

MARINE CORPS ASSOCIATION 2020 ANNUAL REPORT



Dear Friends of the Marine Corps Association,

I am pleased to provide you our Annual Report for Calendar Year 2020.

Who would have known when we began the year that we would be performing our important mission in support of the professional development of Marines during a global pandemic? Although the pandemic was certainly impactful, the Marine Corps Association did not take a knee during the COVID-19 crisis not missing a beat with publications, awards and other programs I will address in this letter. In 2020, Marine Corps Association revenue from operations exceeded expenses, but was less than our budget due almost entirely to COVID-19 and its impacts on membership, professional dinner events and retail sales. As part of Congress's Coronavirus Aid, Relief, and Economic Security (CARES) Act, we received Payroll Protection Plan funds to help sustain compensation to our workforce facilitating a full return of furloughed employees in June. We also maintained faith with our more than 138,000 digital and print edition readers by publishing our monthly periodicals, the Marine Corps Gazette and Leatherneck Magazine of the Marines, on time and on target. In addition, throughout the year, we strengthened relationships with several key partners like the Marine Corps League who we joined in co-hosting the Virtual Modern Day Marine Exposition which was heavily supported and attended by our Corps' senior leadership, including the Commandant of the Marine Corps, General David Berger.

Our charitable arm, the Marine Corps Association Foundation, provided professional development support to over 60,000 Marines during 2020. These efforts were made possible through generous contributions from our loyal donors totaling over \$1.5 million received throughout the year. Last year's "Golf For The Marines" tournament exceeded expectations both in terms of golfer participation and money raised. Another area of organizational pride during 2020 was a tenth consecutive "clean audit" of our financial records. Additionally, we are very proud of the overall quality and clarity of our strategic communications products, including our electronic footprint via social media and our printed materials. This is particularly evident on our "one-stop-shop" for professional development resources page on our website (www.mca-marines.org/professional-development) where we have a treasure trove of tools for Marines and their personal study or unit professional military education. All our members can enjoy and learn something on this page.

We are very excited about our new strategy; "Strategic Plan 2025" is a five-year look forward at our organizational goals, objectives and supporting actions required now and into the future in order to achieve our vision for the Marine Corps' professional association.

In closing, while the COVID-19 vaccine brings reason for optimism, it will take some time to return to the equivalent of "normal MCA operations". But one thing is for certain – your Marine Corps Association is well postured for continued success in 2021 as the preeminent professional association supporting the United States Marine Corps.

Semper Fidelis,

Lieutenant General W. Mark Faulkner, USMC (Ret)
President & Chief Executive Officer
Marine Corps Association



MARINE CORPS ASSOCIATION

THE MARINE SHOP

The MARINE Shop in Quantico, VA and its accompanying online store, marineshop.net, continued to provide excellent customer service to Marines and friends of the Corps around the world. Though the COVID-19 pandemic presented a host of challenges to include decreased staff capacity, reduced in-store foot traffic, and shipping delays, TMS was able to provide 65-70% of newly commissioned lieutenants with their uniforms and completed uniform deliveries to the Naval Academy, The Citadel, Virginia Military Institute, and Virginia Tech. The staff's sustained effort and adaptability allowed TMS to continue delivery of the highest quality uniforms a Marine can buy.

TMS also launched its new ecommerce website which provides a streamlined customer experience. The most notable feature of the new website is the simplified uniform ordering process where Marines can choose between purchasing a full uniform package or selecting individual items to add to their shopping cart.

An enhanced ecommerce marketing strategy was implemented across social media channels and through email communications allowing TMS shoppers to take advantage of unique sales and providing MCA members with discounted pricing on select products. The focus of 2021 will be to provide shoppers with the highest quality service in-store and online and continue the successful implementation of our sales and marketing strategy.



