



# 2022 Annual Report

SNIA's mission is to develop and promote architectures, standards, and education through vendor-neutral collaboration of experts on data technologies that lead the industry worldwide.

[www.snia.org](http://www.snia.org)



## LETTER FROM SNIA LEADERSHIP

October 4, 2023

Dear SNIA Members, Industry Colleagues, and Staff,

We are pleased to update you on the Storage Networking Industry Association (SNIA) and to present our 2022 Annual Report with information on the financial performance and position of SNIA for Fiscal Year 2022, beginning on December 1, 2021 through November 30, 2022. The statements and notes that follow represent the compilation and audit by SNIA's Accounting Firm of MHTB Accountancy Group of Silicon Valley in San Jose, California.

SNIA's year-end financial results reflect a near break-even year, as Net Assets increased slightly. Corporate restrictions continue to have a large effect on our revenues and expenses for the year primarily due to changes in our business model related to events and travel. Revenues decreased by 11.2% and Expenses increased by 16.4%. (Refer to page 5 to see the details regarding our Net Assets position, and Pages 6 and 7 for Revenue and Expense detail.)

In addition to the global pandemic, mergers and acquisitions in the our industry impacted our membership, however strong and relevant programs that drive industry participation in our technical initiatives brought in new participants, resulting in a modest increase in membership revenue of 4.3% for the year. With consistent revenue streams, and our reserve accounts stable at more than \$3.2 million, we are again confident that SNIA has the financial and organizational resources to continue to fulfill our important mission.

### **SNIA highlights for 2022 include:**

- The DNA Data Storage Alliance joined as a SNIA Technology Affiliate, focusing on addressing the world's exponentially growing demand for archival storage by using DNA as data storage medium.
- New technology initiatives continued to attract the participation of new members – particularly in the areas of Computational Storage and SFF Form Factors.
- New SNIA-developed standards published included:
  - SNIA Swordfish® Scalable Storage Management API Specification v1.2.4
  - Computational Storage Architecture and Programming Model v1.0
  - TLS Specification for Storage Systems v2.1
  - Smart Data Accelerator Interface (“SDXI”) Specification v1.0
- The SNIA Swordfish specification continued to move forward, accompanied by implementation tools, a series of Virtual Mockathons and educational videos. This specification helps to provide a unified approach for the management of storage and servers in hyperscale and cloud infrastructure environments, and is an extension of the DMTF Redfish® Specification.
- SNIA technical events continued their trajectory of success during 2022:
  - Storage Developer Conference (SDC) returned as a live event in September. Over 100 educational sessions attracted 300+ registrants. SDC continued its global presence with virtual events in India and EMEA.
  - The Persistent Memory + Computational Storage Summit continued as a virtual event in April, with over 500 IT professionals in attendance.
  - The SNIA Storage Security Summit was held virtually in May.

## LETTER FROM SNIA CHAIRMAN, TREASURER, AND EXECUTIVE DIRECTOR

- SNIA opened its Next Generation Storage Management Lab at a secure colocation facility in Colorado
- SNIA’s new “Geek Out on Storage” campaign covered important industry topics such as Real World Computational Storage, NVMe® over Fabrics, and Great Storage Debates. These campaigns have generated more than 15,000 total page views.
- SNIA’s Educational Library continued to grow to over 3,000 SNIA vendor-neutral content assets, including presentations, white papers, tutorials, webcasts, and technical specifications. The library had over 81,000 unique page views
- SNIA expanded its inventory of “What is...?” pages, which provide clear, vendor-neutral descriptions of how technologies work. There are 20 topics covered, with over 100,000 unique page views
- SNIA continued to expand its social media presence
- Over 1,100 videos on SNIA’s YouTube channel, with 7,000 subscribers and almost 200,000 views
- 28 webcasts were produced with over 10,000 views
- 50 “SNIA on Storage” blogs were written with over 27,000 views

As always, we acknowledge and sincerely thank our dedicated members, volunteers, staff, and industry alliances



