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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

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning 01-01-2012 , 2012, and ending 12-31-2012

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
UNITED SERVICE ORGANIZATIONS INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
2111 WILSON BLVD
Suite 1200

City or town, state or country, and ZIP + 4
ARLINGTON, VA 22201

D Employer identification number
13-1610451

E Telephone number
(703) 908-6400

G Gross receipts $ 132,288,152

F Name and address of principal officer
SLOAN GIBSON
2111 WILSON BLVD SUITE 1200
ARLINGTON, VA 22201

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 ▶ 1291

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ HTTP //WWW USO ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1941

M State of legal domicile DC

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
The USO lifts the spirits of America's troops and their families

2 Check this box ▶☐ 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	33
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	32
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	462
6	Total number of volunteers (estimate if necessary)	6	11,766
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	80,856
b	Net unrelated business taxable income from Form 990-T, line 34	7b	-22,636

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	126,279,553	124,682,173
	9	Program service revenue (Part VIII, line 2g)	5,539,841	5,060,694
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	288,639	325,741
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-724,118	-538,328
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	131,383,915	129,530,280
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,237,927	12,434,278
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	31,540,368	33,017,467
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	2,366,928	1,804,577
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶20,021,744		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	79,163,698	77,959,705
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	114,308,921	125,216,027
	19	Revenue less expenses Subtract line 18 from line 12	17,074,994	4,314,253

			Beginning of Current Year	End of Year
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	61,437,573	70,530,783
	21	Total liabilities (Part X, line 26)	7,954,318	12,305,767
	22	Net assets or fund balances Subtract line 21 from line 20	53,483,255	58,225,016

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

****** | 2013-05-13
Signature of officer | Date

PHILIP PARISI CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶ Grant Thornton LLP			Firm's EIN ▶	
Firm's address ▶ 2010 CORPORATE RIDGE SUITE 400 MCLEAN, VA 22102			Phone no (703) 847-7500	

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

THE "MISSION STATEMENT" OF THE ORGANIZATION AS ADOPTED BY BOARD IS AS FOLLOWS "THE USO LIFTS THE SPIRITS OF AMERICA'S TROOPS AND THEIR FAMILIES "

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ **Yes** ☑ **No**

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ **Yes** ☑ **No**

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses $ 48,843,613 including grants of $ 11,915,993) (Revenue $ 5,060,694)

USO Centers consist of more than 160 locations worldwide (75 direct reporting centers), including Afghanistan, Kuwait, Qatar, UAE, Germany, Italy, Japan, Guam, South Korea, the United States, and Mobile USO centers In 2012, USO Centers were visited more than 8 8 million times by troops and their families (6 3 million times at direct reporting centers) We provide a warm and comforting place where they can connect with family via Internet or telephone, play a video game, catch a movie, have a snack or just put their feet up and relax The nine staffed USO centers in Afghanistan collectively average more than 170,000 visits monthly In addition, the USO completed construction of a Warrior and Family Center, an approximately 20,000 square-foot building designed expressly for wounded, ill, or injured troops, their families, and caregivers The center will offer a comprehensive array of specialized services and programs in a supportive and home-like setting

4b (Code) (Expenses $ 8,872,570 including grants of $ 75,000) (Revenue $)

Entertainment tours bring celebrities and performers who graciously donate their time to lift the spirits of our troops and their families around the world In 2012, the USO deployed 91 celebrity entertainers on 87 tours to 24 countries and 13 states, entertaining more than 324,000 troops and military family members Fifteen of these tours were to a combat zone

4c (Code) (Expenses $ 14,082,934 including grants of $ 32,352) (Revenue $)

USO Programs provides support and comfort through distributing care packages, electronic gaming, sports/musical equipment and personal care items to deployed troops and troops in remote locations In 2012, more than 120,000 care packages, 327 USO2Go bundles, and 150 holiday boxes were delivered to troops including those in remote areas of the world Provide connectivity with friends and family through a private phone network that allows troops to make free calls home, access to computers with free high speed internet bandwidth, and internet access for their own computers, as well as, distribute free international pre-paid calling cards In 2012, the USO shipped phone cards to more than 250 locations around the globe In Southwest Asia alone, more than 28 million minutes were logged in free talk time for our service men and women in 2012 Provide support for military children to help families deal with the challenges of deployments and homecomings by connecting a deployed parent with their children back home through United Through Reading (over 43,000 recordings sent in 2012), through distribution of With You All the Way kits that help children cope with deployments and when a parent returns home "different" and other various programs

(Code) (Expenses $ 16,426,897 including grants of $) (Revenue $)

Provide awareness and outreach programs

(Code) (Expenses $ 3,013,206 including grants of $ 410,933) (Revenue $)

Wounded warrior and family care programs

4d Other program services (Describe in Schedule O)

(Expenses $ 19,440,103 including grants of $ 410,933) (Revenue $)

