



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization

AIR FORCE ASSOCIATION

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

1501 LEE HIGHWAY NO 400

Room/suite

City or town, state or country, and ZIP + 4

ARLINGTON, VA 222091198

F Name and address of principal officer

CRAIG MCKINLEY
1501 LEE HIGHWAY NO 400
ARLINGTON, VA 222091198

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number

I Tax-exempt status

☒ 501(c)(3) ☐ 501(c) () ☐ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website:

WWW.AFA.ORG

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation 1956

M State of legal domicile VA

Part I

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities	PROMOTE AIR FORCE AIRPOWER AND EDUCATE THE PUBLIC	
	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	19
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	19
Revenue	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	76
	6	Total number of volunteers (estimate if necessary)	6	30
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	1,340,515
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	0
	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	2,786,077	2,418,411
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	8,718,796	8,810,796
Expenses	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	797,506	905,231
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	89,244	61,034
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	12,391,623	12,195,472
	14	Benefits paid to or for members (Part IX, column (A), line 4)	385,220	314,608
	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)	5,612,878	5,570,629
	b	Total fundraising expenses (Part IX, column (D), line 25) 591,106	45,604	58,450
Net Assets or Fund Balances	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	6,976,811	7,703,071
	19	Revenue less expenses Subtract line 18 from line 12	13,020,513	13,646,758
			-628,890	-1,451,286
			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	24,303,012	22,853,330
	21	Total liabilities (Part X, line 26)	16,657,571	24,119,801
	22	Net assets or fund balances Subtract line 21 from line 20	7,645,441	-1,266,471

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

2012-11-09

Date

CRAIG MCKINLEY PRESIDENT

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

KAREN A GRIES

Date

Check if self-employed ☐

Preparer's taxpayer identification number (see instructions)
P00078514

Firm's name (or yours if self-employed), address, and ZIP + 4

CLIFTONLARSONALLEN LLP
4250 N FAIRFAX DRIVE SUITE 1020
ARLINGTON, VA 22203

EIN

41-0746749

Phone no

(571) 227-9500

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2011)

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1

Briefly describe the organization's mission

THE AIR FORCE ASSOCIATION (AFA) IS AN INDEPENDENT, NONPROFIT, CIVILIAN EDUCATION ORGANIZATION PROMOTING PUBLIC UNDERSTANDING OF AEROSPACE POWER AND THE PIVOTAL ROLE IT PLAYS IN THE SECURITY OF THE NATION AFA PUBLISHES AIR FORCE MAGAZINE, CONDUCTS NATIONAL SYMPOSIA AND DISSEMINATES INFORMATION THROUGH OUTREACH PROGRAMS IT SPONSORS PROFESSIONAL DEVELOPMENT SEMINARS AND RECOGNIZES EXCELLENCE IN THE EDUCATION AND AEROSPACE FIELDS THROUGH NATIONAL AWARDS PROGRAMS AFA PRESENTS SCHOLARSHIPS AND GRANTS TO AIR FORCE ACTIVE DUTY, AIR NATIONAL GUARD AND AIR FORCE RESERVE MEMBERS AND THEIR DEPENDENTS, AND AWARDS EDUCATOR GRANTS TO PROMOTE SCIENCE AND MATH EDUCATION AT THE ELEMENTARY AND SECONDARY SCHOOL LEVEL ADDITIONALLY, AFA PUBLISHES A WIDE RANGE OF MATERIALS ON WWW.AFA.ORG

2

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

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?

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 and section 4947(a)(1) trusts 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 \$ 2,691,337 including grants of \$) (Revenue \$ 960,656)

BRIEFINGS & SYMPOSIAAFA SPONSORS COMPREHENSIVE BRIEFINGS BY KEY AIR FORCE AND DEPARTMENT OF DEFENSE LEADERS AT NATIONAL SYMPOSIA ACROSS THE COUNTRY THESE SYMPOSIA ARE KEYED TO TOPICAL AEROSPACE AND DEFENSE ISSUES THE SCHEDULE FOR 2011 INCLUDED THE AIR & SPACE CONFERENCE AND TECHNOLOGY EXPOSITION IN WASHINGTON, D.C. (SEPTEMBER 2011), A NATIONAL SYMPOSIUM IN LOS ANGELES, CA (NOVEMBER 2011), AND THE AIR WARFARE SYMPOSIUM IN ORLANDO, FL (FEBRUARY 2011) THE ASSOCIATION SPONSORS THE ANNUAL AIR FORCE BALL IN LOS ANGELES, AND SEVERAL OTHER EVENTS, TO RAISE MONEY FOR ITS EDUCATIONAL PROGRAMS AND AIR FORCE CHARITIES AFA ALSO SUPPORTS THE OUTSTANDING SQUADRON DINNER WHICH HONORS THE AIR FORCE ACADEMY'S TOP CADET SQUADRON AT ITS NATIONAL CONVENTION, AFA HOSTS A DINNER FOR THE AIR FORCE'S TWELVE OUTSTANDING AIRMEN OF THE YEAR AFA ALSO CONDUCTS AN EXTENSIVE ANNUAL AWARDS PROGRAM TO HONOR TOP AIR FORCE PROFESSIONALS IN KEY CAREER FIELDS

4b

(Code) (Expenses \$ 3,783,660 including grants of \$) (Revenue \$)