Dr. J Metz  
Chair, SNIA Board of Directors



Sue Amarin  
Treasurer, SNIA Board of Directors



Michael Meleedy  
Chief Operations Officer, SNIA

SNIA 2021 - 2022 LEADERSHIP

\* Composition and Positions as per October 1, 2021

BOARD OF DIRECTORS\*

J Michel Metz Chair AMD	Mark Carlson Co-Chair of the Technical Council Kioxia Corporation	Jim Pappas Intel
Richelle Ahlvers Vice Chair Intel Corporation	P.K. Gupta Dell EMC	Scott Shadley NGD Systems
Chris Lionetti Secretary Hewlett Packard Enterprise	Roger Hathorn IBM	Shalom Shefa Cisco Systems
Sue Amarin Treasurer Global Sales Engineering	Cody Hosterman, Pure Storage	Paul von Stamwitz Fujitsu
Wayne Adams Chair Emeritus	Nidish Kamath KIOXIA	SW Worth Industry Consultant
Michael Oros Executive Director SNIA	Chris Lueth NetApp	
	Bill Martin Technical Council Co-Chair Samsung	

TECHNICAL COUNCIL\*

Mark Carlson Co-Chair Kioxia Corporation	Shyam Iyer Dell	Niranjan Pendharkar, Nutanix
Bill Martin Co-Chair Samsung SSI	Glen Jaquette IBM	David Peterson Broadcom
Curtis Ballard Hewlett Packard Enterprise	Arnold Jones, SNIA, Technical Council Managing Director	Yukinori Sakashita Yahoo Japan (SNIA Japan)
Luca Bert Micron	Fred Knight NetApp	Leah Schoeb AMD
Alan Bumgarner Intel Corporation	Dave Landsman Western Digital	Tom Talpey Industry Consultant
Craig Carlson Marvell Technology Group	Jason Molgaard Arm	David Thiel Industry Consultant
Paul Coddington Amphenol	Alex McDonald Industry Consultant (SNIA EMEA)	
Anthony Constantine Intel	Peter Murray Industry Consultant	

**FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT FOR THE YEARS ENDED NOVEMBER 30, 2022 AND 2021**

**INDEPENDENT AUDITOR’S REPORT**

To the Board of Directors of  
Storage Networking Industry Association  
Santa Clara, California

**Opinion**

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, 2022 and 2021, 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.

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, 2022 and 2021, 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.

**Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Storage Networking Industry Association and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Storage Networking Industry Association’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor’s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of Storage Networking Industry Association’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Storage Networking Industry Association’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

MHTB Accountancy Group of Silicon Valley

San Jose, California  
May 2, 2023

## FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION  
FOR THE YEARS ENDED NOVEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash and Cash Equivalents	\$ 523,511	\$ 1,119,923
Investments	2,989,339	2,413,281
Accounts Receivable, Net of Allowance	947,389	1,100,980
Earned Revenue Receivable	25,200	34,551
Prepaid Expenses	33,411	32,638
Property and Equipment - Net	<u>2,052</u>	<u>4,959</u>
Total Assets	<u>\$ 4,520,902</u>	<u>\$ 4,706,332</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts Payable	\$ 20,000	\$ 0
Deferred Revenue	1,684,861	1,885,538
Accrued Expenses	<u>246,434</u>	<u>252,563</u>
Total Liabilities	<u>1,951,295</u>	<u>2,138,101</u>
Net Assets:		
Without Donor Restrictions		
Designated by Board of Directors -		
For Forums and Initiatives	1,058,282	1,072,219
For Operating Reserve	1,000,000	1,000,000
Undesignated	<u>511,325</u>	<u>496,012</u>
Total Without Donor Restrictions	2,569,607	2,568,231
With Donor Restrictions	<u>0</u>	<u>0</u>
Total Net Assets	<u>2,569,607</u>	<u>2,568,231</u>
Total Liabilities and Net Assets	<u>\$ 4,520,902</u>	<u>\$ 4,706,332</u>

