

MARINE TOYS FOR TOTS FOUNDATION



**TOYS FOR TOTS**

2016 Annual Report



The mission of Marine Toys for Tots Foundation is to assist the U.S. Marine Corps in providing a tangible sign of hope to economically disadvantaged children at Christmas. This assistance includes supporting the U.S. Marine Corps Reserve Toys for Tots Program by raising funds to provide toys to supplement the collections of local Toys for Tots campaigns, to provide promotional and support material and defray the costs of conducting annual Toys for Tots campaigns. Other Foundation support includes providing administrative, advisory, financial, logistic and promotional support to local Toys for Tots coordinators; managing funds raised and monies donated based on the use of the Toys for Tots name or logo; providing other support the Marine Corps, as a federal agency, cannot provide; and conducting public education and information programs about Toys for Tots that call the general public to action in support of this patriotic community action program.



## President & CEO's Report



As we entered the 2016 Marine Toys for Tots Campaign Season, the Nation found itself continuing to recover from the economic challenges of the past few years. Although many of us now see the recession as a thing of the past, those in the lower economic groups have yet to see full recovery. The job market has remained tough for some. Thus we found there to be a continued high demand for assistance. As expected, early reports from local coordinators consistently spoke of a continuing strong demand for toys. Fortunately, initial individual toy donations were better than we had seen in recent years and our long term Corporate Sponsors were providing strong support as well. The campaign turned out to be extremely rewarding as the American public and our Corporate Sponsors once again rallied behind the program and both GIK and monetary donations remained strong. Our Reserve Units and our Local Campaign Coordinators performed superbly, and Toys for Tots enjoyed an extremely successful campaign. A number of records were set in monetary donations, and our total revenue of over \$280 million was our second best year on record. We also retained a very enviable “program to support ratio” of 97 to 3.

As a result of our successful campaign, our Marines and volunteers distributed 18 million toys to 7 million less fortunate children. Local campaigns were conducted in 792 communities covering all 50 states, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. The Foundation supplemented local toy collections with over 5.3 million toys valued at \$65.5 million. Because of the increase in demand, the Foundation spent \$10 million more on toys than we had budgeted.

As I mentioned earlier, the Marine Toys for Tots Foundation had one of our most successful campaigns in terms of fundraising. 2016 fundraising numbers: the Direct Mail Campaign raised \$24.2 million; Corporate Sponsor monetary contributions totaled over \$12 million; website donations totaled \$5 million; and unsolicited donations were \$17.9 million. Each of these amounts

exceeded our highest expectations, and in most cases, established all time highs for that particular category.

Key to the successes we enjoyed this year was the tremendous effort of the Marines assigned to Marine Forces Reserve and the tens of thousands of volunteers from towns and cities across our nation. Toys for Tots was blessed in 2016 to once again have the First Lady, Michelle Obama, as one of our volunteers. Mrs. Obama’s hands-on support for the eighth straight year was instrumental in helping us broadcast our message to the American public. Please see the separate article about the First Lady’s participation.

Another key factor in our successes this year was exposure. In our quest to maximize our exposure, the Foundation continued four very successful initiatives, the Hollywood Christmas Parade benefiting Toys for Tots, the ringing of the Closing Bell at the New York Stock Exchange, teaming up with the Blue Angels, and our growing relationship with teams in the National Football League. There are separate articles in the Annual Report that provide details on these initiatives.

Overall, 2016 was a very productive year for the Marine Toys for Tots Program. I am pleased to report that our Marines and volunteers who conducted the 792 Campaigns across our country performed superbly throughout the campaign. The spirit of teamwork that existed throughout Toys for Tots was inspirational. Although I am sure there will be many challenges in 2017, I am confident we will succeed. In view of the experience, competence and dedication of our outstanding Board of Directors, the leadership and dedication of Marine Forces Reserve, and the passion and hard work of our wonderful volunteers, the future of the Foundation and the U.S. Marine Corps Reserve Toys for Tots Program is indeed bright.

H. P. Osman  
Lieutenant General, USMC (Ret)  
President & CEO





## Marine Toys for Tots Overview

### 69 Years of Bringing the Joy of Christmas to America's Less Fortunate Children

This year marked the 69th Anniversary of the U.S. Marine Corps Reserve Toys for Tots Program. The Program was created in 1947 when Major William Hendricks, USMCR, the Director of Public Relations for Warner Brothers Studio assisted by members of his Marine Reserve Unit, collected 5,000 toys and distributed them to war orphans and other less fortunate children of Los Angeles, CA.

The success of this first campaign caused the Commandant of the Marine Corps to direct that in 1948 every Marine Reserve Unit would conduct a local Toys for Tots Campaign. In support, Walt Disney, a close personal friend of Bill Hendricks, designed the first promotional poster for the nationwide campaign in 1948. In that poster was a three car train that continues to serve as the official logo of Toys for Tots today.

Since that first campaign, the program has grown to encompass local campaigns in over 790 communities covering all 50 states, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. From 1947 through 2016, local Toys for Tots Coordinators have distributed 530 million toys to 244 million less fortunate American children. Today, Toys for Tots is the Marine Corps' premier community action program, one of the nation's flagship Christmas charitable causes, and the only charitable cause within the Department of Defense that reaches outside the military establishment to give something back to local communities.

The mission of Marine Toys for Tots is to bring the joy of Christmas to less fortunate children. The principal goal is to deliver a message of hope that will inspire youngsters to grow into responsible, productive, patriotic citizens. The objectives include having a positive impact on the development of children, creating or restoring self-esteem, and bringing all elements of communities together in a common cause for three months each year.

Toys for Tots is an official activity of the U.S. Marine Corps and an official mission of Marine Forces Reserve. The Commandant of the Marine Corps promulgates broad policy guidance for the Marine Toys for Tots Program and delegates to the Commander, Marine Forces Reserve and the President & CEO of the Marine Toys for Tots Foundation the responsibility and authority for the day-to-day direction and supervision of Marine Toys for Tots.

Marine Toys for Tots Foundation, recognized by the IRS as a tax exempt, not-for-profit public charity within Section 501(c)(3) of the Internal Revenue Code, is the fundraising and support organization for the U.S. Marine Corps Reserve Toys for Tots Program. Created at the behest of the Marine Corps, the Foundation has been an integral part of Toys for Tots since Christmas 1991.