AIR FORCE MAGAZINE - EACH MONTH, AIR FORCE ASSOCIATION PUBLISHES AIR FORCE MAGAZINE, A HIGHLY REGARDED AEROSPACE JOURNAL THAT REACHES THE DESKS OF THOSE IN THE HIGHEST LEVEL OF GOVERNMENT, INDUSTRY, DEFENSE, BUSINESS, ACADEMIA, AND THE MEDIA IT IS READ FOR ITS AUTHENTICITY, ACCURACY AND INVESTIGATIVE SPIRIT IN REPORTING AEROSPACE AND DEFENSE MATTERS THE CURRENT MONTHLY CIRCULATION IS 112,988 AIR FORCE ASSOCIATION PUBLISHES SEVERAL WIDELY DISTRIBUTED NEWSLETTERS "NEWSLINE", WHICH CONSOLIDATES THE ADMINISTRATIVE AND OPERATIONAL NEWS FROM AIR FORCE ASSOCIATION HEADQUARTERS TO AIR FORCE ASSOCIATION FIELD LEADERS, AND THE "VISIONS" NEWSLETTER, WHICH HIGHLIGHTS SUBJECTS AND EVENTS THAT ARE OF INTEREST TO AEROSPACE-ORIENTED CLASSROOMS THE ASSOCIATION ALSO PUBLISHES ITS ANNUAL STATEMENT OF POLICY AND TOP ISSUES AND, PERIODICALLY, ISSUES BRIEFS AND SPECIAL REPORTS THAT ARE WIDELY DISTRIBUTED ON CAPITOL HILL, TO THE MEDIA, AND THROUGHOUT AIR FORCE ASSOCIATION'S GRASSROOTS NETWORK

4c

(Code) (Expenses \$ 2,191,703 including grants of \$) (Revenue \$ 2,824,070)

MEMBERSHIP - AFA IS A PROFESSIONAL ORGANIZATION THAT REPRESENTS THE ENTIRE AIR FORCE FAMILY - ENLISTED, OFFICER, ACTIVE DUTY AND RETIRED, GUARD, RESERVE AND CIVILIAN OUR MISSION IS TO EDUCATE THE PUBLIC ON THE IMPORTANCE OF AEROSPACE POWER, ADVOCATE FOR A STRONG NATIONAL DEFENSE, AND TAKE CARE OF OUR OWN THE GENERAL BILLY MITCHELL INSTITUTE PROMOTES AIR POWER INITIATIVES THROUGH SPECIAL MEDIA PRESENTATIONS AND ADVOCACY EFFORTS WE ALSO PROVIDE GRANTS TO FURTHER AEROSPACE EDUCATION AND OFFER PROFESSIONAL DEVELOPMENT PROGRAMS THROUGH OUR OUTREACH PROGRAMS AFA RECOGNIZES EXCELLENCE WITH A VARIETY OF NATIONAL AEROSPACE AWARDS AND IS RESPONSIBLE FOR THE CREATION OF THE AIR FORCE OUTSTANDING AIRMEN PROGRAM

(Code) (Expenses \$ 2,988,340 including grants of \$ 314,608) (Revenue \$ 70,400)

FIELD SERVICE -AFA IS LED BY VOLUNTEER LEADERS AT THE NATIONAL, STATE AND LOCAL LEVELS AFA'S STATE ORGANIZATIONS AND MORE THAN 230 CHAPTERS HOLD ELECTIONS AND CONDUCT PROGRAMS TO INCREASE PUBLIC UNDERSTANDING OF KEY NATIONAL SECURITY ISSUES IN THEIR COMMUNITIES PROGRAMS RANGE FROM LUNCHEON AND DINNER ACTIVITIES TO SYMPOSIA AND LEGISLATIVE ROUNDTABLES WITH CONGRESSIONAL LEADERS EXPENSES TOTAL \$622,575 SCHOLARSHIPS, GRANTS, AWARDS, AND PUBLIC AWARENESS AFA IS DEDICATED TO ENSURING AMERICA'S AEROSPACE EXCELLENCE THROUGH EDUCATION, SCHOLARSHIPS, GRANTS, AWARDS AND PUBLIC AWARENESS PROGRAMS IN ADDITION, AFA SPONSORS A SERIES OF STUDIES AND FORUMS ON AEROSPACE AND NATIONAL SECURITY THROUGH ITS PUBLIC POLICY AND RESEARCH ARM, THE MITCHELL INSTITUTE THE INSTITUTE WAS ESTABLISHED IN 1996 TO FOCUS AND EXPAND UPON EXISTING EDUCATIONAL EFFORTS IN AEROSPACE AND NATIONAL SECURITY POLICY AFA WORKS THROUGH A NETWORK OF THOUSANDS OF INDIVIDUAL MEMBERS AND VOLUNTEERS TO DISTRIBUTE EDUCATIONAL MATERIALS TO SCHOOLS AND CONCERNED CITIZENS THIS IS DONE IN PART THROUGH "VISIONS OF EXPLORATION," A JOINT MULTI-DISCIPLINARY SCIENCE, MATH AND SOCIAL STUDIES PROGRAM WITH USA TODAY TOTAL EXPENSES WERE \$803,735 INCLUDING \$314,608 OF GRANTS CYBER PATRIOT & CYBER FUTURES CYBERPATRIOT IS THE NATIONAL HIGH SCHOOL CYBER DEFENSE COMPETITION CREATED BY THE AIR FORCE ASSOCIATION (AFA) TO EXCITE, EDUCATE, AND MOTIVATE THE NEXT GENERATION OF CYBER DEFENDERS AND OTHER SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS (STEM) GRADUATES OUR NATION NEEDS TOTAL REVENUE WAS \$70,400 AND TOTAL EXPENSES WERE \$1,562,030

4d

Other program services (Describe in Schedule O)






















(Expenses \$ 2,988,340 including grants of \$ 314,608) (Revenue \$ 70,400)

4e

Total program service expenses

\$ 11,655,040

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)? If "Yes," complete Schedule A 	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3		No
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? If "Yes," complete Schedule C, Part II 	4		No
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? If "Yes," complete Schedule C, Part III 	5		No
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? If "Yes," complete Schedule D, Part I 	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	Yes	
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? If "Yes," complete Schedule D, Part VI. 	11a	Yes	
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? If "Yes," complete Schedule D, Part VII. 	11b		No
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? If "Yes," complete Schedule D, Part VIII. 	11c		No
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? If "Yes," complete Schedule D, Part IX. 	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e	Yes	
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)? If "Yes," complete Schedule D, Part X. 	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional 	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
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? If "Yes," complete Schedule F, Part I	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II and IV	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III and IV	16		No
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? If "Yes," complete Schedule G, Part I 	17	Yes	
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II 	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III 	19		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b		

