

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Department of the Treasury
Internal Revenue Service

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990.

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning and ending

| | | | |
|---|---|--|---|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization UNITED SERVICE ORGANIZATIONS OF ILLINOIS Doing Business As | | D Employer identification number 36-2349617 |
| | Number and street (or P.O. box if mail is not delivered to street address) Room/suite 333 S. WABASH 16TH FLOOR | | E Telephone number 312-822-6448 |
| | City or town, state or province, country, and ZIP or foreign postal code CHICAGO, IL 60604 | | G Gross receipts \$ 3,436,457. |
| | F Name and address of principal officer: ALISON RUBLE 333 S. WABASH 16TH FLOOR, CHICAGO, IL 60604 | | H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number 1291 |

I Tax-exempt status: 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: **WWW.USOOFILLINOIS.ORG**

K Form of organization: Corporation Trust Association Other

L Year of formation: **1941** **M** State of legal domicile: **IL**

Part I Summary

| | | | | |
|------------------------------------|--|---|---------------------------|--------------|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: THE MISSION OF THE USO IS TO ENHANCE THE QUALITY OF LIFE OF THE U.S. ARMED FORCES PERSONNEL AND | | | |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | | |
| | 3 | Number of voting members of the governing body (Part VI, line 1a) 3 | | |
| | 4 | Number of independent voting members of the governing body (Part VI, line 1b) 51 | | |
| | 5 | Total number of individuals employed in calendar year 2013 (Part V, line 2a) 0 | | |
| | 6 | Total number of volunteers (estimate if necessary) 0 | | |
| | 7a | Total unrelated business revenue from Part VIII, column (C), line 12 0. | | |
| 7b | Net unrelated business taxable income from Form 990-T, line 34 0. | | | |
| Revenue | 8 | Contributions and grants (Part VIII, line 1h) | Prior Year | Current Year |
| | 9 | Program service revenue (Part VIII, line 2g) | 1,581,815. | 2,054,707. |
| | 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 0. | 0. |
| | 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 29,377. | 22,114. |
| | 12 | Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | 1,068,729. | 1,034,396. |
| Expenses | 13 | Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 2,679,921. | 3,111,217. |
| | 14 | Benefits paid to or for members (Part IX, column (A), line 4) | 0. | 0. |
| | 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 0. | 0. |
| | 16a | Professional fundraising fees (Part IX, column (A), line 11e) | 1,175,966. | 1,171,978. |
| | 16b | Total fundraising expenses (Part IX, column (D), line 25) 348,493. | 0. | 0. |
| 17 | Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) | 1,752,258. | 1,797,024. | |
| 18 | Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 1,752,258. | 1,797,024. | |
| 19 | Revenue less expenses. Subtract line 18 from line 12 | 2,928,224. | 2,969,002. | |
| Net Assets or Fund Balances | 20 | Total assets (Part X, line 16) | <248,303.> | 142,215. |
| | 21 | Total liabilities (Part X, line 26) | | |
| | 22 | Net assets or fund balances. Subtract line 21 from line 20 | Beginning of Current Year | End of Year |
| | | | 2,045,361. | 2,123,260. |

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

| | | | | | |
|-------------------------------|--|-------------------------------|-------------------------|---|--------------------------|
| Sign Here | Signature of officer | Date | | | |
| | ALISON RUBLE, PRESIDENT AND CEO Type or print name and title | | | | |
| Paid Preparer Use Only | Print/Type preparer's name DAVID S. FRIEDLANDER | Preparer's signature | Date 08/12/14 | Check if self-employed <input type="checkbox"/> | PTIN P00485420 |
| | Firm's name FGMK, LLC | Firm's EIN 36-2929601 | | | |
| | Firm's address 2801 LAKESIDE DRIVE, 3RD FLOOR BANNOCKBURN, IL 60015 | Phone no. 847-374-0400 | | | |

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

SEE BELOW

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1,027,960. including grants of \$) (Revenue \$)

FACILITIES-USO OF ILLINOIS CENTER FACILITIES AT NAVAL STATION OF GREAT LAKES, O'HARE AND MIDWAY INTERNATIONAL AIRPORTS AND ROCK ISLAND ARSENAL ENHANCE THE QUALITY OF LIFE OF ACTIVE DUTY MEMBERS OF OUR U.S. ARMED FORCES AND THEIR DEPENDENTS.

4b (Code:) (Expenses \$ 336,893. including grants of \$) (Revenue \$)

MILITARY FAMILIES-USO OF ILLINOIS MILITARY YOUTH AND FAMILY PROGRAMS ARE TAILORED TO ADDRESS THE NEEDS OF ACTIVE DUTY MEMBERS OF OUR U.S. ARMED FORCES AND THEIR DEPENDENTS BY PROVIDING SOCIAL, CULTURAL, RECREATIONAL AND EDUCATIONAL PROGRAMS AND SERVICES THAT LIFT THE MORALE AND PROMOTE RESILIENCY, COMMUNITY REINTEGRATION AND WELL-BEING.

ALSO MILITARY COMMUNITY-FOCUSED PROGRAMS- THE USO OF ILLINOIS DELIVERS PROGRAMS AND SERVICES THAT ENHAMCE THE QUALITY OF LIFE OF ACTIVE DUTY MEMBERS OF OUR U.S. ARMED FORCES AND THEIR DEPENDENTS DIRECTLY WITHIN THE HOME TOWN COMMUNITIES WHERE THEY RESIDE

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)

(Expenses \$ 999,222. including grants of \$) (Revenue \$)

4e Total program service expenses 2,364,075.

Part IV Checklist of Required Schedules

| | Yes | No |
|--|-----|----|
| 1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> | X | |
| 2 Is the organization required to complete Schedule B, Schedule of Contributors? | X | |
| 3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> | | X |
| 4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> | | X |
| 5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> | | X |
| 6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> | | X |
| 7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i> | | X |
| 8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> | | X |
| 9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> | | X |
| 10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> | | X |
| 11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. | | |
| a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> | X | |
| b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> | X | |
| c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> | | X |
| d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> | | X |
| e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> | X | |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> | | X |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> | | X |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> | | X |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> | | X |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> | | X |
| 15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> | | X |
| 16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i> | | X |
| 17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> | | X |
| 18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> | | X |
| 19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> | | X |
| 20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> | | X |
| b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i> | | |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|--|-----|----|
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II | | X |
| 22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III | | X |
| 23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J | | X |
| 24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a | | X |
| b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | | |
| c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | | |
| d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | | |
| 25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I | | X |
| b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I | | X |
| 26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II | | X |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III | | X |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions): | | |
| a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV | | X |
| b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV | | X |
| c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV | | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M | X | |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M | | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I | | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II | | X |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I | | X |
| 34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 | | X |
| 35a Did the organization have a controlled entity within the meaning of section 512(b)(13)? | | X |
| b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 | | |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 | | X |
| 37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI | | X |
| 38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? | X | |

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question number, question text, sub-questions (1a-14b), and Yes/No columns. Contains various tax compliance questions regarding Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 4947(a)(1), and Form 720.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or charges in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

| | 1a | 1b | Yes | No |
|---|----|----|-----|----|
| 1a Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O. | 52 | | | |
| b Enter the number of voting members included in line 1a, above, who are independent | | 51 | | |
| 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | | | | X |
| 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? | | | | X |
| 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | | | | X |
| 5 Did the organization become aware during the year of a significant diversion of the organization's assets? | | | | X |
| 6 Did the organization have members or stockholders? | | | | X |
| 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | | | | X |
| b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? | | | | X |
| 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | | | |
| a The governing body? | | | X | |
| b Each committee with authority to act on behalf of the governing body? | | | X | |
| 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | | | | X |

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

| | Yes | No |
|--|-----|----|
| 10a Did the organization have local chapters, branches, or affiliates? | | X |
| b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | | |
| 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | X | |
| b Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | |
| 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 | X | |
| b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | X | |
| c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done | | X |
| 13 Did the organization have a written whistleblower policy? | X | |
| 14 Did the organization have a written document retention and destruction policy? | X | |
| 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | |
| a The organization's CEO, Executive Director, or top management official | X | |
| b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions). | X | |
| 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | | X |
| b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | | |

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed **IL**
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **DELORES CAZY - 312-882-6448**
333 S. WABASH -16TH FLOOR, CHICAGO, IL 60604

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--------------------------------------|---|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (1) JAY BLUNK DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (2) VALERIE BRUGGEMAN DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (3) PATRICK CASEY DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (4) ROE CONN DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (5) SANDYA DANDAMUDI DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (6) ROSS DOCKSEY DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (7) JAN EMMERT DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (8) MG GEORGE FAY DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (9) DAVID FRIEDLANDER DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (10) VICTORIA BOOMGARDEN DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (11) ALBERT GOODMAN VICE CHAIRMAN | 0.00 | X | | | | | | 0. | 0. | 0. |
| (12) STEPHEN CALK DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (13) LYNN MAGNESEN DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (14) JOHN MAY TREASURER | 0.00 | X | | | | | | 0. | 0. | 0. |
| (15) JONATHAN MCCABE SECRETARY | 0.00 | X | | | | | | 0. | 0. | 0. |
| (16) DONALD MCGARRAH DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (17) FRANK NEIDERMAN DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|--|---|---|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (18) JOSEPH OWCZAREK DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (19) SARITA S. CONNELLY DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (20) PAT SANDERS VICE CHAIRMAN | 0.00 | X | | | | | | 0. | 0. | 0. |
| (21) MICHAEL SMITH GENERAL COUNSEL | 0.00 | X | | | | | | 0. | 0. | 0. |
| (22) JOAN BULKELEY STADE VICE CHAIRMAN | 0.00 | X | | | | | | 0. | 0. | 0. |
| (23) FRANK URBAHNS DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (24) GEORGE GILMORE, JR. DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (25) CHARLES BOKAR DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (26) PETER HASSEN DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| 1b Sub-total | | | | | | | | 0. | 0. | 0. |
| c Total from continuation sheets to Part VII, Section A | | | | | | | | 827,982. | 0. | 0. |
| d Total (add lines 1b and 1c) | | | | | | | | 827,982. | 0. | 0. |

