



Children *of* Fallen Patriots Foundation

ENSURING A COLLEGE EDUCATION FOR THOSE THEY LEFT BEHIND



2014 Annual Report

HAPPINESS IS THE FRUIT OF FREEDOM,
FREEDOM, THE PRICELESS GIFT OF VALOR.

— Pericles, 432 BC

Agenda

- **Why does Children of Fallen Patriots Foundation exist?**
- What is the need?
- What has Fallen Patriots accomplished so far?
- Future vision
- Fallen Patriots team



History

THERE IS A PERSISTENT NEED FOR FALLEN PATRIOTS

- Bridging the gap between sources of grants and scholarships and the total cost of college
- Covering all branches of the armed forces
- \$7.4 million in grants to 474 students since inception
 - 5670 total children identified
- **Key Findings:**
 - Families accept only what they need
 - Government funding leaves a gap and is cumbersome to access
 - Hard for children to find all the available help
 - Hard to find the children; many are slipping between the cracks
 - Average gap per student is ~\$32,000 for four years of college

FALLEN PATRIOTS ROLE: FILL IN THE GAPS IN THE SYSTEM

Post-secondary institutions attended by Fallen Patriots children:

THE UNIVERSITY OF ALABAMA



FLORIDA CHRISTIAN COLLEGE

Strong in the Scriptures

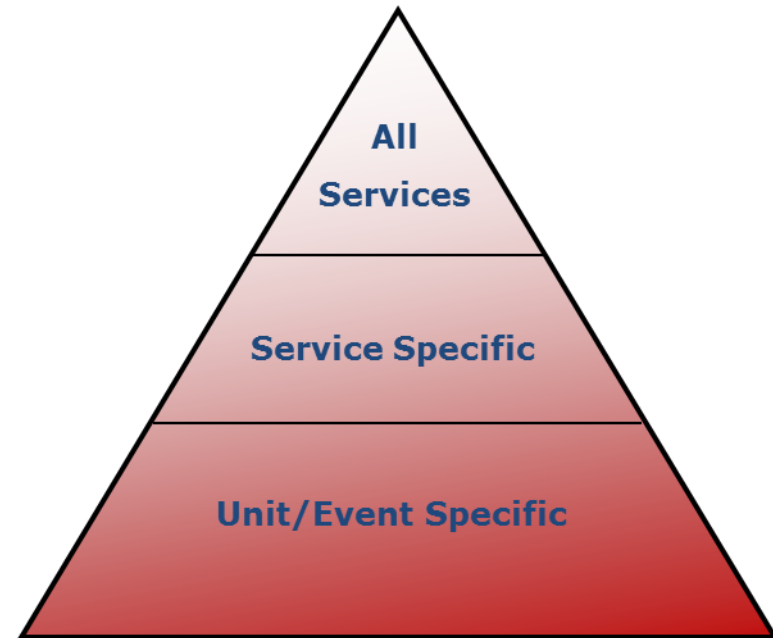


Children of Fallen Patriots Role

FALLEN PATRIOTS IS UNIQUELY FOCUSED

- **Hundreds of groups with similar missions**
 - Yet each group tends to focus on one slice of the pie
 - And many are involved in other activities beyond scholarships
 - *Fragmented sources of capital*
- **Locating the children is the huge inefficiency in this market**
 - No other group consistently finds the same children as Fallen Patriots
 - The Fallen Patriots database is one of, if not the, largest in the “industry”
 - *Fragmented “customer base”*
- **Marines and Special Forces are fully covered**
- **However, largest casualty pool (Army, Navy and Air Force) is under-served**
 - Fallen Patriots covers all branches of the armed forces

Sister Organizations



OUR RELENTLESS FOCUS– FIND ALL THE CHILDREN



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What is the Need?

HUGE NEED FOR FUNDING; DIFFICULT TO FIND CHILDREN

FUNDING

- **Over 6,000 fatalities in the Global War on Terror**
 - Over 4,000 children left behind
- **Additionally, ~500 on-duty fatalities each year**
 - Over 20,000 children left behind over the last 35 years
- **Over 1,000 sources of grants and scholarships**
 - However, no central database of help for children
 - Process confusing and burdensome for children
 - Help available in small increments
 - Government programs don't cover full cost
- **Fallen Patriots proven ~\$32,000 gap between funding and total college costs per child**

