMA delivers over \$4 million in direct financial assistance through loans and grants each year. In the spirit of promoting financial stability, CGMA also offers a variety of education and family support programs that boost morale and enhance Coast Guard readiness

With over 135 locations throughout the Coast Guard, CGMA ensures emergency assistance is readily available whenever needed

CGMA has cross servicing agreements with sister aid societies – Air Force Aid Society, Army Emergency Relief and Navy-Marine Corps Relief Society.

Message from the Chairman

It is my pleasure to present the Coast Guard Mutual Assistance Annual Report for 2010. For over 85 years, CGMA has been our hand of compassion, reaching out to help our shipmates in times of need. CGMA promotes financial stability and general well being, as it serves as a financial safety net, fosters morale, and minimizes the impact of financial crises and unanticipated hardships.

I note with pride the generosity demonstrated by the Coast Guard family through their giving last year. Total contributions again exceeded \$2 million. Thanks to you, CGMA was able to meet the financial needs that arose in 2010. Direct financial assistance (loans and grants) totaled more than \$4.66 million. Another \$61,800 went toward other important programs and services, including free certified financial and homeowner crisis counseling services, respite care, federal student loan fee reimbursements, survivor benefit information services, and layettes for newborn babies.



Steady contributions and an increase in the investment portfolio helped CGMA end the year with its highest net worth ever, placing it in a very good position to meet future needs.

CGMA staff visits to locations around the country continued this year in an effort to increase awareness of CGMA and its assistance programs, so that those in need know where to turn.

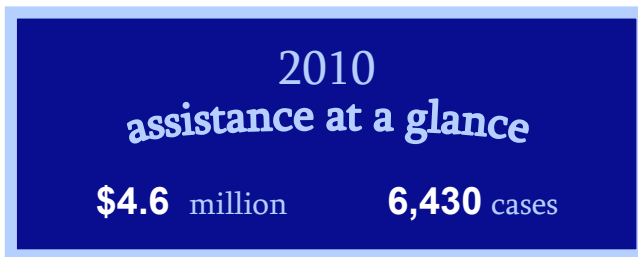
Special thanks go to the 400 CGMA Representatives and Assistant Representatives and the dedicated staff at CGMA Headquarters, who conduct day-to-day operations. I also commend the CGMA Board of Control for its diligent oversight. This team, working together, made for a successful 2010. I have every confidence that CGMA will continue to serve our shipmates and their families well into the future. I challenge all of you to honor and respect our shipmates by donating to CGMA during 2011— the year of the Military Family.

A handwritten signature in blue ink, appearing to read "R. Papp".

R. J. PAPP, JR.
Admiral, U.S. Coast Guard
Chairman
Coast Guard Mutual Assistance

Operating Overview

Since 1924, Coast Guard Mutual Assistance (CGMA) has been a source of essential financial aid to those in need within the Coast Guard community. Over the course of its service history, CGMA has given over \$158 million in financial assistance to serve those needs. In the past five years alone, CGMA has issued interest-free loans totaling \$20.4 million as well as personal and education grants totaling \$3.95 million in over 31,000 cases.



Loans and Grants

- **\$3.97** million in interest-free loans
- **\$117,000** in personal grants and grant conversions
- **\$232,000** in quick loans
- **2,780** cases

Education Assistance

- **\$639,000** in supplemental education grants
- **\$13,700** in interest-free loans
- **3,650** cases

Programs and Services

Over **\$61,800** was provided through resource programs

- Financial Counseling
- Loan Fee Reimbursement for student loans
- Baby Layettes for new members of the Coast Guard family
- Lifetime benefits for dependents of deceased active duty members
- Respite for full time caregivers

Breakdown of Assistance Dollars

Housing Expenses	\$1,507,514
Bills & Basic Living Expenses	\$1,240,571
Vehicle Repair	\$771,576
Education	\$652,799
Emergency Travel	\$265,789
Funeral Expenses	\$72,486
Medical & Dental	\$72,518
Other Expenses	\$82,224



CGMA understands the unique sacrifices of the Coast Guard family, especially when they face an unexpected financial need.

Whether helping members with emergency home repairs due to fire or flood, or emergency travel to witness the birth of their child or to visit the bedside of a critically ill parent, CGMA is ready to look after our own. In an effort to alleviate the stress of these and a host of other circumstances, members continue to turn to CGMA and find the support they need.

Over the past year, CGMA provided \$4.6 million in financial assistance.

Assistance and Program Expansion

2010 was a year of steady efforts and increased effectiveness in program delivery to clients and their families.

