



**THE NATIONAL HEMOPHILIA FOUNDATION**

**FINANCIAL REPORT  
DECEMBER 31, 2015**

# THE NATIONAL HEMOPHILIA FOUNDATION

DECEMBER 31, 2015

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
The National Hemophilia Foundation  
New York, New York

### Report on the Financial Statements

We have audited the accompanying financial statements of The National Hemophilia Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2015 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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### **Report on Summarized Comparative Information**

We have previously audited the Foundation's 2014 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 19, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2014, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information listed in the attached table of contents on pages 19 to 36 is presented for purposes of additional analysis and is not a required part of the financial statements for 2015 and 2014. The supplementary information and accompanying schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information and accompanying schedules have been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and accompanying schedules are fairly stated in all material respects in relation to the financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 25, 2016 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Foundation's internal control over financial reporting and compliance.

*Wiss & Company*

WISS & COMPANY, LLP

Livingston, New Jersey  
May 25, 2016

**THE NATIONAL HEMOPHILIA FOUNDATION  
STATEMENTS OF FINANCIAL POSITION**

**DECEMBER 31, 2015  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR DECEMBER 31, 2014)**

ASSETS	Unrestricted	Temporarily Restricted	Permanently Restricted	2015	2014
<b>CURRENT ASSETS:</b>					
Cash and equivalents	\$ 4,747,708	\$ 5,018,440	\$ -	\$ 9,766,148	\$ 9,328,624
Investments at fair value	-	331,390	-	331,390	544,572
Government grants receivable	68,721	-	-	68,721	47,691
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	790,525	-	-	790,525	579,549
Contribution receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	-	100,000	-	100,000	150,000
Prepaid expenses and other assets	382,321	-	-	382,321	132,877
Total Current Assets	<u>5,989,275</u>	<u>5,449,830</u>	<u>-</u>	<u>11,439,105</u>	<u>10,783,313</u>
<b>NONCURRENT ASSETS:</b>					
Contribution receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	-	49,514	-	49,514	148,061
Investments at fair value	6,710,444	2,933,504	250,000	9,893,948	8,168,673
Security deposit and other assets	461,933	-	-	461,933	492,687
Fixed assets, net	301,726	-	-	301,726	54,637
Total Noncurrent Assets	<u>7,474,103</u>	<u>2,983,018</u>	<u>250,000</u>	<u>10,707,121</u>	<u>8,864,058</u>
	<u>\$ 13,463,378</u>	<u>\$ 8,432,848</u>	<u>\$ 250,000</u>	<u>\$ 22,146,226</u>	<u>\$ 19,647,371</u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ 457,958	\$ -	\$ -	\$ 457,958	\$ 635,112
Accrued expenses	788,923	-	-	788,923	616,360
Accrued payroll and vacation	478,037	-	-	478,037	515,009
Deferred rent payable	229,457	-	-	229,457	8,699
Deferred support and revenue	226,125	5,518,440	-	5,744,565	5,101,322
Total Current Liabilities	<u>2,180,500</u>	<u>5,518,440</u>	<u>-</u>	<u>7,698,940</u>	<u>6,876,502</u>
LONG TERM LIABILITY - OTHER PAYABLE	<u>188,688</u>	<u>-</u>	<u>-</u>	<u>188,688</u>	<u>167,199</u>
<b>COMMITMENTS</b>					
<b>NET ASSETS:</b>					
Unrestricted	10,957,996	-	-	10,957,996	8,682,967
Unrestricted - board designated	136,194	-	-	136,194	435,329
Temporarily restricted	-	2,914,408	-	2,914,408	3,235,374
Permanently restricted	-	-	250,000	250,000	250,000
Total Net Assets	<u>11,094,190</u>	<u>2,914,408</u>	<u>250,000</u>	<u>14,258,598</u>	<u>12,603,670</u>
	<u>\$ 13,463,378</u>	<u>\$ 8,432,848</u>	<u>\$ 250,000</u>	<u>\$ 22,146,226</u>	<u>\$ 19,647,371</u>

*See accompanying notes to financial statements.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

**YEAR ENDED DECEMBER 31, 2015**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Total	2014 Total
<b>SUPPORT AND REVENUE:</b>					
Special events revenue	\$ 2,269,896	\$ -	\$ -	\$ 2,269,896	\$ 1,835,323
Less: direct costs	<u>(1,194,272)</u>	<u>-</u>	<u>-</u>	<u>(1,194,272)</u>	<u>(985,247)</u>
	1,075,624	-	-	1,075,624	850,076
Government grants	401,996	-	-	401,996	738,211
Contributions and grants	12,232,557	648,272	-	12,880,829	9,188,891
Revenues generated from affiliated chapters	3,465	48,576	-	52,041	253,958
Contributions from combined federal campaign	17,479	-	-	17,479	23,973
Educational seminars and programs	3,934,729	-	-	3,934,729	3,695,429
Investment income	352,389	12,107	-	364,496	205,115
Realized gains (losses) on investments	(19,351)	(1,787)	-	(21,138)	279,585
Unrealized losses on investments	(505,015)	(16,145)	-	(521,160)	(298,380)
Publication income	7,540	-	-	7,540	7,885
Educational/medical literature	1,679,135	-	-	1,679,135	1,581,730
In-Kind	-	-	-	-	64,295
Other income	65,895	-	-	65,895	235,287
Net assets released from restrictions	<u>1,011,989</u>	<u>(1,011,989)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Support and Revenue</b>	<u>20,258,432</u>	<u>(320,966)</u>	<u>-</u>	<u>19,937,466</u>	<u>16,826,055</u>
<b>EXPENSES:</b>					
Program services:					
Health education and training	7,603,626	-	-	7,603,626	6,009,722
Community services	3,914,357	-	-	3,914,357	3,772,613
Chapter services	1,811,044	-	-	1,811,044	1,540,240
Research	<u>1,307,692</u>	<u>-</u>	<u>-</u>	<u>1,307,692</u>	<u>999,115</u>
<b>Total Program Services</b>	<u>14,636,719</u>	<u>-</u>	<u>-</u>	<u>14,636,719</u>	<u>12,321,690</u>
Supporting services:					
Management and general	2,574,989	-	-	2,574,989	2,354,988
Fundraising	<u>1,070,830</u>	<u>-</u>	<u>-</u>	<u>1,070,830</u>	<u>812,268</u>
<b>Total Supporting Services</b>	<u>3,645,819</u>	<u>-</u>	<u>-</u>	<u>3,645,819</u>	<u>3,167,256</u>
<b>Total Expenses</b>	<u>18,282,538</u>	<u>-</u>	<u>-</u>	<u>18,282,538</u>	<u>15,488,946</u>
<b>CHANGE IN NET ASSETS</b>	1,975,894	(320,966)	-	1,654,928	1,337,109
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>9,118,296</u>	<u>3,235,374</u>	<u>250,000</u>	<u>12,603,670</u>	<u>11,266,561</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 11,094,190</u>	<u>\$ 2,914,408</u>	<u>\$ 250,000</u>	<u>\$ 14,258,598</u>	<u>\$ 12,603,670</u>