4e **Total program service expenses** ▶ 91,239,220

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	Yes	
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 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *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		No
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 and XII*	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 and XII 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	Yes	
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, Parts I and IV*	14b	Yes	
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 United States? *If "Yes," complete Schedule F, Parts 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 United States? *If "Yes," complete Schedule F, Parts 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 (see instructions)*	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	Yes	
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 hospital facilities? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	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? *If "Yes," complete Schedule I, Parts I and III*	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	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? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25*	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? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part I*	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	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? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	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 direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	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? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b 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 . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a 270			
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	1b 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes	
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	2a 462			
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)		2b	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b	Yes	
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, securities account, or other financial account)?		4a	Yes	
b	If "Yes," enter the name of the foreign country ▶IT , JA , AE , KS 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?		5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		No
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 as charitable contributions?		6a		No
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?		7a	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		No
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?		7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		No
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	Yes	
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.** See the instructions for additional information the organization must report on Schedule O		13a		
b	Enter the 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 amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?		14a		No
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	1a	33		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	32		
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?	2			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?	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			No
6	Did the organization have members or stockholders?	6		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?	7a		Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		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*	9			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?	10a	Yes	
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	Yes	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	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?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	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?	16a		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶CT , HI , IL , MA , MN , NJ , OH , PA , SC , TN , VA , WA

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

☑ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
▶KRISTINE SHUMACKVP-CONTROLL 2111 WILSON BLVD 1200 ARLINGTON, VA (703) 908-6400

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 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 organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b	**Sub-Total** . . . . . ▶									
c	**Total from continuation sheets to Part VII, Section A** . . . . ▶									
d	**Total (add lines 1b and 1c)** . . . . . ▶							3,358,979	0	434,889

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 ▶59

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**		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? *If "Yes," complete Schedule J for such individual*	**4**	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? *If "Yes," complete Schedule J for such person*	**5**		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
Polaris Direct , 300 Technology Drive HOOKSET NH 03106	Printing	1,427,487
Scott Long Construction Inc , 14170 Newbrook Drive CHANTILLY VA 20151	Construction	5,675,935
Worth Linen Associates Inc , 535 Fifth Ave 31st Floor NEW YORK NY 10017	DM Fundraiser	4,183,500
International Data management , 490 White Pond Drive AKRON OH 44230	Data management	1,183,264
QuadGraphics Inc , PO Box 842858 BOSTON MA 02284	Production	1,047,845

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 ▶49

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question in this Part VIII . . . . . ☑

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 1,875,369				
	b	Membership dues	1b				
	c	Fundraising events	1c 2,648,496				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e 18,397,662				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 101,760,646				
	g	Noncash contributions included in lines 1a-1f $	9,324,048				
	h	**Total.** Add lines 1a-1f ▶		124,682,173			
Program Service Revenue			Business Code				
	2a	USO CENTER		4,957,202	4,957,202		
	b	PUBLICATIONS ADVERTISING		103,492		103,492	
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f ▶		5,060,694			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		296,671			296,671
	4	Income from investment of tax-exempt bond proceeds ▶		0			
	5	Royalties ▶		0			
			(i) Real / (ii) Personal				
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)	0 / 0				
	d	Net rental income or (loss) ▶		0			
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	1,210,646 /				
	b	Less cost or other basis and sales expenses	1,187,399 / -5,823				
	c	Gain or (loss)	23,247 / 5,823				
	d	Net gain or (loss) ▶		29,070	29,070		
	8a	Gross income from fundraising events (not including $ 2,648,496 of contributions reported on line 1c) See Part IV, line 18	a 393,813				
	b	Less direct expenses	b 1,241,141				
	c	Net income or (loss) from fundraising events ▶		-847,328			-847,328
	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 ▶		0			
	10a	Gross sales of inventory, less returns and allowances	a 576,214				
	b	Less cost of goods sold	b 335,155				
	c	Net income or (loss) from sales of inventory ▶		241,059	263,695	-22,636	
		Miscellaneous Revenue	Business Code				
	11a	MISC INCOME		67,941			67,941
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d ▶		67,941			
	12	**Total revenue.** See Instructions ▶		129,530,280	5,249,967	80,856	-482,716

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response 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	12,415,426	12,415,426		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	18,852	18,852		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	2,848,488	956,836	1,601,914	289,738
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	24,921,395	19,344,772	3,006,476	2,570,147
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,084,071	823,192	140,920	119,959
9 Other employee benefits	2,167,603	1,651,008	322,154	194,441
10 Payroll taxes	1,995,910	1,570,970	231,212	193,728
11 Fees for services (non-employees)				
a Management	0			
b Legal	575,730	274,159	141,353	160,218
c Accounting	149,285		149,285	
d Lobbying	180,000	180,000		
e Professional fundraising services See Part IV, line 17	1,804,577			1,804,577
f Investment management fees	27,098		27,098	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	6,001,895	3,983,158	1,694,873	323,864
12 Advertising and promotion	1,926,851	1,159,588		767,263
13 Office expenses	10,293,760	5,498,454	2,312,358	2,482,948
14 Information technology	5,009,406	4,539,017	279,531	190,858
15 Royalties . .	0			
16 Occupancy	1,391,796	806,980	362,725	222,091
17 Travel	5,981,655	5,225,562	211,040	545,053
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	159,194	35,924	50,691	72,579
20 Interest	9	9		
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	2,521,752	2,416,319	52,717	52,716
23 Insurance	311,687	206,101	67,245	38,341
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a BAD DEBT EXPENSE	126,587	2,250	150,000	-25,663
b SUBSCRIPTION, DUES, TRAINING	220,872	36,068	74,830	109,974
c PRINTING AND PRODUCTION	19,302,145	6,517,877	2,963,360	9,820,908
d PROGRAM SUPPLIES / SUPPORT	22,750,637	22,733,378		17,259
e All other expenses	1,029,346	843,320	115,281	70,745
25 **Total functional expenses.** Add lines 1 through 24e	125,216,027	91,239,220	13,955,063	20,021,744
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☑ if following SOP 98-2 (ASC 958-720)	30,024,572	9,030,575	6,207,746	14,786,251

