



HEART OF AMERICA PATRIOT FOUNDATION

"Because Freedom Is Not Free"

March 11, 2022

Dear Friends,

I'm pleased to present The Heart of America Patriot Foundation (HOAPF) Annual Report for 2021 which discloses the result of operations for the calendar year. The 2021 financial numbers were very impressive and allowed us to launch our new vision and expand our outreach and footprint. Our Foundation now supports eleven partnering colleges and universities which provide matching contributions to fund scholarships for spouses and children of the deceased or 100% disabled veteran.

This year, our Foundation contributed over \$275,000 to these institutions, and with their matching contributions, over half a million dollars will support scholarships for eligible candidates. The need is great and our goal for 2022 and beyond is to identify additional institutions willing to partner and help reduce the financial burden facing the families of such deserving disabled veterans.

Our all-volunteer Board has worked tirelessly, without compensation, in support of our mission. As a result, I am proud to report that our administrative expense is less than 2%, meaning that over 98 cents of every dollar goes to support the disabled veteran families. Given that our donations are then matched by our partner institutions, a \$1 contribution to HOAPF results in \$1.96 in available scholarships.

We want to again thank you for your unhesitating support. The pandemic continues to present many difficult challenges for everyone. And yet, during a time of many hardships, you have once again embraced the veteran and their families by enthusiastically supporting our Foundation. We are truly humbled and forever grateful.

We hope to see you at our signature fundraising "Patriot Benefit" on Monday, September 12, 2022, at the Nicklaus Golf Club at LionsGate.

Sincerely,

A handwritten signature in black ink that reads "Alan R. Gorthy, Jr." in a cursive style.

Alan R. Gorthy, Jr.
President, HOAPF
Captain, USN Retired

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Heart of America Patriot Foundation

Honor veterans. Support their legacy.

2021 Annual Report

The Heart of America Patriot Foundation (HOAPF) enjoyed a record year thanks to the generous support of foundations, corporate sponsors, donors, and volunteers. We implemented our new vision: scholarships for spouses and children of deceased or 100% disabled veterans with the greatest financial need, to graduate debt free from colleges who match 100% of HOAPF donations.

HOAPF's three primary fund-raising sources include:

1. Annual Patriot Golf Benefit (which includes a very moving public veteran honoring ceremony) enjoyed a net gain over 2020. However, the net gain is likely to top out at \$40,000 if the Benefit remains limited to 36 teams at a \$1,500 donation/team.
2. Donations also increased slightly this year over last. However, in 2022 we must secure more corporate sponsors aligned with our mission and willing to contribute. In 2021 we committed an extraordinary amount of time and effort to host a Speaker Series and all four national level speakers agreed to present without compensation. A benefit analysis of time committed vs donation yield given the proliferation of podcasts led to suspending the series.
3. Foundation Grants were our largest source of funds in 2021 and will remain an important focus of future HOAPF fundraising efforts. We are fortunate, the first two foundations to embrace our mission with grants, the Geraldine and R.A. Barrows Foundation, UMB Bank n.a., Trustee, and Veterans United Foundation have indicated interest in maintaining this relationship.

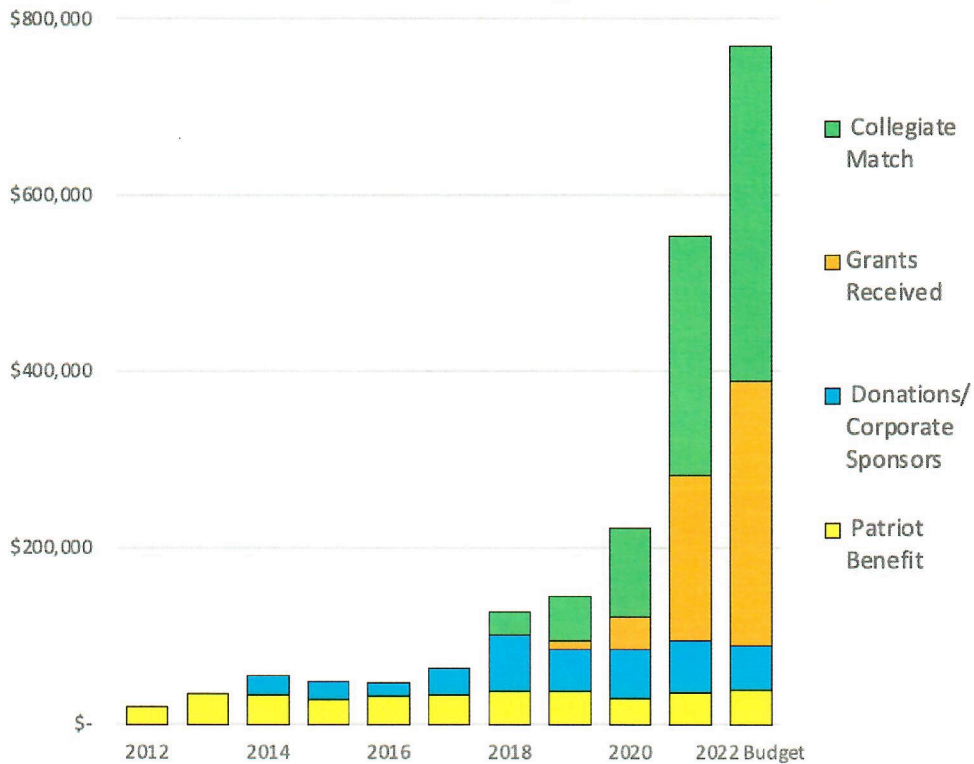
In 2021, HOAPF received three new grants. One foundation, that wishes to remain anonymous, was so impressed by our mission, our all-volunteer low-cost organization, and our partner colleges' 100% matching funds, that they provided a substantial one-time grant, despite running their own scholarship program.

