



**THE NATIONAL HEMOPHILIA FOUNDATION**

**FINANCIAL REPORT  
DECEMBER 31, 2016 AND 2015**

# THE NATIONAL HEMOPHILIA FOUNDATION

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## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of The National Hemophilia Foundation (a nonprofit organization) (the "Foundation"), which comprise the statement of financial position as of December 31, 2016 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of December 31, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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#### WISS & COMPANY LLP

14 Penn Plaza, Suite 1010  
New York, NY 10122  
212.594.8155

354 Eisenhower Parkway, Suite 1850  
Livingston, NJ 07039  
973.994.9400

5 Bartles Corner Road  
Flemington, NJ 08822  
908.782.7300

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

We have previously audited the Foundation's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 25, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information listed in the attached table of contents on pages 18 to 38 is presented for purposes of additional analysis and is not a required part of the financial statements for 2016 and 2015. The supplementary information and accompanying schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information and accompanying schedules have been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and accompanying schedules are fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2017 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Foundation's internal control over financial reporting and compliance.

*Wiss & Company*

WISS & COMPANY, LLP

Livingston, New Jersey  
June 8, 2017

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

**DECEMBER 31, 2016**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR DECEMBER 31, 2015)**

| ASSETS  | <u>Unrestricted</u>  | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>2016</u>          | <u>2015</u>          |
|---|----------------------|-----------------------------------|-----------------------------------|----------------------|----------------------|
| <b>CURRENT ASSETS:</b>  |                      |                                   |                                   |                      |                      |
| Cash and equivalents  | \$ 5,006,330         | \$ 5,573,938                      | \$ 250,000                        | \$ 10,830,268        | \$ 9,766,148         |
| Investments at fair value   | -                    | 349,400                           | -                                 | 349,400              | 331,390              |
| Government grants receivable  | 70,412               | -                                 | -                                 | 70,412               | 68,721               |
| Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2016 and 2015 | 1,712,431            | 249,444                           | -                                 | 1,961,875            | 790,525              |
| Contribution receivables, less allowance for uncollectible accounts of \$-0- in 2016 and 2015     | -                    | 50,000                            | 250,000                           | 300,000              | 100,000              |
| Prepaid expenses and other assets   | 318,795              | -                                 | -                                 | 318,795              | 382,321              |
| Total Current Assets  | <u>7,107,968</u>     | <u>6,222,782</u>                  | <u>500,000</u>                    | <u>13,830,750</u>    | <u>11,439,105</u>    |
| <b>NONCURRENT ASSETS:</b>   |                      |                                   |                                   |                      |                      |
| Contribution receivables, less allowance for uncollectible accounts of \$-0- in 2016 and 2015     | -                    | -                                 | 735,537                           | 735,537              | 49,514               |
| Investments at fair value   | 9,623,331            | 2,327,678                         | 250,000                           | 12,201,009           | 9,893,948            |
| Security deposit and other assets   | 516,340              | -                                 | -                                 | 516,340              | 461,933              |
| Fixed assets, net   | 254,002              | -                                 | -                                 | 254,002              | 301,726              |
| Total Noncurrent Assets   | <u>10,393,673</u>    | <u>2,327,678</u>                  | <u>985,537</u>                    | <u>13,706,888</u>    | <u>10,707,121</u>    |
|   | <u>\$ 17,501,641</u> | <u>\$ 8,550,460</u>               | <u>\$ 1,485,537</u>               | <u>\$ 27,537,638</u> | <u>\$ 22,146,226</u> |
| <b>LIABILITIES AND NET ASSETS</b>   |                      |                                   |                                   |                      |                      |
| <b>CURRENT LIABILITIES:</b>   |                      |                                   |                                   |                      |                      |
| Accounts payable  | \$ 692,327           | \$ -                              | \$ -                              | \$ 692,327           | \$ 457,958           |
| Accrued expenses  | 813,274              | -                                 | -                                 | 813,274              | 788,923              |
| Accrued payroll and vacation  | 373,168              | -                                 | -                                 | 373,168              | 478,037              |
| Deferred rent payable   | 288,385              | -                                 | -                                 | 288,385              | 229,457              |
| Deferred support and revenue  | 273,924              | 4,823,131                         | -                                 | 5,097,055            | 5,744,565            |
| Total Current Liabilities   | <u>2,441,078</u>     | <u>4,823,131</u>                  | <u>-</u>                          | <u>7,264,209</u>     | <u>7,698,940</u>     |
| LONG-TERM LIABILITY - OTHER PAYABLE   | <u>241,319</u>       | <u>-</u>                          | <u>-</u>                          | <u>241,319</u>       | <u>188,688</u>       |
| <b>COMMITMENTS</b>  |                      |                                   |                                   |                      |                      |
| <b>NET ASSETS:</b>  |                      |                                   |                                   |                      |                      |
| Unrestricted  | 14,749,525           | -                                 | -                                 | 14,749,525           | 10,957,996           |
| Unrestricted - board designated   | 69,719               | -                                 | -                                 | 69,719               | 136,194              |
| Temporarily restricted  | -                    | 3,727,329                         | -                                 | 3,727,329            | 2,914,408            |
| Permanently restricted  | -                    | -                                 | 1,485,537                         | 1,485,537            | 250,000              |
| Total Net Assets  | <u>14,819,244</u>    | <u>3,727,329</u>                  | <u>1,485,537</u>                  | <u>20,032,110</u>    | <u>14,258,598</u>    |
|   | <u>\$ 17,501,641</u> | <u>\$ 8,550,460</u>               | <u>\$ 1,485,537</u>               | <u>\$ 27,537,638</u> | <u>\$ 22,146,226</u> |