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **2**

| | Yes | No |
|--|-----|----|
| 3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual | | X |
| 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual | | X |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | X |

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|----------------------------------|--------------------------------|---------------------|
| NONE | | |
| | | |
| | | |
| | | |
| | | |

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **0**

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---------------------------------------|---|--|-----------------------|---------|--------------|------------------------------|--------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (27) KENNETH HARRIS, JR. DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (28) BRUCE HOPPLE DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (29) PRASAN KALE DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (30) ADAM LEFEBVRE DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (31) BRETT LUCAS DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (32) ROBERT PADDOR DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (33) TODD SCHROEDER DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (34) GREGORY SCHROER DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (35) JOSEPH SILICH DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (36) CHRIS TAPAS DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (37) FRANCO TEDESCHI DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (38) BRUCE H BESANKO DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (39) ANDRE D BONAKDAR DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (40) MATTHEW B BURNHAM DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (41) BARRET E. REA DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (42) PATRICK GALLAGHER DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (43) LISA M LANZ DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (44) JOHN J RILEY DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (45) ROBERT N SACKS DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| (46) RICHARD VIE DIRECTOR | 0.00 | X | | | | | | 0. | 0. | 0. |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|--|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (47) RICHARD A BRUDER DIRECTOR | 0.00 | X | | | | | 0. | 0. | 0. | |
| (48) KRISTINA MCCGRATH DIRECTOR | 0.00 | X | | | | | 0. | 0. | 0. | |
| (49) JOHN C FORTSON CHAIRMAN OF THE BOARD | 0.00 | X | | | | | 0. | 0. | 0. | |
| (50) SCOTT T. FUZER DIRECTOR | 0.00 | X | | | | | 0. | 0. | 0. | |
| (51) HOLLY HUGHES DIRECTOR | 0.00 | X | | | | | 0. | 0. | 0. | |
| (52) ALISON RUBLE PRESIDENT/CEO | 40.00 | | | X | X | | 138,500. | 0. | 0. | |
| (53) DELORES CAZY DIR, ADM. AFFAIRS | 40.00 | | | | | | 60,000. | 0. | 0. | |
| (54) WILEY NORDEN PROGRAM DIR. | 40.00 | | | | | | 68,000. | 0. | 0. | |
| (55) ROBERT STONE USO MIDWAY CENTER MGR. | 40.00 | | | | | | 50,500. | 0. | 0. | |
| (56) MG JOHN SCULLY DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (57) LINDSAY WADAS USO OHARE DIRECTOR | 40.00 | | | | | | 50,500. | 0. | 0. | |
| (58) MICHAEL BOE DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (59) MARY GALVIN DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (60) THOMAS ROMANELLO DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (61) KENNETH STEEL DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (62) WILLIAM SIMPSON DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (63) FRANK WHITTAKER DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (64) COL. JENNIFER PRITZKER DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (65) CAPT. BILL BULIS, USN DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (66) TERESA BATES DIRECTOR OF SPECIAL EVENTS | 40.00 | | | | | | 53,000. | 0. | 0. | |
| Total to Part VII, Section A, line 1c | | | | | | | | | | |

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

| (A) Name and title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (check all that apply) | | | | | | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|--|-----------------------|---------|--------------|------------------------------|----------|--|---|---|
| | | Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| (67) CHRIS MILLER DIRECTOR OF CENTER OPERATI | 40.00 | | | | X | | 73,000. | 0. | 0. | |
| (68) JESSICA DOLAN VICE PRESIDENT OF DEVELOPMENT | 40.00 | | | | X | | 130,000. | 0. | 0. | |
| (69) CAITLIN FOSTER DEVELOPMENT MANAGER | 40.00 | | | | | | 51,000. | 0. | 0. | |
| (70) JACKIE INMAN USO ROCK ISLAND DIRECTOR | 40.00 | | | | | | 50,000. | 0. | 0. | |
| (71) JILL GAYTON PROGRAM MANAGER | 40.00 | | | | | | 58,000. | 0. | 0. | |
| (72) LTC JACK AMBERG II DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (73) LT COL GLEN COLLINS, USAFR DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (74) COL JOHN SCOTT HOFF, USAFR DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (75) SONDR A HEALY DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (76) ELLEN MCELLIGOTT USO GREAT LAKES DIRECTOR | 40.00 | | | | | | 45,482. | 0. | 0. | |
| (77) DENNIS J HEALY DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (78) LTC MIKE MONTI, USMC DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (79) COL. JEFFREY GOODES, USMC DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (80) CAPT. JASON NEUBAUER, USCG DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (81) LTC. JOE SCROCCA, USA DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| (82) LTC. SCOTT DUTKUS, USAF DIRECTOR | 0.00 | | | | | | 0. | 0. | 0. | |
| Total to Part VII, Section A, line 1c | | | | | | | 827,982. | | | |

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512-514 | |
|--|---|--|--|---|---|--|----------|
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a | Federated campaigns | | | | | |
| | b | Membership dues | | | | | |
| | c | Fundraising events | | | | | |
| | d | Related organizations | | | | | |
| | e | Government grants (contributions) | | | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above | 1f 2,054,707. | | | | |
| | g | Noncash contributions included in lines 1a-1f: \$ | 1,239,560. | | | | |
| | h | Total. Add lines 1a-1f | | 2,054,707. | | | |
| Program Service Revenue | 2 a | Business Code | | | | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f | All other program service revenue | | | | | |
| | g | Total. Add lines 2a-2f | | | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) | | 22,114. | | 22,114. | |
| | 4 | Income from investment of tax-exempt bond proceeds | | | | | |
| | 5 | Royalties | | | | | |
| | 6 a | Gross rents | (i) Real (ii) Personal | | | | |
| | | b | Less: rental expenses | | | | |
| | | c | Rental income or (loss) | | | | |
| | | d | Net rental income or (loss) | | | | |
| | 7 a | Gross amount from sales of assets other than inventory | (i) Securities (ii) Other | | | | |
| | | b | Less: cost or other basis and sales expenses | | | | |
| | | c | Gain or (loss) | | | | |
| | | d | Net gain or (loss) | | | | |
| | 8 a | Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 | a | 1,210,316. | | | |
| | | b | Less: direct expenses | b | 325,240. | | |
| | | c | Net income or (loss) from fundraising events | | 885,076. | | 885,076. |
| 9 a | Gross income from gaming activities. See Part IV, line 19 | a | | | | | |
| | b | Less: direct expenses | b | | | | |
| | c | Net income or (loss) from gaming activities | | | | | |
| 10 a | Gross sales of inventory, less returns and allowances | a | | | | | |
| | b | Less: cost of goods sold | b | | | | |
| | c | Net income or (loss) from sales of inventory | | | | | |
| Miscellaneous Revenue | | | Business Code | | | | |
| 11 a | ASSETS RELEASED FROM RESTRICTION | 900099 | 149,320. | | | 149,320. | |
| | b | | | | | | |
| | c | | | | | | |
| | d | All other revenue | | | | | |
| | e | Total. Add lines 11a-11d | | 149,320. | | | |
| 12 | Total revenue. See instructions. | | 3,111,217. | 0. | 0. | 1,056,510. | |

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

| | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 | | | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | | | | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 1,141,756. | 805,686. | 68,432. | 267,638. |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | 30,222. | | 30,222. | |
| 9 Other employee benefits | | | | |
| 10 Payroll taxes | | | | |
| 11 Fees for services (non-employees): | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | | | | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | | | | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.) | 206,907. | 40,870. | 139,754. | 26,283. |
| 12 Advertising and promotion | 16,526. | 5,055. | 85. | 11,386. |
| 13 Office expenses | 18,992. | 10,138. | 2,120. | 6,734. |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | | | | |
| 17 Travel | 22,783. | 16,508. | 2,075. | 4,200. |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | 1,096,641. | 1,088,519. | 4,934. | 3,188. |
| 19 Conferences, conventions, and meetings | | | | |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 67,943. | 67,943. | | |
| 23 Insurance | 14,485. | 11,004. | 2,587. | 894. |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a BUS AND SPECIAL PROGRAM | 272,297. | 272,297. | | |
| b EQUIPMENT RENTAL AND MA | 31,152. | 11,857. | 3,829. | 15,466. |
| c TELEPHONE EXPENSES | 25,777. | 21,109. | 1,855. | 2,813. |
| d PRINTING | 9,471. | 2,053. | 154. | 7,264. |
| e All other expenses | 14,050. | 11,036. | 387. | 2,627. |
| 25 Total functional expenses. Add lines 1 through 24e | 2,969,002. | 2,364,075. | 256,434. | 348,493. |
| 26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. | | | | |