Part X **Balance Sheet**

Check if Schedule O contains a response to any question in this Part X . . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		0	1	0
	2	Savings and temporary cash investments		17,460,090	2	23,819,505
	3	Pledges and grants receivable, net		14,261,273	3	17,431,064
	4	Accounts receivable, net		536,848	4	211,640
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		5,943,774	8	5,296,866
	9	Prepaid expenses and deferred charges		1,494,131	9	1,907,133
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 19,320,591			
	b	Less accumulated depreciation	10b 11,560,925	10,187,257	10c	7,759,666
	11	Investments—publicly traded securities		11,554,200	11	12,289,772
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	1,815,137
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		0	15	0
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		61,437,573	16	70,530,783
Liabilities	17	Accounts payable and accrued expenses		7,570,368	17	11,833,915
	18	Grants payable		0	18	0
	19	Deferred revenue		383,950	19	471,852
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		0	25	0
	26	**Total liabilities.** Add lines 17 through 25		7,954,318	26	12,305,767
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		31,269,661	27	43,037,854
	28	Temporarily restricted net assets		22,188,594	28	15,162,162
	29	Permanently restricted net assets		25,000	29	25,000
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ 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		53,483,255	33	58,225,016
	34	Total liabilities and net assets/fund balances		61,437,573	34	70,530,783

Part XI Reconcilliation 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	129,530,280
2	Total expenses (must equal Part IX, column (A), line 25)	2	125,216,027
3	Revenue less expenses Subtract line 2 from line 1	3	4,314,253
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	53,483,255
5	Net unrealized gains (losses) on investments	5	427,508
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	58,225,016

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 ☐ Cash ☑ Accrual ☐ 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
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
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	Yes	
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	Yes	

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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

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

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

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

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the supported organization(s)

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

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

Cat No 11285F

Schedule A (Form 990 or 990-EZ) 2012

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")	79,893,014	100,897,551	119,578,427	126,279,553	124,866,183	551,514,728
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						0
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0
4 **Total.** Add lines 1 through 3	79,893,014	100,897,551	119,578,427	126,279,553	124,866,183	551,514,728
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)						0
6 **Public support.** Subtract line 5 from line 4						551,514,728

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	79,893,014	100,897,551	119,578,427	126,279,553	124,866,183	551,514,728
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	2,075,027	1,597,763	217,420	373,179	296,671	4,560,060
9 Net income from unrelated business activities, whether or not the business is regularly carried on	200,950	111,649	114,098	136,573	80,856	644,126
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	772,902	685,403	1,353,667	89,657	67,941	2,969,570
11 **Total support** (Add lines 7 through 10)						559,688,484

12 Gross receipts from related activities, etc (see instructions) **12** 20,504,668

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 2012 (line 6, column (f) divided by line 11, column (f)) **14** 98 540 %

15 Public support percentage for 2011 Schedule A, Part II, line 14 **15** 97 955 %

16a **33 1/3% support test—2012.** 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—2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2012.** 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—2011.** 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 III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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 2012 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from **2011** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2012.** 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—2011.** 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.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

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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

2012

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, Part V, line 35c (Proxy Tax), then
- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
UNITED SERVICE ORGANIZATIONS INC	13-1610451

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 in Part IV

2 Political expenditures ▶ $ 0

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 ▶ $ 0

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? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ 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? ☐ Yes ☐ 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)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	180,000	
c	Total lobbying expenditures (add lines 1a and 1b)	180,000	
d	Other exempt purpose expenditures	125,036,027	
e	Total exempt purpose expenditures (add lines 1c and 1d)	125,216,027	
f	Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	
g	Grassroots nontaxable amount (enter 25% of line 1f)	250,000	
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-		

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

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? ☐ **Yes** ☑ **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)** 2009	**(b)** 2010	**(c)** 2011	**(d)** 2012	**(e)** Total
2a	Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b	Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c	Total lobbying expenditures	195,000	180,000	180,011	180,000	735,011
d	Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
e	Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f	Grassroots lobbying expenditures	0	0	0	0	0

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)).**

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) 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?			
j	Total Add 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 carry over 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) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No" OR (b) Part III-A, line 3, is answered "Yes."**

