

2017 Annual Report to Members

President's Report

I have had the privilege of serving as the President and Chief Executive Officer of the Marine Corps Association & Foundation for a year now and I am proud to say that our future is bright.

2017 marked a third consecutive year of membership growth for MCA&F. Increasing and retaining members continues to be a top priority for us as we work diligently to uphold the legacy of our founder, John A. Lejeune. Both officer and enlisted Marines see the value in joining their professional association. We have plans in place to continue to grow in size and in the level of support we provide Marines.

In 2018, we will be guided in large part by our new Strategic Plan. The plan is a five-year look at our organizational goals, objectives and supporting actions required to achieve our vision in support of Marines. We will work diligently to improve upon our recognition as the preeminent professional association and foundation of the Marine Corps by being responsive to the needs of our members and a valued partner in Marine leader development.

Other 2018 goals include enhancing connections between Marines, academia, industry, government and other thought leaders. We continue to ensure meaningful program, product, and benefit delivery in support of commanders' objectives for leadership development and professional growth through our Foundation. We will also continue efforts to increase membership in the Marine Corps Association & Foundation.

MCA&F remains focused on our role as the acknowledged partner of the Corps in leader development and professional military education. To that end, our Foundation programs have supported more than 50% of today's active duty Marines with Commanders' Forums, Commandant's Reading List libraries and writing programs. We consider it a privilege and responsibility to play a role in the professional and leadership development of today's and tomorrow's Marine Corps leaders.

Finally, we continue to enjoy the support of many veteran Marines as well as active duty senior leaders in the Corps to ensure that our support to today's Marines continues unabated. Whether encouraging membership, using and acknowledging our programs, attending professional and awards dinners, connecting with Marine Corps veterans and friends of the Corps, or presenting one of our many awards to a deserving Marine, your support makes a big difference in developing today's and tomorrow's leaders. Thanks for your continued engagement and support of General Lejeune's legacy.

Semper Fidelis,

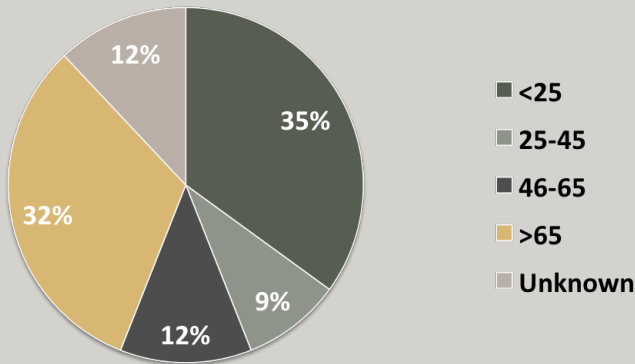
Lieutenant General William M. Faulkner, USMC (Ret)
President & Chief Executive Officer
Marine Corps Association & Foundation



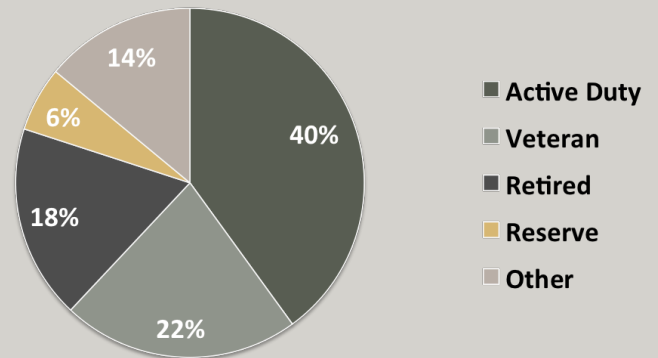
Membership

Members are the lifeblood of the Marine Corps Association & Foundation and for the third year in a row, MCA&F membership increased. This increase was due in part to an emphasis on improving the membership experience and an organization wide focus on advancing the reach of the association. Our area representatives on the east coast, west coast, and the greater capital region continued to excel at spreading awareness of MCA&F's mission and recruiting new members.

MCA&F Members by Age



MCA&F Member Status



Current members continue to be the best advocates for the Marine Corps Association & Foundation and we encourage members to share their experiences with Marines and friends of the Corps. Please continue to keep your own record information accurate and up-to-date by visiting our website (www.mca-marines.org) or calling Member Services at 866-622-1775.