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

| | | (A) Beginning of year | | (B) End of year | |
|-----------------------------|---|---|--------------|--------------------|------------|
| Assets | 1 | Cash - non-interest-bearing | 453,145. | 1 | 802,545. |
| | 2 | Savings and temporary cash investments | | 2 | |
| | 3 | Pledges and grants receivable, net | | 3 | |
| | 4 | Accounts receivable, net | 146,049. | 4 | 151,061. |
| | 5 | Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 | Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L | | 6 | |
| | 7 | Notes and loans receivable, net | | 7 | |
| | 8 | Inventories for sale or use | 1,292. | 8 | 0. |
| | 9 | Prepaid expenses and deferred charges | 27,540. | 9 | 22,732. |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 460,499. | | |
| | b | Less: accumulated depreciation | 10b 311,617. | 10c | 148,882. |
| | 11 | Investments - publicly traded securities | 77,195. | 11 | 87,891. |
| | 12 | Investments - other securities. See Part IV, line 11 | 1,187,440. | 12 | 910,149. |
| | 13 | Investments - program-related. See Part IV, line 11 | | 13 | |
| | 14 | Intangible assets | | 14 | |
| | 15 | Other assets. See Part IV, line 11 | | 15 | |
| 16 | Total assets. Add lines 1 through 15 (must equal line 34) | 2,045,361. | 16 | 2,123,260. | |
| Liabilities | 17 | Accounts payable and accrued expenses | 64,397. | 17 | 69,973. |
| | 18 | Grants payable | | 18 | |
| | 19 | Deferred revenue | | 19 | |
| | 20 | Tax-exempt bond liabilities | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 | Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | |
| | 25 | Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D | 193,505. | 25 | 123,613. |
| | 26 | Total liabilities. Add lines 17 through 25 | 257,902. | 26 | 193,586. |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | | |
| | 27 | Unrestricted net assets | 1,730,215. | 27 | 1,812,250. |
| | 28 | Temporarily restricted net assets | 57,244. | 28 | 117,424. |
| | 29 | Permanently restricted net assets | | 29 | |
| | Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. | | | | |
| | 30 | Capital stock or trust principal, or current funds | | 30 | |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| 33 | Total net assets or fund balances | 1,787,459. | 33 | 1,929,674. | |
| 34 | Total liabilities and net assets/fund balances | 2,045,361. | 34 | 2,123,260. | |

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

| | | | |
|----|--|----|------------|
| 1 | Total revenue (must equal Part VIII, column (A), line 12) | 1 | 3,111,217. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 2,969,002. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 142,215. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 1,787,459. |
| 5 | Net unrealized gains (losses) on investments | 5 | |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain in Schedule O) | 9 | 0. |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 1,929,674. |

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

| | | Yes | No |
|----|---|-----|----|
| 1 | Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | X |
| b | Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | X | |
| c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | X | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____ | | X |
| b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____ | | |

Form 990 (2013)

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

2013

Open to Public Inspection

Name of the organization

UNITED SERVICE ORGANIZATIONS OF ILLINOIS

Employer identification number

36-2349617

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).
- 2 A school described in section 170(b)(1)(A)(ii). (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
- 4 A medical research organization operated in conjunction with a hospital described in section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in section 170(b)(1)(A)(iv). (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 8 A community trust described in section 170(b)(1)(A)(vi). (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See section 509(a)(4).
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See section 509(a)(3). Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

| | | |
|--|-----|----|
| | Yes | No |
| (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? | | |
| (ii) A family member of a person described in (i) above? | | |
| (iii) A 35% controlled entity of a person described in (i) or (ii) above? | | |
- h Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1-9 above or IRC section (see instructions)) | (iv) Is the organization in col. (i) listed in your governing document? | | (v) Did you notify the organization in col. (i) of your support? | | (vi) Is the organization in col. (i) organized in the U.S.? | | (vii) Amount of monetary support |
|------------------------------------|----------|---|---|----|--|----|---|----|----------------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Total | | | | | | | | | |

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|---|------------|------------|------------|------------|----------|------------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | 1,106,169. | 1,228,396. | 1,195,319. | 1,581,815. | | 5,111,699. |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 Total. Add lines 1 through 3 | 1,106,169. | 1,228,396. | 1,195,319. | 1,581,815. | | 5,111,699. |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | |
| 6 Public support. Subtract line 5 from line 4. | | | | | | 5,111,699. |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|--|------------|------------|------------|------------|----------|------------|
| 7 Amounts from line 4 | 1,106,169. | 1,228,396. | 1,195,319. | 1,581,815. | | 5,111,699. |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 112,434. | 53,922. | 38,197. | 29,344. | | 233,897. |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | 5,345,596. |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | 3,517,426. |

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

| | | |
|---|-------------------------------------|---------|
| 14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) | 14 | 95.62 % |
| 15 Public support percentage from 2012 Schedule A, Part II, line 14 | 15 | 94.97 % |
| 16a 33 1/3% support test - 2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | <input checked="" type="checkbox"/> | |
| b 33 1/3% support test - 2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization | <input type="checkbox"/> | |
| 17a 10% -facts-and-circumstances test - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | <input type="checkbox"/> | |
| b 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | <input type="checkbox"/> | |
| 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions | <input type="checkbox"/> | |

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 Total. Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 Public support. (Subtract line 7c from line 6.) | | | | | | |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ► | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 13 Total support. (Add lines 9, 10c, 11, and 12.) | | | | | | |

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

| | | |
|--|-----------|---|
| 15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 Public support percentage from 2012 Schedule A, Part III, line 15 | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|---|-----------|---|
| 17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2012 Schedule A, Part III, line 17 | 18 | % |

19a 33 1/3% support tests - 2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

b 33 1/3% support tests - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF,
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Name of the organization

Employer identification number

UNITED SERVICE ORGANIZATIONS OF ILLINOIS

36-2349617

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

Name of organization

Employer identification number

UNITED SERVICE ORGANIZATIONS OF ILLINOIS

36-2349617

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

| (a) No. | (b) Name, address, and ZIP + 4 | (c) Total contributions | (d) Type of contribution |
|------------|-----------------------------------|----------------------------|---|
| 1 | SEE ATTACHED SCHEDULE | \$ 2,054,707. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |

Name of organization

Employer identification number

UNITED SERVICE ORGANIZATIONS OF ILLINOIS

36-2349617

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

| (a) No. from Part I | (b) Description of noncash property given | (c) FMV (or estimate) (see instructions) | (d) Date received |
|------------------------------|--|--|----------------------|
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |
| | | \$ _____ | _____ |

Name of organization

Employer identification number

UNITED SERVICE ORGANIZATIONS OF ILLINOIS

36-2349617

Part III

Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once.) ▶ \$

Use duplicate copies of Part III if additional space is needed.

| (a) No. from Part I | (b) Purpose of gift | (c) Use of gift | (d) Description of how gift is held |
|---|---------------------|--|-------------------------------------|
| | | | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| (e) Transfer of gift | | | |
| Transferee's name, address, and ZIP + 4 | | Relationship of transferor to transferee | |
| | | | |
| | | | |

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

UNITED SERVICE ORGANIZATIONS OF ILLINOIS

Employer identification number

36-2349617

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|--|-------------------------|------------------------------|
| 1 Total number at end of year | | |
| 2 Aggregate contributions to (during year) | | |
| 3 Aggregate grants from (during year) | | |
| 4 Aggregate value at end of year | | |

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

| | |
|--|--|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) | <input type="checkbox"/> Preservation of an historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of a certified historic structure |
| <input type="checkbox"/> Preservation of open space | |

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements | 2a |
| b Total acreage restricted by conservation easements | 2b |
| c Number of conservation easements on a certified historic structure included in (a) | 2c |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register | 2d |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

| | |
|--|------------|
| (i) Revenues included in Form 990, Part VIII, line 1 | ▶ \$ _____ |
| (ii) Assets included in Form 990, Part X | ▶ \$ _____ |

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

| | |
|--|------------|
| a Revenues included in Form 990, Part VIII, line 1 | ▶ \$ _____ |
| b Assets included in Form 990, Part X | ▶ \$ _____ |

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIII and complete the following table:

| | Amount |
|---------------------------------|--------|
| c Beginning balance | |
| d Additions during the year | |
| e Distributions during the year | |
| f Ending balance | |

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

| | Yes | No |
|-----------------------------|-----|----|
| (i) unrelated organizations | | |
| (ii) related organizations | | |

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

| Description of property | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1a Land | | | | |
| b Buildings | | | | |
| c Leasehold improvements | | | | |
| d Equipment | 460,499. | | 311,617. | 148,882. |
| e Other | | | | |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 148,882. |

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) Financial derivatives | | |
| (2) Closely-held equity interests | | |
| (3) Other | | |
| (A) CORPORATE AND GOVERNMENT | | |
| (B) BONDS | 910,149. | END-OF-YEAR MARKET VALUE |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶ | 910,149. | |

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

| (a) Description of investment | (b) Book value | (c) Method of valuation: Cost or end-of-year market value |
|---|----------------|---|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| (5) | | |
| (6) | | |
| (7) | | |
| (8) | | |
| (9) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶ | | |

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|----------------|
| (1) | |
| (2) | |
| (3) | |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶ | |

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Book value |
|---|----------------|
| (1) Federal income taxes | |
| (2) ACCRUED PENSION COST | 80,438. |
| (3) ACCRUED PAID TIME OFF | 43,175. |
| (4) | |
| (5) | |
| (6) | |
| (7) | |
| (8) | |
| (9) | |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶ | 123,613. |