The accompanying notes are an integral part of these financial statements

## FINANCIAL STATEMENTS

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED NOVEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Changes in Net Assets Without Donor Restrictions		
Support and Revenue:		
Memberships, Forums, and Initiatives	\$ 2,037,000	\$ 1,952,819
Sponsorships	198,289	183,651
Events	106,070	52,261
Other	94,429	234,492
Storage Management Initiative CTP	60,000	75,000
Investment Income/(Loss) - Net	(223,942)	60,085
Total Revenues and Gains Without Donor Restrictions	<u>2,271,846</u>	<u>2,558,308</u>
Expenses:		
Program Services:		
Storage Management Initiative	343,728	408,704
Marketing Department	190,324	164,263
Compute, Memory, and Storage Initiative	153,899	137,701
Conference Department	165,313	57,975
SFF Committee	67,569	48,465
Green Storage Initiative	40,267	39,897
Network Storage Forum	39,102	40,603
Cloud Storage Technologies Initiative	31,524	35,529
Technology Center	30,592	150,966
Data Protection Capacity and Optimization Committee	27,138	8,542
Membership Department	19,016	0
DNA Data Storage	17,407	0
PM Enabling	35,647	80,286
Total Program Services	<u>1,161,526</u>	<u>1,172,931</u>

The accompanying notes are an integral part of these financial statements

## FINANCIAL STATEMENTS

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED NOVEMBER 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
Changes in Net Assets Without Donor Restrictions (Continued)		
Expenses:		
Supporting Services:		
General and Administrative Expenses:		
Salaries and Related Expenses	950,900	752,586
Operations	41,685	(5,640)
Board of Directors	116,359	30,498
Total Supporting Services	<u>1,108,944</u>	<u>777,444</u>
Total Expenses	<u>2,270,470</u>	<u>1,950,375</u>
Increase in Net Assets Without Donor Restrictions	1,376	607,933
Increase in Net Assets With Donor Restrictions	<u>0</u>	<u>0</u>
Increase in Net Assets	<u>1,376</u>	<u>607,933</u>
Net Assets - Beginning	<u>2,568,231</u>	<u>1,960,298</u>
Net Assets - Ending	<u><u>\$ 2,569,607</u></u>	<u><u>\$ 2,568,231</u></u>

The accompanying notes are an integral part of these financial statements

## FINANCIAL STATEMENTS

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED NOVEMBER 30, 2022 AND 2021**

	2022	2021
Cash Flows from Operating Activities:		
Increase in Net Assets	\$ 1,376	\$ 607,933
Adjustments to Reconcile Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	1,335	6,272
Cash Transfer to Investments	(800,000)	0
PPP Loan Forgiveness	0	(109,640)
Interest and Dividend Income Reinvested	(88,767)	(67,504)
Unrealized (Gain) on Investments	291,514	7,419
Realized Loss on Investments	21,195	0
Loss on Disposition of Assets	1,572	0
(Increase) Decrease in Operating Assets:		
Accounts Receivable	153,591	(54,204)
Other Receivables	9,351	(34,551)
Prepaid Expenses	(773)	(7,460)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	20,000	(338)
Accrued Expenses and Others	(6,129)	(46,500)
Deferred Revenue	(200,677)	16,223
Total Adjustments	(597,788)	(290,283)
Net Cash Provided/(Used) by Operating Activities	(596,412)	317,650
Cash Flows from Investing Activities:		
Purchase of Property and Equipment	0	0
Net Cash Used by Investing Activities	0	0
Cash Flows from Financing Activities:		
Paycheck Protection Program Loan Payable	0	109,640
Net Cash Flows Provided by Financing Activities	0	109,640
Net Increase in Cash and Cash Equivalents	(596,412)	427,290
Cash and Cash Equivalents at Beginning of Year	1,119,923	692,633
Cash and Cash Equivalents at End of Year	\$ 523,511	\$ 1,119,923

**Supplemental Disclosures of Cash Flow Information:**

No payments were made for taxes or interest during the fiscal years ended November 30, 2022 or 2021

The accompanying notes are an integral part of these financial statements

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021****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 1st.

**Basis of Presentation:**

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: with and without donor restrictions.

**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, non-voting fee-based memberships are available for individuals, end-users (IT departments of any company), startups ("small" vendors in business less than 4 years) and non-profit organizations such as colleges and universities. None of the membership fees that are collected are used for lobbying activity.

