



Coast Guard HR Flag Voice 172

COAST GUARD MUTUAL ASSISTANCE -- MAKING A DIFFERENCE!

Coast Guard Mutual Assistance (CGMA) is the Coast Guard's own relief society. Originally established in 1924, it has a long history of providing financial aid to the Coast Guard Family. Today, CGMA enjoys a reputation for cost-efficient operations and effective use of funds as it continues to provide a safety net for our members.

Did you know that on an average day, your CGMA provides over \$30,000 of assistance to 39 members of the CG family?

CGMA - Making A Difference For People in Need...

The mission of CGMA is to promote the financial stability and general well being of its members through interest free loans, grants, and financial counseling. Assistance typically falls in the following categories:

- Unexpected financial and personal loss
- Emergency travel
- Major car repair
- Pay, allotment, and travel claim problems
- Housing purchase and rental assistance
- Education needs
- Unexpected medical bills not covered by primary or supplementary medical insurance
- Budget counseling and credit management

Thanks to the selfless contributions of people like you, **CGMA has provided more than \$108 million in financial assistance over the past 77 years.** Last year alone, CGMA provided almost 10,000 Coast Guard people over \$7.5 million in assistance. The majority of that amount was for short-term emergency and general assistance; more than \$950,000 went toward education grants to help families achieve their long-term objectives.

However, the trends show an alarming picture...

The total assistance provided climbed from about \$4M to over \$7.5M in just ten years.

Housing assistance alone almost doubled in just the last three years, from \$1.1M to \$2M.

Our outstanding loan balance more than doubled from \$2M to more than \$5M in the same ten years.

Meanwhile, our net worth fell from \$14M to about \$11M since 1999.

Performing the Mission in Tough Times...

Like most other relief organizations, CGMA is experiencing tough times right now. While the need for assistance within the Coast Guard Family has grown steadily over the past several years, contributions haven't kept pace; and, returns on investments, another important source of assistance funding, have declined dramatically. This has resulted in a substantial decline in net assets; and, **without an infusion of adequate funds, CGMA could soon deplete its reserves and reduce assistance to members of the Coast Guard Family.** That's why the annual fund-raising campaign is so important.

CGMA has taken a number of steps to meet these challenges. Some assistance policies have been changed, and investment strategy adjustments were made. Unfortunately, these are of limited immediate effect, and it became necessary to reduce funding for some secondary assistance programs in order to make sure funds will continue to be available for those who need them most.

Hardest hit were the CGMA Education Grant and the Supplemental Education Grant (SEG). Funding for the former was suspended altogether and funding for the latter greatly reduced in 2002. Though this action was necessary, it is unfortunate because education plays such a vital role in our families' long-term financial stability, especially now with a downturn in the economy. It is hoped that with increased contributions, funding for these programs can be restored.

Your Contributions Go A Long Way...

CGMA is doing its part to make sure every dollar you contribute goes as far as possible. **Indeed, 92 cents of every dollar disbursed, goes directly to financial assistance.** The cost-efficient operations are attributed in part to system upgrades over the past few years. These enhancements include:

- A Web-based Check Management Program that streamlines the assistance process while increasing accountability and providing sound management controls over the use of funds.
- A user-friendly Web site (www.cgmahq.org <http://www.cgmahq.org>) that provides information and services to members, and a cost-effective means of communication with local CGMA Representatives.

- A routine monitoring and follow-up program to ensure that funds are used effectively to assist people who truly need them in accordance with established guidelines.

But ultimately, the future of CGMA rests on the generosity of the men and women of the Coast Guard.

We know that you receive appeals from many charitable organizations. **Remember, however, that CGMA is *your* relief organization, devoted wholly and solely to helping people in the Coast Guard Community.** Remember too that, unlike many other organizations, CGMA makes its appeal only once a year.

[How to give...](#)

Contributions may be made by allotment, check or money order (payable to “CGMA”), or by credit card via the web site.

Please give generously and enjoy the satisfaction of knowing you have done your part. [The future of Coast Guard Mutual Assistance depends on you -- only you can make difference!](#)

Regards, FL Ames

[Flag Voice Contents](#)

This page is maintained by [HR Webmaster \(CG-1A\)](#)