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
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? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
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?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
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? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
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? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
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 owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	Yes	
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? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance		
Check if Schedule O contains a response to any question in this Part V <input type="checkbox"/>		
		YesNo
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	80
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return	76
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2bYes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3aYes
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3bYes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	4aNo
b	If "Yes," enter the name of the foreign country <input type="text"/> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts	
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .	5aNo
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5bNo
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6aNo
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b
7	Organizations that may receive deductible contributions under section 170(c).	
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7aNo
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7cNo
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7eNo
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .	7fNo
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8
9	Sponsoring organizations maintaining donor advised funds.	
a	Did the organization make any taxable distributions under section 4966?	9a
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b
10	Section 501(c)(7) organizations. Enter	
a	Initiation fees and capital contributions included on Part VIII, line 12	10a
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b
11	Section 501(c)(12) organizations. Enter	
a	Gross income from members or shareholders	11a
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b
13	Section 501(c)(29) qualified nonprofit health insurance issuers.	
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state	13a
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b
c	Enter the aggregate amount of reserves on hand	13c
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14aNo
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . .	14b

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.
Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
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?		No
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?		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Did the organization have members or stockholders?	Yes	
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?	Yes	
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	Yes	
8b	Each committee with authority to act on behalf of the governing body?	Yes	
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		No

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?	Yes	
10b	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?	Yes	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	Yes	
11b	Describe in Schedule O the process, if any, used by the organization to review the Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	Yes	
12b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	Yes	
13	Did the organization have a written whistleblower policy?	Yes	
14	Did the organization have a written document retention and destruction policy?	Yes	
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?		
15a	The organization's CEO, Executive Director, or top management official	Yes	
15b	Other officers or key employees of the organization		No
15c	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)		
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?		No
16b	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	AK, AZ, AR, CA, CT, FL, HI, IL, KS, KY, LA, ME, MD, MA, MI, MN, MS, MO, NH, NJ, NY, NC, ND, OH, OK, OR, PA, SC, TN, UT, VA, WA, WV, WI, AL, CO, GA, IA, NM, RI
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request	
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. See Additional Data Table.	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization.	THE ORGANIZATION 1501 LEE HIGHWAY NO 400 ARLINGTON, VA 222091198 (703) 247-5800

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

Check if Schedule O contains a response to any question 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, and **current** key employees 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, or 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 organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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) S SANFORD SCHLITT CHAIRMAN OF THE BOARD	20 00	X		X				0	0	0
(2) JUSTIN FAIFERLICK VICE CHAIR FIELD OPER	15 00	X		X				0	0	0
(3) GEORGE K MUELLNER VICE CHAIR AEROSPACE EDUC	15 00	X		X				0	0	0
(4) EDWARD W GARLAND SECRETARY	5 00	X		X				0	0	0
(5) LEN VERNAMONTI TREASURER	10 00	X		X				0	0	0
(6) JOHN T BROCK DIRECTOR	1 00	X						0	0	0
(7) ROBERT W DREWES DIRECTOR	1 00	X						0	0	0
(8) ANGELA DUPONT DIRECTOR	1 00	X						0	0	0
(9) WAYNE R KAUFFMAN DIRECTOR	1 00	X						0	0	0
(10) LARRY LAWSON DIRECTOR	1 00	X						0	0	0
(11) WILLIAM R LOONEY III DIRECTOR	1 00	X						0	0	0
(12) ROD MCKINLEY DIRECTOR	1 00	X						0	0	0
(13) DON MICHELS DIRECTOR	1 00	X						0	0	0
(14) JOHN F PHILLIPS DIRECTOR	1 00	X						0	0	0
(15) MARVIN TOOMAN DIRECTOR	1 00	X						0	0	0
(16) JOHN D CORLEY DIRECTOR	1 00	X						0	0	0
(17) RICK HARTLE DIRECTOR	1 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 (describe hours for related organizations in Schedule O)	(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) DONALD TAYLOR DIRECTOR	1 00	X						0	0	0
(19) STEPHEN G WOOD DIRECTOR	1 00	X						0	0	0
(20) MICHAEL M DUNN PRESIDENT/CEO	40 00			X				214,557	53,639	3,319
(21) DAVID BUCKWALTER EXECUTIVE VICE PRESIDENT	40 00			X				124,546	31,138	1,027
(22) WILLIAM TURNER ADVERTISING DIRECTOR	40 00					X		167,662	0	10,002
(23) WILLIAM COX ASSISTANT COMPTROLLER	29 00					X		87,846	33,321	3,943
(24) LAUREN BRICE IT DIRECTOR	28 00					X		85,479	36,634	960
(25) MARY ELLEN DOBROWOLSKI DIR PROGRAMS/INDUS RELATIONS	40 00					X		112,375	0	3,970
(26) KATHY SNODGRASS DIRECTOR, ADMINISTRATION	20 00					X		54,746	54,746	4,260
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								847,211	209,478	27,481

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

4

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
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? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

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
RR DONNELLY POB 730216 DALLAS, TX 753730216	AF MAGAZINE PRINT DISTRIBUTION	824,144
GETTINGS PRODUCTION INC 275 NORTH LAKE SHORE DRIVE OCOE, FL 34761	A&S CONFERENCE PRODUCTION SERVICES	205,134
XEDO LIMITED 21142 KIRKSEY ROAD ELKINS, AR 727273587	CONSTULTING CYBER PATRIOT PROGRAM	195,000
CHELSEA COURT 8 CHELSEA COURT MARLTON, NJ 080532804	PRINTING SERVICES	145,472
AVATAR LABS 16030 VENTURA BLVD 102 ENCINO, CA 91436	CYBERPATRIOT GAME CREATION	125,000
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		5