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

| | | | |
|---|----|----------|------------|
| 1 Total revenue, gains, and other support per audited financial statements | | 1 | 4,096,421. |
| 2 Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | |
| a Net unrealized gains on investments | 2a | | |
| b Donated services and use of facilities | 2b | 985,204. | |
| c Recoveries of prior year grants | 2c | | |
| d Other (Describe in Part XIII.) | 2d | | |
| e Add lines 2a through 2d | 2e | 985,204. | |
| 3 Subtract line 2e from line 1 | | 3 | 3,111,217. |
| 4 Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | | |
| a Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | |
| b Other (Describe in Part XIII.) | 4b | | |
| c Add lines 4a and 4b | 4c | | 0. |
| 5 Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) | | 5 | 3,111,217. |

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

| | | | |
|--|----|----------|------------|
| 1 Total expenses and losses per audited financial statements | | 1 | 3,965,732. |
| 2 Amounts included on line 1 but not on Form 990, Part IX, line 25: | | | |
| a Donated services and use of facilities | 2a | 996,730. | |
| b Prior year adjustments | 2b | | |
| c Other losses | 2c | | |
| d Other (Describe in Part XIII.) | 2d | | |
| e Add lines 2a through 2d | 2e | 996,730. | |
| 3 Subtract line 2e from line 1 | | 3 | 2,969,002. |
| 4 Amounts included on Form 990, Part IX, line 25, but not on line 1: | | | |
| a Investment expenses not included on Form 990, Part VIII, line 7b | 4a | | |
| b Other (Describe in Part XIII.) | 4b | | |
| c Add lines 4a and 4b | 4c | | 0. |
| 5 Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) | | 5 | 2,969,002. |

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization **UNITED SERVICE ORGANIZATIONS OF ILLINOIS** Employer identification number **36-2349617**

| Part I | Types of Property | (a) Check if applicable | (b) Number of contributions or items contributed | (c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g | (d) Method of determining noncash contribution amounts |
|--------|---|----------------------------|---|--|---|
| 1 | Art - Works of art | | | | |
| 2 | Art - Historical treasures | | | | |
| 3 | Art - Fractional interests | | | | |
| 4 | Books and publications | | | | |
| 5 | Clothing and household goods | | | | |
| 6 | Cars and other vehicles | | | | |
| 7 | Boats and planes | | | | |
| 8 | Intellectual property | | | | |
| 9 | Securities - Publicly traded | | | | |
| 10 | Securities - Closely held stock | | | | |
| 11 | Securities - Partnership, LLC, or trust interests | | | | |
| 12 | Securities - Miscellaneous | | | | |
| 13 | Qualified conservation contribution - Historic structures | | | | |
| 14 | Qualified conservation contribution - Other | | | | |
| 15 | Real estate - Residential | | | | |
| 16 | Real estate - Commercial | | | | |
| 17 | Real estate - Other | | | | |
| 18 | Collectibles | | | | |
| 19 | Food inventory | | | | |
| 20 | Drugs and medical supplies | | | | |
| 21 | Taxidermy | | | | |
| 22 | Historical artifacts | | | | |
| 23 | Scientific specimens | | | | |
| 24 | Archeological artifacts | | | | |
| 25 | Other ▶ (<u>IN KIND PROGR</u>) | X | 205 | 1,112,397. | FAIR MARKET VALUE |
| 26 | Other ▶ (_____) | | | | |
| 27 | Other ▶ (_____) | | | | |
| 28 | Other ▶ (_____) | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

| | Yes | No |
|--|-----|----------|
| 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 - 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | | X |
| b If "Yes," describe the arrangement in Part II. | | |
| 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | | X |
| 32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | | X |
| b If "Yes," describe in Part II. | | |
| 33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II. | | |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) (2013)

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2013

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

Open to Public
Inspection

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

Name of the organization

UNITED SERVICE ORGANIZATIONS OF ILLINOIS

Employer identification number
36-2349617

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

THEIR FAMILIES AND TO CREATE A COOPERATIVE RELATIONSHIP BETWEEN U.S.

MILITARY COMMUNITIES AND INVOLVED AND SUPPORTING CIVILIAN COMMUNITIES.

FORM 990, PART VI, SECTION B, LINE 11:

EXPLANATION: THE FORM 990 HAS BEEN REVIEWED BY THE AUDIT COMMITTEE.

FORM 990, PART VI, SECTION B, LINE 15:

EXPLANATION: COMPENSATION IS DETERMINED BY THE EXECUTIVE COMMITTEE.

FORM 990, PART VI, SECTION C, LINE 19:

EXPLANATION: THIS INFORMATION IS AVAILABLE UPON REQUEST.

| Account Name | Total Gifts Last Year | Last Gift Date |
|--|-----------------------|----------------|
| Continental Electric | \$ 5,000.00 | 6/4/2013 |
| Quad Cities Chamber of Commerce | \$ 5,000.00 | 7/10/2013 |
| The Sidley Austin Foundation | \$ 5,000.00 | 10/21/2013 |
| Dude Electrical Testing | \$ 5,000.00 | 7/15/2013 |
| Robert Whitelaw | \$ 5,000.00 | 10/17/2013 |
| Patrick and Denise Dills | \$ 5,000.00 | 10/26/2013 |
| Richard H. Driehaus | \$ 5,000.00 | 5/21/2013 |
| Craig and Lynn Mense | \$ 5,000.00 | 10/26/2013 |
| George and Edna Fay | \$ 5,000.00 | 10/26/2013 |
| Margaret Gerstle | \$ 5,000.00 | 10/26/2013 |
| FGMK LLC | \$ 5,200.00 | 11/4/2013 |
| National Society of Colonial Dames of America-Illi | \$ 5,500.00 | 11/4/2013 |
| Lockheed Martin Corporation | \$ 6,000.00 | 10/4/2013 |
| Korean National War Memorial Museum | \$ 6,000.00 | 10/22/2013 |
| Navy Pier, Inc. | \$ 6,000.00 | 10/2/2013 |
| Rehrig Pacific Company | \$ 6,000.00 | 7/2/2013 |
| Tata Consultancy Services | \$ 6,000.00 | 10/10/2013 |
| Hub Enterprises, Inc. | \$ 6,000.00 | 8/13/2013 |

| | | |
|--|-------------|------------|
| Vedder Price | \$ 6,000.00 | 9/19/2013 |
| Thomas and Sharon Hense | \$ 6,000.00 | 9/19/2013 |
| Victoria Boomgarden | \$ 6,000.00 | 9/20/2013 |
| Patrick Casey | \$ 6,000.00 | 10/21/2013 |
| Supervalu Foundation | \$ 6,000.00 | 9/18/2013 |
| Greg Schroer | \$ 6,000.00 | 10/9/2013 |
| Todd Schroeder | \$ 6,000.00 | 9/4/2013 |
| RBC Capital Markets LLC | \$ 6,200.00 | 10/8/2013 |
| United Way Met. Chicago | \$ 6,215.63 | 12/23/2013 |
| Dykema Gossett PLLC | \$ 6,250.00 | 10/26/2013 |
| Robert R. McCormick Foundation | \$ 6,375.00 | 1/10/2014 |
| Chris Tapas | \$ 6,400.00 | 8/27/2013 |
| McMaster-Carr Supply Company | \$ 6,500.00 | 12/31/2013 |
| Cozen O'Connor | \$ 6,500.00 | 10/26/2013 |
| Patrick Gallagher | \$ 6,500.00 | 10/20/2013 |
| Kenneth Harris | \$ 6,500.00 | 10/26/2013 |
| Union League Club of Chicago | \$ 6,525.00 | 10/11/2013 |
| Robert Sacks | \$ 6,750.00 | 9/8/2013 |
| Rex Electric Technologies | \$ 6,800.00 | 7/31/2013 |
| Morgan Stanley Smith Barney | \$ 7,102.00 | 6/20/2013 |
| Granite Innovation, Inc | \$ 7,340.00 | 8/19/2013 |
| The Siragusa Foundation | \$ 7,500.00 | 10/17/2013 |
| PepsiCo Valor | \$ 7,500.00 | 11/8/2013 |
| Katten Muchin Rosenman Foundation Inc. | \$ 7,500.00 | 7/23/2013 |
| William Hlavacek | \$ 7,650.00 | 10/30/2013 |
| Hartmann Electric Company | \$ 8,000.00 | 9/18/2013 |
| Matt and Sheilah Burnham | \$ 8,050.00 | 12/2/2013 |
| Design Resource Center | \$ 8,200.00 | 10/26/2013 |
| Fanfueled, LLC | \$ 8,399.00 | 9/26/2013 |
| Richard & Patricia Bruder Foundation | \$ 8,450.00 | 9/20/2013 |
| Gate Gourmet | \$ 8,500.00 | 10/4/2013 |