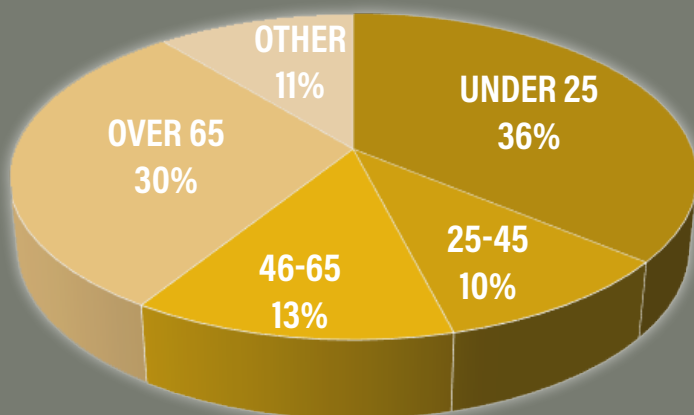
MARINE CORPS ASSOCIATION MEMBERSHIP

Membership remained a challenge in 2020 in the face of the COVID-19 pandemic. The requirement of social distancing practices in response to the pandemic prompted a shift to a more heavily focused digital approach to member communications and acquisition. Despite their best efforts, our Area Representatives were prevented from delivering membership presentations to entry level Marine units for several months due to concerns of large group gatherings. The staff at MCA took this time to develop and curate new resources for Marines including study resources of iconic battles throughout history, multimedia resources that include podcasts and audio articles of Marine Corps leadership and first hand accounts, and much more.

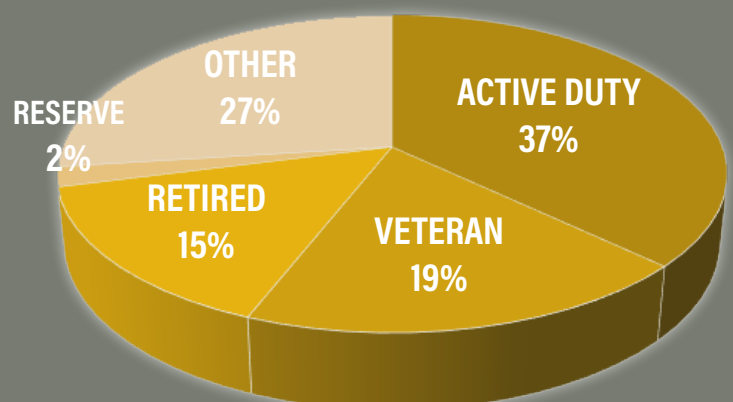
These professional development resources were shared with current and prospective members through MCA's social media platforms and email marketing efforts as a means to announce yet another rich benefit that our association provides.

We also continued to work with external partners such as USAA and Pearl Insurance through direct mail, email marketing, and print advertising campaigns to inform prospective and current members of the insurance benefits provided to members of MCA. Members were also informed on how we supported Today's Marines through our fall and spring newsletters which highlighted topics such as the Marine Corps Association Foundation's Unit Library Program, our flagship publications, The Marine Corps Gazette and Leatherneck Magazine of the Marines, and events such as our Combat Development Dinner featuring guest speaker the 26th Secretary of Defense and retired Marine General James N. Mattis.

MEMBERSHIP BY AGE



MEMBERSHIP BY TYPE



MARINE CORPS ASSOCIATION LEATHERNECK

Despite the global COVID-19 pandemic and the resultant social distancing and need for telework, the staff of Leatherneck was able to publish each issue on time and with the same high quality stories, photos and updates from around the Marine Corps that has been the hallmark of Leatherneck for generations.

Highlights of our 2020 Leatherneck issues include commemorating the 75th anniversary of the Battle of Okinawa and the end of World War II. The impact of the COVID-19 pandemic on unit operations and individual Marines across the Corps was reported on in several issues throughout the year. In addition, Leatherneck published several articles on ongoing efforts to both capture the history of Marines and ensure all who have died in service to our great Nation make it home from battlefields throughout the world. Those articles include stories on the World War II Foundation, History Flight, the Veterans History Project and more.