OVER \$500M IN TOTAL NEED

TRACKING

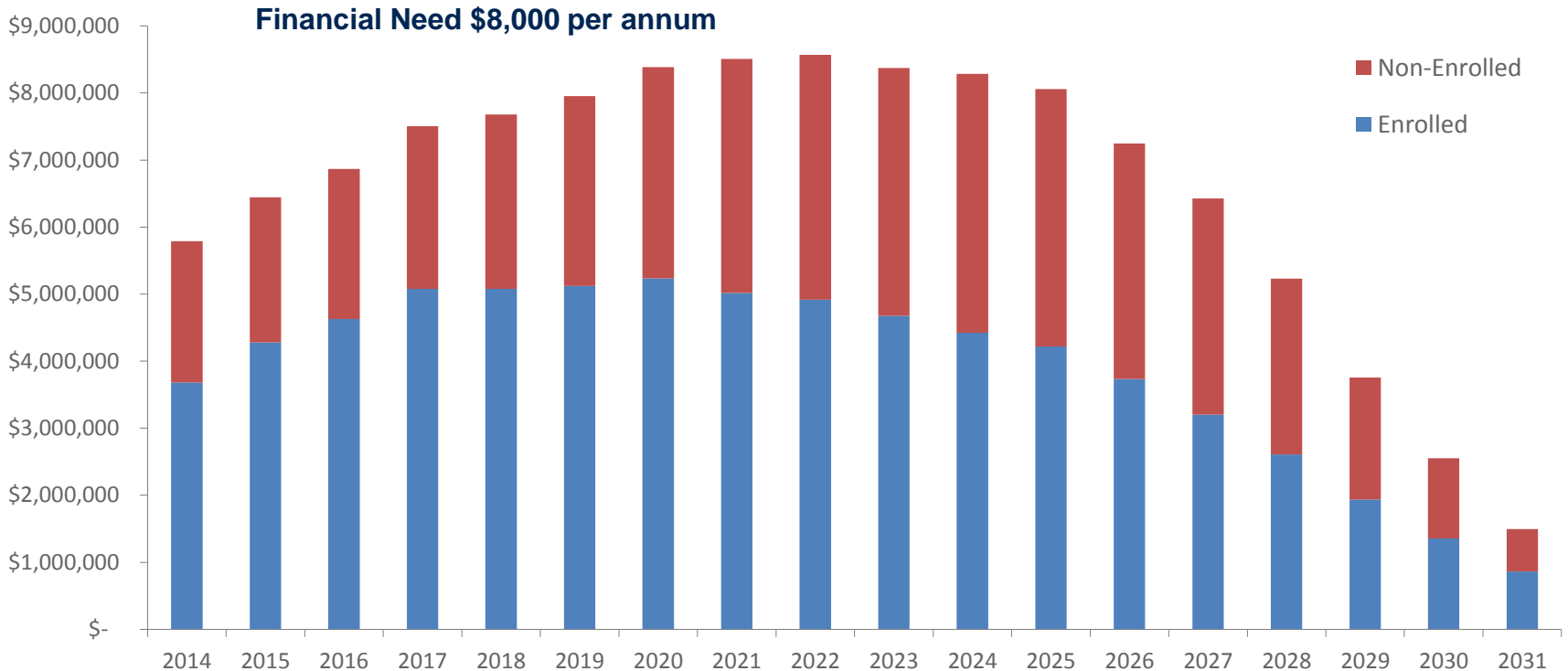
- **No central, updated database of children**
- **Privacy act protects the families, yet inhibits contact**
- **DoD maintains list of combat casualties**
- **But, only physical addresses provided**
 - *NOT* email or phone
- **Only half of families respond to Fallen Patriots enrollment mailings**
 - Busy rebuilding; move away
- **No organized way to find training fatalities**
 - But these are the bulk of our Fallen Patriots

ENROLLED ~ 17% OF ELIGIBLE CHILDREN



Program Update

PROJECTED IMMEDIATE USE GRANTS BY YEAR



- **Identified children: 5,670 – about 28% of the target universe**
- **474 have received grants thus far, totaling \$7.4 million**
- **Total projected need of identified children \$120 million**