| | | |
|---|--------------|------------|
| OfficeMax | \$ 8,650.00 | 9/25/2013 |
| Mark and Patty Pace | \$ 9,000.00 | 10/26/2013 |
| AT&T Corporation | \$ 9,270.00 | 10/30/2013 |
| Wirtz Beverage Group | \$ 9,600.00 | 9/16/2013 |
| American Legion Aux 232 Square Unit | \$ 10,000.00 | 9/20/2013 |
| Mahoney Trust Account | \$ 10,000.00 | 4/1/2013 |
| Bears Care | \$ 10,000.00 | 10/30/2013 |
| Lavin Family Foundation | \$ 10,000.00 | 5/8/2013 |
| Golub & Co. | \$ 10,000.00 | 8/7/2013 |
| AAR Corp. | \$ 10,000.00 | 10/9/2013 |
| Paul Galvin Memorial Foundation Trust | \$ 10,000.00 | 12/30/2013 |
| Blue Cross/Blue Shield of Illinois | \$ 10,100.00 | 10/28/2013 |
| Westmoreland Country Club | \$ 10,150.00 | 2/11/2013 |
| Pat Sanders | \$ 10,200.00 | 11/13/2013 |
| Franklin Urbahns | \$ 10,350.00 | 8/26/2013 |
| Google | \$ 10,500.00 | 9/18/2013 |
| Specialty Print Communications | \$ 10,600.00 | 10/26/2013 |
| J. Ross and Chris Docksey | \$ 11,000.00 | 10/26/2013 |
| May Center Advisors | \$ 12,000.00 | 8/19/2013 |
| Verizon Wireless | \$ 12,000.00 | 10/28/2013 |
| Mulherin, Rehfeldt & Varchetto, PC | \$ 12,500.00 | 10/28/2013 |
| Chicago Beverage Systems, LLC | \$ 12,500.00 | 12/30/2013 |
| Steve Calk | \$ 12,620.00 | 10/30/2013 |
| Evanston Subaru in Skokie | \$ 12,720.00 | 10/26/2013 |
| Joseph Silich | \$ 14,851.35 | 10/26/2013 |
| BMO Harris Bank | \$ 15,000.00 | 2/19/2013 |
| Dr. Scholl Foundation | \$ 15,000.00 | 12/17/2013 |
| DBA Boss Bar: Washington Square, Inc. | \$ 15,000.00 | 8/19/2013 |
| Scott and Lynn Magnesen | \$ 15,000.00 | 1/29/2014 |
| Daubert Chemical Company | \$ 16,000.00 | 9/20/2013 |
| Bill and Diana Spurgeon | \$ 16,180.00 | 11/6/2013 |

| | | |
|--|---------------|------------|
| Charles and Jacqueline Tillman | \$ 16,700.00 | 11/13/2013 |
| CNA Center | \$ 17,215.00 | 11/4/2013 |
| George Gilmore | \$ 18,400.00 | 10/26/2013 |
| Michael and Jan Emmert | \$ 18,300.00 | 12/31/2013 |
| Jerry and Marilyn Hayden | \$ 21,000.00 | 12/10/2013 |
| Carroll McNulty & Kull LLC | \$ 25,000.00 | 8/26/2013 |
| John and Deirdre Fortson | \$ 27,498.66 | 11/6/2013 |
| Bank of America Charitable Foundation | \$ 28,700.00 | 12/10/2013 |
| The Boeing Company | \$ 29,400.50 | 12/31/2013 |
| Richard A. Perritt Charitable Foundation | \$ 35,000.00 | 11/7/2013 |
| Joan Stade | \$ 44,140.00 | 10/21/2013 |
| PepsiCo | \$ 50,540.00 | 12/23/2013 |
| CNA Foundation | \$ 101,000.00 | 1/1/2014 |
| Robert and Mayari Pritzker Family Foundation | \$ 52,450.00 | 10/26/2013 |
| Chicago Blackhawks | \$ 70,300.00 | 11/20/2013 |
| USO Headquarters | \$ 105,241.00 | 1/15/2014 |
| Anonymous | \$ 107,128.80 | 1/23/2014 |
| Tawani Foundation | \$ 112,355.00 | 10/26/2013 |
| Edith Marie Appleton Foundation | \$ 205,000.00 | 7/26/2013 |

ILLINOIS CHARITABLE ORGANIZATION ANNUAL REPORT

| | |
|-------|-------|
| PMT # | _____ |
| AMT | _____ |
| INIT | _____ |

Attorney General LISA MADIGAN State of Illinois
Charitable Trust Bureau, 100 West Randolph
11th Floor, Chicago, Illinois 60601

CO # 01-002,865

Report for the Fiscal Period:

Beginning 01/01/2013

& Ending 12/31/2013

MO DAY YR

Make Checks Payable to the Illinois Charity Bureau Fund

- Check all items attached:
- Copy of IRS Return
 - Audited Financial Statements
 - Copy of Form IFC
 - \$15.00 Annual Report Filing Fee
 - \$100.00 Late Report Filing Fee
- MO DAY YR

Federal ID # 36-2349617

Are contributions to the organization tax deductible? Yes No

Date Organization was created:

| | | |
|---|--|---|
| LEGAL NAME UNITED SERVICE ORGANIZATIONS OF ILLINOIS | Year-end amounts | |
| MAIL ADDRESS 333 S. WABASH 16TH FLOOR | A) ASSETS | A) \$ 2,123,260. |
| CITY, STATE CHICAGO, IL | B) LIABILITIES | B) \$ 193,586. |
| ZIP CODE 60604 | C) NET ASSETS | C) \$ 1,929,674. |
| I. SUMMARY OF ALL REVENUE ITEMS DURING THE YEAR: | PERCENTAGE | AMOUNT |
| D) PUBLIC SUPPORT, CONTRIBUTIONS & PROGRAM SERVICE REV. (GROSS AMTS.) | 95.011% | D) \$ 3,265,023. |
| E) GOVERNMENT GRANTS & MEMBERSHIP DUES | % | E) \$ |
| F) OTHER REVENUES | 4.989% | F) \$ 171,434. |
| G) TOTAL REVENUE, INCOME AND CONTRIBUTIONS RECEIVED (ADD D, E, & F) | 100% | G) \$ 3,436,457. |
| II. SUMMARY OF ALL EXPENDITURES DURING THE YEAR: | | |
| H) OPERATING CHARITABLE PROGRAM EXPENSE | 81.637% | H) \$ 2,689,315. |
| I) EDUCATION PROGRAM SERVICE EXPENSE | % | I) \$ |
| J) TOTAL CHARITABLE PROGRAM SERVICE EXPENSE (ADD H & I) | 81.637% | J) \$ 2,689,315. |
| J1) JOINT COSTS ALLOCATED TO PROGRAM SERVICES (INCLUDED IN J): | \$ | |
| K) GRANTS TO OTHER CHARITABLE ORGANIZATIONS | % | K) \$ |
| L) TOTAL CHARITABLE PROGRAM SERVICE EXPENDITURE (ADD J & K) | 81.637% | L) \$ 2,689,315. |
| M) MANAGEMENT AND GENERAL EXPENSE | 7.784% | M) \$ 256,434. |
| N) FUNDRAISING EXPENSE | 10.579% | N) \$ 348,493. |
| O) TOTAL EXPENDITURES THIS PERIOD (ADD L, M, & N) | 100% | O) \$ 3,294,242. |
| III. SUMMARY OF ALL PAID FUNDRAISER AND CONSULTANT ACTIVITIES: (Attach Attorney General Report of Individual Fundraising Campaign- Form IFC. One for each PFR.) | | |
| PROFESSIONAL FUNDRAISERS: | | |
| P) TOTAL AMOUNT RAISED BY PAID PROFESSIONAL FUNDRAISERS | 100% | P) \$ 0. |
| Q) TOTAL FUNDRAISERS FEES AND EXPENSES | % | Q) \$ |
| R) NET RECEIVED BY THE CHARITY (P MINUS Q=R) | % | R) \$ |
| PROFESSIONAL FUNDRAISING CONSULTANTS: | | |
| S) TOTAL AMOUNT PAID TO PROFESSIONAL FUNDRAISING CONSULTANTS | | S) \$ 0. |
| IV. COMPENSATION TO THE (3) HIGHEST PAID PERSONS DURING THE YEAR: | | |
| T) NAME, TITLE: ALISON RUBLE, PRESIDENT AND CEO | T) \$ | 138,500. |
| U) NAME, TITLE: JESSICA DOLAN, V. P. DEVELOPMENT | U) \$ | 130,000. |
| V) NAME, TITLE: CHRIS MILLER, DIRECTOR OF CENTER OPERATIONS | V) \$ | 73,000. |
| V. CHARITABLE PROGRAM DESCRIPTION: | CHARITABLE PROGRAM (3 HIGHEST BY \$ EXPENDED) CODE CATEGORIES | List on back side of instructions CODE |
| W) DESCRIPTION: ENHANCE QUALITY OF LIFE FOR ACTIVE MILITARY | W) # | 127 |
| X) DESCRIPTION: PERSONNEL, NATIONAL GUARD, RESERVISTS AND THEIR | X) # | 127 |
| Y) DESCRIPTION: DEPENDENTS | Y) # | 127 |