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) nondeductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
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	0
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, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Identifier	Return Reference	Explanation
Lobbying Activity	Schedule C, PArt II-A, Line 1b	The United Service Organizations, Inc (USO) lobbies for congressional appropriations and ensures members of congress are on its caucus to foster relationships with troops

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

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

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

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

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

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

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

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

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

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

Part III **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

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

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

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

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

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

a ☐ Public exhibition

b ☐ Scholarly research

c ☐ Preservation for future generations

d ☐ Loan or exchange programs

e ☐ Other

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

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

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

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

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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	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 XIII Check here if the explanation has been provided in Part XIII . . . . . ☐

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	10,872,346	10,786,595	56,898,200	47,205,443	58,468,164
b Contributions			0	0	0
c Net investment earnings, gains, and losses	648,000	108,718	1,151,282	9,692,757	-11,262,721
d Grants or scholarships			47,262,887		
e Other expenditures for facilities and programs			0		
f Administrative expenses	18,287	22,967	0		
g End of year balance	11,502,059	10,872,346	10,786,595	56,898,200	47,205,443

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

a Board designated or quasi-endowment ▶ 99 780 %

b Permanent endowment ▶ 0 220 %

c Temporarily restricted endowment ▶

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

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

		Yes	No
(i) unrelated organizations	3a(i)		No
(ii) related organizations	3a(ii)	Yes	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	Yes	

4 Describe in Part XIII 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		9,458,545	4,586,688	4,871,857
d Equipment		2,879,290	2,506,558	372,732
e Other		6,982,756	4,467,679	2,515,077
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				7,759,666

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	0
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	0

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

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

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 XIII)	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 XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	

Part XII 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 XIII)	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 XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	

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

Identifier	Return Reference	Explanation
Intended Uses of Endowment Funds	Schedule D, Part V, Line 4	THE BOARD DESIGNATED PORTION OF THE ENDOWMENT IS RESTRICTED TO ASSIST THE USO IN DELIVERING ITS PROGRAMS AND SERVICES FOR MANY YEARS INTO THE FUTURE THESE BOARD DESIGNATED CONTRIBUTIONS AND INVESTMENT EARNINGS ARE AVAILABLE TO FUND OPERATIONS, HOWEVER, CONTRIBUTIONS/EARNINGS HAVE NOT BEEN SPENT TO DATE
Liability for Uncertain Tax Position (ASC 740)	Schedule D, Part X, Line 2	The USO is exempt from federal income tax under Section 501 (a) of the Internal Revenue Code (IRC) of 1986, as amended, as an organization described in IRC Section 501(c)(3) However, income generated from activities unrelated to the USOs exempt purpose is subject to tax under IRC Section 511 The USO did not have any material unrelated business income tax liability for the years ended December 31, 2012 and 2011 Therefore, no tax liability has been provided in the accompanying consolidated financial statements US GAAP requires that a tax position be recognized or derecognized based on a "more likely than not" threshold This applies to positions taken or expected to be taken in a tax return The USO does not believe its consolidated finacial statements include any uncertain tax positions for the open tax years

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** 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 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

	(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
	East Asia and the Pacific	20	70	Program Services	Op of USO Centers	4,273,421
	Europe (Including Iceland and Greenland)	21	74	Program Services	Op of USO Centers	6,446,642
	Middle East and North Africa	6	32	Program Services	Op of USO Centers	5,890,280
	South Asia	9	38	Program Services	Op of USO Centers	4,772,335
3a	Sub-total	56	214			21,382,678
b	Total from continuation sheets to Part I					
c	**Totals** (add lines 3a and 3b)	56	214			21,382,678

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1 (a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶ _____

3 Enter total number of other organizations or entities . . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	**(b)** Region	**(c)** Number of recipients	**(d)** Amount of cash grant	**(e)** Manner of cash disbursement	**(f)** Amount of non-cash assistance	**(g)** Description of non-cash assistance	**(h)** Method of valuation (book, FMV, appraisal, other)

Part IV Foreign Forms

1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes,"the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☐ Yes ☑ No

2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organizationmay be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* ☐ Yes ☑ No

3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)* ☐ Yes ☑ No

4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* ☐ Yes ☑ No

5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)* ☐ Yes ☑ No

6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).* ☐ Yes ☑ No

Part V **Supplemental Information**

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	ReturnReference	Explanation
Schedule F, Part I, Line 3e	DESCRIPTION OF SERVICES IN EACH REGION	PROVIDE CARE PACKAGES, TELEPHONE CARDS AND OTHER MEANS OF COMMUNICATION TO ALLOW MILITARY PERSONNEL ACCESS TO THEIR FAMILIES WHILE AWAY FROM HOME PROMOTE INTERCULTURAL UNDERSTANDING AND ORIENTATION TO NEW COMMUNITIES, CULTURAL AND HISTORICAL TOURS INTO LOCAL INTERNATIONAL COMMUNITIES PROVIDE FAMILY AND COMMUNITY RECREATION, REFRESHMENTS, HOLIDAY ACTIVITIES, VIDEOS, MUSIC AND LITERATURE PROVIDE LANGUAGE TRANSLATION, TRANSPORTATION OPTIONS, CURRENCY CONVERSION, AREA MAPS AND GUIDANCE

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. Form 990-EZ filers are not required to complete this part.