A board of twelve directors, composed of successful business leaders representing business and geographic diversity, governs the Foundation. All directors are either serving in the U.S. Marine Corps Reserve or are veteran Marines.

Day to day operations of the Toys for Tots Program are handled by a professional staff at the Foundation offices located in Triangle, VA, just outside the Main Gate to Marine Corps Base, Quantico, which is 35 miles south of Washington, DC.

In addition to providing the day to day leadership and oversight, the Foundation raises funds to purchase toys to supplement local collections, defrays the costs of conducting annual Toys for Tots campaigns and provides promotional and support materials for local campaigns. The Foundation manages all funds raised and donations received based on the use of the Toys for Tots name and logo. The Foundation provides administrative, advisory and logistical support to local Toys for Tots Coordinators, as well as other support the Marine Corps, as a federal agency, cannot provide. Finally, in order to maximize the potential of the program, the Foundation works to gain as much exposure for Toys for Tots as possible. This includes conducting public education and information programs about Toys for Tots that call the general public to action in support of this patriotic community action program.



## Public Service Announcements



The Marine Toys for Tots Foundation has two public service announcements that were produced by the long time public relations firm of the Marine Corps, J. Walter Thompson. The public service announcements were funded by the Marine Corps Recruiting Command to assist in

the commemoration of the 50th and 60th Anniversaries of the Marine Toys for Tots Program. In honor of the 50th Anniversary, J. Walter Thompson produced “Guard Duty” and in honor of the 60th Anniversary, “Christmas Morning”. Christmas Morning and Guard Duty received a great deal of air time during the 2016 Campaign being shown over 22,000 times by hundreds of local television stations across the country. J. Walter Thompson is able to track the showings and valued the air time at over \$2.4 million. The airing of these public service announcements serve to remind Americans that it is their donations that ensure America’s less fortunate children have the opportunity to experience the joy of Christmas. The Marine Toys for Tots Foundation thanks those stations that help deliver that message to the public.



## 69<sup>th</sup> Anniversary Toys for Tots Poster



The 69th Anniversary promotion poster was designed by LtCol Keith McConnell, USMCR (Ret). Colonel McConnell has designed a number of Toys for Tots promotion posters in the past to include the 50th and 60th Anniversary posters. The 2016 poster has been used in previous years and is considered by many the all-time favorite. All previous Toys for Tots posters can be viewed on the Foundation’s website (<http://bit.ly/2pwYXvD>).





## First Lady Returns for the Eighth Straight Year as Toys for Tots Number 1 Supporter

In late November, the President & CEO of the Marine Toys for Tots Foundation was notified by the White House that the First Lady would be supporting Toys for Tots for the eighth straight year. On December 7th, Mrs. Obama arrived at our Marine Toys for Tots warehouse in Washington, DC to conduct a media event, volunteer her services by assisting with the sorting of toys, and contribute a truckload of toys collected from the White House Staff.

Before introducing the First Lady, General Osman thanked Mrs. Obama for her magnificent support of the Marine Toys for Tots Program throughout her time in the White House. General Osman further noted that her great interest in and work for America's youth and wonderful support of military families will have a lasting impact on our nation. General Osman also noted that her participation with Marine Toys for Tots was a major contributing factor to the success we have enjoyed during difficult economic times.

General Osman then introduced Mrs. Obama who spoke of the sacrifices of our military members and their families and noted that there were many service members deployed overseas who would be spending Christmas away from their families. Mrs. Obama noted that military families tend to be the biggest volunteers in their communities, despite the fact they are often only in those communities for a couple of years before moving on to another duty assignment.

She also noted the sacrifices of the children of military members. Mrs. Obama provided an extemporaneous narrative on the history of Toys for Tots and the impact that it has had on America's less fortunate children over the past 69 years.

Following the media event the First Lady rolled up her sleeves and spent nearly an hour assisting volunteers with the sorting of toys. Mrs. Obama personally thanked all the volunteers for their efforts to help bring the joy of Christmas to less fortunate children and graciously posed for many photos.

The First Lady's support of the Marine Toys for Tots Program as her personal initiative ensured that America's less fortunate children experienced the joy of Christmas and received a message of hope. Under her leadership we accomplished that mission. Thank you, Mrs. Obama. What a difference you have made!





## Toys for Tots Rings the Closing Bell at the New York Stock Exchange



On November 25th, “Black Friday”, the President & CEO of the Marine Toys for Tots Foundation, Lieutenant General Pete Osman and Santa Tim Connaghan, together with Marines from 6th Communications Battalion rang the Closing Bell at the New York Stock Exchange in honor of the 69th Anniversary of the Marine Toys for Tots Program. Joining General Osman and Santa Tim on the Exchange Platform were Laura Osman, 1st Sergeant and Mrs. Fredonis, Gunnery Sergeant Myrick, Staff Sergeant Wallace, Staff Sergeant and Mrs. Valdez, and Sergeant Berger. Ringing the Bell on “Black Friday” serves as a great reminder to the American Public to purchase a toy for a less fortunate child when one hits the stores on the biggest shopping day of the year.

*“Thanks for the update on Marine Toys for Tots...have seen our Marines all over performing this worthy and noble task...thanks to all the Marines and volunteers who do all the hard work to make this happen and do it with the esprit our Corps is known for.”*

— General Robert B. Neller, 37th Commandant of the Marine Corps





# Hollywood Christmas Parade Supports Toys for Tots

On 27 November the President & CEO participated in the 7th Annual “Hollywood Christmas Parade featuring Marine Toys for Tots”.