*See accompanying notes to financial statements.*

**THE NATIONAL HEMOPHILIA FOUNDATION  
STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2015  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	Year Ended December 31									
	Program Services					Support Services				
	Health Education and Training	Community Services	Chapter Services	Research	Total	Management and General	Fundraising	Total	2015 Total Expenses	2014 Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>										
Salaries	\$ 1,335,393	\$ 935,532	\$ 622,734	\$ 180,550	\$ 3,074,209	\$ 1,235,074	\$ 487,871	\$ 1,722,945	\$ 4,797,154	\$ 4,752,910
Employee benefits and payroll taxes	444,409	271,503	182,633	41,142	939,687	84,003	112,182	196,185	1,135,872	1,026,080
Pension expense	90,207	77,620	57,466	18,277	243,570	27,920	45,880	73,800	317,370	308,687
Total Salaries and Related Expenses	1,870,009	1,284,655	862,833	239,969	4,257,466	1,346,997	645,933	1,992,930	6,250,396	6,087,677
<b>OTHER EXPENSES:</b>										
Supplies	62,396	38,323	5,099	194	106,012	36,115	17,632	53,747	159,759	175,610
Printing and other	217,688	568,190	1,887	50,206	837,971	135,197	165,533	300,730	1,138,701	1,034,683
Telephone	32,132	27,924	21,799	2,282	84,137	21,726	7,220	28,946	113,083	90,966
Occupancy	174,205	86,262	123,397	11,211	395,075	159,821	40,286	200,107	595,182	484,994
Insurance	-	-	-	-	-	40,010	100	40,110	40,110	42,755
Equipment rental and maintenance	470,668	107,214	66,406	10,264	654,552	141,193	19,886	161,079	815,631	630,079
Travel, conferences, conventions	2,862,254	610,967	293,679	36,950	3,805,850	83,442	34,522	117,964	3,923,814	3,437,153
Accounting and auditing	-	-	-	-	-	56,017	-	56,017	56,017	57,449
Consulting and professional fees	1,724,432	894,878	31,792	124,707	2,775,809	334,572	33,509	368,081	3,143,890	1,531,757
Legal fees	770	7,561	5,598	-	13,929	19,452	165	19,617	33,546	106,830
Membership dues	1,801	64,479	1,079	9	67,368	98,337	18,218	116,555	183,923	139,174
Awards and grants	119,771	189,762	391,359	831,463	1,532,355	776	-	776	1,533,131	1,341,209
Postage and shipping	67,500	34,142	4,116	437	106,195	5,378	81,145	86,523	192,718	188,113
Employment recruiting	-	-	-	-	-	15,446	-	15,446	15,446	5,437
Depreciation and amortization	-	-	-	-	-	34,022	4,043	38,065	38,065	10,379
In-kind expenses	-	-	-	-	-	-	-	-	-	64,295
Banking and investment fees	-	-	-	-	-	44,185	2,548	46,733	46,733	57,695
Miscellaneous	-	-	-	-	-	2,303	90	2,393	2,393	2,691
Total Other Expenses	5,733,617	2,629,702	948,211	1,067,723	10,379,253	1,227,992	424,897	1,652,889	12,032,142	9,401,269
Total Expenses	\$ 7,603,626	\$ 3,914,357	\$ 1,811,044	\$ 1,307,692	\$ 14,656,719	\$ 2,574,989	\$ 1,070,830	\$ 3,645,819	\$ 18,282,538	\$ 15,488,946

See accompanying notes to financial statements.

**THE NATIONAL HEMOPHILIA FOUNDATION**

**STATEMENTS OF CASH FLOWS**

	Year Ended December 31,	
	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 1,654,928	\$ 1,337,109
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Loss on disposal of fixed assets	794	-
Depreciation and amortization	38,065	10,379
Realized (gains) losses from investments	21,138	(279,585)
Unrealized losses from investments	521,160	298,380
Deferred rent payable	220,758	(31,752)
(Increase) decrease in assets:		
Government grants receivable	(21,030)	47,907
Grants and other receivables	(210,976)	(63,660)
Contribution receivables	148,547	(48,998)
Security deposits and other assets	30,754	(298,637)
Prepaid expenses	(249,444)	90
Increase (decrease) in liabilities:		
Accounts payable	(177,154)	(142,381)
Accrued expenses	172,563	(74,280)
Accrued payroll and vacation	(36,972)	120,369
Long term other payable	21,489	26,299
Deferred support and revenue	643,243	(1,051,096)
Net Cash Flows from Operating Activities	2,777,863	(149,856)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(285,948)	(38,587)
Purchase of investments	(2,059,371)	(2,586,341)
Proceeds from sale of investments	4,980	1,806,283
Net Cash Flows from Investing Activities	(2,340,339)	(818,645)
<b>NET CHANGE IN CASH AND EQUIVALENTS</b>	437,524	(968,501)
<b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>	9,328,624	10,297,125
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	\$ 9,766,148	\$ 9,328,624

*See accompanying notes to financial statements.*



# THE NATIONAL HEMOPHILIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### **Note 1 - Nature of the Organization and Summary of Significant Accounting Policies:**

The National Hemophilia Foundation (the "Foundation" or "NHF") was incorporated in the State of New York on June 15, 1948. The Foundation's mission is dedicated to finding better treatments and cures for inheritable bleeding disorders and to prevent the complications of these disorders through education, advocacy and research. For the years ended December 31, 2015 and 2014, approximately 50% and 40% of the Foundation's total support and revenue were provided by three and two pharmaceutical companies, respectively. For these pharmaceutical companies, grants and other receivables represented 58% and 27% of the total grants and other receivables as of December 31, 2015 and 2014, respectively.

The Foundation and other independent organizations (member chapters) actively collaborate in furthering the Foundation's mission throughout the United States. These financial statements represent only the financial position and activities of the National Hemophilia Foundation and do not include the accounts of the member chapters. On June 23, 2011, five chapters merged with NHF. On February 24, 2014, a sixth chapter was created by the Foundation; consequently, its accounts along with those of the five previously merged chapters are included in the financial statements of NHF as of December 31, 2014. All other chapters continue to operate independently of NHF and thus, are not included in the financial statements of NHF.

