2015 Annual Report

SNIA™

Advancing storage & information technology

LETTER FROM SNIA CHAIRMAN, TREASURER, AND EXECUTIVE DIRECTOR

July 19, 2016

Dear SNIA Members, Industry Colleagues, and Staff,

We are pleased to update you on the Storage Networking Industry Association (SNIA) and to present our 2015 Annual Report – Financial Statement with information on the financial performance and position of SNIA for Fiscal Year 2015, beginning on December 1, 2014 through November 30, 2015. The statements and notes that follow represent the compilation and audit by SNIA's Accounting Firm of McCahan, Helfrick, Thiercof, & Butera of San Jose, California.

The storage industry continues to deliver more capacity year-over-year. Industry analyst firm IDC forecasts industry capacity growth of 40% per year into the next decade. By 2020, the data we create and copy annually will reach 44 zetabytes, or 44 trillion gigabytes. Additionally, with the trends of more mobile data creation, big data for the enterprise, enterprises retaining data for required periods of time, and the rapid growth of cloud-based data, the outlook is as strong as ever.

SNIA's year-end financial results reflect a small decline in Net Assets – a 7.2% increase in revenues, and a modest 2.2% increase in expenses. (Refer to page 6 to see the details regarding our Net Assets position. Please note on page 5 that the revenue increase was primarily supported by increased revenues from Memberships, Forums, and Initiatives).

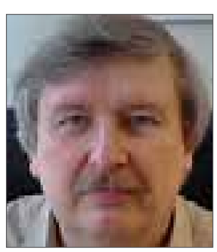
Mergers and acquisitions in the storage industry continued to impact our membership, however strong and relevant programs that drive industry participation in our Technical Communities brought in new participants, netting membership growth for the year. With consistent revenue streams, and our Reserve accounts maintained at more than $1.7 Million, we are again confident that SNIA has the financial and organizational resources to continue to fulfill our important mission.

SNIA highlights for 2015 include the following:

- The new technology initiatives launched in 2014 continued to attract the participation of new members – particularly in the area of solid state storage.
- SNIA announced the formation of the Scalable Storage Management (SSM) Technical Work Group to create a specification that defines a customer centric interface for the purpose of managing storage and related data services.
- Object Drive TWG
- Another record-breaking four-day Storage Developer Conference and SMB3 Plugfest, with 500+ storage developers attending in Santa Clara, California in September of 2015
- A successful second annual Data Storage Innovation Conference, with 300+ decision-makers and technology implementers in attendance in April of 2015
- SNIA's Non-volatile Memory (NVM) Technical Work Group held a well-attended industry summit, with over 250 IT industry attendees in San Jose, CA in January of 2015.
- SNIA's inaugural Data Storage Security Summit took place in September of 2015, with nearly 200 Storage Security Professionals and IT Users in attendance
- SNIA Education rebuilt the SNIA Storage Foundations Certification after ending our 4-year partnership with CompTIA. The SNIA Certification program was named a "Top 7 Storage Certification" by CIO Magazine[2]
- The SNIA KMIP Test Program, in collaboration with Cryptsoft and aligned with OASIS, continued to meet the demand for encryption key management conformance testing

As always, we acknowledge and sincerely thank our dedicated members, volunteers, staff, and industry alliances for their ongoing support of SNIA.

David Dale
Chairman, SNIA Board of Directors



Al Zmyslowski
Treasurer, SNIA Board of Directors

Michael Oros,
Executive Director, SNIA

[1] IDC – The Digital Universe of Opportunities: Rich Data and the Increasing Value of the Internet of Things April 2014

[2] CIO Magazine: Top 7 Storage Certifications for IT Pros December 2015

BOARD OF DIRECTORS*

David Dale
Chairman
NetApp

Jim Pappas
Vice Chairman
Intel

Thomas Rivera
Secretary
Hitachi Data Systems

Allan Zmyslowski
Treasurer
Fujitsu America

Wayne Adams
Chairman Emeritus
EMC

Craig Carlson
Non-voting
Chairman of the Technical Council
QLogic

Leo Leger
Non-voting
Executive Director
SNIA

Ron Emerick
Oracle

Dave Gimpl
IBM

J Michel Metz
Cisco

Rupin Mohan
HP

Rob Peglar
Micron Technology, Inc.