The Hollywood Christmas Parade has been an American tradition for over 85 years. Conducted in the heart of Hollywood, right down Hollywood Boulevard, the parade has been a longtime favorite of TV and movie personalities. Over the years, a number of well known celebrities have served as Grand Marshal to include Cecil B. DeMille, Charlton Heston, Bob Hope, “Magic” Johnson, Mickey Mouse, Roy Rogers, Mickey Rooney, Arnold Schwarzenegger, Jimmy Stewart, The Simpsons, and many others. This year’s Grand Marshal was the famous singer and philanthropist, Olivia Newton-John. The 2016 Hollywood Christmas Parade was once again filmed, edited, and made into a



television production and aired nationally by the CW Television Network and the Hallmark Channel. The production was also in national syndication in over 90% of the country, making the 2016 Parade available to the largest television audience in its history. Actor Erik Estrada (CHiPs) and television host Laura McKenzie (World’s Funniest Moments) once again served as parade broadcast hosts. In addition to the Marine Band from Marine Corps Recruit Depot San Diego, who led the Parade, there were celebrities from film, television, and stage, award-winning bands, equestrian groups, floats and giant balloons. Marine presence was scattered throughout the Parade from the Red Carpet area to riding with Santa on his sleigh. The official Hollywood Santa, Tim Connaghan, has become a huge supporter of Toys for Tots and joined us in a number of other Toys for Tots events throughout the campaign season.



Bill Abbott, President & CEO, Hallmark Channels said, “Hallmark Channel and Hallmark Movie Channel are America’s family networks and are a touchpoint in many homes throughout the holidays. We are enthusiastic supporters of Toys for Tots and are grateful to have our networks, Toys for Tots, and the Parade come together to help less fortunate children.”







## Supreme Court Supports Toys for Tots

On the 16th of December, the President and CEO, together with Marines from the DC area Reserve Unit were once again invited by Chief Justice John Roberts to the Supreme Court's annual Christmas Party. During a private meeting in Chief Justice Roberts' Chambers prior to the party, he reiterated his great respect and support for the Marine Toys for Tots Program. After a brief discussion of the 2016 Campaign, we adjourned to the Great Hall to join the other Justices and the Supreme Court staff. Chief Justice Roberts welcomed all and spoke briefly about the Marine Toys for Tots Program before presenting hundreds of toys donated by the staff and members of the Supreme Court. Many then joined the Chief Justice for the annual singing of Christmas Carols.



## Redner's 35 Years of Support!



Redner's Markets teamed up once again with the Marine Corps Reserve for its 35th consecutive year supporting the Toys for Tots Program. All of the Redner's Markets and Quick Shoppes served as toy drop sites filling two tractor trailers full of toys while raising nearly \$100,000 selling train cutouts in their markets. Redner's community service goals certainly align with those the Marine Corps has promoted for nearly 70 years through the Toys for Tots Program, and their contributions have greatly benefited less fortunate children within their communities.

## NFL Teams Support Toys for Tots

For the 2016 Toys for Tots Campaign, nearly all NFL teams once again joined forces with the Marine Corps for local toy drives benefiting the Marine Toys for Tots Program. From 20 November to 11 December, football fans across the country spread the joy of the holidays while cheering on their favorite team. During this period, NFL teams across the country hosted toy drives during one of their home games. Fans were encouraged to bring new unwrapped toys to the stadium on game day, where

Marines collected them for distribution within their communities. Cash donations were also collected at the games and fans were also encouraged to make online and text donations.

The Marine Toys for Tots Foundation will be working with local coordinators and the NFL in 2017 to further maximize the potential of this Program.

## The UPS Store Supports Childhood Literacy



The UPS Store is the original partner and sponsor of the Marine Toys for Tots Literacy Program. Approximately half of their 4,500 stores collect cash donations throughout the holiday season to support literacy. Since 2008, The UPS Store has raised over \$3.89 million and helped Toys for Tots distribute 37 million books to disadvantaged children. Committed to promoting literacy, The UPS Store debuted their first float in the 2017 Tournament of Roses Parade to showcase the importance of childhood literacy.

## Applebee's "Breakfast with Santa"

Doherty - Applebee's Restaurant chain has supported Toys for Tots for nearly two decades. Their New Jersey, New York and Florida markets conducted their annual "Breakfast with Santa" event and raised nearly \$300,000 to support less fortunate children within their communities. Over the past 18 years, Doherty Enterprises has donated over \$4 million to the Toys for Tots Program.



## Lego Inspires Builders of Tomorrow



Lego is passionately committed to the development and education of children. Lego's mission to inspire and develop the builders of tomorrow compliments the objective of Toys for Tots which is to play an active role in the development of our nation's most valuable resource – our children. In their fifth year of supporting Toys for Tots, Lego donated toys valued at nearly \$5 million allowing many thousands of children to experience the magic of the holidays. Lego's cumulative contribution to Toys for Tots exceeds 1.2 million toys valued at over \$21 million dollars.

## Marine Corps and Marine Toys for Tots Program Honored by the Washington Nationals

On July 20, UPS sponsored an event honoring the U. S. Marine Corps and the Marine Toys for Tots Program at the Washington Nationals Major League Baseball Game. Representing the Marine Corps was the Commandant of the Marine Corps, General Bob Neller, who threw out the first pitch. Unlike most ceremonial first pitches, General Neller put some real zing on the ball for a definite strike. The crowd responded with a huge ovation. The Color Guard of the Marine Corps presented the National Colors and the Marine Band marched onto the field and played our National Anthem. The Marine Silent Drill Platoon also inspired the audience with its demonstration of precision drill. To complete the Marine theme, Marines stood at attention along the 1st and 3rd baselines during the playing of the National Anthem.

UPS provided a great evening of Americana, featuring Major League Baseball, our nation's Marines, and the Marine Toys for Tots Program.



## United States Marine Corps Reserve Celebrates 100 Years

2016 marked the 100th Anniversary of the U.S. Marine Corps Reserve. This Centennial Celebration allowed us to recognize the many thousands of Marines who have served in our Reserve Establishment, to highlight the sacrifice of their families, and to recognize the support they have received from their employers and their communities.

Since the founding of the Marine Corps Reserves, our Reserve Marines have fought in World War I, the Banana Wars in Central America and the Caribbean, World War II, Korea, the first Gulf War, and most recently Iraq and Afghanistan. Reserve Marines have

also come to play a vital role in Theater Engagement Operations, helping to build and develop relationships in potential trouble spots around the world.

Despite the heavy demands placed on our Reserve Marines, they have managed to balance their military obligations with the expectations and responsibilities they have with their employers and, most importantly, their families. As if this is not enough, they have also managed to create, build, and sustain the U. S. Marine Corps Reserve Toys for Tots Program. This program has developed into one of our nation's most successful and supported charities.