**Basis of Presentation** - The financial statements of the Foundation are prepared on the accrual basis of accounting.

**Financial Statement Presentation** - The Foundation conforms to Statement of Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 958, "Financial Statements for Not-for-Profit Organizations. Under FASB ASC Topic 958, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

The Foundation is also in conformity with FASB ASC Topic 958-605 "Accounting for Contributions Received and Contributions Made". In conformity with FASB ASC 958-605, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions.

The classes are defined as follows:

**Permanently Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the Foundation is limited by donor-imposed restrictive stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Foundation.

**Temporarily Restricted** - Net assets resulting from contributions and other inflows of assets whose use by the Foundation is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Foundation pursuant to those stipulations. When such stipulations end or are fulfilled, such temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities and changes in net assets.

**Unrestricted** - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations. Unrestricted net assets – board designated account totaled \$136,194 and \$435,329 as of December 31, 2015 and 2014, respectively. As of December 31, 2014, the balance of \$435,329 included \$425,329 designated for the special project associated with the Clinical Practice Guidelines and \$10,000 designated for the research program, of which \$289,135 and \$10,000 were expended in 2015, resulting in a balance of \$136,194 as of December 31, 2015 for the special project.

## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):

**Estimates and Uncertainties** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results, as determined at a later date, could differ from those estimates.

**Contributions and Grants Receivables** - Contributions and grants, including unconditional promises to give that are expected to be collected within one year, are recognized as support in the period received and are either classified as temporarily restricted or unrestricted. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. An allowance for uncollectible accounts is recorded by management, if necessary, for reimbursable expenses either in dispute with the funding agency or deemed uncollectible.

**Conditional Contributions** - Conditional contributions, including conditional promises to give, are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. As of December 31, 2015 and 2014, conditional promises to give to the Foundation amounted to \$1,010,634 and \$1,510,634, for the purpose of funding its Clinical Fellowship Program.

**Research Awards and Grants** - The Foundation awards funds each year to support research related projects for the Clinical Fellowship, JGP and Career Development programs. These awards generally extend over a period of two to three years. Continued funding for the second and third year of the grant period is conditional on the grantee's demonstration of adequate progress as well as submission of required reports. The Foundation; therefore, only records the liability and related expenses for each year and the liability is included as components of accrued expenses on the Statements of Financial Position. The total expense the Foundation expects to incur once certain conditions are fulfilled amounted to \$667,500 and \$985,667 as of December 31, 2015 and 2014, respectively.

**Cash and Equivalents and Credit Risk** - The Foundation considers money market accounts to be cash and equivalents. Cash in bank deposit accounts, at times, may exceed federally insured limits (FDIC). All cash balances including non-interest bearing accounts will be insured by the FDIC up to \$250,000. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant risk on cash equivalents.

**Investments** - Investments in equity securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities and changes in net assets. As of December 31, 2015 and 2014, the Foundation has made a determination to hold \$9,893,948 and \$8,168,673 of investments as long-term.

The investments are protected by the Securities Insurance Protection Corporation (SIPC) which provides limited insurance in certain circumstances for securities and cash held in brokerage accounts. The insurance is limited to \$500,000 for securities and \$250,000 for cash balances. The insurance does not protect against investment losses. At times, such balances may be in excess of SIPC insured limits.

## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### **Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):**

***Fair Value of Financial Instruments*** - Cash and equivalents, government grants receivable, grants and other receivables, security deposit and other assets, accounts payable, accrued expenses, accrued payroll and vacation and deferred support and revenue are reflected in the financial statements at carrying values which approximate fair value because of their short-term maturities. Pledges are discounted to their present value using a risk free interest rate which does not represent fair value. It is not practicable to determine the fair value of the pledges.

***Fixed Assets*** - Fixed assets are recorded at cost or, if donated, at their fair value at the date of the gift. Fixed assets are depreciated using the straight-line method over the estimated useful life of the assets ranging from five to seven years. Leasehold improvements are amortized over the shorter of the life of the lease or their useful lives.

The Foundation capitalizes fixed asset purchases greater than \$5,000 with an estimated useful life greater than one year.

***Deferred Support and Revenue*** - The Foundation records restricted grant/contract support as a deferred support and revenue until it is expended for the purpose of the grant or contract.

***Deferred Rent Payable*** - The Foundation has an operating lease which contains predetermined increases in the rentals payable during the term of the lease. For these leases, the aggregate rental expense over the lease term is recognized on a straight-line basis over the lease term. The difference between the expense charged to operations in any period and the amount payable under the lease during that period is recorded as deferred rent payable on the Foundation's statement of financial position, which will reverse over the lease term.

***Functional Allocation of Expenses*** - The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

***Income Taxes*** - The Foundation is exempt from Federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and has made no provision for Federal or State income taxes in the accompanying financial statements. In addition, the Foundation has been determined by the Internal Revenue Service (IRS) not to be a "private foundation" within the meaning of section 509(a) of the Internal Revenue Code. Other significant tax positions include its determination of whether any amounts are subject to unrelated business income tax (UBIT). The Foundation has activities subject to UBIT in the years ended 2015 and 2014 and has filed Form 990T. All significant tax positions have been considered by management and it has been determined that all tax positions would be sustained upon examination by taxing authorities. The Foundation is required to file form 990 (Return of Organization Exempt from Income Tax) and the CHAR500 (Annual Filing for Charitable Organizations), which are subject to examination by the IRS up to three years from the extended due date of the tax return. The forms 990 and CHAR500 for 2012 through 2014 are open to examination by the IRS as of December 31, 2015. Unrelated business income tax for the years ended December 31, 2015 and 2014 amounted to \$128,808 and \$51,937, respectively, and is included under printing and other (production of the Hemaware magazine, both printed and online formats) in the statements of functional expenses.

THE NATIONAL HEMOPHILIA FOUNDATION

NOTES TO FINANCIAL STATEMENTS

**Note 1 - Nature of the Organization and Summary of Significant Accounting Policies (continued):**

*Comparative Information* - The Statements of Financial Position, Statements of Activities and Changes in Net Assets and Statements of Functional Expenses include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements as of and for the year ended December 31, 2014, from which the summarized information was derived.

*Subsequent Events* - Management has reviewed and evaluated all events and transactions from December 31, 2015 through May 25, 2016, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at the statement of financial position date have been recognized in the accompanying financial statements.

## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### Note 2 - Investments at Fair Value:

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures FASB ASC 820, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

- Mutual Funds, Common Stocks and Exchange Traded Equity Funds: Valued at the closing price reported on the New York Stock Exchange.
- Fixed Income – Corporate Bonds: Valued based on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flow approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2 - Investments at Fair Value (continued):**

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2015 and 2014:

	<i>Assets at Fair Value as of December 31, 2015</i>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Mutual Funds - Fixed Income	\$ 4,208,458	\$ -	\$ -	\$ 4,208,458
Mutual Funds - Equity				
U.S.	3,671,693	-	-	3,671,693
International	2,345,187	-	-	2,345,187
 Total	 \$ 10,225,338	 \$ -	 \$ -	 \$ 10,225,338

	<i>Assets at Fair Value as of December 31, 2014</i>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Fixed Income - Corporate Bonds	\$ -	\$ 5,229,705	\$ -	\$ 5,229,705
Common Stocks	1,864,851	-	-	1,864,851
Exchange Traded Equity Funds (ETF)	1,618,689	-	-	1,618,689
 Total	 \$ 3,483,540	 \$ 5,229,705	 \$ -	 \$ 8,713,245

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 2 - Investments at Fair Value (continued):**

*Investments* - The following is summary of investments at fair value and cost at December 31, 2015 and 2014:

	December 31, 2015			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	Mutual Funds - Fixed Income	\$ 4,215,260	\$ 15,719	\$ 22,521
Mutual Funds - Equity				
U.S.	3,911,977	-	240,284	3,671,693
International	2,619,262	-	274,075	2,345,187
	\$ 10,746,499	\$ 15,719	\$ 536,880	\$ 10,225,338

	December 31, 2014			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	Fixed Income- Corporate Bonds	\$ 5,272,820	\$ 15,045	\$ 58,160
Common Stocks	1,649,644	291,581	76,374	1,864,851
Exchange Traded Equity Funds (ETF)	1,364,612	284,812	30,735	1,618,689
	\$ 8,287,076	\$ 591,438	\$ 165,269	\$ 8,713,245

	Fair Value	
	December 31,	
	2015	2014
Unrestricted	\$ 6,710,444	\$ 5,515,932
Temporarily restricted	3,264,894	2,947,313
Permanently restricted	250,000	250,000
	\$ 10,225,338	\$ 8,713,245

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 3 - Contribution Receivables:**

Contribution receivables have been discounted over the payment period using a discount rate of 0.98% for 2015 and 2014. Contribution receivables are restricted for research and are due as follows:

	December 31,	
	2015	2014
Up to one year	\$ 100,000	\$ 150,000
One to five years	50,000	150,000
	150,000	300,000
Less: discount to present value	486	1,939
	<u>\$ 149,514</u>	<u>\$ 298,061</u>
To summarize:		
Current	\$ 100,000	\$ 150,000
Long-term	49,514	148,061
	<u>\$ 149,514</u>	<u>\$ 298,061</u>

**Note 4 - Fixed Assets:**

The Foundation's fixed assets consist of the following:

	December 31,	
	2015	2014
Furniture, fixtures and equipment	\$ 267,820	\$ 226,346
Computers	24,196	1,015,979
Leasehold improvements	51,576	175,302
	343,592	1,417,627
Less: Accumulated depreciation and amortization	41,866	1,362,990
	<u>\$ 301,726</u>	<u>\$ 54,637</u>

Fully depreciated property was disposed of in the current year, resulting in the reduction in costs and accumulated depreciation by \$1,359,983.



**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 5 - Accrued Vacation:**

Full time employees are eligible for vacation time of up to fifteen days from the start of their employment up to their fifth year of service and twenty days thereafter. Employees are eligible to carry over to the next year accumulated earned but unused vacation of up to a maximum of ten days unless an amount greater than ten days has been approved by the employee's supervisor. The liability for accrued vacation earned but not taken has been charged to operations. Accrued vacation payable totaled \$167,721 and \$148,282 as of December 31, 2015 and 2014, respectively, and is included in accrued payroll and vacation on the statements of financial position.

**Note 6 - Temporarily Restricted Net Assets:**

Temporarily restricted net assets represent contributions received and income related to the following:

	December 31,	
	2015	2014
Research	\$ 1,499,356	\$ 1,666,859
Soozie Courter Memorial Fund	56,875	56,875
Scholarship Fund	3,511	4,550
Clinical Fellowship	1,281,554	1,428,152
Dale Smith Endowment Fund	72,235	78,061
Katrina Relief Fund	877	877
	\$ 2,914,408	\$ 3,235,374

**Note 7 - Net Assets Released from Restrictions:**

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose as follows:

	Year Ended December 31,	
	2015	2014
Research	\$ 364,352	\$ 260,396
Scholarship	1,039	1,018
Clinical Fellowship	646,598	478,960
	\$ 1,011,989	\$ 740,374

**Note 8 - Permanently Restricted Net Assets (Endowment Funds):**

The Foundation maintains a donor-restricted fund whose purpose is to provide long term support for its qualifying fellowship and training programs. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### Note 8 - Permanently Restricted Net Assets (Endowment Funds) (continued):

##### *Interpretation of Relevant Law*

The Board of Directors has interpreted the New York Prudent Management of Institutional Funds Act (NYPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) original gift of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the endowment fund;
- (2) The purposes of the institution and the endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation or deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the institution;
- (7) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the institution; and
- (8) The investment policy of the institution

##### *Investment Objectives*

The Foundation has adopted an investment policy that primarily emphasizes the preservation of the capital and secondarily maximizes the total return. Investment returns are expected to provide adequate funds to sufficiently support designated needs and preserve or enhance the real value of the Foundation. In establishing the investment objectives of the Foundation, the finance and investment committee of the Board has taken into account the time horizon available for investment, the nature of the Foundation's cash flows and liabilities, and other factors that affect the Foundation's risk tolerance.

##### *Strategies Employed for Achieving Objectives*

To satisfy its long-term objectives, the Foundation will ensure appropriate diversification to marketable equity securities. There shall be no Securities and Exchange Commission unregistered securities, private placement, venture capital, or direct investments in real or personal property. Approved investments include among others equity securities and fixed income securities.

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 8 - Permanently Restricted Net Assets (Endowment Funds) (continued):**

*Spending Policy*

The Foundation has decided to accumulate investment income until it is sufficient to be given as a research award. This amount totaling \$72,235 and \$78,061 as of December 31, 2015 and 2014, respectively, are recorded as temporary restricted assets until the board approves the award of the research grant.