Molly Rector
Data Direct Networks

SW Worth
Microsoft

TECHNICAL COUNCIL*

Craig Carlson
Chairman
QLogic

Mark Carlson
Vice-Chairman
Oracle

Bruno Guiet
Non-voting
SNIA Europe Representative
Brocade

Chin-Fah Heoh
Non-voting
SNIA South Asia Representative
Storage Networking Academy

Arnold Jones
Non-voting
Technical Council Managing Director
SNIA

Fred Knight
NetApp

Peter Murray
Load Dynamix

Carlos Pratt
IBM

Yukinori Sakashita
Non-voting
SNIA Japan Representative
Hitachi

Leah Schoeb
Evaluator Group

Udayan Singh
Non-voting
SNIA India Representative
Tata Consultancy Services

Doug Voigt
HP

Alan Yoder
Huawei Technologies

* Composition and Positions as per October 1, 2014 - Commencing 2015 Terms

FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT FOR THE YEARS ENDED NOVEMBER 30, 2015 AND 2014

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Storage Networking Industry Association
Colorado Springs, Colorado

We have audited the accompanying financial statements of Storage Networking Industry Association (a California nonprofit organization), which comprise the statements of financial position as of November 30, 2015 and 2014, and the related statements of activities and changes in net assets and cash flows for the years 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in 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 auditor's 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 controls 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 Storage Networking Industry Association as of November 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

McCahan, Helfrick, Thiercof & Butera
Accountancy Corporation

San Jose, California
April 7, 2016

STATEMENTS OF FINANCIAL POSITION
NOVEMBER 30, 2015 AND 2014

ASSETS

	2015	2014
Cash and Cash Equivalents	$ 24,627	$ 104,316
Investments	1,827,760	1,957,160
Accounts Receivable - Membership, Net of Allowance	1,419,377	1,048,608
Prepaid Expenses	48,426	45,340
Property and Equipment - Net	142,183	184,113
Total Assets	$3,462,373	$3,339,537

LIABILITIES AND NET ASSETS

	2015	2014
Liabilities:		
Deferred Revenue	$ 1,512,453	$ 1,260,912
Accrued Expenses and Other	280,391	225,992
Other Deferred Revenue	28,602	21,602
Total Liabilities	1,821,446	1,508,506
Net Assets:		
Unrestricted:		
Designated by Board of Directors -		
For Forums and Initiatives	210,483	351,422
For Operating Reserve	1,200,000	1,200,000
Undesignated	230,444	279,609
Total Unrestricted	1,640,927	1,831,031
Temporarily Restricted	0	0
Permanently Restricted	0	0
Total Net Assets	1,640,927	1,831,031
Total Liabilities and Net Assets	$ 3,462,373	$ 3,339,537

The accompanying notes are an integral part of these financial statements

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED NOVEMBER 30, 2015 AND 2014

	2015	2014
Unrestricted Net Assets:		
Support and Revenue:		
Memberships, Forums, and Initiatives	$ 1,869,764	$ 1,658,623
Storage Management Initiative Programs	345,000	300,000
Events	301,643	269,974
Sponsorships	233,638	333,032
Administrative Fees	104,359	85,401
Certification Fees	96,935	68,766
Course Fees	82,265	88,825
Other	81,911	34,509
Investment Income - Net	20,600	85,620
Total Unrestricted Revenues	3,136,115	2,924,750
Expenses:		
Program Services:		
Storage Management Initiative Programs	593,338	614,518
Marketing Committee	252,104	155,156
Technology Center	192,102	197,850
Storage Developer Conference	164,877	164,041
Green Storage Initiative	126,845	123,404
Education Committee	124,446	85,447
SPDEcon	93,615	117,605
Solid State Storage Initiative	91,955	71,028
Storage Security Industry Forum	87,977	102,493
Cloud Storage Initiative	61,804	47,348
Technical Council	36,435	28,287
Ethernet Storage Forum	33,715	28,067
Membership Committee	31,411	19,151
Conference Committee	28,982	41,130
Development Operation	15,009	12,263
Data Protection Capacity and Optimization Committee	11,689	7,391
Analytics and Big Data Committee	7,772	0
DSI	3,508	4,808
Storage Networking World	0	457
Total Program Services	1,957,584	1,820,444

The accompanying notes are an integral part of these financial statements

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED NOVEMBER 30, 2015 AND 2014