*United States Marine Corps Reserve, 100 Years of selfless service to our nation and our communities.*





## Board Farewells Directors Tom Jones and Pat Hermesmann



Thomas D. Jones



Patrick J. Hermesmann

On December 31st the Marine Toys for Tots Foundation bid farewell to long time Directors, Tom Jones and Pat Hermesmann. Mr. Jones, a veteran Marine, worked in a variety of IT related businesses to include Velosel, PeopleSoft, and as President of MDL Information Systems, thus bringing a wealth of business experience to the Foundation. During his eleven years with the Board, Mr. Jones made a lasting impact through his service on the Investment Committee, Nominating Committee, Fundraising Advisory Committee (Chairman), and Finance and Compensation Committee (Chairman). Mr. Jones also served for five years as Vice Chairman of the Board. Brigadier General Hermesmann is an attorney with Hanover Insurance Group and an active Reserve General Officer. During his nine years on the Board, General Hermesmann, has served on the Nominating Committee, the Finance and Compensation Committee, and has served as the Chairman of the Fundraising Advisory Committee. The contributions of these two gentlemen in all of these positions were instrumental in ensuring the proper fiduciary oversight by the Board of Directors. For their many years of outstanding service to the Marine Toys for Tots Program, Mr. Jones and Brigadier General Hermesmann were presented the Department of Navy Meritorious Public Service Award by the Commandant of the Marine Corps. The entire Marine Toys for Tots Family wishes these gentlemen fair winds and following seas. Semper fidelis, Marines!

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## Board Welcomes New Directors

*During 2016 the Board elected two new Directors. These two veteran Marines bring a wealth of experience to the Foundation. Joining the Marine Toys for Tots Team:*



**Colonel Valerie Jackson, USMCR**, communicator and civil affairs officer, currently the Commanding Officer of the 4th Civil Affairs Group; Advisor/Planner, The Ranshaw Group; Distributor, AdvoCare; Advisor, Corps Solutions



**Colonel Sheryl Murray, USMC (Ret)/Senior Executive Service (Ret)**, personnel officer; former Assistant Deputy Commandant, Manpower and Reserve Affairs; Manpower Consultant



## Blue Angels Once Again Join the Toys for Tots Team

The Navy Flight Demonstration Squadron, better known as the Blue Angels, once again approved the utilization of their C-130 support aircraft to support the Marine Toys for Tots Program. The Blue Angels and Toys for Tots teamed up to assist the thousands of families devastated by Hurricane Matthew in eastern North Carolina. After several weeks of intensive planning and coordination by the Foundation's Vice Presidents, Ted Silvester and Brian Murray, the mission was executed on 22 November. Major "Fireball" Hamilton, the aircraft commander, and his team flew their C-130 from NAS Pensacola to Joint Base Andrews where 13 pallets of toys and books provided by Marine Toys for Tots Corporate Sponsors, Hasbro and First Book, were loaded on the aircraft and flown to Fayetteville Regional Airport in North Carolina. Upon arrival these toys were combined with 27 additional pallets of toys and books that had been delivered by truck. The forty pallets of toys and books were presented to the seven Local Campaigns in eastern North Carolina to ensure the less fortunate



children in that area had a chance to experience the joy of Christmas in spite of the extensive hurricane damage. Upon arrival in Fayetteville, the huge aircraft was greeted by a number of dignitaries, to include the Secretary of Military Affairs for the State of North Carolina, Major General Cornell Wilson, USMCR (Ret), and a huge group of Marines and volunteers to assist in the final phase of the delivery of the toys.

Although many folks assisted in ensuring the success of the mission, the real heroes were Major Hamilton and the C-130 crew of Marines who made the mission possible. Major Hamilton expressed great pride and delight in being able to help bring some Christmas joy and send a message of hope to the children and families suffering the effects of Hurricane Matthew.



# 2016 National Corporate Sponsors

## FIVE STAR ★★★★★

*The following Five Star corporations contributed or helped raise over \$1,000,000 in cash or contributed over \$2,000,000 worth of toys to our 2016 Marine Corps Reserve Toys for Tots Campaign:*

Babies"R"Us  
Chevron  
Funko  
Hallmark  
Hasbro  
Hess  
J. Walter Thompson  
Lego  
The Walt Disney Company  
Toys"R"Us

## FOUR STAR ★★★★★

*The following Four Star corporations contributed or helped raise over \$500,000 in cash or contributed over \$1,000,000 worth of toys to our 2016 Marine Corps Reserve Toys for Tots Campaign:*

Delta Air Lines  
Duracell  
Macy's  
The UPS Store

## THREE STAR ★★★

*The following Three Star corporations contributed or helped raise over \$250,000 in cash or contributed over \$500,000 worth of toys to our 2016 Marine Corps Reserve Toys for Tots Campaign:*

ABC7  
A.C. Moore  
Alex and Ani  
Applebee's (Doherty Enterprises)  
Build-A-Bear Workshop  
Federated Auto Parts  
Florida East Coast Railway  
Girls Explore  
Group Sales  
Healthy Essentials, Johnson & Johnson  
Leapfrog  
Platinum Equity

## TWO STAR ★★

*The following Two Star corporations contributed or helped raise over \$100,000 in cash or contributed over \$250,000 worth of toys to our 2016 Marine Corps Reserve Toys for Tots Campaign:*

Bluestem  
Bojangles' Restaurants  
Coca-Cola  
Dollar General  
Enter Play  
First Book  
GeoSpace  
Golden Film  
Hibiscus Publishing  
KARHL Holdings  
Lexus  
Nature's Harvest  
New Wave  
Nissan  
Redner's Warehouse Markets  
Rico Industries  
Stage Stores  
UPS  
ValPak  
Viva Pictures

## ONE STAR ★

*The following One Star corporations contributed or helped raise over \$25,000 in cash or contributed over \$100,000 worth of toys to our 2016 Marine Corps Reserve Toys for Tots Campaign:*

Alix Partners  
American Bath Group  
Ann Williams Group  
Anne Cox Chambers Foundation  
Associated Television International  
Booz Allen Hamilton  
CalAtlantic  
Causely  
Cotswold Foundation  
Covington & Burlington  
Dari-Mart