More Money Spent on Respite Care

The Respite Care program is offered to active duty Coast Guard members in close coordination with local Coast Guard Work-Life offices and the Family Advocacy Program Manager at Headquarters.

CGMA provides grant assistance to provide temporary care for an immediate family member with special medical needs. While rehabilitation, nursing, or home care can be overwhelming, this timely assistance provides a break to family members for a few hours a week over several months to help them find long term solutions.

Due to recent training and increased coordination with Coast Guard Work-Life, CGMA has seen a dramatic increase in use of the Respite Care program. Timely support for these families totaled \$24,000 in 2010. This marks a substantial increase—over six times more than was provided in 2009. As unique family situations put stress on the Coast Guard family, CGMA will continue to look for ways to provide relief.

Quick Loan Program Volume Increase

For quick emergency funds, the Quick Loan Program has successfully given active duty members an alternative to the penalties and high-interest rates of predatory payday lenders. The Quick Loan Program also empowers commanding officers and officers-in-charge with more flexibility as they address temporary financial problems facing members of their crew.

- Since inception the **Quick Loan** program has provided **1,050 loans**
- This past year, CGMA provided over **\$232,000** in quick loans, an **8.5% increase from 2009**

Outreach Program

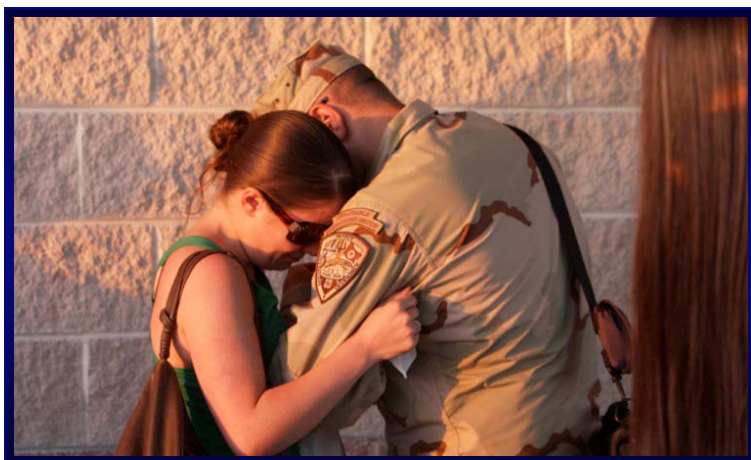
Increased outreach efforts have been a priority initiative since 2009.

Through on-site visits and information sessions, CGMA educates clients and their dependents. At all-hands training, spouse clubs, and family events, attendees learn about the variety of programs and services CGMA provides. These sessions also serve to clarify understanding of qualifying circumstances for applying for assistance. Clients are advised of how to prepare dependents prior to deployment and alerted to the various programs outside of emergency assistance that CGMA offers.

Last year, CGMA attended key events to increase exposure with significant audiences within the Coast Guard community. At the Coast Guard Officers' Spouses' Club of Washington, DC annual welcome tea, spouses of leadership were equipped to advocate for CGMA within their spheres. At the Annual Chief Petty Officers Association Convention in New Orleans, CGMA reached out to enlisted leadership. Other base trainings reached enlisted members and officers at Astoria Oregon, Milwaukee, WI, and Staten Island, New York. The 2011 outreach tour will touch Northern and Southern California, Miami, as well as Military Saves conferences, and Command Financial Specialist Trainings.

Any units interested in scheduling a CGMA Outreach training session should contact Coast Guard Mutual Assistance at:

ARL-DG-CGMA@uscg.mil



Source of Funds

Contributions

Though CGMA works closely with the Coast Guard, it is an independent non-profit organization and receives neither appropriated nor non-appropriated government funding. In order to continue performing its vital role within the Coast Guard community, CGMA relies on a steady infusion of funds from voluntary contributions.

Contributions are accepted throughout the year from individuals and organizations. A majority of the contributions CGMA receives are made through allotment/payroll deductions by Active Duty members, Retired Military members and Civilian Employees. These allotments/deductions account for 81% of \$2.1 million in donated funds for 2010.