*Endowment Net Asset Composition by Type of Fund as of December 31, 2015*

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 72,235	\$ 250,000	\$ 322,235

*Changes in Endowment Net Assets for the Year Ended December 31, 2015*

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, December 31, 2014	\$ -	\$ 78,061	\$ 250,000	\$ 328,061
Investment return	-	(5,826)	-	(5,826)
Endowment net assets, December 31, 2015	<u>\$ -</u>	<u>\$ 72,235</u>	<u>\$ 250,000</u>	<u>\$ 322,235</u>

*Endowment Net Asset Composition by Type of Fund as of December 31, 2014*

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 78,061	\$ 250,000	\$ 328,061

*Changes in Endowment Net Assets for the Year Ended December 31, 2014*

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, December 31, 2013	\$ -	\$ 64,811	\$ 250,000	\$ 314,811
Investment return	-	13,250	-	13,250
Endowment net assets, December 31, 2014	<u>\$ -</u>	<u>\$ 78,061</u>	<u>\$ 250,000</u>	<u>\$ 328,061</u>

## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

#### Note 9 - Commitments:

The Foundation leases office space and equipment under operating leases. Rent expense including real estate taxes included under occupancy and special event direct costs for the years ended December 31, 2015 and 2014 was \$599,595 and \$459,573, respectively. At December 31, 2015, future minimum rental payments under these operating leases, inclusive of the effect of the office lease escalation clause, are as follows:

<u>Year Ending December 31,</u>	
2016	\$ 574,681
2017	583,716
2018	591,134
2019	592,175
2020	635,758
2021 and thereafter	<u>3,223,330</u>
	<u>\$ 6,200,794</u>

#### Note 10 - Benefit Plan:

The Foundation has a defined contribution plan organized under Section 403(b) of the Internal Revenue Code administered by TIAA-CREF Individual and Institutional Services, Inc. covering substantially all of its employees. The Foundation makes contributions for each participant in the amount of a stated percentage of annual compensation based on the number of years such participant is in the employ of the Foundation. Employees also may contribute to another 403(b) plan subject to the maximum annual contribution limit prescribed by the Employee Retirement Income Security Act of 1974 guidelines. The Foundation also provides a deferred compensation plan for its Chief Executive Officer that operates under Section 457(b) of the Internal Revenue Code.

For the years ended December 31, 2015 and 2014, expense for both benefit plans included under pension expense and special events was \$335,118 and \$324,112, respectively. Additionally, the 457(b) benefit plan liability had a balance of \$188,688 and \$167,199 as of December 31, 2015 and 2014, respectively, and is reflected under long term liability - other payable in the statements of financial position. The related investment of the funds is included under security deposits and other assets for the same amounts.

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**CENTRAL OHIO CHAPTER STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2015	2014
	Unrestricted	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 205,624	\$ 119,787
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	675	6,043
Prepaid expenses and other assets	3,071	934
Total Current Assets	209,370	126,764
	\$ 209,370	\$ 126,764
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 1,870	\$ -
Deferred support and revenue	8,697	9,500
Intercompany payable	21,568	13,820
Total Current Liabilities	32,135	23,320
<b>COMMITMENTS</b>		
<b>NET ASSETS -</b>		
Unrestricted	177,235	103,444
Total Net Assets	177,235	103,444
	\$ 209,370	\$ 126,764

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**CENTRAL OHIO CHAPTER STATEMENTS OF ACTIVITIES**  
**AND CHANGES IN NET ASSETS**

	Year Ended December 31,	
	2015	2014
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 85,222	\$ 46,411
Less: direct costs	(57,116)	(24,640)
	28,106	21,771
Contributions and grants	192,497	217,394
Revenues generated from affiliated chapters	180	675
Educational seminars and programs	495	3,473
Educational/medical literature	46,825	41,525
Other income	19	-
Total Support and Revenue	268,122	284,838
<b>EXPENSES:</b>		
Program services:		
Health education and training	60,580	56,246
Community services	86,156	91,361
Total Program Services	146,736	147,607
Supporting services:		
Management and general	28,438	18,606
Fundraising	19,157	25,070
Total Supporting Services	47,595	43,676
Total Expenses	194,331	191,283
CHANGE IN NET ASSETS	73,791	93,555
NET ASSETS, BEGINNING OF YEAR	103,444	9,889
NET ASSETS, END OF YEAR	\$ 177,235	\$ 103,444

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**CENTRAL OHIO CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	Year Ended December 31							
	Program Services			Support Services				
	Health Education and Training	Community Services	Total	Management and General	Fundraising	Total	2015 Total Expenses	2014 Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>								
Salaries	\$ 24,792	\$ 28,036	\$ 52,828	\$ 4,605	\$ 7,614	\$ 12,219	\$ 65,047	\$ 59,762
Employee benefits and payroll taxes	7,280	8,420	15,700	1,137	1,787	2,924	18,624	13,722
Pension expense	390	457	847	54	81	135	982	45
Total Salaries and Related Expenses	<u>32,462</u>	<u>36,913</u>	<u>69,375</u>	<u>5,796</u>	<u>9,482</u>	<u>15,278</u>	<u>84,653</u>	<u>73,529</u>
<b>OTHER EXPENSES:</b>								
Supplies	540	598	1,138	4,602	2,480	7,082	8,220	10,629
Printing	91	7,278	7,369	743	266	1,009	8,378	16,649
Telephone	-	-	-	2,231	-	2,231	2,231	1,387
Occupancy	-	-	-	7,717	-	7,717	7,717	1,367
Insurance	-	-	-	-	100	100	100	-
Equipment rental and maintenance	-	-	-	-	-	-	-	35
Travel, conferences, conventions	27,287	17,730	45,017	1,079	2,604	3,683	48,700	51,393
Consulting and professional fees	45	10,308	10,353	5,325	3,978	9,303	19,656	21,956
Membership dues	-	-	-	-	-	-	-	91
Awards and grants	-	10,434	10,434	-	-	-	10,434	12,521
Postage and shipping	155	2,895	3,050	875	247	1,122	4,172	1,706
Banking and investment fees	-	-	-	-	-	-	-	7
Miscellaneous	-	-	-	70	-	70	70	13
Total Other Expenses	<u>28,118</u>	<u>49,243</u>	<u>77,361</u>	<u>22,642</u>	<u>9,675</u>	<u>32,317</u>	<u>109,678</u>	<u>117,754</u>
Total Expenses	<u>\$ 60,580</u>	<u>\$ 86,156</u>	<u>\$ 146,736</u>	<u>\$ 28,438</u>	<u>\$ 19,157</u>	<u>\$ 47,595</u>	<u>\$ 194,331</u>	<u>\$ 191,283</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**IDAHO CHAPTER STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2015	2014
	Unrestricted	
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and equivalents	\$ 79,400	\$ 50,698
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	-	2,500
Prepaid expenses and other assets	1,851	-
Total Current Assets	81,251	53,198
NONCURRENT ASSETS -		
Security deposit and other assets	500	500
Total Noncurrent Assets	500	500
	\$ 81,751	\$ 53,698
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accrued expenses	\$ 49	\$ -
Deferred support and revenue	21,316	15,266
Intercompany payable	7,503	1,521
Total Current Liabilities	28,868	16,787
COMMITMENTS		
NET ASSETS -		
Unrestricted	52,883	36,911
Total Net Assets	52,883	36,911
	\$ 81,751	\$ 53,698