Discovery Toys  
Dunkin Donuts  
eBay  
Entertainment Earth  
Fareway Stores  
F.M. Harris  
Gander Mountain  
G.A.T. Guns  
Goodyear Tire & Rubber  
Google AdWords  
GSN Worldwide  
HDI Housewares  
Jackson National Community Foundation  
Kahlert Foundation  
Kellogg's Rice Krispies  
Kohl's Department Stores  
Kroger  
Lakeside Organic Gardens  
Landry's Rainforest Café  
Magnolia Advanced Materials  
New England Doll  
PepsiCo  
Pigment & Hue  
PODS  
Pogosyan Care Foundation  
Randi & Clifford Lane Foundation  
Roofing Contractors Assoc. of TX  
Related Companies  
Ruby Tuesday  
SAIA  
Scholastic  
SimplyFun, LLC  
Stater Brothers  
St. Jude Medical Foundation  
TekSystems  
The Oak Foundation  
United Technologies  
Viejas  
Walgreens  
Welch Packaging  
WestRock  
WowToyz

## 2016 National Corporate Donors

*The following corporations or individuals contributed or helped raise between \$5,000 and \$24,999 in cash or contributed between \$25,000 and \$99,999 worth of toys to our 2016 Marine Corps Reserve Toys for Tots Campaign:*

Acosta Sales & Marketing  
Agadia  
Alton Stone  
Alyce  
Amazon  
American Golf Foundation  
AmeriPark  
Assurant  
Atlanta Classic Cars  
Barnickel Foundation  
Barnsco  
Bears for Humanity  
Beazer General Services  
BlueWave Express  
C.E. and S. Foundation  
CJ Products  
CJL Management  
Cleaner's Supply  
Commercial Warehouse & Cartage  
Commonwealth Charitable Fund  
Community Foundation of West Georgia  
Covelli Ent  
Dayton Foundation Depository, Inc.  
Delkin Devices  
Denbury  
Diane and Dorothy Brooks Foundation  
Drexel Building Supply  
Dogma Restaurant Group  
FIS Foundation  
Flat Out Events  
Fourstar Group  
GBU Financial  
Geico Philanthropic Foundation  
Giftagram  
Hilltop Securities

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See **2016 National Corporate Donors** on next page

**2016 National Corporate Donors** *continued from previous page*

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Holiday Charity Ball  
Hunt Brothers Pizza  
IHC Specialty  
Jack Buncher Foundation  
Jean K. Lafromboise Foundation  
KABU  
Klinedinst Attorneys  
Leclerc Charity Fund  
Marcia & Mark Miller Family Foundation  
Maxim Group  
Meier Family Foundation  
National Christian Foundation  
Navy Federal Credit Union  
PBSI  
Pepper Hamilton, LLP  
Pittsburgh Penguins Foundation  
Platinum Salon & Boutique  
Polly Parker Press (Norberthood)  
Port Brewing CO & The Lost Abbey  
Prologis  
Radial, Inc  
Robert Graham  
Sacramento Region Community Fdn  
SallieMae  
SCP Foundation  
Sealed Air  
SCO, LLC  
Stihl  
Talk to Santa  
Taylor Morrison  
TD Ameritrade  
The Computer Merchant  
The GE Foundation

The Houser Foundation  
The Kringle Group  
The Mead Foundation  
The Maslow Family Foundation  
The Pokagon Fund, Inc  
The Wright Family Foundation  
TK's Toy Box  
Value pay Services  
Verde Energy  
Wild Basin Oil & Gas, LLC  
Z. Medica

### 2016 National Corporate Event Sponsors

*The following corporations or individuals donated \$5,000 or more in support of the 2016 Marine Toys for Tots Foundation golf tournament and/or other events:*

Bank of America  
Communication in Action (CIA)  
Data Management, Inc. (DMI)  
Delta Airlines  
Fleet  
General Atomics Aeronautical Systems, Inc.  
Group Sales  
Key Acquisition Partners  
Lockheed Martin  
Bradley T. MacDonald Family Foundation  
Mazel Company  
Medifast, Inc.  
OnTime Toys  
Raytheon  
Sikorsky Aircraft Corporation  
Stafford Printing  
SY Group at Merrill Lynch  
Textron



## Marine Toys For Tots Foundation Golf Classic – 2016

On Monday May 16, 2016, participants in the 2016 Marine Toys for Tots Foundation Golf Classic gathered at the Mount Vernon

Country Club in Alexandria, Virginia to launch the Marine Toys for Tots Foundation's 2016 national fundraising campaign. This was the twenty-first annual **Marine Toys for Tots Foundation Golf Classic**. The weather was perfect, and the players enjoyed a great golf outing with lots of camaraderie.

Thirty-three corporations/business groups, from throughout the nation, supported this year's tournament while donating over \$135,000. The 104 participating golfers represented 26 of these corporations and included corporate executives, Marine Corps officials and Toys for Tots supporters.

The tournament, which began with a shotgun start at 9:00 a.m., was preceded by a continental breakfast and followed by a luncheon and awards ceremony. The format was a "Best Ball Scramble." Team winners were selected based on either team low gross scores or team low handicap adjusted scores. Team prizes were presented in two categories: The Commandant's Flight (gross scores) and the President's Flight (handicap adjusted scores). Prizes were presented to the first through third place teams in the Commandant's Flight and to the first through sixth place teams in the President's Flight. Individual prizes were presented for the longest drive, straightest drive and closest to the pin. Hole-in-one prizes were available on each of the four par 3 holes.

Each player received a Toys for Tots Favor Bag which included a golf shirt, golf cap, golf towel, tees, divot tool, and one dozen golf balls. Participants had an opportunity to bid on fifteen silent auction items and to win one of six raffle prizes. Team photos were presented to each participant.

The Commandant's Flight (team low gross score) was won by the Communication in Action Team and the President's Flight (team handicap adjusted score) was won by the Bank of America/Merrill Lynch Team.