Repayments on Loans

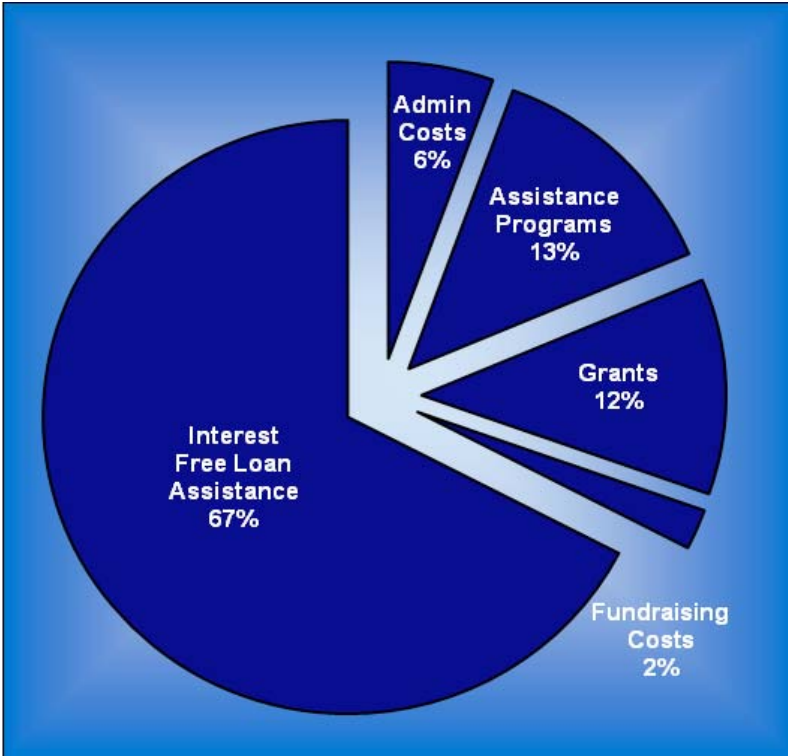
As the money distributed through interest-free loans is returned to CGMA, these funds are redistributed to other Coast Guard members in need, thereby recycling contribution dollars. Over \$4 million in repayments were made to CGMA in 2010, and over \$3.97 million was provided in interest-free loans.

Return on Investments (CGMA Portfolio)

CGMA operations are also supported by the capital generated from the investment portfolio. With a market value of \$15 million at the end of 2010, the portfolio allows CGMA to produce income through interest and dividends and grow capital in low-risk investments. Ultimately this resource serves as a safety net for CGMA to maintain seamless operations.

When needs exceed what exists in operating funds, CGMA will draw upon these funds. Whether during times of emergency or during the normal course of business, the portfolio provides a safeguard to meet needs without requiring additional contributions. Portfolio funds could sustain current CGMA operations for 7 years in the absence of donations.

Use of Funds



For every dollar donated in 2010, \$2.55 was issued in direct assistance and programs. An additional \$.22 covered administrative and fundraising costs.

CGMA Dollars Hard at Work

While only receiving \$2.1 million in donations in 2010, CGMA was able to provide over **\$3.97 million in interest-free loans**. An additional **\$692,000 in grants** were given. Program costs were \$770,000. Administrative costs were only \$328,000 and fundraising costs were kept at \$129,000.

Statements of Financial Position

For years ended December 31, 2010 and 2009

	2010	2009
Assets		
Cash and cash equivalents	\$ 927,382	\$ 859,106
Pledges receivable	715,000	690,000
Investments	15,077,409	13,018,078
Accrued Dividends and Interest	52,690	53,365
Loans Receivable – Net	2,948,091	3,169,261
Other Receivables	2,460	1,476
Property and equipment – Net	121,491	161,989
Total Assets	\$ 19,844,523	\$ 17,953,275
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 2,350	\$ 2,650
Accrued salaries and leave	51,646	47,334
Total Liabilities	53,996	49,984
Net Assets		
Unrestricted	19,000,335	17,125,164
Temporarily restricted	790,192	778,127
Total Net Assets	19,790,527	17,903,291
Total Liabilities and Net Assets	\$ 19,844,523	\$ 17,953,275

Independent Audit: Coast Guard Mutual Assistance Financial Statements for the years ended December 31, 2010 and 2009, were audited by independent auditors from the firm Murray, Jonson, White & Associates, LTD, Certified Public Accountants, of Falls Church, Virginia. Copies of the report have been provided to all members of the Coast Guard Mutual Assistance Board of Control. Copies of the audit report are available by contacting the Director of Finance, Coast Guard Mutual Assistance, US Coast Guard Stop 7180, 4200 Wilson Blvd, Suite 610, Arlington, Virginia 20598-7180.