*See accompanying notes to financial statements.*

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

**YEAR ENDED DECEMBER 31, 2016  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

|  | <u>Unrestricted</u>  | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>2016<br/>Total</u> | <u>2015<br/>Total</u> |
|--|----------------------|-----------------------------------|-----------------------------------|-----------------------|-----------------------|
| <b>SUPPORT AND REVENUE:</b>                  |                      |                                   |                                   |                       |                       |
| Special events revenue                       | \$ 2,186,582         | \$ -                              | \$ -                              | \$ 2,186,582          | \$ 2,269,896          |
| Less: direct costs                           | <u>(1,077,254)</u>   | <u>-</u>                          | <u>-</u>                          | <u>(1,077,254)</u>    | <u>(1,194,272)</u>    |
|  | 1,109,328            | -                                 | -                                 | 1,109,328             | 1,075,624             |
| Government grants                            | 585,357              | -                                 | -                                 | 585,357               | 401,996               |
| Contributions and grants                     | 14,564,115           | 1,720,831                         | -                                 | 16,284,946            | 12,880,829            |
| Revenues generated from affiliated chapters  | 10,010               | 48,823                            | 1,235,537                         | 1,294,370             | 52,041                |
| Contributions from combined federal campaign | 20,565               | -                                 | -                                 | 20,565                | 17,479                |
| Educational seminars and programs            | 4,195,825            | -                                 | -                                 | 4,195,825             | 3,934,729             |
| Investment income                            | 342,835              | 9,904                             | -                                 | 352,739               | 364,496               |
| Realized gains (losses) on investments       | (1,916)              | 3                                 | -                                 | (1,913)               | (21,138)              |
| Unrealized gains (losses) on investments     | 373,164              | 11,755                            | -                                 | 384,919               | (521,160)             |
| Publication income                           | 3,953                | -                                 | -                                 | 3,953                 | 7,540                 |
| Educational/medical literature               | 1,324,820            | -                                 | -                                 | 1,324,820             | 1,679,135             |
| Other income                                 | 43,428               | -                                 | -                                 | 43,428                | 65,895                |
| Net assets released from restrictions        | <u>978,395</u>       | <u>(978,395)</u>                  | <u>-</u>                          | <u>-</u>              | <u>-</u>              |
| Total Support and Revenue                    | <u>23,549,879</u>    | <u>812,921</u>                    | <u>1,235,537</u>                  | <u>25,598,337</u>     | <u>19,937,466</u>     |
| <b>EXPENSES:</b>                             |                      |                                   |                                   |                       |                       |
| Program services:                            |                      |                                   |                                   |                       |                       |
| Health education and training                | 7,849,060            | -                                 | -                                 | 7,849,059             | 7,603,626             |
| Community services                           | 4,498,781            | -                                 | -                                 | 4,498,781             | 3,914,357             |
| Chapter services                             | 1,849,439            | -                                 | -                                 | 1,849,439             | 1,811,044             |
| Research                                     | <u>1,434,911</u>     | <u>-</u>                          | <u>-</u>                          | <u>1,434,911</u>      | <u>1,307,692</u>      |
| Total Program Services                       | <u>15,632,191</u>    | <u>-</u>                          | <u>-</u>                          | <u>15,632,190</u>     | <u>14,636,719</u>     |
| Supporting services:                         |                      |                                   |                                   |                       |                       |
| Management and general                       | 3,282,587            | -                                 | -                                 | 3,282,587             | 2,574,989             |
| Fundraising                                  | <u>910,047</u>       | <u>-</u>                          | <u>-</u>                          | <u>910,047</u>        | <u>1,070,830</u>      |
| Total Supporting Services                    | <u>4,192,634</u>     | <u>-</u>                          | <u>-</u>                          | <u>4,192,634</u>      | <u>3,645,819</u>      |
| Total Expenses                               | <u>19,824,825</u>    | <u>-</u>                          | <u>-</u>                          | <u>19,824,825</u>     | <u>18,282,538</u>     |
| CHANGE IN NET ASSETS                         | 3,725,054            | 812,921                           | 1,235,537                         | 5,773,512             | 1,654,928             |
| NET ASSETS, BEGINNING OF YEAR                | <u>11,094,190</u>    | <u>2,914,408</u>                  | <u>250,000</u>                    | <u>14,258,598</u>     | <u>12,603,670</u>     |
| NET ASSETS, END OF YEAR                      | <u>\$ 14,819,244</u> | <u>\$ 3,727,329</u>               | <u>\$ 1,485,537</u>               | <u>\$ 20,032,110</u>  | <u>\$ 14,258,598</u>  |