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a123,362				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f2,295,049				
	g	Noncash contributions included in lines 1a-1f \$ 2,860					
	h	Total. Add lines 1a-1f					
Program Service Revenue			Business Code				
	2a	AIR & SPACE CONFERENCE	900099	3,683,044	960,656		2,722,388
	b	MEMBERSHIP DUES	900099	2,241,719	2,241,719		
	c	MAGAZINE ADVERTISING	541800	1,307,215		1,307,215	
	d	SYMPOSIUMS	900099	694,469			694,469
	e	CORPORATE MEMBERS	900099	395,469	395,469		
	f	All other program service revenue		488,880	455,580	33,300	
	g	Total. Add lines 2a-2f		8,810,796			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			428,950		428,950
	4	Income from investment of tax-exempt bond proceeds . .					
	5	Royalties		24,626	24,626		
	6a	(i) Real					
		(ii) Personal					
	b	Less rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7a	(i) Securities					
		(ii) Other					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)		476,281			476,281
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18					
	a						
	b	Less direct expenses					
	b						
	c	Net income or (loss) from fundraising events . .					
c							
9a	Gross income from gaming activities See Part IV, line 19						
a							
b	Less direct expenses						
b							
c	Net income or (loss) from gaming activities . .						
c							
10a	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 . .						
c							
Miscellaneous Revenue			Business Code				
11a	MISCELLANEOUS		900099	36,408			36,408
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d			36,408			
12	Total revenue. See Instructions			12,195,472	4,078,050	1,340,515	4,358,496

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) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question 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	284,608	284,608		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	30,000	30,000		
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	450,600	365,732	65,237	19,631
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	3,964,655	3,217,934	573,995	172,726
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	583,715	517,857	37,959	27,899
9	Other employee benefits	254,113	209,787	36,523	7,803
10	Payroll taxes	317,546	254,372	48,332	14,842
11	Fees for services (non-employees)				
a	Management				
b	Legal	16,362	16,362		
c	Accounting	52,109	12,425	39,684	
d	Lobbying				
e	Professional fundraising See Part IV, line 17	58,450			58,450
f	Investment management fees	151,779	115,089	36,690	
g	Other	927,968	764,126	107,641	56,201
12	Advertising and promotion	203,931	188,756	12,072	3,103
13	Office expenses	2,681,787	2,249,582	58,435	373,770
14	Information technology				
15	Royalties				
16	Occupancy	117,136	117,136		
17	Travel	316,496	307,800	7,701	995
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	123,689	123,689		
23	Insurance	78,835	78,835		
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	HOTEL AND RESTAURANT	1,761,643	1,746,461	14,742	440
b	MAGAZINE PRODUCTION & P	880,135	880,135		
c	CHAPTER & STATE COMMISS	386,259	386,259		
d	VISIONS PROGRAM MATERIA	158,508	158,508		
e					
f	All other expenses	-153,566	-370,413	361,601	-144,754
25	Total functional expenses. Add lines 1 through 24f	13,646,758	11,655,040	1,400,612	591,106
26	Joint costs. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation	336,997	214,017	37,924	85,056

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			2,440,769	1	3,846,230
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net				3	118,230
	4	Accounts receivable, net			249,820	4	397,845
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			56,167	8	503
	9	Prepaid expenses and deferred charges			195,703	9	194,868
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	1,850,640	554,228	10c	562,902
	b	Less: accumulated depreciation	10b	1,287,738			
	11	Investments—publicly traded securities			19,189,847	11	17,282,053
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			1,616,478	15	450,699
	16	Total assets. Add lines 1 through 15 (must equal line 34)			24,303,012	16	22,853,330
Liabilities	17	Accounts payable and accrued expenses			1,886,434	17	1,980,594
	18	Grants payable				18	
	19	Deferred revenue			2,606,303	19	2,609,174
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	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			12,164,834	25	19,530,033
	26	Total liabilities. Add lines 17 through 25			16,657,571	26	24,119,801
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			5,902,921	27	-2,799,877
	28	Temporarily restricted net assets			791,022	28	585,109
	29	Permanently restricted net assets			951,498	29	948,297
	Organizations that do not follow SFAS 117, 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			7,645,441	33	-1,266,471
	34	Total liabilities and net assets/fund balances			24,303,012	34	22,853,330

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	12,195,472
2	Total expenses (must equal Part IX, column (A), line 25)	2	13,646,758
3	Revenue less expenses Subtract line 2 from line 1	3	-1,451,286
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	7,645,441
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-7,460,626
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	-1,266,471

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question 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?	2a	No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes
c	If "Yes," to 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	2c	Yes
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
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?	3a	No
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	3b	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

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. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization AIR FORCE ASSOCIATION	Employer identification number 52-6043929
---	--

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 **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 Se**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 - Other

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?

(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 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)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

Support Schedule for Organizations Described in IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	1,842,087	2,168,087	1,528,160	2,786,076	2,418,411	10,742,821
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	1,842,087	2,168,087	1,528,160	2,786,076	2,418,411	10,742,821
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)						1,606,674
6 Public Support. Subtract line 5 from line 4						9,136,147

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	1,842,087	2,168,087	1,528,160	2,786,076	2,418,411	10,742,821
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	750,000	608,627	523,984	487,648	448,843	2,819,102
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets	34,213	70,450	74,915	69,682	106,808	356,068
11 Total support (Add lines 7 through 10)						13,917,991

12 Gross receipts from related activities, etc (See instructions)

1219,066,235

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

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14	65 640 %
15 Public Support Percentage for 2010 Schedule A, Part II, line 14	15	67 310 %
16a 33 1/3% support test—2011. 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		
b 33 1/3% support test—2010. If the organization did not check the 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		
17a 10%-facts-and-circumstances test—2011. 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		
b 10%-facts-and-circumstances test—2010. 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		
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		

Part IIIPart III

Support Schedule for Organizations Described in IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage			
15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15		
16 Public support percentage from 2010 Schedule A, Part III, line 15	16		

Section D. Computation of Investment Income Percentage			
17 Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))	17		
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18		
19a 33 1/3% support tests—2011. 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—2010. 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			

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

Additional Data

Software ID:
Software Version:
EIN: 52-6043929
Name: AIR FORCE ASSOCIATION

Form 990, Special Condition Description:

Special Condition Description

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services
(Code) (Expenses \$ 2,988,340 including grants of \$ 314,608) (Revenue \$ 70,400) FIELD SERVICE -AFA IS LED BY VOLUNTEER LEADERS AT THE NATIONAL, STATE AND LOCAL LEVELS AFA'S STATE ORGANIZATIONS AND MORE THAN 230 CHAPTERS HOLD ELECTIONS AND CONDUCT PROGRAMS TO INCREASE PUBLIC UNDERSTANDING OF KEY NATIONAL SECURITY ISSUES IN THEIR COMMUNITIES PROGRAMS RANGE FROM LUNCHEON AND DINNER ACTIVITES TO SYMPOSIA AND LEGISLATIVE ROUNDTABLES WITH CONGRESSIONAL LEADERS EXPENSES TOTAL \$622,575 SCHOLARSHIPS, GRANTS, AWARDS, AND PUBLIC AWARENESS AFA IS DEDICATED TO ENSURING AMERICA'S AEROSPACE EXCELLENCE THROUGH EDUCATION, SCHOLARSHIPS, GRANTS, AWARDS AND PUBLIC AWARENESS PROGRAMS IN ADDITION, AFA SPONSORS A SERIES OF STUDIES AND FORUMS ON AEROSPACE AND NATIONAL SECURITY THROUGH ITS PUBLIC POLICY AND RESEARCH ARM, THE MITCHELL INSTITUTE THE INSTITUTE WAS ESTABLISHED IN 1996 TO FOCUS AND EXPAND UPON EXISTING EDUCATIONAL EFFORTS IN AEROSPACE AND NATIONAL SECURITY POLICY AFA WORKS THROUGH A NETWORK OF THOUSANDS OF INDIVIDUAL MEMBERS AND VOLUNTEERS TO DISTRIBUTE EDUCATIONAL MATERIALS TO SCHOOLS AND CONCERNED CITIZENS THIS IS DONE IN PART THROUGH "VISIONS OF EXPLORATION," A JOINT MULTI-DISCIPLINARY SCIENCE, MATH AND SOCIAL STUDIES PROGRAM WITH USA TODAY TOTAL EXPENSES WERE \$803,735 INCLUDING \$314,608 OF GRANTS CYBER PATRIOT & CYBER FUTURES CYBERPATRIOT IS THE NATIONAL HIGH SCHOOL CYBER DEFENSE COMPETITION CREATED BY THE AIR FORCE ASSOCIATION (AFA) TO EXCITE, EDUCATE, AND MOTIVATE THE NEXT GENERATION OF CYBER DEFENDERS AND OTHER SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS (STEM) GRADUATES OUR NATION NEEDS TOTAL REVENUE WAS \$70,400 AND TOTAL EXPENSES WERE \$1,562,030

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

If the organization answered “Yes,” to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered “Yes,” to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization AIR FORCE ASSOCIATION	Employer identification number 52-6043929
---	--

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1	Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV	
2	Political expenditures	▶ \$ _____
3	Volunteer hours	_____

Part I-B Complete if the organization is exempt under section 501(c)(3).

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$ _____
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$ _____
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," describe in Part IV	

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$ _____
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities	▶ \$ _____
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$ _____
4	Did the filing organization file Form 1120-POL for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A

Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A
- Check
- ☐
- if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check
- ☐
- if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)	0													
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	0													
c	Total lobbying expenditures (add lines 1a and 1b)	0													
d	Other exempt purpose expenditures	0													
e	Total exempt purpose expenditures (add lines 1c and 1d)	0													
f	Lobbying nontaxable amount. Enter the amount from the following table in both columns.	0													
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g	Grassroots nontaxable amount (enter 25% of line 1f)	0													
h	Subtract line 1g from line 1a. If zero or less, enter -0-														
i	Subtract line 1f from line 1c. If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?														
		<input type="checkbox"/> Yes	<input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities? If "Yes," describe in Part IV			
j	Total lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).	2a	
a	Current year		
b	Carryover from last year		
c	Total		
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV

Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
------------	------------------	-------------

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, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
AIR FORCE ASSOCIATION

Employer identification number
52-6043929

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may 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 <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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)

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

Complete lines 2a–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 Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

In Part XIV, 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, 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 XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, 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 relating to these items

a

Revenues included in Form 990, Part VIII, line 1

► \$ _____

b

Assets included in Form 990, Part X

► \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2011

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

3

Using the organization's 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 XIV

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 XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

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	717,201	617,610	721,217	746,305	
b Contributions	4,425	16,500	7,890	116,400	
c Investment earnings or losses	2,334	104,993	-98,307	-111,766	
d Grants or scholarships		7,000	7,000	12,000	
e Other expenditures for facilities and programs					
f Administrative expenses	21,599	14,902	33,190	17,722	
g End of year balance	702,361	717,201	617,610	721,217	

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

(ii)

related organizations

b

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

	Yes	No
3a(i)		No
3a(ii)		No
3b		

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. 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		852,469	735,253	117,216
e Other		998,171	552,485	445,686
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				562,902

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements			
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return			
1	Total revenue, gains, and other support per audited financial statements	1	
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	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
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 XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return			
1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
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 XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	