Both the Anchorage Foundation of Texas and the Johnny Mac Soldiers Fund provided very substantial grants. It is our hope to establish long-term relationships with them based on our shared missions of supporting veterans and their families. We are humbled by the foundation support received in 2021, as it expresses trust in HOAPF's stewardship of their funds.

HOAPF is an all-volunteer organization committed to operating an extremely cost-effective non-profit. In 2021, we reduced our administrative expense ratio to 1.6%. We pledge to continue this effort, so our supporters know their generosity has the highest possible impact on veteran families. The combination of increased revenue and decreased expenses resulted in our disburseable income increasing by almost 150% in 2021. See financial statements on page 3.

HOAPF's greatest impact multiplier is the fact that all our partner education institutions commit to matching 100% of HOAPF scholarship donations. This equated to \$270,000 matching funds in 2021 compared to \$100,000 in 2020. While these funds do not appear in our financial statements, they significantly increase our impact. The chart on the next page summarizes HOAPF's annual revenue growth with the recent addition of foundation grants and collegiate matching since we started 10 years ago. The chart graphically demonstrates our geometric growth and impact on the lives of those deserving veteran's families.

**Heart of America Patriot Foundation
Comparison of Revenues, Matching Funds and Total Impact**



Our 2022 budget reflects our goal to grow foundation grants so more veteran dependents, with the greatest financial need, graduate from college debt free. We hope our success raising money, controlling costs, and obtaining matching funds presents an attractive option for philanthropies.

Finally, we owe an immense debt of gratitude to deceased or 100% disabled veterans and we ask for your continuing support as a tangible way of acknowledging our never-ending appreciation for the selfless service and sacrifice these veterans gave the United States of America.

Sincerely,

Your Heart of America Patriot Foundation Board

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Heart of America Patriot Foundation
Financial Statements as of December 31, 2021

HOAPF Balance Sheet

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Assets			
Unrestricted Cash	\$ 81,543	\$ 11,679	\$ 16,522
Restricted Cash	90,000	-	-
Pledges Receivable	-	1,500	-
Prepaid Benefit Expense	3,060	-	-
Total Assets	<u>\$ 174,603</u>	<u>\$ 13,179</u>	<u>\$ 16,522</u>
Liabilities and Fund Balance			
Prepaid Benefit Registration	\$ 1,500	\$ -	\$ -
Accounts Payable	159,500	-	-
Fund Balance	13,603	13,179	16,522
Total Liabilities and Fund Balance	<u>\$ 174,603</u>	<u>\$ 13,179</u>	<u>\$ 16,522</u>

HOAPF Income Statement

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Revenue			
The Patriot Benefit			
Benefit Registration Fees	\$ 52,500	\$ 44,500	\$ 54,000
Benefit In-Kind Contributions	11,950	6,750	9,522
Course Rental Expense	12,503	12,240	12,873
Other Expenses	16,403	9,981	13,190
Net Gain from the Patriot Benefit	<u>35,544</u>	<u>29,029</u>	<u>37,459</u>
Donations Revenue	58,407	55,613	46,999
Grant Revenue	188,500	37,000	10,000
Total Revenue	<u>282,451</u>	<u>121,642</u>	<u>94,458</u>
Administrative Expenses			
Insurance Expense	2,531	2,346	2,234
Other Administrative Expenses	1,996	4,538	7,371
Total Administrative Expenses	<u>4,527</u>	<u>6,884</u>	<u>9,605</u>
Disbursable Income	277,924	114,757	84,853
Grants Disbursed			
Colleges and Universities	277,500	113,000	80,000
Other Grants	-	5,100	25,470
Total Grants Disbursed	<u>277,500</u>	<u>118,100</u>	<u>105,470</u>
Net Income	<u>\$ 424</u>	<u>\$ (3,343)</u>	<u>\$ (20,617)</u>

HOAPF Statement of Fund Balance

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Beginning Fund Balance	\$ 13,179	\$ 16,522	\$ 37,139
Net income	424	(3,343)	(20,617)
Ending Fund Balance	<u>\$ 13,603</u>	<u>\$ 13,179</u>	<u>\$ 16,522</u>