*See accompanying notes to financial statements.*

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

**FOR THE YEAR ENDED DECEMBER 31, 2016  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

|                                       | Year Ended December 31,          |                       |                     |                     |                      |                           |                   |                     |                      |                      |
|---------------------------------------|----------------------------------|-----------------------|---------------------|---------------------|----------------------|---------------------------|-------------------|---------------------|----------------------|----------------------|
|                                       | Program Services                 |                       |                     |                     |                      | Support Services          |                   |                     | 2016                 | 2015                 |
|                                       | Health Education<br>and Training | Community<br>Services | Chapter<br>Services | Research            | Total                | Management<br>and General | Fundraising       | Total               | Total<br>Expenses    | Total<br>Expenses    |
| <b>SALARIES AND RELATED EXPENSES:</b> |                                  |                       |                     |                     |                      |                           |                   |                     |                      |                      |
| Salaries                              | \$ 1,435,742                     | \$ 1,065,332          | \$ 696,667          | \$ 221,857          | \$ 3,419,598         | \$ 1,562,649              | \$ 317,266        | \$ 1,879,915        | \$ 5,299,513         | \$ 4,797,154         |
| Employee benefits and payroll taxes   | 403,102                          | 319,758               | 198,935             | 55,900              | 977,695              | 123,792                   | 82,992            | 206,784             | 1,184,479            | 1,135,872            |
| Pension expense                       | 102,707                          | 83,782                | 74,783              | 26,574              | 287,846              | 46,070                    | 24,914            | 70,984              | 358,830              | 317,370              |
| Total Salaries and Related Expenses   | <u>1,941,551</u>                 | <u>1,468,872</u>      | <u>970,385</u>      | <u>304,331</u>      | <u>4,685,139</u>     | <u>1,732,511</u>          | <u>425,172</u>    | <u>2,157,683</u>    | <u>6,842,822</u>     | <u>6,250,396</u>     |
| <b>OTHER EXPENSES:</b>                |                                  |                       |                     |                     |                      |                           |                   |                     |                      |                      |
| Supplies                              | 109,653                          | 45,528                | 7,309               | 423                 | 162,913              | 31,999                    | 4,823             | 36,822              | 199,735              | 159,759              |
| Printing and other                    | 171,342                          | 617,495               | 1,780               | 21,201              | 811,818              | 5,816                     | 197,570           | 203,386             | 1,015,204            | 1,138,701            |
| Telephone                             | 36,784                           | 39,228                | 26,756              | 2,559               | 105,327              | 14,942                    | 5,989             | 20,931              | 126,258              | 113,083              |
| Occupancy                             | 173,161                          | 100,387               | 170,081             | 8,964               | 452,593              | 169,361                   | 39,056            | 208,417             | 661,010              | 595,182              |