IF THE ANSWER TO ANY OF THE FOLLOWING IS YES, ATTACH A DETAILED EXPLANATION:

| | | YES | NO |
|-----|---|-----|----|
| 1. | WAS THE ORGANIZATION THE SUBJECT OF ANY COURT ACTION, FINE, PENALTY OR JUDGMENT? | | X |
| 2. | HAS THE ORGANIZATION OR A CURRENT DIRECTOR, TRUSTEE, OFFICER OR EMPLOYEE THEREOF, EVER BEEN CONVICTED BY ANY COURT OF ANY MISDEMEANOR INVOLVING THE MISUSE OR MISAPPROPRIATION OF FUNDS OR ANY FELONY? | | X |
| 3. | DID THE ORGANIZATION MAKE A GRANT AWARD OR CONTRIBUTION TO ANY ORGANIZATION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES OWNS AN INTEREST; OR WAS IT A PARTY TO ANY TRANSACTION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES HAS A MATERIAL FINANCIAL INTEREST; OR DID ANY OFFICER, DIRECTOR OR TRUSTEE RECEIVE ANYTHING OF VALUE NOT REPORTED AS COMPENSATION? | | X |
| 4. | HAS THE ORGANIZATION INVESTED IN ANY CORPORATE STOCK IN WHICH ANY OFFICER, DIRECTOR OR TRUSTEE OWNS MORE THAN 10% OF THE OUTSTANDING SHARES? | | X |
| 5. | IS ANY PROPERTY OF THE ORGANIZATION HELD IN THE NAME OF OR COMMINGLED WITH THE PROPERTY OF ANY OTHER PERSON OR ORGANIZATION? | | X |
| 6. | DID THE ORGANIZATION USE THE SERVICES OF A PROFESSIONAL FUNDRAISER? (ATTACH FORM IFC) | | X |
| 7a. | DID THE ORGANIZATION ALLOCATE THE COST OF ANY SOLICITATION, MAILING, ADVERTISEMENT OR LITERATURE COSTS BETWEEN PROGRAM SERVICE AND FUNDRAISING EXPENSES? | | X |
| 7b. | IF "YES", ENTER (i) THE AGGREGATE AMOUNT OF THESE JOINT COSTS \$ _____ ; (ii) THE AMOUNT ALLOCATED TO PROGRAM SERVICES \$ _____ ; (iii) THE AMOUNT ALLOCATED TO MANAGEMENT AND GENERAL \$ _____ ; AND (iv) THE AMOUNT ALLOCATED TO FUNDRAISING \$ _____ | | |
| 8. | DID THE ORGANIZATION EXPEND ITS RESTRICTED FUNDS FOR PURPOSES OTHER THAN RESTRICTED PURPOSES? | | X |
| 9. | HAS THE ORGANIZATION EVER BEEN REFUSED REGISTRATION OR HAD ITS REGISTRATION OR TAX EXEMPTION SUSPENDED OR REVOKED BY ANY GOVERNMENTAL AGENCY? | | X |
| 10. | WAS THERE OR DO YOU HAVE ANY KNOWLEDGE OF ANY KICKBACK, BRIBE, OR ANY THEFT, DEFALCATION, MISAPPROPRIATION, COMMINGLING OR MISUSE OF ORGANIZATIONAL FUNDS? | | X |
| 11. | LIST THE NAME AND ADDRESS OF THE FINANCIAL INSTITUTIONS WHERE THE ORGANIZATION MAINTAINS ITS THREE LARGEST ACCOUNTS: <u>BANK OF AMERICA, CHICAGO, IL.</u> <u>STIFEL NICOLAUS, CHICAGO, IL.</u> | | |
| 12. | NAME AND TELEPHONE NUMBER OF CONTACT PERSON: <u>DELORES CAZY - 312-882-6448</u> | | |

ALL ATTACHMENTS MUST ACCOMPANY THIS REPORT - SEE INSTRUCTIONS

UNDER PENALTY OF PERJURY, I (WE) THE UNDERSIGNED DECLARE AND CERTIFY THAT I (WE) HAVE EXAMINED THIS ANNUAL REPORT AND THE ATTACHED DOCUMENTS, INCLUDING ALL THE SCHEDULES AND STATEMENTS AND THE FACTS THEREIN STATED ARE TRUE AND COMPLETE AND FILED WITH THE ILLINOIS ATTORNEY GENERAL FOR THE PURPOSE OF HAVING THE PEOPLE OF THE STATE OF ILLINOIS RELY THEREUPON. I HEREBY FURTHER AUTHORIZE AND AGREE TO SUBMIT MYSELF AND THE REGISTRANT HEREBY TO THE JURISDICTION OF THE STATE OF ILLINOIS.

BE SURE TO INCLUDE ALL FEES DUE:

- 1.) REPORTS ARE DUE WITHIN SIX MONTHS OF YOUR FISCAL YEAR END.
- 2.) FOR FEES DUE SEE INSTRUCTIONS.
- 3.) REPORTS THAT ARE LATE OR INCOMPLETE ARE SUBJECT TO A \$100.00 PENALTY.

ALISON RUBLE

PRESIDENT or TRUSTEE (PRINT NAME) SIGNATURE DATE

JOHN MAY

TREASURER or TRUSTEE (PRINT NAME) SIGNATURE DATE

DAVID S. FRIEDLANDER

PREPARER (PRINT NAME) SIGNATURE DATE

June 23, 2014

Office of the Attorney General
Charitable Trust Bureau
Attn: Annual Report Section
100 West Randolph Street, 11th Floor
Chicago, IL 60601-3175

Re: United Service Organization of Illinois
FEIN: 36-2349617
CO No: 01-002865

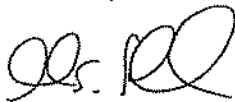
Dear Sir or Madam:

On behalf of the above-named charitable organization, a 60 day extension of time to file the Attorney General's Charitable Organization Supplement (Form AG990-IL) is hereby requested until August 30, 2014. Attached is a copy of Form 8868 that has been filed on behalf of the above organization.

Please acknowledge receipt of this letter by date-stamping the copy of this letter, which is enclosed, and returning it to us in the enclosed envelope.

If you have any questions concerning this matter, please feel free to contact me.

Very truly yours,



David S. Friedlander
Partner
FGMK, LLC

Enclosures

RECEIVED

JUN 25 2014

Attorney General
Charitable Trust



FGMK, LLC

United Service Organizations of Illinois, Inc.

Financial Report
December 31, 2013

Contents

| | |
|------------------------------|-------|
| Independent Auditor's Report | 1 – 2 |
|------------------------------|-------|

| | |
|---------------------------------|--------|
| Financial Statements | |
| Statement of Financial Position | 3 |
| Statement of Activities | 4 |
| Statement of Cash Flows | 5 |
| Notes to Financial Statements | 6 – 14 |

| | |
|---------------------------------|----|
| Supplementary Information | |
| Schedule of Functional Expenses | 15 |



Independent Auditor's Report

To the Board of Directors
United Service Organizations
of Illinois, Inc.
Chicago, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of United Service Organizations of Illinois, Inc. (the Organization) which comprise the statement of financial position as of December 31, 2013, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2013, and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain procedures, including comparing and reconciling such information to the underlying and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

McGladrey LLP

Chicago, Illinois
April 17, 2014

United Service Organizations of Illinois, Inc.

Statement of Financial Position
December 31, 2013

| Assets | |
|---|---------------------|
| Current Assets | |
| Cash and cash equivalents | \$ 802,545 |
| Investments, at fair value | 998,040 |
| Pledges receivable | 106,750 |
| Interest receivable | 8,739 |
| Other receivables | 35,572 |
| Prepaid expenses | 22,732 |
| | <hr/> |
| Total current assets | 1,974,378 |
| Property and Equipment, net | 148,882 |
| | <hr/> |
| | \$ 2,123,260 |
| | <hr/> |
| Liabilities and Net Assets | |
| Current Liabilities | |
| Accounts payable and accrued expenses | \$ 69,973 |
| Accrued paid time off | 43,175 |
| Accrued pension cost | 80,438 |
| | <hr/> |
| Total current liabilities | 193,586 |
| | <hr/> |
| Net Assets | |
| Unrestricted, including Board designated of \$568,000 | 1,812,250 |
| Temporarily restricted | 117,424 |
| | <hr/> |
| Total net assets | 1,929,674 |
| | <hr/> |
| | \$ 2,123,260 |
| | <hr/> |

See Notes to Financial Statements.

United Service Organizations of Illinois, Inc.

Statement of Activities
Year Ended December 31, 2013

| | |
|--|---------------------|
| Changes in unrestricted net assets: | |
| Revenues, gains and other support: | |
| Contributions | |
| Donor contributions | \$ 815,147 |
| In-kind program supplies | 1,112,397 |
| In-kind services | 127,163 |
| In-kind rent | 985,204 |
| Investment income | 22,114 |
| Annual ball | 983,236 |
| Golf outing | 99,399 |
| Clark After Dark | 127,681 |
| Net assets released from restrictions | 149,320 |
| | <hr/> |
| Total unrestricted revenues, gains and other support | 4,421,661 |
| Expenses: | |
| Program services | 3,498,572 |
| Management and general expenses | 256,434 |
| Fundraising expenses | 348,493 |
| Annual ball | 216,197 |
| Golf outing | 50,072 |
| Clark After Dark | 58,971 |
| | <hr/> |
| Total expenses | 4,428,739 |
| | <hr/> |
| (Decrease) in unrestricted net assets before pension adjustments and loss on disposal | (7,078) |
| Pension related changes other than net periodic benefit cost | 95,289 |
| Loss on disposal of assets | (6,176) |
| | <hr/> |
| Increase in unrestricted net assets | 82,035 |
| Changes in temporarily restricted net assets: | |
| Contributions | 209,500 |
| Net assets released from restrictions | (149,320) |
| | <hr/> |
| Increase in temporarily restricted net assets | 60,180 |
| | <hr/> |
| Increase in net assets | 142,215 |
| Net assets: | |
| Beginning of year | 1,787,459 |
| | <hr/> |
| End of year | \$ 1,929,674 |
| | <hr/> <hr/> |

See Notes to Financial Statements.

United Service Organizations of Illinois, Inc.

