



2018 A YEAR IN SCOUTING



BOY SCOUTS OF AMERICA®

A NOTE OF THANKS FROM THE CHIEF


Scouting family,

From our youngest Lions to our veteran alumni, you are cleaning up parks, mentoring, and even saving lives. I am eager to share a few stories reflecting your tremendous positive impact across our nation in 2018. To all of our volunteers, families, supporters and alumni, I thank you. You are growing leaders, serving families and helping your communities. You are the heart of Scouting.

We are once again at a historic milestone in Scouting, and you have played a vital role. In 2018, you welcomed over 400,000 new families into your Cub Scout packs. To add to the excitement, over 77,000 of these families were able to introduce Scouting to their daughters! Everywhere I go, I hear amazing stories about you, our volunteers, parents and youth members, and the positive impact you have on your communities.

I thank you for the energy and enthusiasm you have extended to all of our new members. I could not be more excited for what this means for our movement and for the next generation of leaders in our nation! Because of you, 2018 was a historic success.

Yours in Scouting,



Chief Scout Executive, Boy Scouts of America



2018 AT A GLANCE

Your Scouting Family



1,231,831

Cub Scouts

Youth grades K-5th grade



789,784

Boy Scouts

Boys ages 11 to 17
In 2019, Boys and Girls became
members of Scouts BSA



55,101

Venturing and Sea Scouts

Young men and women ages
14 to 20



109,613

Exploring

Young men and women ages
14 to 20



313,020

Learning for Life

Youth PreK - 12th grade



EXPLORING
DISCOVER YOUR FUTURE

Learning for Life
Pre K-12 Programs Student Success



BOY SCOUTS OF AMERICA®

2018 ANNUAL REPORT

Where You Are

Did you know your fellow Scouts and Scouters are in 61 different countries? That's right! Boy Scouts of America members are spread around the world. Whether you are a Cub Scout in Macon, Georgia or Chiang Mai, Thailand you all say the pledge of allegiance to the same flag.



YOUR BSA FAMILY IS AROUND THE WORLD!

2,200,000

Youth

1,000,000

Volunteers

262

**BSA Local Councils
Around the World**



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Your 2018 Adventures



Summit Bechtel Reserve

Crew 514 of Lawrenceville, Ga.

The Summit hosted the largest Venturing event in 2018, Venturingfest. Greenshirts from around the country gathered for 6 days of adventure at the Summit.



Northern Tier

Troop 984 of Dardenne Prairie, Missouri

Are you up for life below zero? This Troop was.



Florida Seabase

Photo shared by Troop 853

Thanks for sharing your 2018 Seabase adventure Troop 246! Those are some big fish!



Philmont Scout Ranch

Philmont Recovery Corps

On May 31, 2018 the Ute Park Fire began close to the Philmont Scout Ranch property line near Cimarroncita. Over the next few weeks, brave firefighters fought this and several other wildfires around the ranch. Before the fire was even out, people like you stepped up and asked how you could help.



MEET YOUR SCOUTING LEADERSHIP

Who are the Key 3?

Just like a troop has a committee, a local Scouting council and the BSA national organization has a leadership team- the Key 3. There's a Key 3 at every level of Scouting. These are the top three individuals within each level of the BSA: unit, district, council, area, region and national. At the National level, the members of the Key 3 are the National Chair, National Commissioner and the Chief Scout Executive.



**National Chair,
Jim Turley**

"To our Scouting family, our volunteers and our parents... you make us the best at what we do. Together we are building character and developing leadership in our young people. Thank you."



**National Commissioner,
Ellie Morrison**

"In Scouting, a commitment to service is passed from one generation to the next. I thank all of our volunteers and leaders who set this example for our Scouts."



**Chief Scout Executive,
Mike Surbaugh**

"We must remember that service is the greatest gift we can give – both to others and ourselves. Thank you to all who serve our youth and families."



GROWING LEADERS

Because of you, young people have unique opportunities to try new things, develop self-confidence and become ethical members of our communities. From every walk of life, you, our families and volunteers come together to help youth discover who they can be.



BECAUSE OF YOU...kids are learning life-saving skills, perseverance and teamwork. You make the difference.



87%

of Scouts BSA members say they learn new things in Scouting.

85%

of Cub Scouts say their leaders help them be better Scouts.



“I want to spend more time with my Scouts and less time doing paperwork.” – Ima Busyleader

We heard you. Scoutbook is now free for everyone.

