SNIA®

Advancing storage & information technology

# 2021 Annual Report

SNIA's mission is to lead the storage industry in developing and promoting vendor-neutral architectures, standards and educational services that facilitate the efficient management, movement and security of information.

www.snia.org

Storage Networking Industry Association

# LETTER FROM SNIA CHAIRMAN, TREASURER, AND EXECUTIVE DIRECTOR



October 13, 2022

Dear SNIA Members, Industry Colleagues, and Staff,

We are pleased to update you on the Storage Networking Industry Association (SNIA) and to present our 2021 Annual Report with information on the financial performance and position of SNIA for Fiscal Year 2021, beginning on December 1, 2020 through November 30, 2021. 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.

2021 represented a year of considerable change for the enterprise storage market. The market for on-premises enterprise storage systems continued to decline, while storage services from the large hyperscalers again grew strongly in market share. The technology transition from disk to flash continued at an accelerated pace, with NVMe® solutions growing in the mainstream. The architectural discontinuity driven by the availability of persistent memory devices got closer to reality.

SNIA's year-end financial results reflect a 31% increase in Net Assets. The COVID-19 global pandemic continues to have a large effect on our revenues and expenses for the year primarily due to pandemic-driven changes in our business model related to events and travel. Revenues decreased by 3.8% and Expenses decreased by 12.5%. (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 storage 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 0.2% for the year. With consistent revenue streams, and our reserve accounts stable at more than $2.4 million, we are again confident that SNIA has the financial and organizational resources to continue to fulfill our important mission.

SNIA highlights for 2021 include:

- 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:
- TLS Specification for Storage Systems v2.0
- Native NVMe-oF™ Drive Specification v1.1
- SNIA Swordfish ™ Scalable Storage Management API Specification v1.2.3
- Linear Tape File System (LTFS) Format Specification v2.51
- 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 2021:
- Storage Developer Conference (SDC) was conducted as a virtual event in September. Over 120 educational sessions attracted 900 registrants from 31 countries. SDC continued to thrive as a global brand with virtual conferences in EMEA and India.
- The Persistent Memory/Computational Storage Summit continued as a virtual event in April, with over 500 IT professionals in attendance.

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



- SNIA formed a Zoned Storage Technical Work Group, focused on facilitating a common industry understanding of Zoned Storage use cases and creating a host/device architecture and programming model.
- 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 "Weekend Watch" campaign covered important industry topics such as Storage Resource Management, Zoned Storage, Advanced Networking, Container Storage, Blockchain Storage, and Security
- SNIA's Educational Library continued to grow to over 2,900 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 our inventory of "What is…?" pages, which provide clear, vendor-neutral descriptions of how technologies work. There are 19 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 5,800 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 for their ongoing support of SNIA.

Dr. J Metz
Chair, SNIA Board of Directors

Sue Amarin
Treasurer, SNIA Board of Directors

Michael Oros
Executive Director, SNIA

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Industry Consultant

Yukinori Sakashita
Yahoo Japan (SNIA Japan)

Leah Schoeb
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Tom Talpey
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David Thiel
Industry Consultant

Steve Wilson
Broadcom

* Composition and Positions as per October 1, 2020

## FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT FOR THE YEARS ENDED NOVEMBER 30, 2021 AND 2020

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, 2021 and 2020, 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, 2021 and 2020, 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.