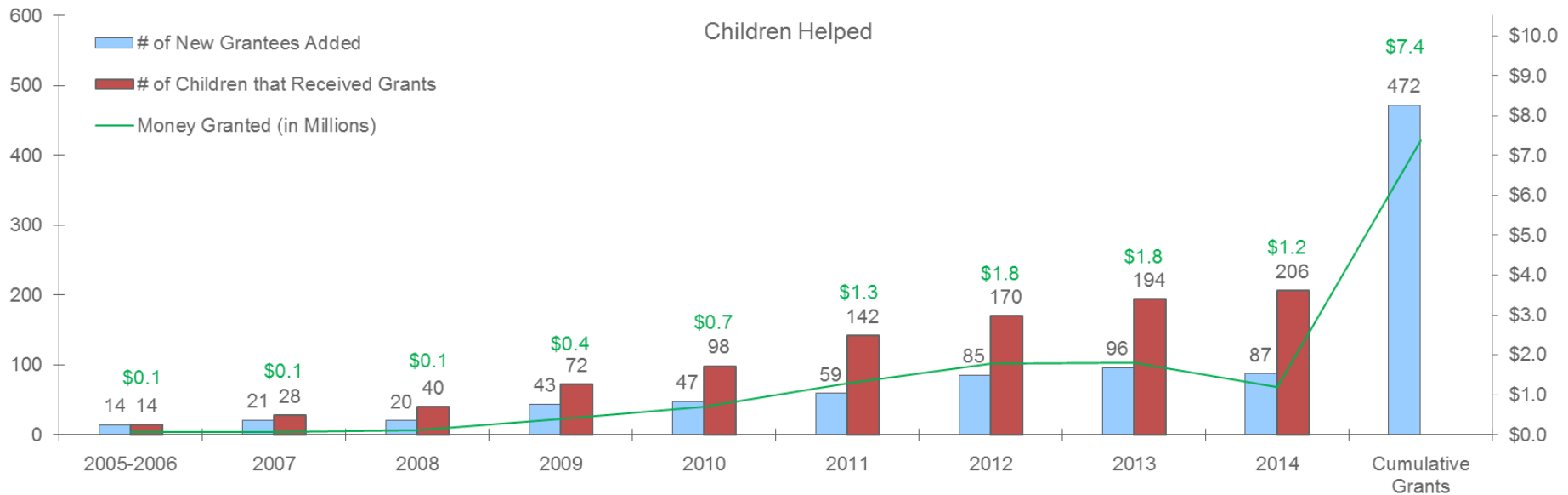
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Program Update

SOLID GROWTH IN SCHOLARSHIPS



- **Budgeting 2015 grants at \$1.2 million**
- **206 students assisted in 2014 versus 194 in 2013**
- **\$7.4 m granted to 474 students since inception**
- **137 students have graduated; average GPA 3.25**
- **313 students currently in school; average GPA 2.86**



2014 Financial Information

- **2014 revenues were \$3,344,662 vs. \$3,348,175 in 2013**
- **2014 program expenses (scholarships) were \$1,162,078 vs. \$1,804,080 in 2013**
 - Served 206 students in 2014 vs. 194 in 2013
 - Cumulative grants since inception are \$7.4 m
- **2014 management and general expenses were \$412,661 vs. \$274,601 in 2013**
- **2014 fundraising expenses were \$672,011 vs. \$505,307 in 2013**
- ***Fallen Patriots board donations were \$839,250 in 2014 and \$1,051,154 in 2013***
 - *2013 + 2014 board donations more than cover all operating expenses*
- **2014 end of year Net Assets were \$1,654,934. We ended with cash of \$1,388,835 and another \$316,462 in contributions receivable**
 - Strong financial position going into 2015



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- **Future vision**
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Future Vision

- **Heightened national awareness**
 - *The American people love our troops!*
- **Identify and help all military children left behind over the last 35 years**
 - Across all branches of the armed forces (all line of duty deaths – i.e. KIA, accident, illness, suicide, etc.)
 - Increased dialogue with the Department of Defense and VA
- **Expand scope of educational benefits**
 - Severely wounded
 - 40,000+ wounded from Iraq and Afghanistan
- **Expand scope of educational counseling**
 - Case worker approach to planning for college and finding aid
- **Expand fundraising**
 - Major donor campaign
 - Events across the country; viral fundraising
 - Online

WE WILL SUPPORT *EVERY* CHILD OF OUR FALLEN PATRIOTS



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Board of Advisors



Hollister K. Petraeus

Military Spouse & Daughter

Holly is a government employee and the former Director of BBB Military Line®. She has extensive experience as a volunteer leader in military family programs where she has received numerous awards.



COL (R) Jack H. Jacobs

Medal of Honor Recipient, MSNBC Commentator

Jack entered the U.S. Army in 1966, is a Vietnam veteran and retired as a Colonel in 1987. He was formerly a Managing Director at Bankers Trust and is currently an on-camera and political analyst for NBC.



David Alexander

CEO and President, TruGreen

David is president of TruGreen and has an outstanding track record of executive leadership in customer service, operations, supply chain and driving revenue growth at companies including Citi Trends and Family Dollar Stores, Inc.