Statement of Cash Flows
Year Ended December 31, 2013

| | |
|---|-------------------|
| <hr/> | |
| Cash Flows from Operating Activities | |
| Increase in net assets | \$ 142,215 |
| Adjustments to reconcile decrease in net assets to net cash used in operating activities: | |
| Depreciation | 67,943 |
| In-kind contribution of property and equipment | (31,825) |
| Net loss on disposal of property and equipment | 6,176 |
| Unrealized loss on investments | 14,595 |
| Changes in assets and liabilities: | |
| Increase in pledges receivable | (3,750) |
| Decrease in interest receivable | 2,870 |
| Increase in other receivables | (4,132) |
| Decrease in prepaid expenses | 4,808 |
| Decrease in inventory | 1,292 |
| Increase in accounts payable and accrued expenses | 5,576 |
| Increase in accrued paid time off | 43,175 |
| Decrease in accrued pension cost | (113,067) |
| Net cash provided by operating activities | <u>135,876</u> |
| Cash Flows from Investing Activities | |
| Maturities of investments | 252,000 |
| Purchase of property and equipment | (38,476) |
| Net cash provided by investing activities | <u>213,524</u> |
| Net increase in cash and cash equivalents | 349,400 |
| Cash and cash equivalents: | |
| Beginning | <u>453,145</u> |
| Ending | <u>\$ 802,545</u> |

See Notes to Financial Statements.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies

Nature of activities: The purpose of the United Service Organizations of Illinois, Inc. (the Organization), in times of peace and conflict, is to enhance the quality of life of the U.S. Armed Forces personnel and their families and to create a cooperative relationship between U.S. military communities and involved or supporting civilian communities.

A summary of the Organization's significant accounting policies follows:

Basis of presentation: The financial statements are presented in accordance with accounting principles generally accepted in the United States of America as applicable to nonprofit organizations and reflect the accrual basis of accounting.

Accounting standards: The Organization follows accounting standards established by the Financial Accounting Standards Board (the FASB) to ensure consistent reporting of financial condition, results of operations, and cash flows. References to generally accepted accounting principles in these footnotes are to the FASB Accounting Standards Codification, sometimes referred to as the Codification or ASC.

Accounting estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net assets: The net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets: Net assets are not subject to donor-imposed stipulations. The Board, in 1998, designated \$568,000 for future projects, capital improvements, or other specific services determined by the Board.

Temporarily restricted net assets: Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization or the passage of time. Temporarily restricted net assets are available for program services at December 31, 2013.

Cash and cash equivalents: For purposes of reporting cash flows, the Organization considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. Cash equivalents consist primarily of money market accounts. The Organization maintains its cash balances in several financial institutions located in Chicago, Illinois. These balances are currently insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization maintained cash deposits with \$348,392 in excess of federal depository insurance limits for the year ended December 31, 2013.

Investments: Investments are reflected at fair value based on quoted market prices. Realized gains or losses for mutual funds are computed using the specific-identification method.

The Organization invests in various investments such as certificates of deposit and common stocks. Such investments are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Pledges receivable: Unconditional promises to give that are expected to be collected within one year are recorded at realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met.

Property and equipment: Property and equipment is stated at cost or, if donated, at estimated fair value at the date of donation. The capitalization threshold is assets over \$1,000. Depreciation is computed by the straight-line method over the estimated useful lives of the assets.

Accrued paid time off: It is the Organization's policy to permit employees to accumulate earned but unused paid time off. All vested pay, in the event of termination in accordance with the Organization's policy, is accrued when incurred.

Revenue recognition: Unconditional promises of others to give cash and other assets are recorded at fair value at the date the promise is made and reported as increases in temporarily restricted net assets if they are received with donor stipulations that limit the use of the contributions. All contributions are considered to be available for unrestricted purposes unless specifically restricted by the donor. Temporarily restricted assets whose restrictions expire in the same year of receipt are classified as unrestricted revenues in the statement of activities. The Organization reports gifts of cash and other assets as restricted revenue if they are received with donor stipulations that limit the use of the donated assets. When a temporary restriction expires, that is, when a stipulated time period has elapsed or the donor-stipulated purpose has been fulfilled, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Functional classification of expenses: The functional classifications used by the Organization are program services and supporting services. Expenses are based on actual costs incurred.

Program services represent the Organization's activities as described above. These activities are carried out in support of the members of the military and their families throughout the State of Illinois. Additionally, services are provided at the USO Centers in downtown Chicago at Navy Pier, O'Hare International Airport, the Naval Station Great Lakes, Midway Airport and Rock Island Arsenal. Supporting services represent the administrative, general and fundraising costs of the Organization.

Contributed facilities, materials and services: The Organization occupies without charge its facilities at O'Hare International Airport, Midway Airport, Naval Station Great Lakes, Rock Island Arsenal and administrative headquarters in Chicago. In addition, the Organization receives donated consumer goods and property and equipment. Both the contributions and use of facilities are recognized at their fair values as both revenue and expense in the period received and used. Accordingly, \$2,097,601 has been included in contributions and \$2,065,776 has been included in program services expense.

Contributions of donated services that require specialized skills and would typically need to be purchased if not provided by donations, are recorded at their fair values in the period received. There was \$127,163 in donated legal services and office management in 2013, which have been included in both contributions and program services expense.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 1. Nature of Activities and Significant Accounting Policies (Continued)

Income taxes: The Organization is exempt from income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code and applicable state law. The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more than likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions related to the potential sources of unrelated business taxable income (UBIT). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for the reporting periods presented in the financial statements.

The Organization files forms 990 in the U.S. Federal jurisdiction and the State of Illinois. With few exceptions, the Organization is no longer subject to examination by the Internal Revenue Service for years before 2010.

Subsequent events: The Organization has evaluated subsequent events for potential recognition and/or disclosure through April 17, 2014, the date the financial statements were available to be issued.

Note 2. Investments

Investments consist of the following at December 31, 2013:

| | Cost | Fair Value |
|-------------------------|-------------------|-------------------|
| Equities | \$ 53,547 | \$ 87,891 |
| Certificates of deposit | 906,497 | 910,149 |
| | <u>\$ 960,044</u> | <u>\$ 998,040</u> |

Note 3. Fair Value Disclosures

Fair value is the price that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization utilizes valuation techniques to maximize the use of observable inputs and minimize the use of unobservable inputs. Assets and liabilities recorded at fair value are categorized based upon the level of judgment associated with the inputs used to measure their value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets, and includes the Organization's certificates of deposit. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 3. Fair Value Disclosures (Continued)

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

For the year ended December 31, 2013, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for instruments at fair value:

Investments

The fair value of investments is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers.

Fair Value on a Recurring Basis

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis:

| | December 31, 2013 | | | |
|------------------------------------|-------------------|------------------|-------------------|-------------|
| | Total | Level 1 | Level 2 | Level 3 |
| Equities, primarily U.S. companies | \$ 87,891 | \$ 87,891 | \$ - | \$ - |
| Certificates of deposit | 910,149 | - | 910,149 | - |
| Total assets | <u>\$ 998,040</u> | <u>\$ 87,891</u> | <u>\$ 910,149</u> | <u>\$ -</u> |

Gains and losses (realized and unrealized) included in investment income are as follows at December 31, 2013:

| | |
|----------------------------------|------------------|
| Interest and dividends | \$ 36,709 |
| Unrealized losses on investments | <u>(14,595)</u> |
| Investment income | <u>\$ 22,114</u> |

Note 4. Pledges Receivable

Pledges to be collected within one year are \$106,750. There are no discounts for the time value of money as all pledges are due within one year. Additionally, there is no allowance for uncollectible amounts as management believes all are fully collectible.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 5. Defined Benefit Pension Plan

The Organization has a defined benefit pension plan which provides benefits to certain regular full-time employees of the Organization.

The following table sets forth the change in projected benefit obligation, change in plan assets, the components of benefit cost, and valuation assumptions at December 31, 2013.

Obligations and Funded Status

Obligations and funded status at December 31, 2013, are as follows:

Change in projected benefit obligation

| | | |
|---|----|----------------|
| Projected benefit obligation at beginning of year | \$ | 560,755 |
| Provision for expenses | | 20,000 |
| Interest cost | | 20,981 |
| Expenses paid from plan assets | | (20,528) |
| Actuarial gain | | (60,988) |
| Benefits paid | | (22,640) |
| | | <hr/> |
| Projected benefit obligation at end of year | \$ | <u>497,580</u> |

Change in plan assets

| | | |
|---|----|----------------|
| Fair value of assets at beginning of year | \$ | 367,250 |
| Actual return on plan assets | | 45,060 |
| Employer contributions | | 48,000 |
| Expenses paid from plan assets | | (20,528) |
| Benefits paid | | (22,640) |
| | | <hr/> |
| Fair value of assets at end of year | \$ | <u>417,142</u> |

Funded status of plan-accrued pension cost recognized in the statement of financial position

\$ (80,438)

Components of pension related changes other than net periodic benefit cost:

| | | |
|----------------------------------|----|----------|
| Net loss experienced during year | \$ | (79,453) |
| Amortization of net loss | | (15,836) |
| | | <hr/> |

Total pension related changes other than net periodic benefit cost

\$ (95,289)

Unrecognized net loss as a component of net periodic benefit cost

\$ 288,537

The projected benefit obligation is equal to the accumulated benefit obligation.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 5. Defined Benefit Pension Plan (Continued)

Components of Net Periodic Benefit Cost

| | | |
|-------------------------------|----|---------------|
| Service cost at end of year | \$ | - |
| Interest cost | | 20,981 |
| Provision for expenses | | 20,000 |
| Expected return on assets | | (26,595) |
| Amortization of unrecognized: | | |
| Net loss | | 15,836 |
| Net periodic pension cost | \$ | <u>30,222</u> |

