



WEST POINT ASSOCIATION OF GRADUATES

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May 9, 2013

MEMORANDUM FOR: The Long Gray Line and all West Point Supporters

SUBJECT: West Point Association of Graduates (WPAOG) 2012 Audit Report

1. The staff of WPAOG and I are pleased to provide our 2012 Audit Report. Our external auditor (ParenteBeard LLC) has performed a full scope audit and issued its unmodified opinion (formerly referred to as an unqualified opinion) that the financial statements present fairly the WPAOG's financial position, statement of activities, and cash flow. The report was reviewed in detail by our Audit and Compliance Committee and then approved by the full Board of Directors on May 3, 2013. We are proud to publish this information in the spirit of transparency and to ensure your confidence in our efforts to serve West Point and its Graduates.
2. Let me highlight a few successes for 2012:
  - You will note an increase in most categories of our net assets for 2012. In fact, they have increased by \$38.8 million overall, or 17%, for the year. The primary drivers of the increase were:
    - Pledges Receivable grew by \$6.4 million, or 27%, thanks to donors' continued support of the United States Military Academy (USMA); and
    - Investments increased by \$31.1 million, or 17%, due to the increase in cash payments made against existing Pledge Receivables and a favorable market return of 9.2% which exceeded our benchmark target performance.
  - At the same time that our total revenue for 2012 increased by \$11.6 million, or 26%, mostly from contributions, our expenses also increased by \$5.1 million, or 19%, primarily as a result of the increase in Grants to USMA.
3. We are honored to represent you and the ideals of Duty, Honor, Country at West Point and around the world. Should you have specific questions about this report, please contact our Vice President/CFO, Carl Moccia at [carl.moccia@wpaog.org](mailto:carl.moccia@wpaog.org).

A handwritten signature in black ink, appearing to read "Robert L. McClure '76".

ROBERT L. McCLURE '76  
Colonel, USA (Retired)  
President and CEO



**FOR US ALL**  
the Campaign for West Point

845.446.1542 | WestPointForUsAll.org