Part XIV Supplemental Information

Complete this part to 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, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
DESCRIPTION OF INTENDED USE OF ENDOWMENT FUNDS	PART V, LINE 4	ENDOWMENT FUNDS WILL BE USED FOR SCHOLARSHIPS AND AWARDS
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	AFA IS EXEMPT FROM THE PAYMENT OF INCOME TAXES ON ITS EXEMPT ACTIVITIES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (IRC). IT HAS BEEN DETERMINED THAT AFA IS NOT A PRIVATE FOUNDATION AS IT MEETS THE REQUIREMENTS OF BEING PUBLICLY SUPPORTED UNDER IRC SECTION 509(A)(2). AFAVBA IS EXEMPT FROM THE PAYMENT OF INCOME TAXES ON ITS EXEMPT ACTIVITIES UNDER SECTION 501(C)(19) OF THE INTERNAL REVENUE CODE. AFMF IS A NOT-FOR-PROFIT ORGANIZATION INCORPORATED IN THE DISTRICT OF COLUMBIA AND IS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE (IRC). IT HAS BEEN DETERMINED THAT THE FOUNDATION IS NOT A PRIVATE FOUNDATION AS DEFINED AS SECTION 509(A)(1) OF THE IRC. ALL ENTITIES ARE SUBJECT TO INCOME TAXES FROM UNRELATED BUSINESS INCOME. AFA AND AFFILIATES EVALUATED THEIR TAX POSITIONS AND DETERMINED THAT THEIR POSITIONS ARE MORE LIKELY THAN NOT TO BE SUSTAINED ON EXAMINATION. THE AFA AND AFFILIATES TAX RETURNS ARE SUBJECT TO REVIEW AND EXAMINATION BY FEDERAL, STATE AND LOCAL AUTHORITIES. THE TAX RETURNS FOR THE YEARS 2008 TO 2010 ARE OPEN TO EXAMINATION BY FEDERAL, STATE AND LOCAL AUTHORITIES.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization AIR FORCE ASSOCIATION	Employer identification number 52-6043929
---	--

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a <input checked="" type="checkbox"/> Mail solicitations	e <input type="checkbox"/> Solicitation of non-government grants
b <input checked="" type="checkbox"/> Internet and e-mail solicitations	f <input type="checkbox"/> Solicitation of government grants
c <input type="checkbox"/> Phone solicitations	g <input type="checkbox"/> Special fundraising events
d <input checked="" type="checkbox"/> In-person solicitations	
- 2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☒ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
PM DIRECT MARKETING 11250 WAPLES MILL ROAD SUITE 310 FAIRFAX, VA 22030	FUNDRAISING CONSULTANT		No	908,074	37,500	870,574
VIRTUALGIVINGCOM 1288 VALLEY FORGE RD BLDG 82 PHOENIXVILLE, PA 19460	FUNDRAISING CONSULTANT		No	18,134	2,950	15,184
ALLEGIANCE CREATIVE GROUP 11250 WAPLES MILL ROAD SUITE 310 FAIRFAX, VA 22030	FUNDRAISING CONSULTANT		No	0	18,000	-18,000
Total ▶				926,208	58,450	867,758

- 3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

CA, WA, WI, UT, VA, AL, AK, AZ, AR, CO, CT, FL, HI, IA, IL, KS, KY, LA, ME, MA, MD, MI, MN, MS, NH, NJ, NC, ND, OH, OK, OR, SC, TN, MO, PA, WV, GA, NM, NY, RI

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col (a) through col (c))
		(event type)	(event type)	(total number)	
Revenue	1	Gross receipts			
	2	Less Charitable contributions			
	3	Gross income (line 1 minus line 2)			
Direct Expenses	4	Cash prizes			
	5	Non-cash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses			
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			()
	11	Net income summary Combine lines 3 and 10 in column (d). ▶			

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1	Gross revenue			
	2	Cash prizes			
	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
Direct Expenses	6	Volunteer labor <input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			()
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶			

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," Explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," Explain _____

- 11

Does the organization operate gaming activities with nonmembers?

☐ Yes ☐ No
- 12

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

☐ Yes ☐ No

13

Indicate the percentage of gaming activity operated in

a	The organization's facility	13a
b	An outside facility	13b

14

Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name

Address

15a

Does the organization have a contract with a third party from whom the organization receives gaming revenue?

☐ Yes ☐ No

b

If "Yes," enter the amount of gaming revenue received by the organization \$ and the amount of gaming revenue retained by the third party \$

c

If "Yes," enter name and address

Name

Address

16

Gaming manager information

Name

Gaming manager compensation

\$

Description of services provided

☐ Director/officer

☐ Employee

☐ Independent contractor

17

Mandatory distributions

a

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

☐ Yes ☐ No

b

Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year \$

Part IV

Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation
------------	-----------------	-------------

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
AIR FORCE ASSOCIATION

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public
Inspection

Employer identification number
52-6043929

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) HQ CIVIL AIR PATROL 105 SOUTH HANSELL ST BLDG 714 MAXWELL AFB,AL 36112	75-6037853	501(C)(3)	22,500				PROVIDES GRANTS TO CIVIL AIR PATROL UNITS TO ENHANCE AEROSPACE EDUCATION
(2) ARNOLD AIR SOCIETY 9 E LOCKERMAN ST STE 2B DOVER,DE 19901	53-0231491	501(C)(4)	8,500				FINANCIAL SUPPORT FOR AAS CONCLAVE (ANNUAL MEETING)

2

Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3

Enter total number of other organizations listed in the line 1 table

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) SCHOLARSHIPS	2	30,000			

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 ALL REQUESTS ARE REVIEWED BY COMMITTEES MOST COMMITTEES ARE OUTSIDE THE AIR FORCE ASSOCIATION SCHOLARSHIPS ARE GRANTED BASED ON NEED, ACADEMIC ACHIEVEMENT, AND STUDY IN TECHNICAL DISCIPLINES AIR FORCE ASSOCIATION MONITORS THE AWARDS THROUGH FEEDBACK REPORTS AWARDS ARE PRESENTED BY A NATIONAL OFFICER AT THE ROTC COMPETITION AND ARE HANDED OUT AT BOARD MEETINGS AND AT THE CONVENTION

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
AIR FORCE ASSOCIATION

Employer identification number
52-6043929

Part I

Questions Regarding Compensation

	Yes	No
<div>1a</div> <div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</div> <div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div>		
<div>b</div> <div>If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain</div>	1b	
<div>2</div> <div>Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</div>	2	
<div>3</div> <div>Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply</div> <div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div></div><div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div>		
<div>4</div> <div>During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization</div>		
<div>a</div> <div>Receive a severance payment or change-of-control payment?</div>	4a	No
<div>b</div> <div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div>	4b	No
<div>c</div> <div>Participate in, or receive payment from, an equity-based compensation arrangement?</div>	4c	No
<div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>		
<div></div> <div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div>		
<div>5</div> <div>For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of</div>		
<div>a</div> <div>The organization?</div>	5a	No
<div>b</div> <div>Any related organization?</div>	5b	No
<div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>		
<div>6</div> <div>For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of</div>		
<div>a</div> <div>The organization?</div>	6a	No
<div>b</div> <div>Any related organization?</div>	6b	No
<div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>		
<div>7</div> <div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III</div>	7	No
<div>8</div> <div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III</div>	8	No
<div>9</div> <div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div>	9	