Statements of Financial Activities

For years ended December 31, 2010 and 2009

	2010	2009
Revenues, Gains, and other Support		
Contributions		
Annual campaign collections	\$ 1,988,643	\$ 1,975,039
Other Donations and Misc.	137,700	172,436
Grants Repaid/Collection Agency Payments	9,067	7,997
Investments		
Interest and dividends	341,134	350,323
Realized and unrealized gains (losses)	1,275,166	1,560,238
Investment Management Fees	(57,644)	(51,229)
Donated facilities	112,596	109,919
Total Revenues, Gains, and Other Support	3,806,662	4,124,723
Expenses		
Program Expenses	1,462,068	1,549,008
Supporting Services		
General and Admin Expenses	328,348	331,364
Fundraising expense	129,010	125,846
Total Expenses	1,919,426	2,006,218
Change in Net Assets	1,887,236	2,118,505
Net Assets at Beginning of Year	17,903,291	15,784,786
Net Assets at End of Year	\$ 19,790,527	\$ 17,903,291

Board of Control

December 31, 2010

CGMA BOC Officers

Chairman	Admiral Robert J. Papp, Jr., USCG
President	Rear Admiral Ronald T. Hewitt, USCG
Vice President	Master Chief Petty Officer Emily L. Jennings, USCG
Treasurer	Commander Sean R. Murtagh, USCG
Secretary/Executive Director	Mr. Barry M. Boisvere

CGMA BOC Members

Commissioned Officer	Commander Sean R. Murtagh, USCG
Commissioned Officer	Commander Beth A. Naff, USCG
Commissioned Officer	Lieutenant Commander Omar Vazquez, USCG
Chief Warrant Officer	Chief Warrant Officer Brent A. Light, USCG
MCPOCG	Master Chief Petty Officer CG Michael P. Levitt, USCG
Enlisted (E-7 or above)	Master Chief Petty Officer Emily L. Jennings, USCG
Enlisted (E-6 or below)	Petty Officer Second Class David Nava, USCG
Reserve	Commander Annette M. Tomkins, USCGR
Civilian	Mr. Frank G. Tatu
Retired	Senior Chief Petty Officer Gregory A. Pankau, USCG (Ret.)
Auxiliary	AUX Ordice A. Gallups
Officer's Spouse	Mrs. JulieAnn Thomas
Enlisted Member's Spouse	Mrs. Kristina Tanasichuk
Medical/TRICARE Specialist	Mr. Timothy M. Merrell
Family Support Specialist	Mr. Rodney B. Whaley

CGMA BOC Alternates

MCPOCG	Master Chief Petty Officer Bobbie J. Sisto, USCG
Enlisted (E-7 or above)	Master Chief Petty Officer CGRF Mark H. Allen, USCGR

Contributors

With sincere appreciation for the wonderful support received throughout 2010, CGMA acknowledges the contributions generously given by the following individuals, companies and organizations.

Corporate and Organization Contributors

of \$1,000 or More

Belvoir Woods Protestant Mission Society
Dallas Military Ball Corporation
Hampton Inn & Suites, Carolina, PR
North Banks Rotary Club
USCG Auxiliary Flotilla 053-04-09
The Boston Foundation
The USAA Foundation
QRP, Incorporated

Individual Contributors

of \$1,000 or More

Mr. William F. Abt, Jr.
Mr. William Franklin
Mrs. Ariadna Miller
Ms. Eugenia L. Koburger
Mr. & Mrs. Christopher Cowley
CAPT Robert T. Platt, USCG (Ret)

Author Royalties – *Character in Action*

Donald T. Phillips
ADM James M. Loy, USCG (Ret.)

Memorial Contributions were received in memory of

Mr. David Arnold
Mr. Lawrence E. Baker
TTC Roscoe Beavers
Mrs. Melvia W. Berry
CAPT Robert C. Branham
CWO Robert Buotte
Mr. Jon Burgese
Mr. John A. Collier
Mr. Lois Connor
Mr. Mark Davis
Mr. Leo J. Delatte
CAPT Mark Fisher
Mr. Joel Frisch
Mr. Fred Gill
Mr. Floyd F. Gill
Mr. Lewis Hazell
Ms. Bobbye D. James
Mr. Carl E. Kesse
Mr. John Markowski

Mr. G. William Miller
Mr. Robert O’Gorman
Mr. Adam Ostapenko
Ms. Darlene Owen
Mr. Norris Smith
CWO Betty Splaine
Mr. Bruce Tobiasson
Mr. William G. True
Mr. Harry C. Weare, Jr.
Mr. William Wheatly

Air Crew, CG1705

LCDR Che J. Barnes
LT Adam W. Bryant
AMTC John F. Seidman
AET2 Carl P. Grigonis
AET2 Monica L. Beachman
AMT2 Jason S. Moletzsky
AMT3 Danny R. Kreder II

Bequests

Coast Guard Mutual Assistance is truly honored and appreciative for the generosity of the following individuals and their commitment to the future of CGMA.

Chief Warrant Officer Elizabeth F. Splaine, USCG (Ret.)
Commander Christina M. Hosking, USCGR (Ret.)

Looking After Our Own Since 1924

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