MHTB Accountancy Group of Silicon Valley

San Jose, California
October 6, 2022

**STATEMENTS OF FINANCIAL POSITION**
**FOR THE YEARS ENDED NOVEMBER 30, 2021 AND 2020**

| | 2021 | 2020 |
|---|---|---|
| **ASSETS** | | |
| Cash and Cash Equivalents | $ 1,119,923 | $ 692,633 |
| Investments | 2,413,281 | 2,353,196 |
| Accounts Receivable, Net of Allowance | 1,100,980 | 1,046,776 |
| Earned Revenue Receivable | 34,551 | 0 |
| Prepaid Expenses | 32,638 | 25,178 |
| Property and Equipment - Net | 4,959 | 11,231 |
| Total Assets | $ 4,706,332 | $ 4,129,014 |
| **LIABILITIES AND NET ASSETS** | | |
| Liabilities: | | |
| Accounts Payable | $ 0 | $ 338 |
| Deferred Revenue | 1,885,538 | 1,869,315 |
| Accrued Expenses | 252,563 | 299,063 |
| Total Liabilities | 2,138,101 | 2,168,716 |
| Net Assets: | | |
| Without Donor Restrictions | | |
| Designated by Board of Directors - | | |
| For Forums and Initiatives | 1,072,219 | 1,012,943 |
| For Operating Reserve | 1,000,000 | 1,000,000 |
| Undesignated | 496,012 | (52,645) |
| Total Without Donor Restrictions | 2,568,231 | 1,960,298 |
| With Donor Restrictions | 0 | 0 |
| Total Net Assets | 2,568,231 | 1,960,298 |
| Total Liabilities and Net Assets | $ 4,706,332 | $ 4,129,014 |

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, 2021 AND 2020**

| | 2021 | 2020 |
|---|---|---|
| Changes in Net Assets Without Donor Restrictions | | |
| Support and Revenue: | | |
| Memberships, Forums, and Initiatives | $ 1,952,819 | $ 1,948,067 |
| Other | 234,492 | 321,203 |
| Sponsorships | 183,651 | 127,694 |
| Storage Management Initiative CTP | 75,000 | 75,000 |
| Investment Income/(Loss) - Net | 60,085 | 110,424 |
| Events | 52,261 | 73,313 |
| Certification Fees | 0 | 4,656 |
| Total Revenues and Gains Without Donor Restrictions | 2,558,308 | 2,660,357 |
| Expenses: | | |
| Program Services: | | |
| Storage Management Initiative | 408,704 | 400,758 |
| Marketing Department | 164,263 | 198,022 |
| Technology Center | 150,966 | 183,542 |
| Compute, Memory, and Storage Initiative | 137,701 | 231,545 |
| PM Enabling | 80,286 | 0 |
| Conference Department | 57,975 | 99,698 |
| SFF Committee | 48,465 | 47,119 |
| Network Storage Forum | 40,603 | 39,430 |
| Green Storage Initiative | 39,897 | 28,815 |
| Cloud Storage Technologies Initiative | 35,529 | 36,621 |
| Data Protection Capacity and Optimization Committee | 8,542 | 1,032 |
| Membership Department | 0 | 31,859 |
| Education Department | 0 | 405 |
| Total Program Services | 1,172,931 | 1,298,846 |

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, 2021 AND 2020**

| | 2021 | 2020 |
|---|---|---|
| Changes in Net Assets Without Donor Restrictions (Continued) | | |
| Expenses: | | |
| Supporting Services: | | |
| General and Administrative Expenses: | | |
| Salaries and Related Expenses | 752,586 | 813,242 |
| Operations | (5,640) | 56,643 |
| Board of Directors | 30,498 | 62,018 |
| Total Supporting Services | 777,444 | 931,903 |
| Total Expenses | 1,950,375 | 2,230,749 |
| Increase in Net Assets Without Donor Restrictions | 607,933 | 429,608 |
| Increase in Net Assets With Donor Restrictions | 0 | 0 |
| Increase in Net Assets | 607,933 | 429,608 |
| Net Assets - Beginning | 1,960,298 | 1,530,690 |
| Net Assets - Ending | $ 2,568,231 | $ 1,960,298 |