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

[illegible]

Part III **Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
------------	------------------	-------------

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization AIR FORCE ASSOCIATION	Employer identification number 52-6043929
---	--

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 1	THE EXECUTIVE COMMITTEE IS COMPRISED OF THE BOARD OFFICERS AND TWO ADDITIONAL APPOINTEES OF THE BOARD CHAIRMAN THE EXECUTIVE COMMITTEE HAS THE AUTHORITY TO ACT ON BEHALF OF THE FULL BOARD WHEN THE FULL BOARD IS NOT IN SESSION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 6	THE ORGANIZATION HAS VARIOUS CLASSES OF MEMBERS BASES ON LENGTH OF MEMBERSHIP (INCLUDING LIFE MEMBERS) AND TYPE (INCLUDING STUDENT, REGULAR, CADET, ETC)

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7A	THE VOTING DELEGATES OF THE ORGANIZATION ELECT THE MEMBERS OF THE BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 7B	THE DELEGATES OF THE ORGANIZATION APPROVE THE AIR FORCE ASSOCIATION STATEMENT OF POLICY , ELECT MEMBERS OF THE GOVERNING BODY , APPROVE DUES INCREASES, AND APPROVE CHANGES TO AIR FORCE ASSOCIATION CONSTITUTION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	A COPY OF THE FORM 990 IS PROVIDED TO ALL BOARD MEMBERS PRIOR TO FILING AND REVIEWED THOROUGHLY BY THE ORGANIZATION'S COMPTROLLER AND TREASURER

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	HANDLING A CONFLICT OF INTEREST THAT ARISES AT A MEETING - A DIRECTOR SHOULD BE SENSITIVE TO ANY INTEREST HE OR SHE MAY HAVE IN A DECISION TO BE MADE BY THE BOARD OF DIRECTORS AND, INsofar AS POSSIBLE, RECOGNIZE THAT SUCH INTEREST EXISTS PRIOR TO THE DISCUSSION OR PRESENTATION OF SUCH A MATTER BEFORE THE BOARD WHEN A DIRECTOR HAS AN INTEREST IN A TRANSACTION BEING CONSIDERED BY THE BOARD, HE OR SHE SHOULD DISCLOSE THE CONFLICT BEFORE THE BOARD TAKES ACTION ON THE MATTER THE DIRECTOR SHALL REFRAIN FROM VOTING ON ANY SUCH TRANSACTION, PARTICIPATING IN DELIBERATIONS CONCERNING IT, OR USING PERSONAL INFLUENCE IN ANY WAY THE DIRECTOR'S PRESENCE MAY NOT BE COUNTED IN DETERMINING THE QUORUM FOR ANY AIR FORCE ASSOCIATION BUSINESS TRANSACTION IN WHICH HE OR SHE HAS A POSSIBLE INTEREST IF THE DIRECTOR RECOGNIZES THAT THE CONFLICT IS ONGOING AND THAT THE INFORMATION DISCUSSED AT THE BOARD MEETING WILL BEAR ON THAT CONFLICT, THE DIRECTOR SHOULD NOT PARTICIPATE IN THAT PORTION OF THE DISCUSSION AND LEAVE THE ROOM IN THIS CASE, THE APPROPRIATE MATERIAL SHOULD BE DELETED FROM THE MINUTES PROVIDED TO THAT DIRECTOR IF THE DIRECTOR IN GOOD FAITH DETECTS THAT HE OR SHE HAS FAILED TO RECOGNIZE A CONFLICT, THE DIRECTOR, WHEN IT IS RECOGNIZED, SHALL REPORT THAT FAILURE TO THE CHAIRMAN OF THE BOARD, WHO SHALL TAKE APPROPRIATE ACTION TO PREVENT CONTINUATION OF THE CONFLICT AND MITIGATE PAST ACTION TO THE EXTENT REASONABLE THE MATTER SHALL BE REFERRED TO THE EXECUTIVE COMMITTEE FOR REVIEW AND RECOMMENDATION

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15A	<p>PRESIDENT ONLY - THE COMPENSATION OF THE PRESIDENT IS SET BY THE EXECUTIVE COMMITTEE ON BEHALF OF THE BOARD OF DIRECTORS AND IS REVIEWED ANNUALLY THE LAST REVIEW DID OCCUR IN 2011 THE BOARD HAS ESTABLISHED A POLICY TO PROVIDE FOR ANNUAL REVIEW OF THE PRESIDENT'S PERFORMANCE AND COMPENSATION THE POLICY PROVIDES FOR A PRESIDENT EVALUATION AND COMPENSATION COMMITTEE (PECC) BY THE TREASURER OF THE ASSOCIATION THAT INCLUDES THE TWO VICE CHAIRMEN, THE NATIONAL SECRETARY, AND UP TO THREE MEMBERS OF THE BOARD TO BE NOMINATED BY THE CHAIRMAN OF THE BOARD AND APPROVED BY THE BOARD THE CHAIRMAN WILL SERVE EX-OFFICIO ON THE PECC WITHOUT VOTE THE PECC REPORTS ANNUALLY TO THE EXECUTIVE COMMITTEE, WHO IN TURN, RECOMMENDS COMPENSATION ADJUSTMENTS TO THE BOARD FOR APPROVAL BROAD CRITERIA ARE PROVIDED TO THE PECC AS ARE SUGGESTED EXTERNAL REFERENCES, AND THE PECC MAY USE THE SERVICES OF AN OUTSIDE CONSULTANT THE OTHER OFFICERS AND KEY EMPLOYEES ARE EVALUATED ANNUALLY BY THE PRESIDENT ACTUAL EMPLOYEE COMPENSATION IS COMPARED TO SALARY SURVEY INFORMATION PROVIDED BY INDEPENDENT SOURCES THE LAST REVIEW DID OCCUR IN 2011</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	AIR FORCE ASSOCIATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND ITS FINANCIAL STATEMENTS AVAILABLE FOR PUBLIC INSPECTION UPON REQUEST