As has become the norm, the annual Leatherneck Writing Contest provided a treasure trove of articles for publication throughout the year. While “The Marine Security Guards and the Evacuation of the U.S. Embassy Caracas” by GySgt Daniel Best and LCpl Gavin Blisset took first place, more than ten other entries were published throughout the year including Sgt Chase B. Gindin’s “Hardships in Afghanistan” (second place) and “A Night Along the River” by SSgt Steven J. Rossa (third place).

Working closely with the Association’s Strategic Communications section, many articles, cartoons, and letters from readers were also published across the MCA’s social media platforms. Plans are in place to expand Leatherneck’s social media presence in 2021 and identify and implement a new app to ensure our unique content is available to more Marines and friends of the Corps throughout the year.



MARINE CORPS ASSOCIATION GAZETTE

Despite the challenges presented by the persistent pandemic response in 2020, the Gazette continued to serve as the Corps' professional journal, providing the forum for professional debate on the most important issues affecting the Corps. Beginning with the quarantine ordered by the Governor of Virginia in March 2020, the Gazette staff seamlessly transitioned to a paperless, decentralized workflow permitting no disruptions to editing and production.

Throughout 2020, the Gazette continued to publish monthly "focus" editions coordinated with the offices of the deputy commandants and other senior Marine leaders focusing on special operations, innovation, logistics, C4, intelligence, and acquisitions. Last year also saw an increase in trending topics such as talent management, manpower policy, naval integration at the tactical level, operations in the information environment, and future force design. 2020 also saw the introduction of several series of articles including "The Maneuverist Papers," an ongoing study of the origin, conceptual foundations and application of the Corps Warfighting doctrine, and the new "Strategy & Policy" section of our Ideas & Issues features. Last year the Gazette also teamed up with Strategy and Tactics Press/Decision Games Inc. to provide a series of short tutorial articles on board-based wargaming and to offer Marines discounts on their wargame products.

In the ongoing effort to provide more professional development resources to our members and the Marine Corps at large, the Gazette staff drew upon over 100 years of material in the magazine's archives to curate unique collections of material for today's Marines. Offerings include "The Cold War and Great Power Competition," "Articles by the Commandants," and the soon to be published "Battle History of the Marine Corps Collection." In addition to the content in the magazine, the Gazette Blog has grown as the forum for discussions of current and topical "hot-button" issues including the future feasibility of Joint Forcible Entry Operations, as well as Race and Diversity in the Marine Corps.

The Gazette continued to further its mission of professional development by taking a leading role in coordinating the transition of the Modern Day Marine Exposition to a "virtual experience." A selection of pre-recorded "on demand" and live-streamed panel discussions with the Commandant, ASN RD&A and the deputy commandants formed the foundation of professional content for the virtual expo. Defense industry partners were also able to demonstrate their capabilities and engage with Marine leadership through displays in the "virtual exhibit hall."

As always, Gazette authors are primarily Marines. Enlisted Marines and officers of all ranks volunteer their time and intellectual energy to add their voices to the Corps' professional discourse. In spite of, or perhaps because of, the challenges and changes experienced in 2020 the quality and quantity of writing by this group of dedicated professionals have reached historic highs. This engagement in the profession of arms is a testament to the intellectual health of the Marine Corps community. We at the MCA thank all Marines who gave of themselves to author articles in 2020.



MARINE CORPS ASSOCIATION FOUNDATION

The Foundation found ways to support the professional development of Marines in 2020, which was a challenging year for everyone. Because of restrictions on large group gatherings, our Commander's Forums program was unable to be utilized by Marines. This program tends to be among our most popular, but the impact of the COVID pandemic was felt most in this area. The demand from Marine Corps units for libraries, however, increased. Unsurprisingly, Unit Libraries provided the best way to help Marines learn and grow professionally while maintaining social distance. Even with the challenges of 2020, the Marine Corps Association Foundation spent over \$800,000 on Today's Marines and supported over 60,000 across the Corps. The Marine Corps Association Foundation also provided thousands of excellence and writing awards recognizing the superior performance of Marines across the Corps. In some cases, Marine schools operated in a disrupted manner, but Marines were still writing and excelling in their training and education, and the Foundation was there to support as always.