The accompanying notes are an integral part of these financial statements

## STATEMENTS OF CASH FLOWS
## FOR THE YEARS ENDED NOVEMBER 30, 2021 AND 2020

| | 2021 | 2020 |
|---|---|---|
| Cash Flows from Operating Activities: | | |
| Increase in Net Assets | $ 607,933 | $ 429,608 |
| Adjustments to Reconcile Net Assets to Net Cash | | |
| Provided by Operating Activities: | | |
| Depreciation and Amortization | 6,272 | 7,923 |
| Cash Transfer to Investments | 0 | 263,000 |
| PPP Loan Forgiveness | (109,640) | (109,640) |
| Interest and Dividend Income Reinvested | (67,504) | (72,495) |
| Unrealized (Gain) on Investments | 7,419 | (40,815) |
| Realized Loss on Investments | 0 | 2,886 |
| (Increase) Decrease in Operating Assets: | | |
| Accounts Receivable | (54,204) | (54,204) |
| Other Receivables | (34,551) | 0 |
| Prepaid Expenses | (7,460) | (7,460) |
| Increase (Decrease) in Operating Liabilities: | | |
| Accounts Payable | (338) | (338) |
| Accrued Expenses and Others | (46,500) | (46,500) |
| Deferred Revenue | 16,223 | 16,223 |
| Member Deposits | 0 | 0 |
| Total Adjustments | (290,283) | (41,420) |
| Net Cash Provided by Operating Activities | 317,650 | 388,188 |
| | | |
| 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 | 109,640 | 109,640 |
| Net Cash Flows Provided by Financing Activities | 109,640 | 109,640 |
| | | |
| Net Increase in Cash and Cash Equivalents | 427,290 | 388,188 |
| | | |
| Cash and Cash Equivalents at Beginning of Year | 692,633 | 304,445 |
| | | |
| Cash and Cash Equivalents at End of Year | $ 1,119,923 | $ 692,633 |

Supplemental Disclosures of Cash Flow Information:

No payments were made for taxes or interest during the fiscal years ended November 30, 2021 or 2020

The accompanying notes are an integral part of these financial statements

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**



## 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.

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**



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, 2021 and 2020 was $869,994 and $501,479 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, 2021 and 2020, 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.

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**



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

### 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.

### 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, 2021 and 2020 was $73,926 and $70,870, respectively.

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**

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

Recent Accounting Pronouncements:

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which requires leases to be recorded as an asset on the balance sheet for the right of use of the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. ASU 2016-02 is effective for non-public companies for fiscal years beginning after December 15, 2019, with early adoption permitted. The organization is currently evaluating the impact the pronouncement may have on the financial statements.

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, 2021 and 2020, 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.

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**



## 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, 2021 and 2020, the Organization's investments were all Level 1 and consisted of the following:

| | 2021 | | 2020 | |
|---|---|---|---|---|
| | Cost | Fair Value | Cost | Fair Value |
| Money funds | $ 207,680 | $ 207,680 | $ 690,836 | $ 690,836 |
| Stocks, options, & ETFs | 1,524,959 | 1,543,554 | 858,312 | 912,918 |
| Corporate bonds | 218,022 | 223,635 | 395,635 | 407,057 |
| Foreign bonds | 0 | 0 | 25,008 | 25,271 |
| Preferred stocks | 0 | 0 | 36,077 | 36,506 |
| Mutual funds | 398,461 | 438,411 | 282,466 | 280,608 |
| Total Investments | $ 2,349,122 | $ 2,413,280 | $ 2,288,334 | $ 2,353,196 |

The following summarizes the investment return and its classification in the statement of activities for the years ended November 30, 2021 and 2020:

| | 2021 | 2020 |
|---|---|---|
| Interest and dividends | $ 67,504 | $ 72,495 |
| Unrealized gains | (705) | 40,815 |
| Realized losses | (6,714) | (2,886) |
| Total Investment Income | $ 60,085 | $ 110,424 |

See Accountant's Audit Report

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**

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.

At November 30, 2021 the minimum rental payments due under this lease are as follows:

Year ending November 30,

| | | |
|---|---|---|
| 2022 | $ | 13,590 |
| | $ | 13,590 |

The total rental expense was $113,575 and $109,891 for the years ended November 30, 2021 and 2020 respectively.

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**

## 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, 2021 and 2020:

| | 2021 | 2020 |
|---|---|---|
| Machinery and equipment - donated | $ 129,446 | $ 129,446 |
| Machinery and equipment - other | 323,679 | 323,679 |
| Office furniture and equipment | 43,197 | 43,197 |
| Total property and equipment | 496,322 | 496,322 |
| Accumulated depreciation | (491,363) | (485,091) |
| Total property and equipment, net | $ 4,959 | $ 11,231 |

Depreciation expense on the property and equipment was $6,272 and $7,923 at November 30, 2021 and 2020, 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, 2021 and 2020.