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021**NOTE A - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

Concentration of Credit Risk:

The Organization, during the course of operations, maintains cash balances in excess of federally insured limits. The account is insured by the Federal Deposit Insurance Corporation up to \$250,000. The uninsured balance at November 30, 2022 and 2021 was \$360,298 and \$869,994 respectively.

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, 2022 and 2021, 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. Unrealized gains and losses are included in the change in net assets.

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021**NOTE A - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)Depreciable Assets:

The Organization disposed of the majority of their fixed assets during the current fiscal year when they moved out of their technology center in Colorado Springs, Colorado. The computer servers required for operations were transferred to an off-site hosted co-location. Personal computers and printers were moved to the employees home offices. 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.

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, 2022 and 2021 was \$54,839 and \$73,926, respectively.

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021****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, 2022 and 2021, and for the years 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.

## FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021NOTE 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, 2022 and 2021, the Organization's investments were all Level 1 and consisted of the following:

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Money funds	\$ 493,455	\$ 493,455	\$ 207,680	\$ 207,680
Stocks, options, & ETFs	1,563,202	1,377,355	1,524,959	1,543,554
Corporate bonds	114,561	114,208	218,022	223,635
Certificate of deposit	472,000	471,732	0	0
Mutual funds	573,478	532,590	398,461	438,411
Total Investments	<u>\$ 3,216,696</u>	<u>\$ 2,989,340</u>	<u>\$ 2,349,122</u>	<u>\$ 2,413,280</u>

The following summarizes the investment return and its classification in the statement of activities for the years ended November 30, 2022 and 2021:

	2022	2021
Interest and dividends	\$ 88,767	\$ 67,504
Unrealized gains	(291,514)	(705)
Realized losses	(21,195)	(6,714)
Total Investment Income	<u>\$ (223,942)</u>	<u>\$ 60,085</u>

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021**NOTE D - DEFERRED REVENUE

The Organization offers annual voting and non-voting memberships to companies and individuals. The membership term typically begins at the start of the Organization's fiscal year (December 1st) and continues for a period of one year. New membership begins upon the invoice date and continues for a period of one year and the Organization will prorate the second year of membership to align invoicing with the Organization's fiscal 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.

NOTE E - OPERATING LEASES

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 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.

On September 3, 2018, the Organization exercised its renewal option and extended the terms of the lease for an additional 32 months, from June 1, 2019 through January 31, 2022, at a monthly base rental rate of \$6,479 plus common area expenses. The renewal includes provisions for increases to the base rent on an annual basis.

The Organization did not renew the lease and vacated their technology center in January 2022. They moved the necessary equipment to a hosted co-location and no longer has an operating lease.

The total rental expense was \$0 and \$113,575 for the years ended November 30, 2022 and 2021 respectively.

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021**
NOTE F - PROPERTY AND EQUIPMENT

The Organization capitalizes all expenditures for property and equipment in excess of \$2,500. 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, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Machinery and equipment - donated	\$ 0	\$ 129,446
Machinery and equipment - other	0	323,679
Office furniture and equipment	<u>10,407</u>	<u>43,197</u>
Total property and equipment	10,407	496,322
Accumulated depreciation	<u>(8,355)</u>	<u>(491,363)</u>
Total property and equipment, net	<u>\$ 2,052</u>	<u>\$ 4,959</u>

Depreciation expense on the property and equipment was \$1,335 and \$6,272 at November 30, 2022 and 2021, 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, 2022 and 2021.

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2022 AND 2021**
NOTE H - MEMBERSHIPS, FORUMS, AND INITIATIVES REVENUE

Memberships, forums, and initiatives revenue for the years ended November 30, 2022 and 2021 is comprised as follows:

	<u>2022</u>	<u>2021</u>
Association Memberships	\$ 1,425,426	\$ 1,335,674
Storage Management Initiative	190,000	225,000
SFF Committee	118,675	136,902
Compute, Memory, and Storage Initiative	117,326	121,834
Green Storage Initiative	66,341	49,500
DNA Data Storage	46,167	0
Network Storage Forum	44,315	48,613
Cloud Storage Technologies Initiative	28,750	32,750
Data Protection Capacity and Optimization Committee	<u>0</u>	<u>2,546</u>
 Total Membership	 <u><u>\$ 2,037,000</u></u>	 <u><u>\$ 1,952,819</u></u>