Identifier	Return Reference	Explanation
EACH OFFICER OR BOARD MEMBER LISTED BELOW DIVIDES THEIR TIME AMONG	PART VII, OFFICER HOURS	<p>RELATED ORGANIZATIONS AS LISTED - S SANFORD SCHLITT AIR FORCE ASSOCIATION - 20 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK JUSTIN FAIFERLICK AIR FORCE ASSOCIATION - 15 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK GEORGE K MUELLNER AIR FORCE ASSOCIATION - 15 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK EDWARD W GARLAND AIR FORCE ASSOCIATION - 5 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK LEONARD VERNA MONTI AIR FORCE ASSOCIATION - 10 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK ROBERT W DREWES AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK ANGELA DUPONT AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK JOHN T BROCK AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK JOHN D W CORLEY AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK WAYNE R KAUFFMAN AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK LARRY LAWSON AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK WILLIAM R LOONEY III AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK RODNEY MCKINLEY AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK DONALD MICHELS AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK RICK HARTLE AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK JOHN F PHILLIPS AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK MARVIN TOOMAN AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK DONALD TAYLOR AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK STEPHEN G WOOD AIR FORCE ASSOCIATION - 1 HR/WK AIR FORCE MEMORIAL FOUNDATION - 1 HR/WK AFA VETERAN BENEFITS ASSOCIATION - 1 HR/WK MICHAEL M DUNN AIR FORCE ASSOCIATION - 40 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 2 HRS/WK AFA VETERAN BENEFITS ASSOCIATION - 8 HRS/WK DAVID BUCKWALTER AIR FORCE ASSOCIATION - 40 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 2 HRS/WK AFA VETERAN BENEFITS ASSOCIATION - 8 HRS/WK WILLIAM J COX AIR FORCE ASSOCIATION - 29 HRS/WK AIR FORCE MEMORIAL FOUNDATION - 11 HRS/WK LAUREN BRICE AIR FORCE ASSOCIATION - 28 HRS/WK AFA VETERAN BENEFITS ASSOCIATION - 12 HRS/WK KATHY SNODGRASS AIR FORCE ASSOCIATION - 20 HRS/WK AFA VETERAN BENEFITS ASSOCIATION - 20 HRS/WK</p>

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -1,689,925 CHANGE IN PENSION LIABILITY - 5,798,612 IN KIND CONTRIBUTIONS 27,911 TOTAL TO FORM 990, PART XI, LINE 5 - 7,460,626

Identifier	Return Reference	Explanation
VALUATION METHOD	SCHEDULE R, PART V, LINE 2	M - ALLOCATED PORTION BASED ON USE N - ALLOCATED PORTION BASED ON TIME SPENT BY EMPLOYEES Q - VALUE OF INCOME COLLECTED ON BEHALF OF AFA VETERAN BENEFITS ASSOCIATION (PASS-THROUGH) P - ACTUAL COSTS PAID ON BEHALF OF AFA VETERAN BENEFITS ASSOCIATION

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
AIR FORCE ASSOCIATION

Employer identification number
52-6043929

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) AFA VETERAN BENEFITS ASSOCIATION 1501 LEE HIGHWAY ARLINGTON, VA 22209 53-0177555	TO PROVIDE VETERAN BENEFITS	VA	501(C)(19)		AIR FORCE ASSOCIATION	Yes	
(2) AIR FORCE MEMORIAL FOUNDATION 1501 LEE HIGHWAY ARLINGTON, VA 22209 54-1629975	STEWARDSHIP OF MEMORIAL	VA	501(C)(3)	7	AIR FORCE ASSOCIATION	Yes	

Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership

Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Sale of assets to related organization(s)

g Purchase of assets from related organization(s)

h Exchange of assets with related organization(s)

i Lease of facilities, equipment, or other assets to related organization(s)

j Lease of facilities, equipment, or other assets from related organization(s)

k Performance of services or membership or fundraising solicitations for related organization(s)

l Performance of services or membership or fundraising solicitations by related organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n Sharing of paid employees with related organization(s)

o Reimbursement paid to related organization(s) for expenses

p Reimbursement paid by related organization(s) for expenses

q Other transfer of cash or property to related organization(s)

r Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

Yes

Yes

No

Yes

No

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) AFA VETERAN BENEFITS ASSOCIATION	M	599,093	BOOK VALUE
(2) AFA VETERAN BENEFITS ASSOCIATION	N	154,961	BOOK VALUE
(3) AFA VETERAN BENEFITS ASSOCIATION	P	2,989,194	BOOK VALUE
(4)			BOOK VALUE
(5) AIR FORCE MEMORIAL FOUNDATION	P	212,017	BOOK VALUE
(6) AIR FORCE MEMORIAL FOUNDATION	N	54,515	BOOK VALUE

Schedule R (Form 990) 2011

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII

Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation	
------------	------------------	-------------	--

Software ID:
Software Version:
EIN: 52-6043929
Name: AIR FORCE ASSOCIATION

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved (\$)	(d) Method of determining amount involved
(1) AFA VETERAN BENEFITS ASSOCIATION	M	599,093	BOOK VALUE
(2) AFA VETERAN BENEFITS ASSOCIATION	N	154,961	BOOK VALUE
(3) AFA VETERAN BENEFITS ASSOCIATION	P	2,989,194	BOOK VALUE
(4)			BOOK VALUE
(5) AIR FORCE MEMORIAL FOUNDATION	P	212,017	BOOK VALUE
(6) AIR FORCE MEMORIAL FOUNDATION	N	54,515	BOOK VALUE