	2015	2014
Unrestricted Net Asset (Continued):		
Expenses:		
Supporting Services:		
General and Administrative Expenses:		
Salaries and Related Expenses	1,033,633	1,103,034
Operations	321,661	326,030
Board of Directors	13,341	5,128
Total Supporting Services	1,368,635	1,434,192
Total Expenses	3,326,219	3,254,636
Changes in Unrestricted Net Assets	(190,104)	(329,886)
Changes in Temporarily Restricted Net Assets	0	0
Changes in Permanently Restricted Net Assets	0	0
Decrease in Net Assets	(190,104)	(329,886)
Net Assets - Beginning	1,831,031	2,160,917
Net Assets - Ending	$ 1,640,927	$ 1,831,031

The accompanying notes are an integral part of these financial statements

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED NOVEMBER 30, 2015 AND 2014

	2015	2014
Cash Flows from Operating Activities:		
Decrease in Net Assets	$ (190,104)	$ (329,886)
Adjustments to Reconcile Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	41,930	36,515
Cash Transfer from Investments	150,000	258,663
Interest and Dividend Income Reinvested	(71,390)	(80,719)
Unrealized (Gain) Loss on Investments	41,888	(5,830)
Realized Loss on Investments	8,902	929
Loss on Disposition of Assets	0	321
Increase (Decrease) in Operating Assets:		
Accounts Receivable	(370,769)	253,674
Other Receivables	0	37,131
Prepaid Expenses	(3,086)	113,665
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	0	(84,775)
Accrued Expenses and Others	54,399	33,607
Deferred Revenue	251,541	(283,602)
Other Deferred Revenue	7,000	(33,398)
Total Adjustments	110,415	246,181
Net Cash (Used) by Operating Activities	(79,689)	(83,705)
Cash Flows from Investing Activities:		
Purchase of Property and Equipment	0	(203,472)
Net Cash (Used) by Investing Activities	0	(203,472)
Cash Flows from Financing Activities	0	0
Net Decrease in Cash and Cash Equivalents	(79,689)	(287,177)
Cash and Cash Equivalents at Beginning of Year	104,316	391,493
Cash and Cash Equivalents at End of Year	$ 24,627	$ 104,316

Supplemental Disclosures of Cash Flow Information:

No payments were made for taxes or interest during the fiscal years ended November 30, 2015 or 2014.

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2015 AND 2014

NOTE A - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Organization:

Storage Networking Industry Association, a mutual benefit corporation, was incorporated on December 22, 1997 under the corporate laws of the State of California.

Purpose and Operations:

Storage Networking Industry Association (The Organization) is a United States of America based trade association engaged in the promotion, growth, and development of storage networking systems and technologies throughout the world. The Organization provides education, training, and market information to companies in the field of storage networking technologies as well as developing standards, specifications, and infrastructure. The Organization also acts as a referral and information network for such companies.

Basis of Accounting:

The accompanying financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The Organization maintains its accounting records on a fiscal year commencing on December 1.

Revenue:

The Organization offers vendor, channel, and service provider memberships. Revenues are derived primarily from annual membership fees, sponsors, special events, contributions, and trade shows. Membership fees are recognized over the period to which the dues relate. New membership fees are recognized over a fiscal year beginning on the date of membership.

The Organization offers vendor and channel members the option of a voting or non-voting membership. Vendor and channel member companies sign up for the membership level based on their annual revenue as follows: large membership - revenue greater than $500 million per year; medium membership - revenue between $10 million and $500 million per year; and small membership - revenue less than $10 million per year. The yearly membership fee distinguishes the Vendor and Channel voting member companies from the non-voting companies. Additionally, nonvoting fee-based memberships are available for individuals, end-users (IT departments of any company) and non-profit organizations such as colleges and universities. None of the membership fees that are collected are used for lobbying activity.

The Organization is involved in various industry events. For events in which the Organization is the 100% owner, revenue from attendee fees and sponsorships are recorded at the time of the event. For those events in which the Organization is not the 100% owner, revenues are recorded as the net amount received from the entity producing those events in the month in which the events occur.

See Accountant’s Audit Report

NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2015 AND 2014

NOTE A - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents:

For the purposes of the statement of cash flows, the Organization considers all unrestricted highly liquid investments with maturities of three months or less at acquisition to be cash equivalents.

Accounts Receivable:

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance for doubtful receivables is based on management's evaluation of the aging of accounts and such other factors that deserve current recognition. Actual results could differ from these estimates. Receivables are charged against their respective allowance accounts when deemed to be uncollectible. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. At November 30, 2015 and 2014, the allowance for doubtful accounts was approximately $38,400.

Investments:

The Organization maintains investment accounts at Wells Fargo Advisors, which is governed by a formal investment policy. Investment accounts are composed primarily of fixed income securities such as money market funds, mutual funds, government and government sponsored entities (GSE) bonds, preferred stock and certificates of deposit and are carried at fair value. The money market funds included in the investment accounts are not considered to be cash equivalents because management intends to invest these funds in investments maturing in more than three months.