Nancy Armstrong

Web Producer, MAKERS: Women Who Make America

Nancy Armstrong currently works as a web producer on MAKERS: Women Who Make America – a multi-platform AOL/PBS project that tells the compelling story of women's advancement in America over the past 50 years.



Steve Cannon

President & CEO, Mercedes Benz USA

Steve Cannon took on his current role in January 2012. He has overall responsibility for Mercedes-Benz passenger cars, Mercedes-Benz Vans, and the smart brand in the United States. He leads MBUSA's 1,700+ employees and 360 dealers throughout the U.S.



Chris Clarke

Co-Founder and CEO PureGrowth Group

Chris is a social entrepreneur with a unique mix of vision, creativity and global operational expertise. His core strengths include business and brand strategy, new product innovation and creative thinking, that together, work to yield measurable and significant business results.



Board of Advisors



David Y. Kim

President & Co-Founder

David is the co-head of Investor Relations at Apax Partners, a global private equity firm with \$42 bn in assets under management. He is a graduate of West Point and a former Army artillery officer.



Thomas M. McGann

Chief Executive Officer, K&N Engineering

Tom McGann is the Chief Executive Officer at K&N Engineering in Riverside, California. K&N is the world's leading manufacturer of washable performance air filters and air intake systems. Tom is the proud father of a Marine who recently completed a combat tour in Afghanistan.



John Melia

Founder, Wounded Warrior Project

John is a wounded veteran, entrepreneur, and a non-profit consultant. He earned a Bachelor of Science degree from the University of the State of New York and completed the Business Executive Program for Non-Profit Leaders at Stanford Graduate School in 2007.



Paul Morton

Managing Director, RBC Capital Markets

Paul is the head of US and Latin American Private Banking Distribution for RBC Capital Markets. Prior to RBC, Paul was Managing Director for Capital Markets at Barclays. Before that, he was the COO for the Global Investment & Insurance Solutions group at Bank of America Merrill Lynch. Paul is a graduate of West Point and former Army infantry officer.



Paul F. Murphy

Partner, Sentinel Capital Partners

Paul Murphy, Partner, joined Sentinel in 2000. Over the past decade, he has established himself as a successful lower middle market private equity investor. Paul is a graduate of West Point and a former Army artillery officer.



Dick Pace

Director of Strategic Consulting Maritz, Inc.

Dick is a Director of Strategic Consulting at Maritz. He previously spent 11 years as the Managing Director of the Research and Consulting Group of Abt Associates.



Board of Advisors



Lorin Radtke

Managing Director, Goldman Sachs & Company

Lorin is a partner at Goldman Sachs & Co., and head of the FICC Americas Structured Product Sales team. Lorin earned a BBA from the University of Wisconsin-Milwaukee in 1990 and an MBA from the University of Chicago.



Darren Rebelez

President, iHOP Restaurants

Darren Rebelez is President of iHOP Restaurants, which is part of the DineEquity Inc (NASDAQ: DIN). He previously served as Executive Vice President and Chief Operating Officer for 7-Eleven, Inc., where he was also responsible for Information Technology, the company's Gasoline business, Asset Protection and its Business Transformation projects.



Dan Rice

President, Sundial Capital Partners

Dan is President of Sundial which is a renewable energy company. He is a graduate of West Point and is an Iraq veteran where he received the Purple Heart. Dan has done considerable philanthropic work for veterans and national security causes.



Steve Stafford

Transaction Advisory Services Partner, Ernst & Young LLP

Steve has 25 years of experience providing advisory and consulting services to private equity and corporate clients. Steve's experience includes complex, cross-border mergers, acquisitions, divestitures and recapitalizations.



Bill Sullivan

Brighton Partners, LLC

Bill Sullivan has spent the past 5 years as a healthcare partner at Apax Partners. Bill has over 25 years of experience as both an operator and investor in the healthcare services sector.



Rob Sweeney

Managing Director, Goldman Sachs & Company

Rob is a Partner at Goldman, Sachs & Co., and head of the firm's investment banking coverage of retail clients. Prior to his current role, Rob led the firm's Equity Capital Markets business for consumer and retail companies. He is also a former Naval officer.



Board of Advisors



Vincent Tortorella

Chief Surveillance Officer, Point72 Asset Management

Vincent Tortorella, Jr. is the Chief Surveillance Officer of Point72 Asset Management and a former Assistant U.S. Attorney and member of the Department of Justice. Vinny joined Point72 in April 2014 to create and lead a surveillance unit, utilizing his experience as a former general counsel and his background in law enforcement. Vinny and the surveillance team focus on improving the monitoring of contact and information flow inside and outside of Point72.