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**



## NOTE H - MEMBERSHIPS, FORUMS, AND INITIATIVES REVENUE

Memberships, forums, and initiatives revenue for the years ended November 30, 2021 and 2020 is comprised as follows:

| | 2021 | 2020 |
|---|---|---|
| Association Memberships | $ 1,335,674 | $ 1,324,381 |
| Storage Management Initiative | 225,000 | 270,000 |
| SFF Committee | 136,902 | 124,057 |
| Compute, Memory, and Storage Initiative | 121,834 | 115,122 |
| Green Storage Initiative | 49,500 | 42,000 |
| Cloud Storage Technologies Initiative | 32,750 | 35,000 |
| Network Storage Forum | 48,613 | 37,249 |
| Data Protection Capacity and Optimization Committee | 2,546 | 258 |
| Total Membership | $ 1,952,819 | $ 1,948,067 |

## NOTE I – SPONSORSHIP REVENUE

Sponsorship revenue for the years ended November 30, 2021 and 2020 consist of the following:

| | 2021 | 2020 |
|---|---|---|
| Storage Developers Conference | $ 120,100 | $ 109,444 |
| Compute, Memory, and Storage Initiative | 19,000 | 18,250 |
| Storage Management Initiative | 44,551 | 0 |
| Total Sponsorship Revenue | $ 183,651 | $ 127,694 |

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**

## 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 $22,002 and $22,050 for the years ended November 30, 2021 and 2020, respectively.

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**

## NOTE L - SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 16, 2022, which is the date that the financial statements were available to be issued. Other than the event noted below, there were no other material subsequent events that required recognition or disclosure in these financial statements as of November 30, 2021, except as noted below and in footnote P.

Subsequent to November 30, 2021, the Organization did not renew their lease of their technology center located in Colorado Springs, Colorado. The Organization moved to a remote work environment and entered into a colocation agreement to host their technology equipment.

Subsequent to the release of the financial statements it was discovered that additional accrued revenue relating to the fiscal year ending November 30, 2021 had not been accrued as detailed in Note P. Subsequent events relating to the revision were evaluated through October 6, 2022, which is the date that the financial statements were available to be reissued.

## 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:

| | 2021 | 2020 |
|---|---|---|
| Cash and cash equivalents | $ 1,119,923 | $ 692,633 |
| Investments | 2,413,281 | 2,353,196 |
| Accounts Receivable | 1,100,980 | 1,046,776 |
| Accrued Revenue | 34,551 | 0 |
| Total financial assets available within one year | $ 4,668,735 | $ 4,092,605 |

## NOTE N - MISCELLANEOUS INCOME

Miscellaneous revenue for the years ended November 30, 2021 and 2020 consist of the following:

| | 2021 | 2020 |
|---|---|---|
| ISV Enabling PM | $ 103,300 | $ 200,000 |
| Paycheck Protection Program | 109,640 | 109,640 |
| Tech Center Rental Income | 16,750 | 11,563 |
| Other Income | 2,490 | 0 |
| Rebate Income | 2,312 | 0 |
| Total Miscellaneous Income | $ 234,492 | $ 321,203 |

**NOTES TO FINANCIAL STATEMENTS**
**NOVEMBER 30, 2021 AND 2020**

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

| | 2021 | 2020 |
|---|---|---|
| SFF Committee | $ 453,149 | $ 364,712 |
| Storage Management Initiative | 290,355 | 354,507 |
| PM Enabling | 161,202 | 0 |
| Compute, Memory and Storage Initiative | 87,643 | 222,694 |
| Cloud Storage Technologies Initiative | 49,421 | 52,199 |
| Network Storage Forum | 21,743 | 13,732 |
| Green Storage Initiative | 14,413 | 4,810 |
| Data Protection Capacity and Optimization Committee | (5,707) | 289 |
| Total Net Assets Designated by Board of Directors For Forums and Initiatives | $ 1,072,219 | $ 1,012,943 |

NOTE P - SUBSEQUENT DISCOVERY OF FACTS

Subsequent to the release of the financial statements, it was discovered that additional accrued revenue of $34,551 relating to fiscal year ending November 30, 2021 had not been accrued. An adjustment was made to properly accrue the revenue in the financial statements.