“I can check off requirements in the moment and spend more time offering valuable instruction to my Scouts.”

– Logan Clifford, Great Salt Lake Council



SERVING FAMILIES

Because of you, our volunteers, new families feel welcome. 2018 was a historic year for Scouting. You are helping our new girl Cub Scouts and families jump into Scouting. From leading new dens to organizing a family's first camping trip, you are the heart of Scouting.



BECAUSE OF YOU...kids are having fun and parents feel secure.



93%

of parents say their Cub Scout pack is a safe place for their children.

83%

of Cub Scouts say Cub Scouting is really fun.



“When I was a Scout, I always wanted to go to Philmont, but I never had the opportunity. Now, I have a family with two Cub Scouts. How can I share my Philmont dream with them?” – Ty Gerdendad



We heard you. Philmont Family Adventure Camp launched in 2018.

Philmont Family Adventure Camp launched in 2018. Families can experience the Philmont Scout Ranch like never before! Open to all registered members of the BSA and their families, you will have a chance to participate in all of the incredible activities offered at Philmont and make memories with your family that will last a lifetime.



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HELPING COMMUNITIES

As a Scouting volunteer, you are a living example to your Scouts showing the importance of giving back. Kids notice everything we do and don't do. Every time you put on your uniform and lead a hike, clean up a river, or collect canned food, you are showing them the importance of serving others- connecting them to their communities.



BECAUSE OF YOU...kids explore their potential.

82%

**of Scouts BSA members say they
have the opportunity to be a
leader in their troop.**



**“I’m not sure how close I am to
earning my next rank. I want a fast
and easy way to see what I need to
do next.” – Hal Klow sami**

**We heard you. The Scouting app launched in 2018.
Now you and your parents can see your progress from Lion to Eagle
in the palm of your hand – including camping nights, community
service hours and hiking miles!**

**“Great thing to use, easy to navigate and is made for you and your
advancement in Scouting.”**

– J. Herndon Scouts BSA, Grand Canyon Council



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A LOOK AHEAD

In 2018 we welcomed your daughters into Cub Scouts. 2019 has started with a bang as we welcome girls into Scouts BSA and host the World Scout Jamboree for the first time in the United States since 1967. Thousands of Troops full of excited young women are starting their trail to Eagle and thousands of Scouts from around the world will gather in West Virginia.



Scouts BSA, you are making history!

The future is bright for the tens of thousands of young women joining Scouts BSA. Kaleen, a Scouting volunteer and mom, says, "It's an opportunity to give all of our youth the chance to be leaders. We are so excited for the possibilities!"



Welcoming the World

This world-class event couldn't happen without you, our volunteers. Over 10,000 of you are supporting Scouts from around the world at the 24th World Scout Jamboree. The Boy Scouts of America welcome co-hosts Scouts Canada and Asociación De Scouts De México to the Summit Bechtel Reserve for ten days of adventure. You are our best ambassadors. Have a great time in July!



UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2018 (with summarized totals for 2017)

(In thousands)

Boy Scouts of America

| | <u>2018</u> | <u>2017</u> |
|--|---------------------|---------------------|
| Assets | | |
| Cash and cash equivalents | \$ 108,068 | \$ 45,194 |
| Investments, at fair value including collateral for securities on loan of \$7,132 (2017—\$12,216) | 747,586 | 826,817 |
| Accounts receivable, less allowance of \$103 (2017—\$103) | 20,189 | 17,362 |
| Pledges receivable, less discount of \$26,221 (2017—\$26,322) | 91,239 | 63,024 |
| Other receivables | 1,618 | 2,956 |
| Gift annuities | 6,693 | 8,047 |
| Prepaid and deferred charges | 15,274 | 7,879 |
| Inventories, less provision for obsolescence of \$6,616 (2017—\$4,712) | 67,956 | 68,056 |
| Land, buildings, and equipment, net | 487,697 | 483,379 |
| Other | <u>14,958</u> | <u>12,468</u> |
| Total assets | <u>\$ 1,561,278</u> | <u>\$ 1,535,182</u> |
| Liabilities and Net Assets | | |
| Accounts payable and accrued liabilities | \$ 45,856 | \$ 40,613 |
| Gift annuities | 6,693 | 8,047 |
| Unearned fees and subscriptions | 93,314 | 45,247 |
| Notes payable including line of credit | 257,089 | 246,987 |
| Insurance reserves | 235,276 | 191,911 |
| Payable upon return of securities loaned | <u>7,132</u> | <u>12,216</u> |
| Total liabilities | 645,360 | 545,021 |
| Commitments and contingencies | | |
| Net assets: | | |
| Without Donor Restrictions: | | |
| Controlling interest: | | |
| General operations | (24,814) | (20,626) |
| Board-designated | <u>457,610</u> | <u>556,468</u> |
| Total without donor restrictions—controlling interest | 432,796 | 535,842 |
| Noncontrolling interest (Commingled Endowment LP) | <u>251,926</u> | <u>229,121</u> |
| Total without donor restrictions | 684,722 | 764,963 |
| Total with donor restrictions | <u>231,196</u> | <u>225,198</u> |
| Total net assets | <u>915,918</u> | <u>990,161</u> |
| Total liabilities and net assets | <u>\$ 1,561,278</u> | <u>\$ 1,535,182</u> |