*Commandant's Flight Winners*



*President's Flight Winners*





## 2016 Marine Toys for Tots Reception and Parade

On the evening of 3 June, at the invitation of the Commandant of the Marine Corps, Mr. David Brandon, Chairman & CEO of Toys “R” Us, served as the Guest of Honor and the Parade Reviewing Official for the Evening Parade at Marine Barracks, Washington, D.C. Toys “R” Us has been the number one Corporate Sponsor for the Marine Toys for Tots Program for 14 years. The Parade was preceded by a reception in Crawford Hall hosted by the Foundation’s Directors. In attendance at the reception were the Foundation’s Board of Directors and their spouses, as well as a number of friends and supporters of the Toys for Tots Program and the Marine Corps. Lieutenant General Rex McMillian, Commander, Marine Forces Reserve, served as the General Officer host for the evening. He welcomed all to the reception and parade, provided excellent remarks about the Marine Toys for



Tots Program, and introduced the President & CEO of the Marine Toys for Tots Foundation, Lieutenant General Pete Osman. General Osman thanked all for their support of the Marine Toys for Tots Program and introduced Mr. Brandon. Mr. Brandon spoke about the great impact that the Marine Toys for Tots Program has had on America’s less fortunate children and how proud Toys “R” Us is to have been part of the Toys for Tots Team the past 14 years. The evening was an inspiration for all in attendance and provided an excellent opportunity to highlight the Marine Toys for Tots Program to the over 4000 people attending the Evening Parade.



# 2016 Toys for Tots Coordinator Training Conference

For the seventh year in a row the Toys for Tots Coordinator Training Conference was held at the National Conference Center September 15th – 18th. This venue has proven to be the perfect setting for our Coordinator Training. The Foundation Staff spent many hours preparing presentations and handout materials for local coordinators to hear, read, review, and generally get ready for the 2016 Toys for Tots Campaign. This year there were over 500 attendees that took advantage of the opportunity to gather together for a few days to undergo some serious training; exchange Toys for Tots stories (lessons for all to learn); learn more about the program; recognize the Regional and National Coordinators of the Year; and to just enjoy each other's company before the hectic pace of the campaign engulfs the days leading up to Christmas. For the fifth year we had our Accounting Specialists conduct most of the basic training by Region. This has proven very effective and has been well received by the Coordinators. Master Sergeant Hall of Marine Forces Reserve reviewed the policies and way ahead with respect to support from their headquarters. As each conference becomes more refined, the planning becomes more detailed and challenging due in part to the lessons learned from each event, but also as a result of the staff and coordinators



being better informed and prepared to engage in three meaningful days of training.

Our principal goals for this conference were:

- Enhance teamwork throughout the TFT Team
- Provide information and guidance to help coordinators conduct more effective campaigns
- Seek methods of operation that ease the workload of TFT Coordinators
- Enhance the image of the U.S. Marine Corps Reserve Toys for Tots Program
- Enhance administrative proficiency throughout all elements of the TFT Program
- Recognize the Regional and National Coordinators and Campaigns of the Year

We believe we achieved these goals, but are committed to preparing for and having an even better conference next year, to be held at the National Conference Center in Leesburg, VA September 14-17, 2017.







# Toys for Tots Campaign 2016

The 2016 U.S. Marine Corps Reserve Toys for Tots Campaign was one of the most successful in the 69 year history of Toys for Tots. First, local campaigns were conducted in 792 communities covering all 50 states, the District of Columbia, Puerto Rico, Guam and the Virgin Islands. Second, local Toys for Tots coordinators distributed over 18 million toys to nearly 7 million less fortunate children.

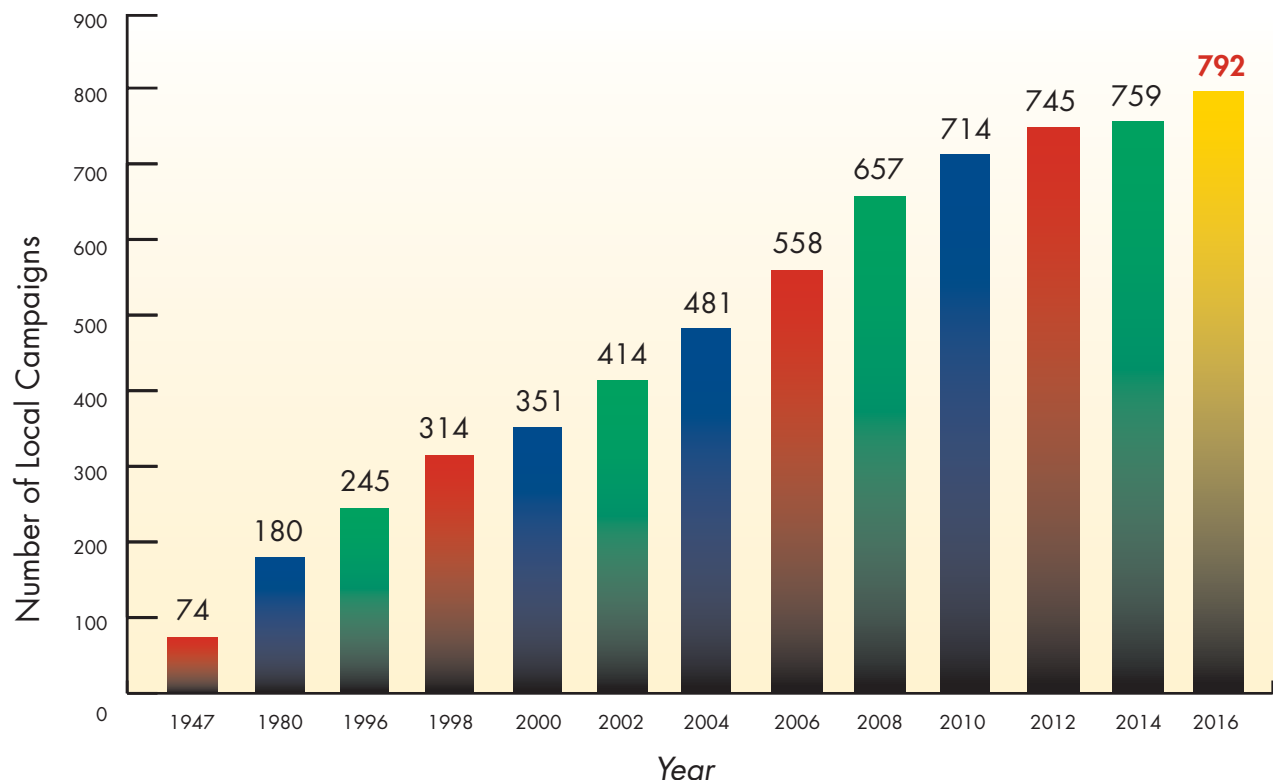
The Marine Toys for Tots Foundation, the fundraising and support organization for the Marine Toys for Tots

Program, supplemented the collections of local Toys for Tots Campaigns with 5.3 million toys valued at over \$65.5 million. The Foundation also provided local campaigns with promotion and support materials valued at over \$1,000,000.