▶Attach to Form 990 or Form 990-EZ. ▶See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

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** ☑ Mail solicitations
- **b** ☑ Internet and email solicitations
- **c** ☑ Phone solicitations
- **d** ☑ In-person solicitations
- **e** ☑ Solicitation of non-government grants
- **f** ☑ Solicitation of government grants
- **g** ☑ Special fundraising events

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

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(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
Worth Linen Associates 535 Fifth Ave 31st Floor New York, NY 10017	DR Mail Program		No	57,340,670	4,183,500	53,157,170
OMP Direct 1133 19th St NW Washington, DC 20036	DR online program		No	7,864,942	329,000	7,535,942
Kellogg Organization Inc 825 East Speer Blvd Denver, CO 80218	OEC Campaign		No	700,000	120,000	580,000
Foundation Management Group 1055 Thomas Jefferson St NW Washington, DC 20007	Grt Writer		No	0	15,000	0
The Grayson Group 433 East Las Conlinas Blvd Irving, TX 75039	Local Fund		No	0	90,000	0
Total . . . . . ▶				65,905,612	4,737,500	61,273,112

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

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

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than $5,000.

		(a) Event #1 Gala (event type)	(b) Event #2 DFW Pats Dinner (event type)	(c) Other events 39 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	1,798,600	323,645	920,064	3,042,309
	2 Less Contributions	1,675,180	316,045	657,271	2,648,496
	3 Gross income (line 1 minus line 2)	123,420	7,600	262,793	393,813
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs		3,800		3,800
	7 Food and beverages	266,067	11,164		277,231
	8 Entertainment	6,887			6,887
	9 Other direct expenses	476,795	358	476,070	953,223
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(1,241,141)
	11 Net income summary Combine line 3, column (d), and line 10 ▶				-847,328

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				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ 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 _____

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 Enter 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 of the third party

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 **Supplemental Information.** Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Identifier	Return Reference	Explanation
Address of professional fundraisers		Worth Linen Associates 535 Fifth Avenue, 31st Fl New York, NY 10017 Kellogg Organization, Inc 825 East Speer Boulevard, Suite 100-D Denver, Colorado 80218 Foundation Management Group 1055 Thomas Jefferson St, NW, Washington, DC 20007 The Grayson Group 433 East Las Conlinas Blvd, Irving, TX 75039 OMP Direct 1133 19th street, NW Suite 300, Washington, DC 20036

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

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. Part II can be duplicated 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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 20

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶ 0

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. Part III can be duplicated 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) USO Desert Storm Education Fund	4	18,852			

Part IV **Supplemental Information.**

Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information

Identifier	Return Reference	Explanation
Procedure for Monitoring Use of Grant Funds Inside U S	Schedule I, Part I, Line 2	USO GRANT FUNDS ARE MONITORED WITH PERIODIC REPORTING IN ACCORDANCE WITH THE FORMS AND SCHEDULES SET FORTH IN THE RELATED POLICIES AND PROCEDURE MANUALS REGULARLY REQUIRED REPORTS INCLUDE FINANCIAL REPORTS AND PROGRAM ACTIVITY REPORTS