*See independent auditors' report.*



**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**IDAHO CHAPTER STATEMENTS OF ACTIVITIES**  
**AND CHANGES IN NET ASSETS**

	Year Ended December 31,	
	2015	2014
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 30,914	\$ 36,834
Less: direct costs	<u>(20,805)</u>	<u>(27,785)</u>
	10,109	9,049
Contributions and grants	64,140	47,538
Educational seminars and programs	-	25,000
Educational/medical literature	15,099	21,000
Other income	<u>-</u>	<u>100</u>
Total Support and Revenue	<u>89,348</u>	<u>102,687</u>
<b>EXPENSES:</b>		
Program services:		
Health education and training	16,536	36,998
Community services	<u>34,631</u>	<u>40,301</u>
Total Program Services	<u>51,167</u>	<u>77,299</u>
Supporting services -		
Management and general	<u>22,209</u>	<u>28,867</u>
Total Supporting Services	<u>22,209</u>	<u>28,867</u>
Total Expenses	<u>73,376</u>	<u>106,166</u>
CHANGE IN NET ASSETS	15,972	(3,479)
NET ASSETS, BEGINNING OF YEAR	<u>36,911</u>	<u>40,390</u>
NET ASSETS, END OF YEAR	<u>\$ 52,883</u>	<u>\$ 36,911</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**IDAHO CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	Year Ended December 31					
	Program Services		Support Services		2015	
	Health Education and Training	Community Services	Total	Management and General	Total	2014 Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>						
Salaries	\$ 8,556	\$ 8,735	\$ 17,291	\$ 4,357	\$ 4,357	\$ 21,648
Employee benefits and payroll taxes	4,572	5,076	9,648	1,623	1,623	11,271
Pension expense	300	338	638	97	97	735
Total Salaries and Related Expenses	<u>13,428</u>	<u>14,149</u>	<u>27,577</u>	<u>6,077</u>	<u>6,077</u>	<u>33,654</u>
<b>OTHER EXPENSES:</b>						
Supplies	-	2,964	2,964	1,505	1,505	4,469
Printing	-	2,254	2,254	475	475	2,729
Telephone	-	-	-	2,293	2,293	2,293
Occupancy	-	-	-	6,385	6,385	6,385
Equipment rental and maintenance	-	-	-	1,375	1,375	1,157
Travel, conferences, conventions	3,108	11,431	14,539	1,793	1,793	16,332
Consulting and professional fees	-	-	-	1,500	1,500	1,500
Membership dues	-	-	-	249	249	249
Awards and grants	-	3,450	3,450	-	-	3,450
Postage and shipping	-	383	383	552	552	935
Banking and investment fees	-	-	-	5	5	5
Miscellaneous	-	-	-	-	-	68
Total Other Expenses	<u>3,108</u>	<u>20,482</u>	<u>23,590</u>	<u>16,132</u>	<u>16,132</u>	<u>39,722</u>
Total Expenses	<u>\$ 16,536</u>	<u>\$ 34,631</u>	<u>\$ 51,167</u>	<u>\$ 22,209</u>	<u>\$ 22,209</u>	<u>\$ 73,376</u>
						<u>\$ 106,166</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**NEVADA CHAPTER STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2015	2014
	Unrestricted	
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and equivalents	\$ 268,050	\$ 214,778
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	3,691	1,500
Prepaid expenses and other assets	1,653	8,114
Total Current Assets	273,394	224,392
	\$ 273,394	\$ 224,392
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 1,194	\$ -
Accrued expenses	-	555
Deferred support and revenue	74,537	38,375
Intercompany payable	26,199	37,850
Total Current Liabilities	101,930	76,780
COMMITMENTS		
NET ASSETS -		
Unrestricted	171,464	147,612
Total Net Assets	171,464	147,612
	\$ 273,394	\$ 224,392

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**NEVADA CHAPTER STATEMENTS OF ACTIVITIES**  
**AND CHANGES IN NET ASSETS**

	Year Ended December 31,	
	2015	2014
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 104,412	\$ 86,590
Less: direct costs	<u>(60,189)</u>	<u>(51,013)</u>
	44,223	35,577
Contributions and grants	151,849	86,378
Contributions from combined federal campaign	78	73
Educational seminars and programs	47,685	61,730
Educational/medical literature	<u>38,253</u>	<u>33,802</u>
Total Support and Revenue	<u>282,088</u>	<u>217,560</u>
<b>EXPENSES:</b>		
Program services:		
Health education and training	79,924	61,869
Community services	<u>145,703</u>	<u>120,577</u>
Total Program Services	<u>225,627</u>	<u>182,446</u>
Supporting services:		
Management and general	31,625	30,215
Fundraising	<u>984</u>	<u>903</u>
Total Supporting Services	<u>32,609</u>	<u>31,118</u>
Total Expenses	<u>258,236</u>	<u>213,564</u>
CHANGE IN NET ASSETS	23,852	3,996
NET ASSETS, BEGINNING OF YEAR	<u>147,612</u>	<u>143,616</u>
NET ASSETS, END OF YEAR	<u>\$ 171,464</u>	<u>\$ 147,612</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**NEVADA CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	Year Ended December 31					
	Program Services			Support Services		
	Health Education and Training	Community Services	Total	Management and General	Fundraising	Total
						2015 Total Expenses
						2014 Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>						
Salaries	\$ 33,325	\$ 33,999	\$ 67,324	\$ 6,383	\$ 702	\$ 7,085
Employee benefits and payroll taxes	9,684	9,925	19,609	1,308	243	1,551
Pension expense	1,440	1,479	2,919	156	39	195
Total Salaries and Related Expenses	44,449	45,403	89,852	7,847	984	8,831
						74,409
						21,160
						3,114
						98,683
						68,238
						20,351
						1,582
						90,171
<b>OTHER EXPENSES:</b>						
Supplies	1,466	12,314	13,780	2,478	-	2,478
Printing	481	7,334	7,815	201	-	201
Telephone	-	-	-	2,702	-	2,702
Occupancy	-	-	-	7,620	-	7,620
Equipment rental and maintenance	-	-	-	1,668	-	1,668
Travel, conferences, conventions	32,855	44,649	77,504	5,814	-	5,814
Consulting and professional fees	-	5,600	5,600	-	-	-
Membership dues	-	-	-	2,638	-	2,638
Awards and grants	-	29,038	29,038	-	-	-
Postage and shipping	673	1,365	2,038	349	-	349
Banking and investment fees	-	-	-	100	-	100
Miscellaneous	-	-	-	208	-	208
Total Other Expenses	35,475	100,300	135,775	23,778	-	23,778
						159,553
						258,236
						213,564
Total Expenses	\$ 79,924	\$ 145,703	\$ 225,627	\$ 31,625	\$ 984	\$ 32,609
						\$ 258,236
						\$ 213,564

