



CHIEF PETTY OFFICER SCHOLARSHIP FUND



2012 ANNUAL REPORT TO THE PUBLIC (1/1/11 – 12/31/11)

THE CPOSF MISSION

In accordance with §501(a) of the tax code, the Chief Petty Officer Scholarship Fund (CPOSF) is recognized by the IRS as a §501(c)(3) tax-exempt public charity. Its exclusive purpose is to provide educational scholarships to qualified family members of Navy Chief Petty Officers to lessen or alleviate the burden occasioned by the use of loans and other non-gift funding used to finance higher education.

Our mission is to generate funding through both direct and indirect public support and distribute those funds in the form of educational scholarships. Ultimately, we desire to be the first option for members of the Navy Chief Petty Officer community seeking to fund higher education for their spouse and/or children. Based on continuing response we anticipate significant and continuous general public support from diverse sources of financial contributions such as individuals and organizations in the military community, individuals in the private sector, and the corporate sector. To date, we have distributed almost three quarters of a million dollars in scholarships.

By organizing and managing all aspects of the fund as a public charity with tax-exempt status, we enjoy greater ability to generate donations due to tax deductibility for the donor. We are also able to distribute more of the monies received in the form of educational scholarships. All Officers, Trustees, Committee Members, etc., currently involved with the CPOSF work on a volunteer basis without compensation.

OUR PROGRAM SERVICES

Each year, the Chief Petty Officer Scholarship Fund provides scholarships to qualified family members of active duty, retired, and reserve Navy Chief Petty Officers. Scholarships are awarded by check directly to the appropriate bursar or student aid office of the institution to which the student has been accepted for attendance. Awards take place prior to the commencement of each academic year. Awards are based on a formal selection board review of academic achievement, recommendation letters from school officials, and a personal essay submitted by and for each applicant. The Senior Enlisted Academy Alumni Association performs the functional role of the CPOSF Scholarship Selection Committee. Their purpose is to accomplish an in-depth review of annual student applications and, upon completion, present to the CPOSF Board of Directors their recommended slate of scholarship awardees for the academic year. Normally, the slate of selected recipients is completed and approved by June. Once notified that they have been selected, students complete and forward to the CPOSF Treasurer the student information form provided on our website at www.cposf.org, which includes the name and address of the institution they will attend as well as sponsor (parent)



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information. Checks are then disbursed to the appropriate schools in the name of the student. All scholarship monies are disbursed by September of each year.

THE YEAR IN REVIEW

In 2011, we participated in the National Combined Federal Campaign as a member charity of Military Family and Veterans Service Organizations of America Federation under the banner of Independent Charities of America and realized a profitable revenue year. Therefore, we were able to increase the number of our scholarship grants, awarding \$117,000.00 in scholarship money. These scholarships were provided to fifty-six children and spouses of Chief Petty Officers all across the country and in every fleet concentration area around the globe.

In 2011, we awarded the third annual MCPON Thomas Crow Memorial Scholarship of \$5,000.00 to the top seeded applicant chosen by the Senior Enlisted Academy Alumni Association Selection Committee.

As a member of the Military Family and Veterans Service Organizations of America Federation under Independent Charities of America, not only were we a part of the National CFC Campaign but we participated as an affiliated member in good standing in state, local, and United Way campaigns throughout the 2011 fundraising year as well.

Our Articles of Incorporation were renewed and recorded by the Virginia State Corporation Commission, as well as our registration with the Offices of Consumer Affairs in Florida, California, Illinois, Wisconsin, and Virginia, in compliance with state statutes regarding solicitation of charitable contributions. We continue to develop efficiencies in our record keeping processes to ensure compliance with all laws, regulations, and reporting requirements to which our organization might be subject.

In 2011, we held our inaugural fund raising event called "The Best of the Mess," a top chef style cook-off featuring Navy Culinary Specialists. The 2011 Best of the Mess title went to the team from USS THEODORE ROOSEVELT, CVN 71. Due to its great success, The Best of the Mess will be our signature annual fundraising event. Also in 2011, we hosted our third annual CPOSF Day at Harbor Park, and our first annual CPOSF Golf Tournament at Naval Air Station Oceana. Due to our undertaking of two new fundraising efforts, our annual expense to income ratio increased above 26%. We expect this to be a one-time occurrence and that in 2012 our fundraising expense to income ratio will return to the 10% - 15% margin. The 2011 CPO Day at King's Dominion was, unfortunately cancelled due to inclement weather.

In 2011, we were able to establish active volunteer support in the Pacific Northwest and Hawaii affording the CPOSF with greater worldwide coverage. Our volunteers in the Northeast and Southeast continue to provide wonderful support as well.



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In 2011, we received donations from 22 separate Chief Petty Officer organizations in the amount of \$32,864.67. These funds were raised through events such as golf tournaments, 5K runs, CPO Selectee transition functions, and donations “in honor of.” We continue to receive donations from active duty military organizations/personnel via direct donation and payroll deduction and through check disbursements from military retirees through the Defense Finance and Accounting Services.



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AUDITED FINANCIAL STATEMENTS SUMMARY

For the year ended December 31, 2011

Public Support:

Contributions	\$ 122,871.00
Fundraising Income	\$ 43,708.00
Investment Income	\$ 10,107.00
Interest on Accounts	\$ 197.00
Total Revenue	\$ 176,883.00

Expenses:

<u>Program Services</u>	
Scholarships	\$117,000.00
Total Program Services	\$117,000.00

Supporting Services

Fundraising	\$ 26,784.00
Advertising & Marketing	\$ 7,176.00
Postage & Supplies	\$ 645.00
Professional Fees	\$ 4,375.00
Telephone	\$ 2,313.00
General & Administrative	\$ 250.00
Rent	\$ 3,296.00
Printing & Copying	\$ 1,092.00
Supplies	\$ 1,505.00
Total Supporting Services	\$ 47,436.00

Total Expenses	\$164,436.00
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Annual Expense to Income Ratio: 26.81%

Change in Unrestricted Net Assets \$ 12,447.00

Unrestricted Net Assets

Beginning of Year	\$321,062.00
End of Year	\$333,509.00

The CPOSF is audited by the firm of Kenneth L. Jarrett, P.C., Certified Public Accountant of Hampton, Virginia. A complete copy of his report for the fiscal year ended 12/31/2011, as well as a copy of the current CPOSF Form 990 IRS tax return is available via written request.

GOVERNANCE

The Chief Petty Officer Scholarship Fund is governed by an all-volunteer board of directors who receive no compensation for their services.

MCPON Robert J. Walker, USN (ret), Chairman
MCPON Duane R. Bushey, USN (ret), Vice-Chairman
FORCM Jesse J. Elliott, USN (ret), President
Tina Mazzaferro, Treasurer
HMCS(SW) Melissa Foster, Secretary

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