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 13-1610451
Name: UNITED SERVICE ORGANIZATIONS INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
USO of South TexasPO BOX 7 Corpus Christi,TX 78403	74-1478872	501(c)(3)	5,577				Revenue Share
USO Greater Los Angeles 203 World Way W Ste 200 LA,CA 90045	95-2302811	501(c)(3)	100,674				Revenue Share
USO GeorgiaPO BOX 20963 201 New Bridge Street Atlanta,GA 30320	58-0917673	501(c)(3)	90,443				Revenue Share
USO Greater JacksonvillePO BOX 108 Bldg 1050 Jacksonville,FL 32212	59-1052424	501(c)(3)	117,544				Revenue Share
USO Hampton RoadsPO BOX 7250 Los Angeles International Airport Hampton,VA 23666	54-1305517	501(c)(3)	193,230				Revenue Share
USO Illinois330 S Wabash Ave 16th Flr Chi,IL 60604	36-2349617	501(c)(3)	18,383				Revenue Share
USO Metropolitan DC228 McNair Rd Bldg 405 Fort Myer,VA 22211	53-0204665	501(c)(3)	222,791				Revenue Share
USO Metropolitan NY625 8th Ave N New York,NY 10018	13-2500122	501(c)(3)	132,799				Revenue Share
USO Missouri10701 Lambert Intl Blvd SL,MO 63145	43-1237410	501(c)(3)	54,690				Revenue Share
USO Pennsylvania & South NJPhila Intl Airport Phila,PA 19153	23-1426011	501(c)(3)	277,635				Revenue Share
USO Puget SoundSea-Tac Intl Airport 17801 Seattle,WA 98158	91-0573116	501(c)(3)	110,208				Revenue Share
USO San Diego303 A St Ste 100 SD,CA 92101	95-1644030	501(c)(3)	104,009				Revenue Share
USO North CarolinaPO Box 298 Jacksonville,NC 28541	56-0532315	501(c)(3)	220,259				Revenue Share
Airpower FoundationPO Box 8728 Bldg 1050 Fort Worth,TX 76124	75-2828493	501(c)(3)	75,000				Donation
The Moyer Foundation2426 32nd Ave West 625 8th Avenue North Seattle,WA 98199	91-2065051	501(c)(3)	12,500				Grant to fund
Tragedy Assistance Program for Survivors3033 Wilson Blvd Ste 200 Arlgtn,VA 22201	92-0152268	501(c)(3)	25,000				Donation
Wyakin Warrior Foundation 9249 W Bay Stream Ct Garden City,ID 83714	27-1674941	501(c)(3)	150,000				Programs
USO Central OhioPO Box 13176 Columbus,OH 43213	31-4401239	501(c)(3)	142,349				Revenue Share
USO Northern Ohio20637 Emerald Parkway Cleveland,OH 44135	34-6006829	501(c)(3)	36,046				Revenue Share
USO Tampa Bay4100 G J Bean Pkwy Ste 2441 Tampa,FL 33607	39-1703157	501(c)(3)	14,504				Revenue Share
USO Wisconsin11050 W Liberty Drive Milwaukee,WI 53224	27-1674941	501(c)(3)	8,925				Revenue Share
US Dept of the Army101 Pentagon Pedestrian Washington,DC 20024			10,075,232				Wounded Warrior and Family Care Center
USO Indiana711 N Penn St Indianapolis,IN 46204	20-8349270	501(c)(3)	30,044				Revenue Share
Charity Works DC1320 Old Chain Bridge Road MCLEAN,VA 22101	23-7343119	501(c)(3)	7,500				Event Support
National Military Family Association2500 N Van Dorn St 102 Alexandria,VA 22302	52-0899384	501(c)(3)	135,000				Program Grant
Renovating HopePO Box 438 Westtown,PA 19395	80-0600071	501(c)(3)	25,000				Prog Support
Snowball Express1333 Corporate Dr Ste 105 Irving,TX 75038	20-5627830	501(c)(3)	25,000				Event Support

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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 ☐ First-class or charter travel ☑ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e g , maid, chauffeur, chef)			
b	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 of the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	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?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☑ Compensation committee ☑ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☑ Form 990 of other organizations ☑ Approval by the board or compensation committee			
4	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			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	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			
a	The organization?	**5a**		No
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	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			
a	The organization?	**6a**		No
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	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	**7**	Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported as deferred in prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Identifier	Return Reference	Explanation
Housing allowance or residence for personal use	Schedule J, Part I, Line 1a	A HOUSING ALLOWANCE IN THE AMOUNT OF $34,500 WAS PROVIDED TO CAROLYN HARRIS IN HER ROLE AS THE REGIONAL VICE PRESIDENT FOR USO OPERATIONS IN THE PACIFIC
Travel for companions	Schedule J, Part I, Line 1a	THE PRESIDENT AND CEO OF THE USO MAY BE ACCOMPANIED BY HIS/HER SPOUSE ON OFFICIAL USO BUSINESS IF SPECIFIC BUSINESS PURPOSE IS SUPPORTED SPOUSAL/COMPANION/FAMILY TRAVEL BY OTHER EMPLOYEES IS NOT REIMBURSED BY THE USO, UNLESS SPECIFICALLY AUTHORIZED BY THE CEO AND IN COMPLIANCE WITH IRS REGULATIONS COACH IS THE AUTHORIZED CLASS OF TRAVEL UPGRADES ARE ALLOWABLE BY EMPLOYEES UNDER THE FOLLOWING CIRCUMSTANCES 1) THE EMPLOYEE PAYS THE DIFFERENCE IN FARE THEMSELVES OR USES AIR MILES FROM THEIR PERSONAL ACCOUNT 2) MEDICAL CONDITIONS REQUIRE BUSINESS CLASS TRAVEL 3) SAFETY, SERVICE AND ENVIRONMENT ARE CLEARLY INFERIOR 4) BUSINESS CLASS TRAVEL IS ALLOWABLE FOR INTERNATIONAL TRAVEL (TRAVEL OUTSIDE OF YOUR REGIONS) BY ALL STAFF WHEN TOTAL FLIGHT TIME EXCEEDS 6 HOURS
Non-fixed payments	Schedule J, Part I, Line 7	The amounts shown in Part II, Column B (II) for the key employees were paid based on 2012 achievement of organizational goals and overall individual contributions and accomplishments and were reviewed by the Executive Committee of the Board The amount shown Part II, Column B (II) for the VP, Corporate Development was paid based on prior year written performance plan and approved by management