The Marine Corps Association Foundation had the opportunity along with the Commanding Officer of The Basic School to establish a new excellence award for a deserving new Marine lieutenant. Luke Larson, a veteran Marine, comrade, and close friend of 1stLt Shaun Blue worked with us to establish an award honoring Lt Blue's sacrifice. Lt Blue was killed leading his Marines in Operation Iraqi Freedom while a member of 2d Battalion, 7th Marines. He had been such an inspirational leader to Luke Larson and other Marines going through TBS and the Infantry Officer Course that Luke felt it was an opportunity to provide an annual award to a Marine lieutenant nominated by their peers. Each year starting in 2021, one lieutenant who is deemed the officer their peers would most want to serve in combat with will receive the 1stLt Shaun Blue Leadership Award. We are honored to be part of this effort and appreciate Luke Larson who provided the idea and endowment to make it possible.

The Marine Corps Association Foundation has continued to support deploying units with Kindle e-readers as part of the Unit Library Program and continues to use funds raised to provide additional book titles for the Kindles so that deployed Marines have more access to the books and materials that are part of the Commandant's Professional Reading Program. The reading program the current Commandant, General David H. Berger, revised provided the Marine Corps Association Foundation the chance to procure the new books and resources and ensure delivery to Marine units. As you might expect with any revision, demand immediately went up for the new materials and the experienced MCAF staff members went to work making sure we provided them. In a year like 2020 when professional reading and study materials were more necessary than ever, the Foundation came through!



MARINE CORPS ASSOCIATION EVENTS

The year started off well with the Marine Corps Association traveling to California for our West Coast Dinner and to Japan for the Okinawa Professional Dinner in February 2020. As we prepared for our March 12th, 2020 Hawaii Professional Dinner, we were halted due to concern about large gatherings amid the COVID-19 pandemic. With this new reality at hand, the team packed up and returned to Quantico.

Over the next four months, many conversations took place with our sponsors and guests about MCA events going forward. We worked to follow government restrictions and prepared for events when the COVID-19 environment improved. Beginning in August, we resumed events at greatly reduced attendance. Guests were provided with hand sanitizer and KN-95 masks at our contactless registration tables, and programs and commemorative coins were also packed in registration packs for the attendees to pick up as they arrived. MCA staff wore gloves and took all safety precautions while assembling packages for guests.

With the exception of the Acquisition Awards, all 45 of the premier award presentations were made in-person with audiences ranging from 25-100 guests and award recipients. These included the Wounded Warrior Leadership Awards, Ammo Tech Awards, Ground Awards, Information Awards, and the Logistics Awards. The Acquisition Awards were presented at the annual Marine Corps Systems Command's Town Hall Meeting with only LtGen Faulkner and the award sponsors in attendance. We also livestreamed the events for guests who could not attend due to the reduced attendance requirements.

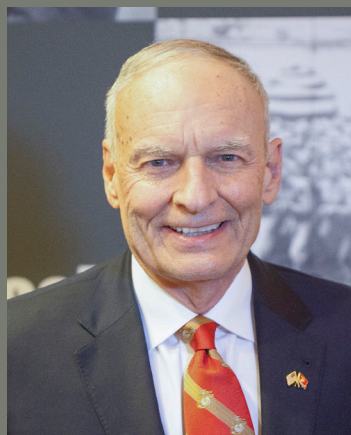
Our guest speakers included Gen David Berger, USMC; LtGen Eric Smith, USMC; LtGen Charles Chiarotti, USMC; VADM Scott Conn, USN; VADM William Merz, USN and VADM Andrew Lewis, USN. We anticipate our 2021 Events will resume sometime in the second part of this year. MCA greatly appreciates our sponsors who supported our programs despite the reduced number of attendees during this most difficult year. Please watch for our event updates at www.mca-marines.org/events.