MCA&F MEMBERSHIP BY TYPE	
Regular	60,304
Life	5,133
Insured	4,008
Corporate	5
Total	69,480

MCA&F ACTIVE DUTY MEMBERS	
Officer	3,851
Enlisted	24,053

**Marine Corps Association
Statement of Activities
Years Ended December 31, 2017 and 2016**

	2017	2016
REVENUE		
Retail Operations	\$ 7,033,500	\$ 6,892,700
Publications and Memberships	2,586,500	2,541,000
Insurance, Royalties, USAA Sponsorship & Other	735,200	717,400
Professional Development Dinners	809,100	899,200
Total Revenue	11,164,300	11,050,300

EXPENSES		
Retail Operations	6,341,000	6,297,600
Publications and Memberships	1,944,800	1,941,900
Professional Development Dinners	522,100	545,600
Administrative	2,778,900	2,962,100
Total Expenses	11,586,800	11,747,200

Change in Net Assets Before Investment Activity	(422,500)	(696,900)
Gain on Investments	1,104,400	564,800
CHANGE IN NET ASSETS	\$ 681,900	\$ (132,100)

Marine Corps Gazette

The professional journal of the Marine Corps, the *Marine Corps Gazette*, accomplished its goal of being the preeminent source for professional debate on issues affecting the Corps. The *Gazette* published monthly issues focusing on innovation, aviation, logistics, C4 and intelligence that sparked lively debate and interest throughout the Corps from young Marines to senior leaders. The popularity of the *Gazette*'s Tactical Decision Games continued to grow and continued to play a role in the professional development of junior and senior Marines alike. The *Gazette* furthered its mission of professional development by taking a lead role in the intellectual component of several professional events including the planning and execution of four senior officer panel discussions at the Modern Day Marine Expositions at Marine Corps Base Quantico in September, and the Kiser Family Irregular Warfare Symposium.

For 2018, the *Gazette* will assist MCA&F in expanding its role as the professional association of all Marines by partnering with Deputy Commandants and senior commanders to further align editorial themes with the priorities of the Corps' leaders. The *Gazette* will also increase its partnership with Marine Corps University resulting in more opportunities for leader development and involvement with today's Marines. Information Warfare, Ground Operations, Acquisitions, and Training & Education will be featured themes in issues of the *Gazette* in 2018. The *Gazette* will continue to sponsor writing contests including the Irregular Warfare essay contest culminating in the second annual Irregular Warfare symposium. Similar to 2017, the *Gazette* will boost its impact on the intellectual development of Marines by supporting the Marine South Expo, Modern Day Marine, and other events.



The *Gazette* is of, by, and for Marines and can only prosper if Marines of all ranks, backgrounds, and experiences continue to submit articles to the publication. Thank you to all Marines who submitted articles in 2017.

Leatherneck, the Magazine of Marines

In 2017, *Leatherneck Magazine* continued its illustrious history of being the Magazine of Marines- yesterday, today, and tomorrow. The magazine celebrated its 100th anniversary in November 2017 with a special edition of the publication. The issue featured new stories and articles from throughout the publication's history. The cover was based on a painting commissioned for the occasion and \$7900 was raised for our Foundation when it was auctioned off.



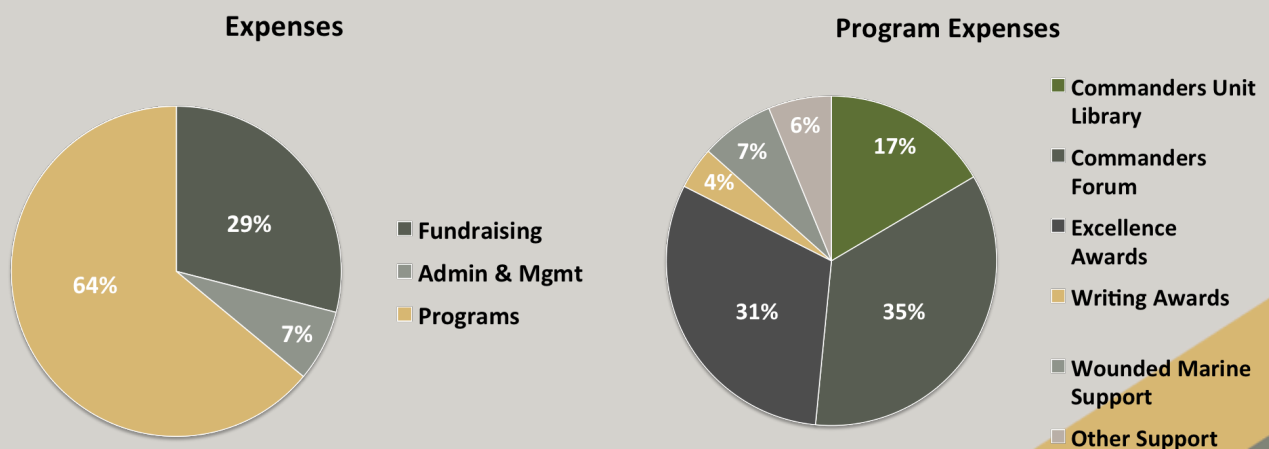
The Marine Corps will celebrate many anniversaries in 2018, and *Leatherneck* will be paying tribute to these anniversaries throughout the year. This will include the World War II centennial, the 75th anniversaries of numerous battles throughout the Pacific in World War II including Tarawa and Cape Gloucester, and the 50th anniversary of the Tet Offensive and Hue City. In August, *Leatherneck* will be commemorating the 100th anniversary of women in the Corps. *Leatherneck* will also publish interviews with General Alfred M. Gray, the 29th Commandant of the Marine Corps, and Major General Charles Bolden, Marine pilot, astronaut and NASA administrator.