From 1947 through 2016, Marines and their volunteers have distributed 530 million toys to 244 million less fortunate children. From 1991 through 2016, Marine Toys for Tots Foundation has supplemented local collections with 122 million toys valued at \$961 million.

## Toys For Tots Campaign Coverage

- First nationwide Toys for Tots (TFT) campaign was conducted in 1948 when there were 74 Marine Reserve Training Centers in 25 states.
- From early 1980s through 1995, local TFT campaigns were conducted in 180 communities in 46 states, the District of Columbia and Puerto Rico. All campaigns were conducted by Reserve Units.
- From 1996 through the present, Marine Corps League Detachments and other local community groups/Organizations have been authorized to conduct local TFT campaigns in communities without a Marine Reserve Training Center.
- 2016: local campaigns conducted in 792 communities covering 50 states, DC, PR and the Virgin Islands.



# 2016 Financial Report (Executive Summary)

## Report of Independent Accounting Firm

The independent accounting firm, RSM, LLP, conducted an audit of the Foundation's 2016 Financial Statements and issued an unmodified opinion indicating that the financial statements are presented fairly and in conformity with accounting principles generally accepted in the United States of America.

## Statements of Activities

Year Ended December 31, 2016 (With Comparative Totals for 2015)

Support and revenue:	2016	2015
Contributions		
Toys	\$ 216,046,383	\$ 210,733,376
Direct mail contributions	24,191,032	21,733,354
Individual	18,076,202	19,036,213
Corporate	12,183,836	11,559,359
Donated services	3,982,523	4,717,831
Combined Federal Campaign	266,154	225,644
Interest and dividends	2,157,682	3,185,113
Other	1,021,627	1,170,745
Events	135,957	129,038
Unrealized and realized (loss) gain on investments, net	2,515,289	(2,979,485)
<b>Total support and revenue</b>	<b>\$ 280,576,685</b>	<b>\$ 269,511,188</b>
<b>Expenses</b>		
Program services:		
Toy distribution program	\$ 263,821,405	\$ 251,402,107
Education program	3,240,044	3,160,931
Supporting services:		
Fundraising	7,586,021	7,318,553
Management and general	1,216,655	1,043,260
<b>Total Expenses</b>	<b>\$ 275,864,125</b>	<b>\$ 262,924,851</b>
<b>Change in net assets</b>	<b>\$ 4,712,560</b>	<b>\$ 6,586,337</b>
<b>Net Assets</b>		
Beginning	\$ 125,394,815	\$ 118,808,478
<b>Ending</b>	<b>\$ 130,107,375</b>	<b>\$ 125,394,815</b>

## Program and Support Service Expenses

The Foundation's 2016 program to support services expense ratio was **97: 03**.

## 2016 Audited Financial Statement

The 2016 Audited Financial Statement is available on the Marine Toys for Tots Foundation website ([www.toysfortots.org](http://www.toysfortots.org)) or upon request at a cost of \$2.00 to cover mailing and handling.



# 2016 Activities

## Program Services and Events

- Supplemented local Toys for Tots campaigns with over 5.3 million toys valued at \$65.5 million.
- Provided promotion and support materials valued at over \$1,000,000.
- Published and distributed 21st edition of the SOP for local TFT campaigns
- Conducted 15th Annual Coordinator Training Conference at the National Conference Center
- Provided local coordinators all-encompassing package of info and materials for successful campaigns
- Refined the national website
- Refined the Holiday Recognition Program
- Provided significant enhancements to each local campaign website
- Continued improvements to the After Action Report
- Conducted major PR and public information and education “call to action” campaign
- Rang Closing Bell at NYSE
- PSA’s televised over 22,000 times during campaign season valued at \$2.4 million
- 1,000,000 educational brochures distributed
- Over 20 million Direct Mail letters
- Media event with the First Lady (eighth straight year)
- Secretary John Kerry presented several truck-loads of toys collected at State Department
- Chief Justice, John Roberts, again dedicated the Annual Supreme Court Christmas Party to TFT
- Mr. David Brandon, Chairman and CEO, Toys “R” Us, recognized as the honored guest at Marine Barracks Washington Evening Parade
- President & CEO personally conducted over 60 TV & radio interviews nationwide
- 7th Annual Hollywood Christmas Parade featuring Marine Toys for Tots
- 18th Annual Toys for Tots Holiday Train
- National Football League Teams dedicated games to local Toys for Tots Campaigns

## Fundraising

- Registered with all states & DC to solicit funds
- 99 National Corporate Sponsors
  - Revenue - \$45 million
- Direct mail campaign
  - 20 million Letters
  - Revenue - \$24.2 million
- Combined Federal Campaign
  - Revenue - \$266,000
- Donated Services
  - Revenue - \$4 million
- Special Events
  - Revenue - \$136,000
- Individual Donations
  - Revenue - \$18.1 million
- Local individually donated Toys
  - Revenue - \$187 million

## Management & General

- Operated in accordance with Internal Revenue Code, state laws, American Institute of Certified Public Accountants’ rules, Better Business Bureau Wise Giving Alliance charitable standards
- Managed all funds raised and monetary donations received based on use of Toys for Tots name and logo
- Managed 10 checking, saving and investment accounts
  - 792 bank sub-accounts
- Managed Online Financial Data System to provide financial data 24/7 to local coordinators

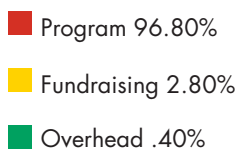
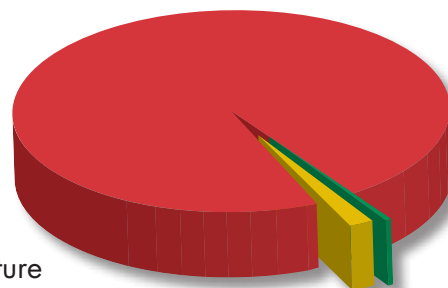


Figure 2 - Fund Expenditure





# Marine Toys for Tots Foundation

## Accolades

### Philanthropy 400.

In 2016, the Chronicle of Philanthropy, for the eighteenth consecutive year, ranked Marine Toys for Tots Foundation in the Philanthropy 400. The Foundation ranked # 97 in the 2016 Philanthropy 400. It is noteworthy for the Foundation to be ranked number 97 of the approximately 1.9 million nonprofit organizations in the United States, of which 1.4 million are IRS recognized 501(c)(3) not-for-profit charities.