| Insurance                             | -                                | -                     | 15,704              | -                   | 15,704               | 30,518                    | -                 | 30,518              | 46,222               | 40,110               |
| Equipment rental and maintenance      | 373,793                          | 186,724               | 71,508              | 13,052              | 645,077              | 53,262                    | 15,622            | 68,884              | 713,961              | 815,631              |
| Travel, conferences, conventions      | 2,676,386                        | 677,298               | 374,690             | 178,207             | 3,906,581            | 250,137                   | 46,433            | 296,570             | 4,203,151            | 3,923,814            |
| Accounting and auditing               | -                                | -                     | 6,082               | -                   | 6,082                | 56,788                    | -                 | 56,788              | 62,870               | 56,017               |
| Consulting and professional fees      | 2,180,892                        | 1,035,949             | 34,343              | 118,889             | 3,370,073            | 492,528                   | 90,169            | 582,697             | 3,952,770            | 3,143,890            |
| Legal fees                            | -                                | 3,023                 | 2,615               | 9,075               | 14,713               | 115,440                   | -                 | 115,440             | 130,153              | 33,546               |
| Membership dues                       | 3,036                            | 49,251                | (4,063)             | 1,326               | 49,550               | 231,853                   | 16,641            | 248,494             | 298,044              | 183,923              |
| Awards and grants                     | 134,217                          | 230,659               | 168,522             | 775,833             | 1,309,231            | 3,528                     | -                 | 3,528               | 1,312,759            | 1,533,131            |
| Postage and shipping                  | 48,138                           | 44,169                | 3,727               | 1,051               | 97,085               | 3,185                     | 65,550            | 68,735              | 165,820              | 192,718              |
| Employment recruiting                 | -                                | -                     | -                   | -                   | -                    | 9,674                     | -                 | 9,674               | 9,674                | 15,446               |
| Depreciation and amortization         | -                                | -                     | -                   | -                   | -                    | 44,709                    | 3,014             | 47,723              | 47,723               | 38,065               |
| Banking and investment fees           | 107                              | 198                   | -                   | -                   | 305                  | 36,336                    | 8                 | 36,344              | 36,649               | 46,733               |
| Miscellaneous                         | -                                | -                     | -                   | -                   | -                    | -                         | -                 | -                   | -                    | 2,393                |
| Total Other Expenses                  | <u>5,907,509</u>                 | <u>3,029,909</u>      | <u>879,054</u>      | <u>1,130,580</u>    | <u>10,947,052</u>    | <u>1,550,076</u>          | <u>484,875</u>    | <u>2,034,951</u>    | <u>12,982,005</u>    | <u>12,032,142</u>    |
| <b>Total Expenses</b>                 | <b>\$ 7,849,060</b>              | <b>\$ 4,498,781</b>   | <b>\$ 1,849,439</b> | <b>\$ 1,434,911</b> | <b>\$ 15,632,191</b> | <b>\$ 3,282,587</b>       | <b>\$ 910,047</b> | <b>\$ 4,192,634</b> | <b>\$ 19,824,825</b> | <b>\$ 18,282,538</b> |