NOTE I – SPONSORSHIP REVENUE

Sponsorship revenue for the years ended November 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
Storage Developers Conference	\$ 133,451	\$ 120,100
Compute, Memory, and Storage Initiative	14,875	19,000
Storage Management Initiative	35,475	44,551
Data Protection Capacity and Optimization Committee	3,400	0
Leadership Department	<u>11,088</u>	<u>0</u>
 Total Sponsorship Revenue	 <u><u>\$ 198,289</u></u>	 <u><u>\$ 183,651</u></u>

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021****NOTE J - PAYCHECK PROTECTION PROGRAM**

The Organization applied for and received a second draw Paycheck Protection Program ("PPP") loan under a federal program designed to support small businesses during the COVID-19 pandemic. The PPP loan program was part of the CARES Act, which was signed into law on March 27, 2020 and is being implemented by the SBA with cooperation from private banks. PPP loans may be fully or partially forgiven by application to the SBA if proceeds are expended based on federal guidelines. Management applied for the PPP loan to fund payroll and other allowable costs while the Organization responded to government restrictions on business operations and anticipated reduced revenues from the economic downturn associated with the pandemic. A loan in the amount of \$109,640 was received and deposited on February 23, 2021. All of the funds were spent in accordance with federal regulations relating to the use of funds during the 24 weeks following the deposit of loan proceeds.

The PPP loan has been accounted for under ASC 958-605 as a Conditional Promise to Give based on guidance from the AICPA. Under this accounting method, revenue is recognized when qualified expenses are paid. The Organization fully utilized all of the PPP loan funds prior to the end of the fiscal year, November 30, 2021. Accordingly \$109,640 was recognized as Other Income when earned.

On August 24, 2021 the Organization received forgiveness from the SBA on their PPP loan.

**NOTE K - 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 \$17,900 and \$22,002 for the years ended November 30, 2022 and 2021, respectively.

## FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS  
NOVEMBER 30, 2022 AND 2021NOTE L - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 2, 2023, which is the date that the financial statements were available to be issued. There were no other material subsequent events that required recognition or disclosure in these financial statements as of November 30, 2022.

NOTE M - LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 523,511	\$ 1,119,923
Investments	2,989,339	2,413,281
Accounts Receivable	947,389	1,100,980
Accrued Revenue	<u>25,200</u>	<u>34,551</u>
Total financial assets available within one year	<u>\$ 4,485,439</u>	<u>\$ 4,668,735</u>

NOTE N - MISCELLANEOUS INCOME

Miscellaneous revenue for the years ended November 30, 2022 and 2021 consist of the following:

	<u>2022</u>	<u>2021</u>
ISV Enabling PM	\$ 0	\$ 103,300
Paycheck Protection Program	0	109,640
Tech Center Rental Income	0	16,750
SNIA Regional Affiliates	48,100	0
Employee Retention Tax Credit	29,193	0
SNIA Innovation Lab Fees	14,073	0
Other Income	3,063	2,490
Rebate Income	<u>0</u>	<u>2,312</u>
Total Miscellaneous Income	<u>\$ 94,429</u>	<u>\$ 234,492</u>

## FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2022 AND 2021**

**NOTE O - NET ASSETS DESIGNATED BY BOARD OF DIRECTORS FOR FORUMS AND INITIATIVES**

	<u>2022</u>	<u>2021</u>
SFF Committee	\$ 504,254	\$ 453,149
Storage Management Initiative	246,175	290,355
PM Enabling	125,555	161,202
Compute, Memory and Storage Initiative	65,945	87,643
Cloud Storage Technologies Initiative	46,649	49,421
Green Storage Initiative	40,477	14,413
DNA Data Storage	28,760	0
Network Storage Forum	26,956	21,743
Data Protection Capacity and Optimization Committee	<u>(26,489)</u>	<u>(5,707)</u>
 Total Net Assets Designated by Board of Directors For Forums and Initiatives	 <u>\$ 1,058,282</u>	 <u>\$ 1,072,219</u>