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 13-1610451
Name: UNITED SERVICE ORGANIZATIONS INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Sloan D Gibson	(i)	367,839	125,000	18,477	25,050	23,035	559,401	0
	(ii)	0	0	0	0	0	0	0
John Pray	(i)	260,000	79,300	897	21,175	3,951	365,323	0
	(ii)	0	0	0	0	0	0	0
Philip Parisi	(i)	253,734	38,700	585	22,328	16,042	331,389	0
	(ii)	0	0	0	0	0	0	0
Frank Thorp	(i)	231,984	27,025	897	21,627	7,653	289,186	0
	(ii)	0	0	0	0	0	0	0
Alan Reyes	(i)	221,093	34,500	390	20,150	24,528	300,661	0
	(ii)	0	0	0	0	0	0	0
Kelli Seely	(i)	220,976	33,300	585	20,438	6,062	281,361	0
	(ii)	0	0	0	0	0	0	0
Tammy Heiser	(i)	205,116	31,800	390	20,657	22,360	280,323	0
	(ii)	0	0	0	0	0	0	0
John Hanson	(i)	203,689	0	2,574	18,900	20,131	245,294	0
	(ii)	0	0	0	0	0	0	0
Catherine Martens	(i)	188,178	15,000	2,568	8,183	10,045	223,974	0
	(ii)	0	0	0	0	0	0	0
Craig Opel	(i)	182,966	0	1,631	16,089	3,547	204,233	0
	(ii)	0	0	0	0	0	0	0
Gena Fitzgerald	(i)	177,803	0	1,628	16,007	16,992	212,430	0
	(ii)	0	0	0	0	0	0	0
Carolyn Harris	(i)	124,791	0	35,584	12,759	15,825	188,959	0
	(ii)	0	0	0	0	0	0	0
Marguerite Kirst	(i)	165,346		516	11,767	11,184	188,813	
	(ii)							

SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications	X		258,439	cost/selling price
5 Clothing and household goods	X		4,832,894	cost/selling price
6 Cars and other vehicles	X	12	126,327	cost/selling price
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	43	688,319	Fair market value
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory	X	5,060	3,418,069	cost/selling price
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (_____)				
26 Other ▶ (_____)				
27 Other ▶ (_____)				
28 Other ▶ (_____)				

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

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

Part II **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
Third parties used to sell Non-Cash Contributions	Part I, Line 32b	THE USO WORKS WITH CAR PROGRAM LLC IN ORDER TO GENERATE FUNDRAISING REVENUE FROM DONATED VEHICLES CAR PROGRAM LLC ADMINISTERS THE ARRANGEMENT FOR TOWING, RECEIPT DISTRIBUTION, FOLLOW-UP SALES, TITLE PROCESSING, APPRAISAL (IF REQUIRED), SALE AT AUCTION OR DISMANTLER, AND DISTRIBUTION OF SALES USO ALSO ENGAGES A BROKERAGE FIRM THAT IS AUTHORIZED TO SELL DONATED SECURITIES ON ITS BEHALF

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

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

Identifier	Return Reference	Explanation
Members or Stockholders	Form 990, Part VI, Line 6	The membership of the USO shall consist of two classes of members 1) Voting members consisting of Members of USO's Board of Governors during their term of service 2) Non-voting members consisting of members of the armed forces of the United States currently on active duty, representatives, as may be designated by USO's Board of Governors, from the Organizations set forth in USO's congressional charter, up to nine persons designated by the President of the United States, their term of membership being conterminous with such President's incumbency, and any other persons who meet the criteria established by the Board of Governors for Membership

Identifier	Return Reference	Explanation
Members or Stockholders Who May Elect	Form 990, Part VI, Line 7a	At the annual meeting, the voting members shall elect members of the Board of Governors and take such other action as may be appropriately submitted to them by the Board of Governors Election of the Board of Governors, or action on any other matters, shall be by the affirmative vote of the majority of voting members present in person or by proxy and entitled to vote at the meeting, provided those present in person or by proxy constitute a quorum Additionally, up to six persons appointed by the President of the United States, thier term being conterminous with such president's incumbency, may serve on the Board of Governors

Identifier	Return Reference	Explanation
Form 990 Review Process	Form 990, Part VI, Line 11b	A copy of the draft 990 was provided to all board members, officers, and key employees prior to its filing with the IRS The process was conducted in April and May 2013 Meeting minutes reflect the review and discussion of the irs form 990 at the finance committee meeting held in April An outside accounting firm prepares and reviews the Form 990

Identifier	Return Reference	Explanation
Conflict of Interest Policy Monitoring & Enforcement	Form 990, Part VI, Line 12c	The conflict of interest policy is the policy that requires USO's Governors, Officers, and other employees to avoid any situation which may constitute a conflict of interest, that is, any situation which an individual uses or could use his or her position with the USO for personal gain to an individual, members of the individual's family, or other organizations with whom the individual is affiliated, to the actual or potential detriment of the USO The Board of Governors has established a policy with reference to conflicts of interest applicable to the Board of Governors Disclosure of potential conflicts are reviewed by CEO, CFO and outside counsel Any individuals that have a conflict of interest are prohibited from deliberations and voting on a transaction