*See accompanying notes to financial statements.*



**THE NATIONAL HEMOPHILIA FOUNDATION**

**STATEMENTS OF CASH FLOWS**

|  | Year Ended December 31, |              |
|--|-------------------------|--------------|
|  | 2016                    | 2015         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>   |                         |              |
| Change in net assets   | \$ 5,773,512            | \$ 1,654,928 |
| Adjustments to reconcile change in net assets to net cash flows from operating activities: |                         |              |
| Loss on disposal of fixed assets   | -                       | 794          |
| Depreciation and amortization  | 47,723                  | 38,065       |
| Realized losses from investments   | 1,913                   | 21,138       |
| Unrealized (gains) losses from investments   | (384,919)               | 521,160      |
| Deferred rent payable  | 58,928                  | 220,758      |
| (Increase) decrease in assets:   |                         |              |
| Government grants receivable   | (1,691)                 | (21,030)     |
| Grants and other receivables   | (1,171,350)             | (210,976)    |
| Contribution receivables   | (886,023)               | 148,547      |
| Security deposits and other assets   | (54,407)                | 30,754       |
| Prepaid expenses   | 63,526                  | (249,444)    |
| Increase (decrease) in liabilities:  |                         |              |
| Accounts payable   | 234,369                 | (177,154)    |
| Accrued expenses   | 24,351                  | 172,563      |
| Accrued payroll and vacation   | (104,869)               | (36,972)     |
| Long term other payable  | 52,631                  | 21,489       |
| Deferred support and revenue   | (647,510)               | 643,243      |
| Net Cash Flows from Operating Activities   | 3,006,184               | 2,777,863    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>   |                         |              |
| Purchase of fixed assets   | -                       | (285,948)    |
| Purchase of investments  | (1,966,774)             | (2,059,371)  |
| Proceeds from sale of investments  | 24,710                  | 4,980        |
| Net Cash Flows from Investing Activities   | (1,942,064)             | (2,340,339)  |
| <b>NET CHANGE IN CASH AND EQUIVALENTS</b>  | 1,064,120               | 437,524      |
| <b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>   | 9,766,148               | 9,328,624    |
| <b>CASH AND EQUIVALENTS, END OF YEAR</b>   | \$ 10,830,268           | \$ 9,766,148 |

*See accompanying notes to financial statements.*



# THE NATIONAL HEMOPHILIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

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

The National Hemophilia Foundation (the “Foundation” or “NHF”) was incorporated in the State of New York on June 15, 1948. The Foundation’s mission is dedicated to finding better treatments and cures for inheritable bleeding disorders and to prevent the complications of these disorders through education, advocacy and research. For the years ended December 31, 2016 and 2015, approximately 37% and 50% of the Foundation’s total support and revenue were provided by three pharmaceutical companies. For these pharmaceutical companies, grants and other receivables represented 10% and 58% of the total grants and other receivables as of December 31, 2016 and 2015, respectively.

The Foundation and other independent organizations (“member chapters”) actively collaborate in furthering the Foundation’s mission throughout the United States. These financial statements represent only the financial position and activities of the National Hemophilia Foundation and do not include the accounts of the “member chapters”. On June 23, 2011, five chapters merged with NHF. On February 24, 2014, a sixth chapter and on January 27, 2016 a seventh chapter was created by the Foundation; consequently, the two newly created chapters along with those of the five previously merged chapters are included in the financial statements of NHF. All other member chapters continue to operate independently of NHF and thus, are not included in the financial statements of NHF.

***Basis of Accounting*** - The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

***Financial Statement Presentation*** - The Foundation conforms to FASB ASC Topic 958-205, “Financial Statements for Not-for-Profit Organizations.” The Foundation’s financial statements display separate classes of net assets (unrestricted, temporarily restricted, and permanently restricted) based on the existence or absence of donor-imposed restrictions.

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

The classes are defined as follows:

***Unrestricted*** - The part of net assets that is neither permanently nor temporarily restricted by donor-imposed stipulations. Unrestricted net assets – board designated account totaled \$69,719 and \$136,194 as of December 31, 2016 and 2015, respectively. As of December 31, 2015, the balance of \$136,194 was designated for the special project associated with the Clinical Practice Guidelines of which \$66,475 was expended in 2016, resulting in a balance of \$69,719 as of December 31, 2016 for the special project.

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

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



## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

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

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

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

Contributions made for special events are recognized in the year the event takes place.

*Conditional Contributions* - Conditional contributions, including conditional promises to give, are not recognized until they become unconditional, that is, when the conditions on which they depend are substantially met. As of December 31, 2016 and 2015, conditional promises to give to the Foundation amounted to \$507,132 and \$1,010,634, for the purpose of funding its Clinical Fellowship Program.