UNAUDITED CONSOLIDATED STATEMENT OF REVENUES, EXPENSES, AND OTHER CHANGES IN NET ASSETS

Year ended December 31, 2018 (with summarized totals for 2017)

(In thousands)

Boy Scouts of America

| | Without Donor Restrictions | With Donor Restrictions | Total | |
|---|-------------------------------|----------------------------|-------------------|-------------------|
| | | | 2018 | 2017 |
| Revenues: | | | | |
| Fees | \$ 123,709 | | \$ 123,709 | \$ 138,672 |
| Supply operations—sales | 124,066 | | 124,066 | 140,279 |
| Cost of sales and expenses | <u>(106,043)</u> | | <u>(106,043)</u> | <u>(114,839)</u> |
| | 18,023 | | 18,023 | 25,440 |
| Magazine publication—sales | 10,967 | | 10,967 | 11,737 |
| Cost of production and expenses | <u>(12,894)</u> | | <u>(12,894)</u> | <u>(15,884)</u> |
| | (1,927) | | (1,927) | (4,147) |
| Contributions and bequests | 44,511 | \$ 33,399 | 77,910 | 38,501 |
| Other—including trading post sales | 17,638 | | 17,638 | 16,132 |
| Cost of sales and expenses | <u>(2,998)</u> | | <u>(2,998)</u> | <u>(3,154)</u> |
| | <u>14,640</u> | <u>0</u> | <u>14,640</u> | <u>12,978</u> |
| Total revenues before net investment income (loss)..... | 198,956 | 33,399 | 232,355 | 211,444 |
| Investment (loss) income, net of fees | <u>(14,630)</u> | <u>(7,811)</u> | <u>(22,441)</u> | <u>75,664</u> |
| Total revenues | 184,326 | 25,588 | 209,914 | 287,108 |
| Net assets released from restrictions: | | | | |
| Donor restrictions satisfied | <u>19,590</u> | <u>(19,590)</u> | | |
| Expenses: | | | | |
| Program services: | | | | |
| Field operations | 46,518 | | 46,518 | 49,814 |
| Human resources and training | 13,078 | | 13,078 | 11,849 |
| Program development and delivery | 79,742 | | 79,742 | 109,463 |
| Program marketing | 9,589 | | 9,589 | 12,060 |
| World Scout Bureau fees | 1,522 | | 1,522 | 1,503 |
| Insurance programs—losses and costs | 120,279 | | 120,279 | 71,827 |
| Premiums | <u>(14,365)</u> | | <u>(14,365)</u> | <u>(14,515)</u> |
| | <u>105,914</u> | | <u>105,914</u> | <u>57,312</u> |
| Total program services | <u>256,363</u> | | <u>256,363</u> | <u>242,001</u> |
| Supporting services: | | | | |
| Management and general | 44,953 | | 44,953 | 34,125 |
| Fundraising | <u>5,646</u> | | <u>5,646</u> | <u>7,478</u> |
| Total supporting services | <u>50,599</u> | | <u>50,599</u> | <u>41,603</u> |
| Total expenses | <u>306,962</u> | <u>0</u> | <u>306,962</u> | <u>283,604</u> |
| Change in net assets—controlling interest | (103,046) | 5,998 | (97,048) | 3,504 |
| Change in net assets—noncontrolling interest (Commingled Endowment LP)..... | <u>22,805</u> | <u>0</u> | <u>22,805</u> | <u>70,012</u> |
| Change in net assets | (80,241) | 5,998 | (74,243) | 73,516 |
| Net assets, beginning of year | <u>764,963</u> | <u>225,198</u> | <u>990,161</u> | <u>916,645</u> |
| Net assets, end of year | <u>\$ 684,722</u> | <u>\$ 231,196</u> | <u>\$ 915,918</u> | <u>\$ 990,161</u> |