Thank you to our dedicated readers, from aspiring Marines in high school to World War II veterans, for supporting *Leatherneck* for the last 100 years and making it the iconic publication it is today. Our members can read both magazines in print, online at www.mca-marines.org, and via our app, available in the Android Store, Google Play and the App Store.

Marine Corps Association Foundation

The Foundation saw growth in 2017, in particular with more awareness and demand for our programs. As commanders and their senior enlisted leaders became more aware of the flexibility of the Marine Corps Association Foundation programs, they found creative ways to implement these for their Marines.

There have been more libraries supported, some additional writing awards with unit writing contests, and some unique commander's forums provided, such as 2nd Battalion, 2nd Marine Regiment's recent visit to the battlefield of Marathon, Greece while the battalion was deployed in Europe as part of a Special Purpose MAGTF.



Program Support	
Libraries	225
Excellence Awards	+8,000
Writing Awards	54
Forums	68
Funding	+\$986,000

and junior Marines, conduct research and make a presentation on the battle of Belleau Wood. The winning team will be sent to the 100th Anniversary ceremony at Belleau Wood in May 2018.

We have also had a unit approach the Foundation about tailoring an annual professional military education (PME) program to their unique command, to include limited copies of selected titles for their unit library to support the overall PME plan. We may also bring some of the authors of the selected titles to be guest speakers to the Marines after they have read and discussed the books, further enhancing the professional education.

These are just a few examples of how the Foundation programs support the creativity of Marine unit leaders today and can be tailored to meet the needs of their Marines.

Marine Corps Association & Foundation Events

We hosted a dozen events in 2017. We conducted professional and awards events throughout the Corps including dinners in Hawaii and Albany, GA. Our annual dinner at Camp Pendleton, CA during Marine West was a huge success.

In addition to our professional dinners, MCA&F co-hosted several excellence awards dinners held to recognize the Marines and civilians who excelled within several of the Corps' occupational fields including the logistics, combat arms, intelligence and

Additionally, important Marine Corps historical events have been the focus of programs, such as the 100th anniversary of Belleau Wood in 2018. A unit at Quantico created a unique contest, under the Commander's Forum program, to have teams of Marines made up of company grade officers, staff noncommissioned officers, noncommissioned officers,

Marine Corps Association Foundation Statement of Activities Years Ended December 31, 2017 and 2016

	2017	2016
REVENUE		
Contributions, Gifts, Grants	\$1,684,700	\$1,437,700
Federated Campaigns	17,000	16,300
Contribution from MCA	75,000	280,000
Membership Dues	30,800	30,700
Investment Income	6,500	5,600
Total Revenue	1,814,000	1,770,300

EXPENSES		
Programs	986,700	975,900
General & Administrative	112,400	130,800
Fundraising	446,300	412,500
Total Expenses	1,545,400	1,519,200

CHANGE	\$268,600	\$251,100
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Temporarily Restricted	\$311,600
Unrestricted	\$294,200
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	\$605,800

command, control, communications and computer fields. Guest speakers included General Robert Neller, Commandant of the Marine Corps; General Glenn Walters, Assistant Commandant of the Marine Corps; LtGen David Berger, Commanding General, Marine Corps Forces, Pacific; and LtGen Daniel O'Donohue, Deputy Commandant for Information.

A total of 4,357 guests attended MCA&F events including 1839 active duty service members – a 9% increase over 2016. Our overall event attendance was up 5% over the prior year.