Identifier	Return Reference	Explanation
Process for Determining Compensation	Form 990, Part VI, Line 15a	The compensation is established by the USO Board of Governors after an independent, outside review of industry surveys, compensation studies and other data to ensure that executive compensation is within the range of that paid to comparable executives of comparable organizations for comparable services and therefore reasonable These reviews are performed on a biannual basis by an independent outside consultant for the following positions CEO, CFO, SVP Entertainment/Programs, SVP Operations, SVP Executive Office, SVP Development, SVP Marketing and Communications, SVP HR, and Chief of Staff The last review was performed in 2012 for all positions listed and all positions' compensation was found to be within the range for comparable executives at comparable organizations

Identifier	Return Reference	Explanation
How Documents are Made Available to the Public	Form 990, Part VI, Line 19	Financial statements are made available on the USO website The Governing documents and conflict of interest policies are made available upon request

Identifier	Return Reference	Explanation
Net Loss From Fundraising Events	Form 990, Part VIII, Line 8c	Net income from fundraising events is $1,801,168 of which $1,048,851 is attributable to the annual USO Gala The presentation of net loss from fundraising events of $847,328 as shown on Part VIII, Line 8C needs additional explanation due to the exclusion of the portion of gross receipts that are considered contributions These amounts are reported as fundraising events contributions on Part VIII, Line 1C The contribution portion is calculated as the difference between the contributor's payment and the retail value of what is provided from the fundraising event

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

2012

Open to Public Inspection

Name of the organization
UNITED SERVICE ORGANIZATIONS INC

Employer identification number
13-1610451

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

(a) Name, address, and EIN (if applicable) 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" to 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 entity? Yes	No
(1) USO Foundation 2111 Wilson Blvd Suite 1200 Arlington, VA 22201 20-8861567	Charitable	VA	501(C)(3)	11	USO INC	Yes	

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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" to 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	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

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

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

		Yes	No
1 During the tax year, did the orgranization 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 or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p		No
q Reimbursement paid by related organization(s) for expenses	1q		No
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		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-s)	(c) Amount involved	(d) Method of determining amount involved
(1) USO FOUNDATION	N	7,193	FMV
(2) USO FOUNDATION	O	44,538	FMV

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(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		Yes	No	

Part VII **Supplemental Information**

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

Identifier	Return Reference	Explanation

Additional Data

Return to Form

Software ID:	
Software Version:	
EIN:	13-1610451
Name:	UNITED SERVICE ORGANIZATIONS INC

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Additional Data

Software ID:
Software Version:
EIN: 13-1610451
Name: UNITED SERVICE ORGANIZATIONS INC

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(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
Sloan D Gibson President/CEO	60 0	X		X				511,316	0	48,085
Gen Richard B Myers Chairman / Director	2 0	X		X						
Raymond Caldiero Director	2 0	X								
Tom R Del Valle Director	1 0	X								
Hon Gordan England Director	1 0	X								
SgtMaj John Estrada Director	2 0	X								
William M Gershen Director	1 0	X								
James Hamilton Director	2 0	X								
Dr Maynard Howe Director	1 0	X								
John Suttle Director	1 0	X								
Gen Jim Jones Director	1 0	X								
Curt Kolcun Director	1 0	X								
Chris Kubasik Director	1 0	X								
Debra Langford Director	2 0	X								
Jed Becker Director	2 0 1 0	X								
Beatriz R Perez Director	1 0	X								
Robert A Martinez Director	1 0	X								
David J McIntyre Director	2 0	X								
Thomas E Vice Director	2 0	X								
Curt Motley Director	1 0	X								
Lisa Borin Ogden Director	1 0	X								
Michael H O'Shea Director	1 0	X								
Michael Phelps Director	1 0	X								
Kenneth O Preston Director	1 0	X								
Lt Gen Harry D Raduege Director	2 0	X								

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Leonel R Roche Director	1 0	X								
Karl-Heinz Stahl Director	1 0	X								
Sue Timken Director	1 0	X								
Louis A Weil Director	1 0	X								
Alicin Williamson Director	1 0	X								
Ed Wilson Director	1 0	X								
Janice Emmert Director	1 0	X								
Gen George Casey Director	1 0	X								
Philip Parisi Treasurer/ CFO	50 0 1 5			X				293,019	0	38,370
Jennifer Giglio Exec|Board Liaison|Secretary	40 0 1 0			X				104,117	0	18,404
John Pray EVP Chief of Staff	50 0				X			340,197	0	25,126
Frank Thorp SVP Marketing & Comms	50 0				X			259,906	0	29,280
Alan Reyes SVP, Operations	50 0				X			255,983	0	44,678
Kelli Seely SVP, Development	50 0				X			254,861	0	26,500
Tammy Heiser SVP, Human Resources	50 0				X			237,306	0	43,017
John Hanson SVP	50 0				X			206,263	0	39,031
Catherine Martens VP, Corporate Development	40 0					X		205,746	0	18,228
Craig Opel VP, Information Technology	40 0					X		184,597	0	19,636
Gena Fitzgerald VP, Communications	40 0					X		179,431	0	32,999
Carolyn Harris Regional VP, Operations	40 0					X		160,375	0	28,584
Marguerite Kirst VP, Marketing	40 0					X		165,862		22,951