UNAUDITED CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2018 (with summarized totals for 2017)

(In thousands)

Boy Scouts of America

| PROGRAM SERVICES | | | | | | | | |
|---------------------------------|-------------------------|------------------|-------------------------------------|------------------|---|-------------------|--------------------------|------------------|
| | <u>Field Operations</u> | | <u>Human Resources and Training</u> | | <u>Program Development and Delivery</u> | | <u>Program Marketing</u> | |
| | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> |
| Salaries | \$ 17,470 | \$ 16,993 | \$ 6,047 | \$ 6,042 | \$ 20,082 | \$ 20,081 | \$ 3,423 | \$ 4,193 |
| Benefits | 5,741 | 5,597 | 1,735 | 1,686 | 5,489 | 5,506 | 931 | 1,157 |
| Travel | 2,063 | 2,305 | 390 | 292 | 791 | 862 | 193 | 283 |
| Office expense and occupancy | 8,135 | 8,680 | 1,443 | 912 | 10,689 | 10,203 | 1,440 | 2,243 |
| Depreciation and amortization | 2,404 | 3,266 | 295 | 356 | 4,017 | 3,520 | 82 | 140 |
| Insurance losses and costs | | | | | | | | |
| Premiums | | | | | | | | |
| Net insurance programs | | | | | | | | |
| Jamboree (world/national) | | | | | 0 | 33,221 | | |
| All other expenses | 10,662 | 13,014 | 3,086 | 2,839 | 36,018 | 35,021 | 3,397 | 4,277 |
| Allocated expenses ¹ | <u>43</u> | <u>(41)</u> | <u>82</u> | <u>(278)</u> | <u>2,656</u> | <u>1,049</u> | <u>123</u> | <u>(233)</u> |
| Total expenses | <u>\$ 46,518</u> | <u>\$ 49,814</u> | <u>\$ 13,078</u> | <u>\$ 11,849</u> | <u>\$ 79,742</u> | <u>\$ 109,463</u> | <u>\$ 9,589</u> | <u>\$ 12,060</u> |

| PROGRAM SERVICES | | | | | | |
|---------------------------------|-----------------------------------|-----------------|------------------------------|------------------|-----------------------------------|------------------|
| | World Scout <u>Bureau Fees</u> | | Insurance <u>Programs</u> | | <u>Total Program Services</u> | |
| | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> |
| Salaries | | | | | \$ 47,022 | \$ 47,309 |
| Benefits | | | | | 13,896 | 13,946 |
| Travel | | | | | 3,437 | 3,742 |
| Office expense and occupancy | | | | | 21,707 | 22,038 |
| Depreciation and amortization | | | | | 6,798 | 7,282 |
| Insurance losses and costs | | | \$ 120,279 | \$ 71,827 | 120,279 | 71,827 |
| Premiums | | | <u>(14,365)</u> | <u>(14,515)</u> | <u>(14,365)</u> | <u>(14,515)</u> |
| Net insurance programs | | | 105,914 | 57,312 | 105,914 | 57,312 |
| Jamboree (world/national) | | | | | 0 | 33,221 |
| All other expenses | \$ 1,522 | \$ 1,503 | | | 54,685 | 56,654 |
| Allocated expenses ¹ | | | | | 2,904 | 497 |
| Total expenses | <u>\$ 1,522</u> | <u>\$ 1,503</u> | <u>\$ 105,914</u> | <u>\$ 57,312</u> | <u>\$256,363</u> | <u>\$242,001</u> |