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**COLORADO CHAPTER STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2015	2014
	Unrestricted	
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and equivalents	\$ 391,549	\$ 251,032
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	-	2,000
Prepaid expenses and other assets	2,759	917
Total Current Assets	394,308	253,949
	\$ 394,308	\$ 253,949
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accrued expenses	\$ 310	\$ -
Deferred support and revenue	20,000	28,500
Intercompany payable	41,164	17,131
Total Current Liabilities	61,474	45,631
COMMITMENTS		
NET ASSETS -		
Unrestricted	332,834	208,318
Total Net Assets	332,834	208,318
	\$ 394,308	\$ 253,949

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**COLORADO CHAPTER STATEMENTS OF ACTIVITIES**  
**AND CHANGES IN NET ASSETS**

	<u>Year Ended December 31,</u>	
	<u>2015</u>	<u>2014</u>
	<u>Unrestricted</u>	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 94,422	\$ 106,832
Less: direct costs	<u>(46,811)</u>	<u>(53,636)</u>
	47,611	53,196
Contributions and grants	338,419	142,475
Educational/medical literature	<u>17,500</u>	<u>12,250</u>
Total Support and Revenue	<u>403,530</u>	<u>207,921</u>
<b>EXPENSES:</b>		
Program services:		
Health education and training	109,219	84,438
Community services	<u>135,450</u>	<u>89,844</u>
Total Program Services	<u>244,669</u>	<u>174,282</u>
Supporting services -		
Management and general	<u>34,345</u>	<u>25,296</u>
Total Supporting Services	<u>34,345</u>	<u>25,296</u>
Total Expenses	<u>279,014</u>	<u>199,578</u>
CHANGE IN NET ASSETS	124,516	8,343
NET ASSETS, BEGINNING OF YEAR	<u>208,318</u>	<u>199,975</u>
NET ASSETS, END OF YEAR	<u>\$ 332,834</u>	<u>\$ 208,318</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**COLORADO CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	Year Ended December 31					
	Program Services		Support Services		2014	
	Health Education and Training	Community Services	Management and General	Total	Total Expenses	Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>						
Salaries	\$ 27,287	\$ 41,718	\$ 9,198	\$ 9,198	\$ 78,203	\$ 62,180
Employee benefits and payroll taxes	7,247	10,003	2,132	2,132	19,382	12,598
Pension expense	958	1,898	408	408	3,264	1,602
Total Salaries and Related Expenses	<u>35,492</u>	<u>53,619</u>	<u>11,738</u>	<u>11,738</u>	<u>100,849</u>	<u>76,380</u>
<b>OTHER EXPENSES:</b>						
Supplies	3,021	5,676	5,628	5,628	14,325	10,907
Printing	615	331	278	278	1,224	1,156
Telephone	-	-	1,222	1,222	1,222	1,108
Occupancy	-	-	7,431	7,431	7,431	7,272
Travel, conferences, conventions	56,155	48,307	3,382	3,382	107,844	69,868
Consulting and professional fees	13,282	15,500	1,147	1,147	29,929	16,287
Membership dues	-	-	2,639	2,639	2,639	3,797
Awards and grants	-	11,767	-	-	11,767	11,995
Postage and shipping	654	250	805	805	1,709	677
Banking and investment fees	-	-	75	75	75	131
Total Other Expenses	<u>73,727</u>	<u>81,831</u>	<u>22,607</u>	<u>22,607</u>	<u>178,165</u>	<u>123,198</u>
Total Expenses	<u>\$ 109,219</u>	<u>\$ 135,450</u>	<u>\$ 34,345</u>	<u>\$ 34,345</u>	<u>\$ 279,014</u>	<u>\$ 199,578</u>

*See independent auditors' report.*



**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**NEBRASKA STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2015	2014
	Unrestricted	
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and equivalents	\$ 325,080	\$ 304,768
uncollectible accounts of \$-0- in 2015 and 2014	2,008	5,300
Prepaid expenses and other assets	625	930
Total Current Assets	327,713	310,998
	\$ 327,713	\$ 310,998
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 2,071	\$ -
Accrued expenses	309	-
Deferred support and revenue	1,575	9,699
Intercompany payable	30,318	745
Total Current Liabilities	34,273	10,444
COMMITMENTS		
NET ASSETS -		
Unrestricted	293,440	300,554
Total Net Assets	293,440	300,554
	\$ 327,713	\$ 310,998

*See independent auditors' report.*

THE NATIONAL HEMOPHILIA FOUNDATION

SUPPLEMENTARY INFORMATION  
NEBRASKA STATEMENTS OF ACTIVITIES  
AND CHANGES IN NET ASSETS

	Year Ended December 31,	
	2015	2014
	Unrestricted	
SUPPORT AND REVENUE:		
Special events revenue	\$ 60,456	\$ 73,164
Less: direct costs	<u>(33,043)</u>	<u>(47,687)</u>
	27,413	25,477
Contributions and grants	95,569	98,469
Educational seminars and programs	720	700
Investment income	127	127
Educational/medical literature	25,823	23,485
In-Kind	-	64,230
Total Support and Revenue	<u>149,652</u>	<u>212,488</u>
EXPENSES:		
Program services:		
Health education and training	78,660	79,132
Community services	<u>49,295</u>	<u>115,331</u>
Total Program Services	<u>127,955</u>	<u>194,463</u>
Supporting services:		
Management and general	24,517	28,848
Fundraising	<u>4,294</u>	<u>2,162</u>
Total Supporting Services	<u>28,811</u>	<u>31,010</u>
Total Expenses	<u>156,766</u>	<u>225,473</u>
CHANGE IN NET ASSETS	(7,114)	(12,985)
NET ASSETS, BEGINNING OF YEAR	<u>300,554</u>	<u>313,539</u>
NET ASSETS, END OF YEAR	<u>\$ 293,440</u>	<u>\$ 300,554</u>