*Research Awards and Grants* - The Foundation awards funds each year to support research related projects for the Clinical Fellowship, JGP and Career Development programs. These awards generally extend over a period of two to three years. Continued funding for the second and third year of the grant period is conditional on the grantee's demonstration of adequate progress as well as submission of required reports. The Foundation, therefore, only records the liability and related expenses for each year and the liability is included as components of accrued expenses on the Statements of Financial Position. The total expense the Foundation expects to incur once certain conditions are fulfilled amounted to \$892,000 and \$667,500 as of December 31, 2016 and 2015, respectively.

*Cash and Equivalents and Credit Risk* - Cash and equivalents include money market funds, and all other highly liquid short-term investments purchased with maturities of three months or less. The Foundation maintains its cash balances in financial institutions that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At times, cash balances may be in excess of the FDIC insurance limit. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant risk on cash equivalents.

*Investments* - Investments in equity securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Unrealized gains and losses are included in the statement of activities and changes in net assets. As of December 31, 2016 and 2015, the Foundation has made a determination to hold \$12,201,009 and \$9,893,948 of investments as long-term.

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



## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

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

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

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

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

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

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

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

***Income Taxes*** - The Foundation is exempt from Federal income taxes under Section 501 (c)(3) of the Internal Revenue Code and has made no provision for Federal or State income taxes in the accompanying financial statements. In addition, the Foundation has been determined by the Internal Revenue Service (IRS) not to be a "private foundation" within the meaning of section 509(a) of the Internal Revenue Code. Other significant tax positions include its determination of whether any amounts are subject to unrelated business income tax (UBIT). The Foundation has activities subject to UBIT in the years ended 2016 and 2015 and has filed Form 990T. All significant tax positions have been considered by management and it has been determined that all tax positions would be sustained upon examination by taxing authorities. The Foundation is required to file form 990 (Return of Organization Exempt from Income Tax) and the CHAR500 (Annual Filing for Charitable Organizations), which are subject to examination by the IRS up to three years from the extended due date of the tax return. The forms 990 for 2013 through 2015 are open to examination by the IRS as of December 31, 2016. Unrelated business income tax for the years ended December 31, 2016 and 2015 amounted to \$0 and \$128,808, respectively, and is included under printing and other (production of the Hemaware magazine, both printed and online formats) in the statements of functional expenses.

## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

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

*Comparative Information* - The Statements of Financial Position, Statements of Activities and Changes in Net Assets and Statements of Functional Expenses include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Foundation's financial statements as of and for the year ended December 31, 2015, from which the summarized information was derived.

*Subsequent Events* - Management has reviewed and evaluated all events and transactions from December 31, 2016 through June 8, 2017, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at the statement of financial position date have been recognized in the accompanying financial statements.

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

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

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

Level 2 - Inputs to the valuation methodology include:

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

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

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

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

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

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

- Common Stocks and Mutual Funds: Valued at the closing price reported on the New York Stock Exchange.

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

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of December 31, 2016 and 2015:

|                             | <i>Assets at Fair Value as of December 31, 2016</i> |                |                |                      |
|-----------------------------|---|----------------|----------------|----------------------|
|                             | <i>Level 1</i>                                      | <i>Level 2</i> | <i>Level 3</i> | <i>Total</i>         |
| Common Stocks               | \$ 5,359  | \$ -           | \$ -           | \$ 5,359             |
| Mutual Funds - Fixed Income | 4,886,371   | -              | -              | 4,886,371            |
| Mutual Funds - Equity       |   |                |                |                      |
| U.S.                        | 4,711,159   | -              | -              | 4,711,159            |
| International               | 2,947,520   | -              | -              | 2,947,520            |
| <b>Total</b>                | <b>\$ 12,550,409</b>                                | <b>\$ -</b>    | <b>\$ -</b>    | <b>\$ 12,550,409</b> |

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

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 3 - Contribution Receivables:**

Contribution receivables have been discounted over the payment period using a discount rate of 0.98% for 2016 and 2015. Contribution receivables are restricted for research and are due as follows:

|                                 | December 31,        |                   |
|---------------------------------|---------------------|-------------------|
|                                 | 2016                | 2015              |
| Less than one year              | \$ 300,000          | \$ 100,000        |
| One to five years               | <u>750,000</u>      | <u>50,000</u>     |
|                                 | 1,050,000           | 150,000           |
| Less: discount to present value | <u>14,463</u>       | <u>486</u>        |
|                                 | <u>\$ 1,035,537</u> | <u>\$ 149,514</u> |