MCA&F also participated in Marine Week Detroit by hosting a luncheon and awards ceremony for Wounded Warriors. The end of 2017 saw significant preparations being made for our first professional dinner in Okinawa held in coordination with III Marine Expeditionary Force to be held in early January 2018.

We encourage all Marines and friends of the Corps to join us at

our 2018 events. Thank you to the hundreds of sponsors whose generous support and belief in our mission make our events possible by allowing us to honor our outstanding Marines and provide professional military education for them as well.

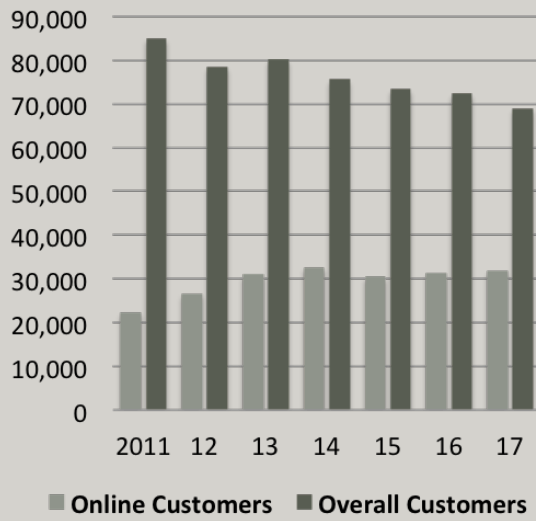
Information on our 2018 event programs can be found at www.mca-marines.org/events.

Retail

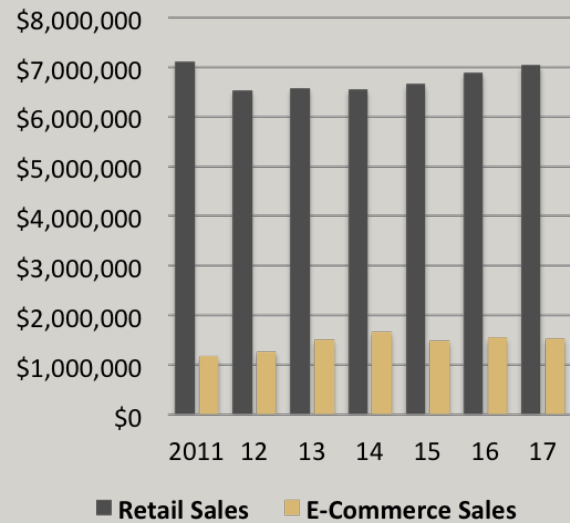
The MARINE Shop remains the preeminent source for Marine Corps uniforms and items related to the Corps. Its use of high quality materials, our exceptional customer service, and dedicated staff contributed to more Marines purchasing their uniforms from *The MARINE Shop* in 2017 than any year prior. Additionally, retail sales surpassed the \$7,000,000 mark for the first time since 2011 and proceeds from retail sales go to the Foundation to support Marines. In 2018, *The MARINE Shop* is looking to continue its sales growth and serve more Marines and friends of the Corps. The Camp Lejeune store has relocated to a larger space to achieve this goal. *The MARINE Shop* will be offering copies of the Leatherneck Anniversary print for sale in the Spring of 2018.



The MARINE Shop Customers



The MARINE Shop Sales



Along with its traditional stores in Quantico and Camp Lejeune, The MARINE Shop can also be found online at www.marineshop.net. The online shop provides the same high quality products as the brick and mortar stores with the added convenience of shopping from your own home.



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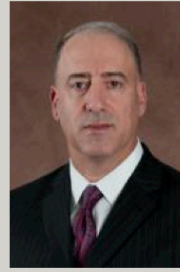
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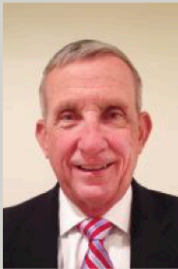
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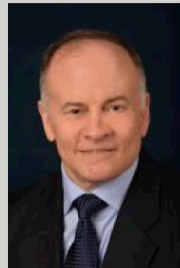
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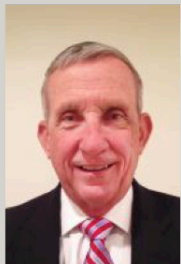
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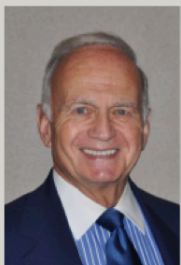
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