*See independent auditors' report.*

THE NATIONAL HEMOPHILIA FOUNDATION  
 SUPPLEMENTARY INFORMATION  
 NEBRASKA CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2015  
 (WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)

	Year Ended December 31						
	Program Services		Support Services		2015		
	Health Education and Training	Community Services	Total	Management and General	Fundraising	Total	
						2014 Total Expenses	
<b>SALARIES AND RELATED EXPENSES:</b>							
Salaries	\$ 29,305	\$ 23,384	\$ 52,689	\$ 5,438	\$ 1,811	\$ 7,249	\$ 59,938
Employee benefits and payroll taxes	6,924	6,360	13,284	1,526	510	2,036	15,320
Pension expense	876	1,045	1,921	191	47	238	2,159
Total Salaries and Related Expenses	<u>37,105</u>	<u>30,789</u>	<u>67,894</u>	<u>7,155</u>	<u>2,368</u>	<u>9,523</u>	<u>77,417</u>
<b>OTHER EXPENSES:</b>							
Supplies	4,304	5,569	9,873	3,399	-	3,399	13,272
Printing	501	1,104	1,605	-	1,776	1,776	3,381
Telephone	-	-	-	3,808	-	3,808	3,808
Occupancy	-	-	-	2,845	-	2,845	2,845
Equipment rental and maintenance	-	-	-	2,838	-	2,838	2,838
Travel, conferences, conventions	30,532	9,467	39,999	1,211	-	1,211	41,210
Consulting and professional fees	5,833	-	5,833	-	-	-	5,833
Membership dues	-	-	-	2,599	-	2,599	2,599
Awards and grants	-	898	898	-	-	-	898
Postage and shipping	385	1,468	1,853	581	150	731	2,584
In-kind expenses	-	-	-	-	-	-	-
Banking and investment fees	-	-	-	81	-	81	81
Total Other Expenses	<u>41,555</u>	<u>18,506</u>	<u>60,061</u>	<u>17,362</u>	<u>1,926</u>	<u>19,288</u>	<u>79,349</u>
Total Expenses	<u>\$ 78,660</u>	<u>\$ 49,295</u>	<u>\$ 127,955</u>	<u>\$ 24,517</u>	<u>\$ 4,294</u>	<u>\$ 28,811</u>	<u>\$ 156,766</u>
							<u>\$ 225,473</u>

See independent auditors' report.

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**WEST VIRGINIA CHAPTER STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2015	2014
	Unrestricted	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 76,810	\$ 25,444
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2015 and 2014	3,970	3,500
Prepaid expenses and other assets	250	-
Intercompany receivable	4,778	1,250
Total Current Assets	<u>85,808</u>	<u>30,194</u>
<b>NONCURRENT ASSETS -</b>		
Security deposit	395	-
Total Noncurrent Assets	<u>395</u>	<u>-</u>
	<u>\$ 86,203</u>	<u>\$ 30,194</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 210	\$ -
Accrued expenses	61	-
Total Current Liabilities	<u>271</u>	<u>-</u>
<b>COMMITMENTS</b>		
<b>NET ASSETS -</b>		
Unrestricted	85,932	30,194
Total Net Assets	<u>85,932</u>	<u>30,194</u>
	<u>\$ 86,203</u>	<u>\$ 30,194</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**WEST VIRGINIA CHAPTER STATEMENTS OF ACTIVITIES**  
**AND CHANGES IN NET ASSETS**

	<u>Year Ended December 31,</u>	
	<u>2015</u>	<u>2014</u>
	<u>Unrestricted</u>	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 37,018	\$ -
Less: direct costs	<u>(15,541)</u>	<u>-</u>
	21,477	-
Contributions and grants	68,499	30,295
Contributions from combined federal campaign	<u>496</u>	<u>-</u>
<b>Total Support and Revenue</b>	<u>90,472</u>	<u>30,295</u>
<b>EXPENSES:</b>		
Program services:		
Health education and training	10,362	-
Community services	<u>10,981</u>	<u>-</u>
<b>Total Program Services</b>	<u>21,343</u>	<u>-</u>
Supporting services -		
Management and general	<u>13,391</u>	<u>101</u>
<b>Total Supporting Services</b>	<u>13,391</u>	<u>101</u>
<b>Total Expenses</b>	<u>34,734</u>	<u>101</u>
<b>CHANGE IN NET ASSETS</b>	55,738	30,194
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>30,194</u>	<u>-</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 85,932</u>	<u>\$ 30,194</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**WEST VIRGINIA CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2014)**

	Year Ended December 31					
	Program Services		Support Services		2015	
	Health Education and Training	Community Services	Management and General	Fundraising	Total Expenses	2014 Total Expenses
<b>SALARIES AND RELATED EXPENSES</b>						
Total Salaries and Related Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>OTHER EXPENSES:</b>						
Supplies	-	239	1,432	-	1,432	1,671
Printing	212	-	291	-	291	503
Telephone	-	-	2,122	-	2,122	-
Occupancy	-	-	4,492	-	4,492	4,492
Equipment rental and maintenance	-	-	320	-	320	-
Travel, conferences, conventions	5,292	8,606	3,488	-	3,488	17,386
Consulting and professional fees	-	1,437	-	-	-	1,437
Membership dues	-	35	175	-	175	210
Awards and grants	4,760	424	776	-	776	5,960
Postage and shipping	98	240	139	-	139	477
Banking and investment fees	-	-	63	-	63	63
Miscellaneous	-	-	93	-	93	-
Total Other Expenses	<u>10,362</u>	<u>10,981</u>	<u>13,391</u>	<u>-</u>	<u>13,391</u>	<u>34,734</u>
Total Expenses	<u>\$ 10,362</u>	<u>\$ 10,981</u>	<u>\$ 13,391</u>	<u>\$ -</u>	<u>\$ 13,391</u>	<u>\$ 34,734</u>

*See independent auditors' report.*

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors of  
The National Hemophilia Foundation  
New York, New York

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The National Hemophilia Foundation (the "Foundation"), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 25, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



WISS & COMPANY, LLP

Livingston, New Jersey  
May 25, 2016