Depreciable Assets:

The Organization owns various property and equipment which is located at their technology center in Colorado Springs, Colorado. These assets are carried at cost or, if donated and placed in service, at the approximate fair value at the date of donation and depreciated over the estimated useful lives on the straight-line method. Major items and betterments are capitalized; minor items and repairs are expensed as incurred.

Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments:

The carrying amounts of financial instruments, including cash, cash equivalents, accounts receivable, accounts payable, deferred revenue, and accrued liabilities, approximates fair value due to the short maturity of these instruments.

See Accountant's Audit Report

NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2015 AND 2014

NOTE A - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services:

A portion of the Organization's functions and activities is conducted by unpaid volunteer officers and committees. The value of this contributed time is not reflected in the accompanying financial statements since the volunteer time does not meet the criteria for recognition under Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC) for Contributed Services.

Compensated Absences:

Full-time employees of the Organization begin earning vacation time on their hire date. For qualified employees, vacation time is accrued at 80 hours per year for years one through two of employment, and 120 hours to 200 hours per year after two years of employment. The maximum vacation time an employee can accrue is 120 hours the first two years of service and between 180 hours to 240 hours after two years of service. The Organization's accrued vacation expense at November 30, 2015 and 2014 was $92,426 and $95,012, respectively.

Subsequent Events:

Management has evaluated subsequent events through April 7, 2016, which is the date that the financial statements were available to be issued. There were no material subsequent events that required recognition or disclosure in these financial statements as of November 30, 2015.

NOTE B - INCOME TAXES

The Organization is exempt from Federal Income Tax under Internal Revenue Code Section 501(c)(6) and from California State Tax under Revenue and Taxation Code Section 23701(e). The Organization complies with other Internal Revenue reporting requirements regarding contributions received, payroll transactions, and payments to independent contractors.

Management evaluated all income tax positions taken and expected to be taken in the course of preparing the Organization's income tax returns to determine whether the income tax positions meet a "more likely than not" standard of being sustained under examination by the applicable taxing authorities. As of November 30, 2015 and for the year then ended, management has determined that the Organization does not have any uncertain tax positions, accrued interest and penalties related to uncertain tax positions, or associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Organization will not be subject to additional tax, penalties, and interest as a result of such challenge. In the event that the Organization concludes that it is subject to interest and/or penalties arising from uncertain tax positions, the Organization will present interest and/or penalties as a component of income taxes.

NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2015 AND 2014

NOTE C - INVESTMENTS

The Organization follows fair value standards that establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of the three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. For the years ended November 30, 2015 and 2014, the Organization's investments were all Level 1 and consisted of the following:

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
Money funds	$ 150,306	$ 150,306	$ 108,558	$ 108,558
Stocks, options, & ETF's	554,056	544,000	541,714	538,744
Corporate bonds	460,146	456,110	480,088	487,204
Government & GSE bonds	247,204	239,093	343,308	339,328
Certificate of deposits	152,397	152,118	152,397	151,937
Preferred stocks	125,572	129,602	163,440	163,116
Mutual funds	180,214	156,531	166,933	168,273
Total investments	$ 1,869,895	$ 1,827,760	$ 1,956,438	$ 1,957,160

The following summarizes the investment return and its classification in the statement of activities for the years ended November 30, 2015 and 2014:

	2015	2014
Interest and dividends	$ 71,390	$ 80,719
Unrealized gain / (losses)	(41,888)	5,830
Realized gains / (losses)	(8,902)	(929)
Total investments return	$ 20,600	$ 85,620

NOTE D - DEFERRED REVENUE

The Organization offers annual voting and non-voting memberships to companies and individuals. The membership term begins upon the invoice date and continues for a period of one year. Income from membership dues is recognized over the period to which the dues relate. The portion that covers the period subsequent to the end of the Organization's fiscal year is recorded as deferred revenue on the Statement of Financial Position.

See Accountant's Audit Report

NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2015 AND 2014

NOTE E - OPERATING LEASES

On August 4, 2008, the Organization entered into a sublease agreement to sublet alternate space for its administrative offices in San Francisco, California. The sublease began on January 1, 2009 and continues in force for a term of sixty months. The monthly base rent is $2,340 for the first two years and $2,500 for the remainder of the lease term. This lease expired on December 31, 2013 and was not renewed.