| SUPPORTING SERVICES | | | | | | | | |
|---------------------------------|-------------------------------|------------------|--------------------|-----------------|----------------------------------|------------------|-----------------------|------------------|
| | <u>Management and General</u> | | <u>Fundraising</u> | | <u>Total Supporting Services</u> | | <u>Total Expenses</u> | |
| | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> | <u>2018</u> | <u>2017</u> |
| Salaries | \$ 16,958 | \$16,488 | \$ 2,534 | \$ 2,707 | \$ 19,492 | \$ 19,195 | \$ 66,514 | \$ 66,504 |
| Benefits | 4,339 | 4,260 | 723 | 699 | 5,062 | 4,959 | 18,958 | 18,905 |
| Travel | 849 | 1,039 | 291 | 621 | 1,140 | 1,660 | 4,577 | 5,402 |
| Office expense and occupancy | 115 | 540 | 549 | 403 | 664 | 943 | 22,371 | 22,981 |
| Depreciation and amortization | 13,075 | 12,677 | 20 | 7 | 13,095 | 12,684 | 19,893 | 19,966 |
| Insurance losses and costs | | | | | | | 120,279 | 71,827 |
| Premiums | | | | | | | <u>(14,365)</u> | <u>(14,515)</u> |
| Net insurance programs | | | | | | | 105,914 | 57,312 |
| Jamboree (world/national) | | | | | | | 0 | 33,221 |
| All other expenses | 12,168 | 3,304 | 1,397 | 3,053 | 13,565 | 6,357 | 68,250 | 63,011 |
| Allocated expenses ¹ | <u>(2,551)</u> | <u>(4,183)</u> | <u>132</u> | <u>(12)</u> | <u>(2,419)</u> | <u>(4,195)</u> | <u>485</u> | <u>(3,698)</u> |
| Total expenses | <u>\$ 44,953</u> | <u>\$ 34,125</u> | <u>\$ 5,646</u> | <u>\$ 7,478</u> | <u>\$ 50,599</u> | <u>\$ 41,603</u> | <u>\$306,962</u> | <u>\$283,604</u> |

¹ Certain expenses have been allocated to Supply operations, Magazine publications, and Program services.

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended December 31, 2018 (with summarized totals for 2017)

(In thousands)

Boy Scouts of America

| | <u>2018</u> | <u>2017</u> |
|---|-------------------|------------------|
| Cash Flows from Operations: | | |
| Change in net assets | \$ (74,243) | \$ 73,516 |
| Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operations: | | |
| Depreciation and amortization | 21,544 | 21,634 |
| Net realized and unrealized losses (gains) on investments | 40,397 | (95,809) |
| Interest and dividends reinvested | (1,038) | (977) |
| Contributions to the permanently restricted endowment | (162) | (176) |
| Contributions restricted for capital expenditures and debt service | (19,026) | (15,093) |
| Net losses on disposal of land, buildings, and equipment | 861 | 2,072 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in accounts receivable | (2,827) | 4,710 |
| (Increase) decrease in pledges receivable | (28,215) | 2,178 |
| Decrease (increase) in other receivables | 1,338 | (1,417) |
| Decrease in inventories | 100 | 6,206 |
| (Increase) decrease in prepaid charges/other assets/gift annuities | (8,531) | 4,662 |
| Increase in accounts payable/accrued liabilities/gift annuities | 3,889 | 4,240 |
| Increase (decrease) in unearned fees and subscriptions | 48,067 | (10,968) |
| Increase in insurance reserves | <u>43,365</u> | <u>11,190</u> |
| Net cash and cash equivalents provided by operations | <u>25,519</u> | <u>5,968</u> |
| Cash Flows from Investing: | | |
| Additions to land, buildings, and equipment | (26,723) | (32,052) |
| Net sales of investments | 39,872 | 15,256 |
| (Decrease) in securities lending payable | <u>(5,084)</u> | <u>(2,697)</u> |
| Net cash and cash equivalents provided (used) in investing activities | <u>8,065</u> | <u>(19,493)</u> |
| Cash Flows from Financing: | | |
| Net borrowings (payments) on line of credit financing | 20,856 | (29,000) |
| Borrowings on term loan | 0 | 25,000 |
| Repayment of debt | (10,754) | (8,083) |
| Contributions to the permanently restricted endowment | 162 | 176 |
| Contributions restricted for capital expenditures and debt service | <u>19,026</u> | <u>15,093</u> |
| Net cash and cash equivalents provided by financing activities | <u>29,290</u> | <u>3,186</u> |
| Increase (decrease) in cash and cash equivalents | 62,874 | (10,339) |
| Cash and cash equivalents, beginning of year | <u>45,194</u> | <u>55,533</u> |
| Cash and cash equivalents, end of year | <u>\$ 108,068</u> | <u>\$ 45,194</u> |
| Supplemental Cash Flow Information: | | |
| Interest paid | \$ 6,982 | \$ 7,211 |
| Gifts-in-kind | 3,143 | 2,695 |