MARINE CORPS ASSOCIATION FOUNDATION BOARD OF DIRECTORS



LtGen George Flynn
USMC (Ret)
Chairman of the Board



Mr. Jay S. Holmes
Vice Chairman of the Board



LtGen William Faulkner
USMC (Ret)
President & CEO of MCA



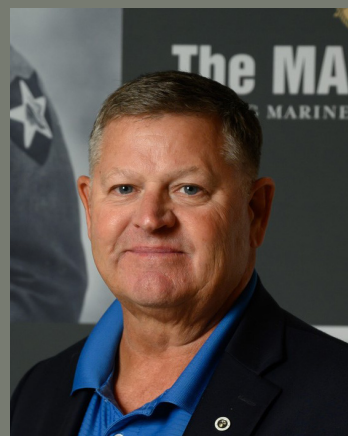
LtGen John A. Toolan
USMC (Ret)
Board Member



Col Todd Ford
USMC (Ret)
Board Member



Col Steven Zotti
USMC (Ret)
Board Member



LtCol Skip Gaskill
USMC (Ret)
Board Member



LtCol Christopher Davis
USMC (Ret)
Board Member



Mr. Michael Martz
Board Member



LtCol Ron Eckert
USMC (Ret)
Board Member



LtCol H. Alexander Henegar
USMC (Ret)
Board Member



Mr. Christopher Bird
Board Member

MARINE CORPS ASSOCIATION FOUNDATION BOARD OF DIRECTORS



Mr. Kurt Chapman
Board Member



Mr. Otto Frenzel
Board Member



Mr. Tim O'Hara
Board Member



Col Robert Love
USMC (Ret)
Board Member



Dr. Susan Johnston, Ph.D.
Board Member



Col Emily E. Swain
USMC (Ret)
Board Member



Mr. Bryan H. Wood
SES (Ret)
Board Member

MARINE CORPS ASSOCIATION BOARD OF GOVERNORS



LtGen George Flynn
USMC (Ret)
Chairman of the Board



Mr. Jay S. Holmes
Vice Chairman of the Board



LtGen William Faulkner
USMC (Ret)
President & CEO of MCA



LtGen John A. Toolan
USMC (Ret)
Board Member



Col Todd Ford
USMC (Ret)
Board Member



Col Steven Zotti
USMC (Ret)
Board Member



LtCol Skip Gaskill
USMC (Ret)
Board Member



LtCol Christopher Davis
USMC (Ret)
Board Member



Mr. Michael Martz
Board Member



LtCol Wendy Garrity
USMC (Ret)
Board Member



Col William R. Costantini
USMC (Ret)
Board Member



LtCol Brian Grana
USMC (Ret)
Board Member

MARINE CORPS ASSOCIATION BOARD OF GOVERNORS



SgtMaj Alford McMichael
USMC (Ret)
Board Member



SgtMaj Kim Davis
USMC (Ret)
Board Member



Mr. Tim O'Hara
Board Member



Col Robert Love,
USMC (Ret)
Board Member



Col Emily E. Swain
USMC (Ret)
Board Member



Mr. Bryan H. Wood
SES (Ret)
Board Member

MARINE CORPS ASSOCIATION FINANCIALS

Marine Corps Association & Marine Corps Association Foundation Consolidated Statement of Activities Year Ended December 31, 2020

	2020
REVENUE	
Total Revenue	\$12,250,250
EXPENSES	
Retail Operations	5,477,135
Publications and Membership	1,623,205
Professional Development	827,574
Awards and Other	373,722
Management and General	2,224,378
Fundraising	565,205
Total Expenses	11,091,219
Unrealized Gain on Investments	1,048,827
CHANGE IN NET ASSETS	2,207,858
Net Assets - Beginning of Year	13,220,124
NET ASSETS - END OF YEAR	\$15,427,982

Unaudited (preliminary) results