### Better Business Bureau Wise Giving Alliance.

In 2016 The Marine Toys for Tots Foundation underwent its biennial review and continues to meet all 20 of the standards established by the Better Business Bureau Wise Giving Alliance and has accordingly been designated an Accredited Charity and is a Seal Holder.



## Accomplishments

1. **Literacy Program:** Continued to grow the Toys for Tots Literacy Program in concert with The UPS Store in order to provide books and educational materials to economically disadvantaged youngsters and schools in depressed areas.
2. **Purchase Card:** Further enhanced this program which is a cornerstone of annual campaigns. The purchase card allows Coordinators to purchase toys and support materials without having to utilize purchase orders, checks or cash.
3. **Successful Campaign:** With a record 792 Local Campaigns, distributed over 18 million toys to nearly 7 million less fortunate children.
4. **Audited Financial Statements.** The Foundation, as has been the case since 1994, received an unqualified opinion on the 2016 financial statements from RSMUS, LLP.
5. **Program to Support Services Expense Ratio.** The Foundation achieved a **97:03** ratio of program to support services expenses in 2016. This means that **97 cents** of every dollar expended in 2016 went to program services and only **3 cents** to fundraising and overhead costs. **It's important for donors to realize that not one donated dollar goes to pay anyone's salary.** The interest and dividends from a special endowment fund pay all manpower costs.



*"The value of Toys for Tots to the Marine Corps and the Reserve establishment: Priceless!"*



## Board of Directors Year End 2016



**W. Tim Davis**  
President  
The UPS Store, Inc  
San Diego, CA



**Ralph A. Dengler**  
Col, USMCR (Ret)  
Attorney  
Venable, LLP  
New York, NY



**Terry Gardner**  
Senior Managing Director  
Cyrus J. Lawrence, LLC  
New York, NY



**Mark A. Haden**  
Investor Relations Officer  
Bunge Limited  
White Plains, NY



**Patrick J. Hermesmann**  
BGen, USMCR  
Attorney at Law  
Hanover Insurance Group  
Terkowitz & Hermesmann  
Mt. Laurel, NJ



**Valerie Jackson**  
Col, USMCR  
Civil Military Operations  
Consultant  
Frisco, TX



**Thomas D. Jones**  
Business Consultant  
Scottsdale, AZ



**Houston Mills, Jr.**  
Director, Airline Safety  
UPS  
Louisville, KY



**Sheryl Murray**  
Col, USMC (Ret)  
SES (Ret)  
Independent Consultant  
Stafford, VA



**Steven C. Ohmstede**  
Director of Aviation  
Richardson Aviation  
Fort Worth, TX



**H. Pete Osman**  
LtGen, USMC (Ret)  
President & CEO  
Marine Toys for Tots  
Foundation  
Triangle, VA



**Robert M. Shea**  
LtGen, USMC (Ret)  
President & CEO  
Armed Forces  
Communications and  
Electronics Association  
Reston, VA



**Burke W. Whitman**  
MajGen, USMCR  
Commanding General  
4th Marine Division  
New Orleans, LA



**Cornell A. Wilson, Jr.**  
MajGen, USMCR (Ret)  
Military Advisor  
State of North Carolina

## Officers Year End 2016



**Robert M. Shea**  
Chairman of the Board



**Thomas D. Jones**  
Vice Chairman of the Board



**Patrick J. Hermesmann**  
Treasurer



**H. Pete Osman**  
President & CEO



**Ted Silvester**  
Vice President  
Marketing & Development



**Brian A. Murray**  
Vice President Operations  
Corporate Secretary



**William W. Chip, Esq.**  
General Counsel

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## Support Staff Year End 2016



**GySgt David E. Adamson, USMC (Ret)**  
Operations Chief



**Mrs. Mitzie Anderson**  
Corporate Accountant



**Mrs. Valerie M. Anderson**  
Accounting Specialist, Region 3



**Mrs. Katherine C. Barnes**  
Accounting Specialist, Region 6



**Mrs. Kelley J. Hardison**  
Deputy Vice President, Marketing & Development



**Ms. Jennifer C. Laine**  
Administrative Assistant



**Mr. Matthew D. McDonald**  
IT Specialist



**Mrs. Laura A. Moyer**  
Executive Assistant to President & CEO



**Mrs. JoAnn Roxburgh**  
Marketing Associate



**Ms. Brooke M. Summers**  
Accounting Specialist, Region 4



**Mrs. Sara M. Mills**  
Marketing Clerk



**Ms. Jennifer R. Campeau**  
Accounting Specialist, Region 2



**Ms. Karen M. Torrence**  
Accounting Specialist, Region 1



**Mrs. Tammy W. Weatherholtz**  
Accounting Specialist, Region 5



## The Founder and the Logo Creator

The Founder of Toys for Tots was the late Colonel William L. Hendricks, USMCR (Ret). In the middle 1940's, Bill Hendricks was the Director of Public Relations for Warner Brothers Studio and concurrently a Major in the Marine Corps Reserve. In the fall of 1947, Bill, with the assistance of members of his Marine Reserve unit, collected and distributed toys to the less fortunate children of Los Angeles, CA. The first toy was a handmade doll created by Bill Hendricks' wife, Diane. Bill Hendricks' pilot project was such a success that the Marine Corps adopted it and expanded it nation-wide in 1948. That year, Walt Disney designed the first Toys for Tots poster which included a miniature three-car train that was subsequently adopted as the Toys for Tots logo.



*“Bill, if there is no agency available to deliver toys to less fortunate children at Christmas, why don't you create one?”*

*— Diane Hendicks*



**Marine Toys for Tots Foundation**

The Cooper Center

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[www.toysfortots.org](http://www.toysfortots.org)

<https://www.facebook.com/toysfortots>