Claudius (Bud) E. Watts IV

Managing Director, The Carlyle Group

Bud is a Managing Director and Head of the Technology Buyout Group. He is a graduate of the Citadel and is a former Air Force fighter pilot where he was qualified as an instructor pilot in both the F-16 and A-10 aircraft.



Operating Team



David Y. Kim

Founder & President

David is the co-head of Investor Relations at Apex Partners, a global private equity firm with \$40 bn in assets under management. He is a graduate of West Point and the Harvard Business School and a former Army artillery officer.



John Coogan

Chief Operating Officer

John oversees Finance, Operations and Infrastructure for Fallen Patriots. Previously, John served as Director of Technology & Fundraising Infrastructure for Wounded Warrior Project, where he was instrumental in architecting the centralized data infrastructure that supports the organization's vast multichannel fundraising and acquisition efforts. He is a graduate of West Point and a disabled veteran of the Gulf War Era.



Cynthia L. Kim

Co-Founder & Volunteer Program Director

Cynthia is the volunteer Program Director and oversees the process of enrolling eligible families and distributing grants. Cynthia has a liberal arts degree from Hollins College.



Liz Zirkle

Program Manager, Grants & Outreach

Liz Zirkle is the mother of Colleen & Richard Zirkle, Colleen was a Fallen Patriots scholarship recipient. Liz has a Bachelors of Arts degree in Political Science from Rockhurst University. A military spouse of twelve years, her husband, Major Steve Zirkle, an active duty Pilot with the 184th BW Kansas Air National Guard, was killed by a drunk driver. Liz, is proud to work with Fallen Patriot to serve our deserving military children.



Kenzi Merck

Grants Supervisor

Kenzi is a former scholarship recipient of Children of Fallen Patriots Foundation. She graduated from Georgia Regents University in 2013 with a Bachelor of Arts in Psychology and a minor in Sociology.



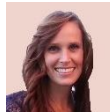
Operating Team



Sarah Cramer

Grants Administrator

Sarah is a former scholarship recipient of Children of Fallen Patriots Foundation. She graduated from Liberty University where she received a degree in Music and Worship studies. After graduation, she worked with families at the Union Mission and those less fortunate at the Center for Student Missions. Sarah has always been passionate about serving and volunteering and is looking forward to honoring her father in her newest position as Program Administrator with Children of Fallen Patriots Foundation.



Lindsey Houston

Operations Supervisor

Lindsey received her degree in Business Management from the University of Wisconsin – Eau Claire in 2006 and is currently pursuing her MBA online. Lindsey has a deep respect for all those who serve, as her husband currently serves as a Naval Flight Officer, she is so grateful to be part of such a wonderful foundation like Fallen Patriots. Lindsey coordinates internal operations and supports both programs and fundraising efforts for the organization.



Eric Heineman

Fundraising Consultant

Eric Heineman has been working with Children of Fallen Patriots Foundation since March of 2012. He has been instrumental in developing and strengthening key corporate partnerships for the foundation, as well as establishing strong community-level relationships in key cities for the organization.



Philip Basham

Coordinator - Donor Services & Community Events

Philip comes from a long background of philanthropic work, team management and coaching. For the past four years he has shared his love of sports by coaching high school and major level travel baseball. He has a strong passion in helping those around him succeed and shows great leadership with youths and adults. Phil coordinates internal operations and supports both programs and fundraising efforts for the organization.



Operating Team



Christine Reuteman

Office Administrator

Christine received her Bachelor of Arts degree with dual majors of Psychology and Sociology from Flagler College in 2011. She is pursuing a masters degree in school counseling. Christine is currently a volunteer Guardian ad Litem, a court advocate for children in the foster care system in Duval County, and finds the experience extremely rewarding. She is grateful to have the privilege of working with the families of our nation's heroes.



Kimberly Chamberlain

Finance Manager

Kimberly received her Bachelors in Business Administration from Jacksonville University, where she was voted Student of the year. She also obtained her Masters in Management from Troy University. Most of her career has been working in nonprofit organizations; she worked for another Veteran Service Organization as well as other nonprofits in Jacksonville for a number of years. Kimberly has a passion for animals, which has led her to serve on several committees for fundraising events to benefit homeless animals.



Christopher Crane

Secretary

Chris is a Senior Vice-President for Bank of America, where he is responsible for the execution of the bank's corporate divestitures. Over the last five years, he and his team have managed over twenty-five domestic and international programs in support of the bank's strategic priorities of expense reduction and simplification. He holds a BS from the U.S. Military Academy at West Point and an MBA from Harvard Business School.