The reconciliation of the funded status of the plan to the amounts reported in the accompanying statement of financial position is as follows at December 31, 2013:

| | | |
|--|----|-----------------|
| Projected benefit obligation | \$ | (497,580) |
| Fair value of plan assets at December 31 | | <u>417,142</u> |
| Funded status - accrued pension cost | \$ | <u>(80,438)</u> |
| Unrecognized prior service cost | \$ | <u>-</u> |

Additional Information

Weighted average assumptions used to determine benefit obligations at December 31, 2013:

| | | |
|-------------------------------|------|---|
| Discount rate | 4.70 | % |
| Rate of compensation increase | N/A | |

Weighted average assumptions used to determine net periodic benefit cost at December 31, 2013:

| | | |
|--|------|---|
| Discount rate | 3.80 | % |
| Expected long-term return on plan assets | 7.00 | |
| Rate of compensation increase | N/A | |

Plan Assets

The Organization participates in a pooled pension plan sponsored by the United Way of Metropolitan Chicago. All plan assets are held in a Master Trust, which holds the assets of all retirement plans sponsored by the various organizations. The Organization's percentage interest in the assets of the Master Trust was approximately 2 percent as of December 31, 2013.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 5. Defined Benefit Pension Plan (Continued)

The pension plan weighted-average asset allocations at December 31, 2013, by asset category are as follows:

| | |
|---|----------------|
| Equities: | |
| Domestic | 31.0 % |
| International | 5.0 |
| Fixed Income (including cash and equivalents) | 39.3 |
| Global balanced | 15.1 |
| Real estate | 9.6 |
| | <u>100.0 %</u> |

The fair value of investments is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of the instrument. The fair values of the Organization's pension plan assets by asset category are as follows at December 31, 2013:

| | Total | Level 1 | Level 2 | Level 3 |
|------------------------|-------------------|-------------------|-------------|------------------|
| Equities: | | | | |
| U.S. equities | \$ 129,331 | \$ 129,331 | \$ - | \$ - |
| International equities | 20,990 | 20,990 | - | - |
| Fixed income | 163,677 | 163,677 | - | - |
| Global balanced | 63,123 | 63,123 | - | - |
| Real estate | 40,021 | - | - | 40,021 |
| Total assets | <u>\$ 417,142</u> | <u>\$ 377,121</u> | <u>\$ -</u> | <u>\$ 40,021</u> |

The changes in Level 3 assets measured at fair value on a recurring basis are summarized as follows at December 31, 2013:

| | |
|-----------------------------------|------------------|
| Balance, beginning of year | \$ 27,025 |
| Purchase of investment securities | 17,186 |
| Net investment losses | <u>(4,190)</u> |
| Balance, end of year | <u>\$ 40,021</u> |

The investment policy for plan assets incorporates a blended approach (target allocations in parenthesis), utilizing domestic (31%) and international (5%) equities, fixed income and cash (39%), global balanced funds (15%) and real estate (10%) in 2013. The objective within each class is to be fully diversified, benchmarking performance to broadly diversified indices such as the Wilshire 5000, the MSCI All Country World ex-US Index, and the Lehman Brothers Aggregate Bond Index. Asset allocations are rebalanced whenever total equity or total fixed income falls outside of their target allocations by more than 2½%. Cash and equivalents are held at minimal levels, with typically less than three months of expected benefit payments maintained.

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 5. Defined Benefit Pension Plan (Continued)

The expected long-term rate of return on asset assumption is based on a building block approach. The expected long-term rate of inflation and risk premiums for the various asset categories are based on the current investment environment. General historical market returns and inflation rates are used in the development of the long-term expected inflation rates and risk premiums. The target allocation of assets is used to develop a composite rate of return assumption.

Investment Liquidity and Valuation

The plan holds approximately 9.6% of their investments in real estate investments that are considered illiquid by the very nature of the investments. Market risk exists with respect to these investments as the plan may not be able to exit from the investments during periods of significant market value declines. These types of alternative investments can also be difficult to value in the current economy.

Contributions

The Organization made contributions of \$48,000 to its defined benefit pension plan during the year ended December 31, 2013.

Estimated Future Benefit Payments

| | |
|-----------|-----------|
| 2014 | \$ 20,793 |
| 2015 | 19,567 |
| 2016 | 35,373 |
| 2017 | 34,089 |
| 2018 | 32,852 |
| 2019-2023 | 148,853 |

Note 6. Property and Equipment

Major classes of property and equipment consist of the following at December 31, 2013:

| | |
|-------------------------------|-------------------|
| Furniture and equipment | \$ 294,037 |
| Leasehold improvements | 166,462 |
| | <hr/> |
| | 460,499 |
| Less accumulated depreciation | 311,617 |
| | <hr/> |
| Net property and equipment | <u>\$ 148,882</u> |

United Service Organizations of Illinois, Inc.

Notes to Financial Statements

Note 7. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes at December 31, 2013:

Programs:

| | | |
|-----------------------------------|----|---------|
| Midway Furniture Designation | \$ | 6,344 |
| Military Youth Education | | 13,845 |
| USO U-505 Naval History Program | | 15,439 |
| BMO Literacy Program | | 9,960 |
| Siragusa for USO Great Lakes | | 7,500 |
| Bears Youth | | 10,000 |
| CNA 2014 | | 50,000 |
| Rock Island Emergency Relief Fund | | 4,336 |
| | | <hr/> |
| | \$ | 117,424 |

Note 8. Net Assets Released From Restrictions

The following net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes specified by donors at December 31, 2013.

| | | |
|---------------------------------------|----|---------|
| USO Discovery Kids Program | \$ | 13,910 |
| Heart of a Marine for USO Van Support | | 933 |
| USO U-505 Naval History Program | | 19,621 |
| BMO Harris Money Matters Program | | 7,686 |
| USO Moline Discovery Kids Program | | 1,940 |
| O'Hare Furniture Designation | | 296 |
| USO Technology Designation | | 1,090 |
| Great Lakes Center Designation | | 1,870 |
| Military Youth Education | | 24,670 |
| Rock Island Emergency Relief Fund | | 5,264 |
| O'Hare Terminal 3 | | 17,000 |
| Europe Pro Tour | | 50,000 |
| BMO Literacy Program | | 5,040 |
| | | <hr/> |
| | \$ | 149,320 |

Supplementary Information

United Service Organizations of Illinois, Inc.

Schedule of Functional Expenses
Year Ended December 31, 2013

| | Program Services | Management and General | Fundraising | Annual Ball | Golf Outing | Clark After Dark | Total |
|---------------------------------------|---------------------|---------------------------|-------------------|-------------------|------------------|---------------------|---------------------|
| Salaries, wages and benefits | \$ 805,686 | \$ 68,432 | \$ 267,638 | \$ - | \$ - | \$ - | \$ 1,141,756 |
| Bus and special programs | 272,297 | - | - | - | - | - | 272,297 |
| Food, beverage and supplies | 1,219,250 | - | - | 91,772 | 780 | - | 1,311,802 |
| Rent | 996,730 | - | - | - | - | - | 996,730 |
| Professional services | 40,870 | 139,754 | 26,283 | 65,028 | 961 | 2,069 | 274,965 |
| Printing | 2,053 | 154 | 7,264 | 13,345 | 1,451 | 939 | 25,206 |
| Telephone | 21,109 | 1,855 | 2,813 | - | - | - | 25,777 |
| Travel | 16,508 | 2,075 | 4,200 | - | 40 | - | 22,823 |
| Postage and shipping | 323 | 304 | 5,179 | 793 | - | - | 6,599 |
| Awards and gifts | 3,296 | 51 | 1,767 | 376 | - | - | 5,510 |
| Equipment rental and maintenance | 11,857 | 3,829 | 15,466 | - | - | - | 31,152 |
| Conferences, conventions and meetings | 7,036 | 4,934 | 3,188 | - | - | - | 15,158 |
| Office supplies | 941 | 597 | 1,254 | - | - | - | 2,792 |
| Dues and subscriptions | 695 | 336 | 840 | - | - | - | 1,871 |
| Advertising and publishing | 5,055 | 85 | 11,386 | 5,023 | 322 | 1,554 | 23,425 |
| Insurance | 11,004 | 2,587 | 894 | - | - | - | 14,485 |
| Repairs, maintenance and janitorial | 7,045 | - | - | - | - | - | 7,045 |
| Decorations and entertainment | - | - | - | 24,616 | 38,990 | 8,000 | 71,606 |
| Pension | - | 30,222 | - | - | - | - | 30,222 |
| Equipment purchases | 8,874 | 1,219 | 301 | - | - | - | 10,394 |
| Fundraising administration expense | - | - | - | 780 | - | 39,463 | 40,243 |
| Fundraising supplies | - | - | - | 14,464 | 7,528 | 6,946 | 28,938 |
| | <u>3,430,629</u> | <u>256,434</u> | <u>348,493</u> | <u>216,197</u> | <u>50,072</u> | <u>58,971</u> | <u>4,360,796</u> |
| Depreciation and amortization | 67,943 | - | - | - | - | - | 67,943 |
| | <u>\$ 3,498,572</u> | <u>\$ 256,434</u> | <u>\$ 348,493</u> | <u>\$ 216,197</u> | <u>\$ 50,072</u> | <u>\$ 58,971</u> | <u>\$ 4,428,739</u> |