On October 9, 2009, the Organization entered into a thirty-six month license agreement for a facility located on the LSI Corporation's campus in Colorado Springs, Colorado for use as a technology center. LSI Corporation is a Voting Member of the Organization's Board of Directors. The lease was effective on January 1, 2010 through December 31, 2012. The monthly lease payments of $3,333.33 are to be paid on the first of each month. In addition to the monthly lease payment, the Organization is responsible for the actual costs of electricity it uses in connection with the occupancy of the facility, not to exceed $30,000 per year.

On November 1, 2012 the Organization entered into a lease amendment with LSI Corporation to extend the Term of the lease for an additional period of thirty-six months until December 15, 2015. Under this amendment, all other terms, conditions and covenants set forth in the Original Agreement remained unchanged. During fiscal year end November 30, 2013 LSI Corporation notified the Organization that it was exercising its right under the lease amendment to early terminate the lease Term. The lease was terminated in December 2013.

During August 2013, the Organization entered into a sixty-six month lease agreement with Kasha, LLC subject to an early termination option at the option of Kasha, LLC. This lease is for the new technology center which is located in Colorado Springs, Colorado. There is no monthly base rent due the first six months. Starting on the seventh month the monthly base rent will be $5,057 and will increase on an annual basis for the life of the lease. In compliance with the generally accepted accounting procedures of the United States, the total lease obligation of $341,325 will be amortized on a straight-line basis over the life of the lease.

At November 30, 2015 the minimum rental payments due under these leases are as follows:

Year ending November 30,		
2016	$	67,317
2017		71,109
2018		74,902
2019		18,963
	$	232,291

The total rental expense was $105,666 and $64,090 for the years ended November 30, 2015 and 2014, respectively.

NOTE F - PROPERTY AND EQUIPMENT

The Organization capitalizes all expenditures for property and equipment in excess of $1,000. As stated in Depreciable Property section of Note A, Property and equipment is stated at cost less accumulated depreciation and consists of the following at November 30, 2015 and 2014:

NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2015 AND 2014

NOTE F - PROPERTY AND EQUIPMENT (Continued)

	2015	2014
Machinery and Equipment - donated	$ 153,074	$ 153,074
Machinery and Equipment - other	359,864	359,864
Office furniture and equipment	41,365	41,365
Total property and equipment	554,303	554,303
Accumulated depreciation	(412,120)	(370,190)
Net total property and equipment	$ 142,183	$ 184,113

Depreciation expense on the property and equipment was $41,930 and $36,515 at November 30, 2015 and 2014, respectively.

NOTE G - CONTRIBUTIONS

The Organization has the SNIA Technology Center Champions Program to encourage and recognize contributions to the technical infrastructure expansion of the Technology Center in Colorado Springs, Colorado. In-kind contributions under this program consist of donated computer systems software and equipment which are recorded as contributions at fair value at the date of donation. Such contributions are reported as revenue and increases in unrestricted net assets in the year received. There were no contributions received for the years ended November 30, 2015 and 2014.

NOTE H - MEMBERSHIPS, FORUMS, AND INITIATIVES REVENUE

Memberships, forums, and initiatives revenue for the years ended November 30, 2015 and 2014 is comprised as follows:

	2015	2014
Association Memberships	$1,129,385	$1,025,703
Storage Management Initiative	438,805	433,235
Solid State Storage Initiative	106,236	77,989
Green Storage Initiative	69,375	73,875
Storage Security Industry Forum	26,875	19,000
Ethernet Security Industry Forum	34,317	17,800
Cloud Storage Initiative	64,771	11,021
Total Memberships, Forums, and Initiatives	$1,869,764	$1,658,623

See Accountant's Audit Report

NOTES TO FINANCIAL STATEMENTS
NOVEMBER 30, 2015 AND 2014

NOTE I - DEFERRED COMPENSATION AND PROFIT SHARING PLAN

The Organization maintains a qualified deferred compensation and profit sharing plan under Section 401(k) of the Internal Revenue Code. The Plan covers substantially all employees meeting certain eligibility requirements. Employees may contribute a percentage of their eligible compensation to the Plan, up to the maximum permitted by the Internal Revenue Code. The Organization made matching contributions of $26,010 and $28,447 for the years ended November 30, 2015 and 2014, respectively.

NOTE J - RECLASSIFICATIONS

Certain amounts for the year ended November 30, 2014 have been reclassified in the comparative financial statements to be comparable to the presentation for the year ended November 30, 2015. These reclassifications had no effect on the change in net assets.