To summarize:

|           |                     |                   |
|-----------|---------------------|-------------------|
| Current   | \$ 300,000          | \$ 100,000        |
| Long-term | <u>735,537</u>      | <u>49,514</u>     |
|           | <u>\$ 1,035,537</u> | <u>\$ 149,514</u> |

**Note 4 - Fixed Assets:**

The Foundation's fixed assets consist of the following:

|  | December 31,      |                   |
|--|-------------------|-------------------|
|  | 2016              | 2015              |
| Furniture, fixtures and equipment                  | \$ 267,820        | \$ 267,820        |
| Computers  | 24,196            | 24,196            |
| Leasehold improvements                             | <u>51,576</u>     | <u>51,576</u>     |
|  | 343,592           | 343,592           |
| Less: Accumulated depreciation<br>and amortization | <u>89,590</u>     | <u>41,866</u>     |
|  | <u>\$ 254,002</u> | <u>\$ 301,726</u> |

Depreciation and amortization expense was \$47,723 and \$38,065 for the years ended December 31, 2016 and 2015, respectively.

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 5 - Accrued Vacation:**

Full time employees are eligible for vacation time of up to fifteen days from the start of their employment up to their fifth year of service and twenty days thereafter. Employees are eligible to carry over to the next year accumulated earned but unused vacation of up to a maximum of ten days unless an amount greater than ten days has been approved by the employee's supervisor. The liability for accrued vacation earned but not taken has been charged to operations. Accrued vacation payable totaled \$177,398 and \$167,721 as of December 31, 2016 and 2015, respectively, and is included in accrued payroll and vacation on the statements of financial position.

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

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

|                              | December 31, |              |
|------------------------------|--------------|--------------|
|                              | 2016         | 2015         |
| Research                     | \$ 1,368,388 | \$ 1,499,356 |
| Clinical Fellowship          | 1,207,919    | 1,281,554    |
| International Programs       | 997,776      | -            |
| Dale Smith Endowment Fund    | 93,897       | 72,235       |
| Soozie Courter Memorial Fund | 56,875       | 56,875       |
| Scholarship Fund             | 2,474        | 3,511        |
| Katrina Relief Fund          | -            | 877          |
|                              | \$ 3,727,329 | \$ 2,914,408 |

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

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

|                     | Year Ended December 31, |              |
|---------------------|-------------------------|--------------|
|                     | 2016                    | 2015         |
| Clinical Fellowship | \$ 577,136              | \$ 646,598   |
| Research            | 399,345                 | 364,352      |
| Scholarship Fund    | 1,037                   | 1,039        |
| Katrina Relief Fund | 877                     | -            |
|                     | \$ 978,395              | \$ 1,011,989 |

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

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



## THE NATIONAL HEMOPHILIA FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

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

##### *Interpretation of Relevant Law*

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

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

##### *Investment Objectives*

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

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

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

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

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

*Spending Policy*

The Foundation has decided to accumulate investment income until it is sufficient to be given as a research award. This amount totaling \$93,897 and \$72,235 as of December 31, 2016 and 2015, respectively, are recorded as temporary restricted assets until the board approves the award of the research grant.

*Changes in Donor-Restricted Endowment Net Assets*

|   | <u>Unrestricted</u> | <u>Temporarily<br/>Restricted</u> | <u>Permanently<br/>Restricted</u> | <u>Total</u>        |
|---|---------------------|-----------------------------------|-----------------------------------|---------------------|
| Endowment net assets, December 31, 2014 | \$ -                | \$ 78,061                         | \$ 250,000                        | \$ 328,061          |
| Investment return                       | <u>-</u>            | <u>(5,826)</u>                    | <u>-</u>                          | <u>(5,826)</u>      |
| Endowment net assets, December 31, 2015 | <u>\$ -</u>         | <u>\$ 72,235</u>                  | <u>\$ 250,000</u>                 | <u>\$ 322,235</u>   |
| Additions                               | -                   | -                                 | 1,235,537                         | 1,235,537           |
| Investment return                       | <u>-</u>            | <u>21,662</u>                     | <u>-</u>                          | <u>21,662</u>       |
| Endowment net assets, December 31, 2016 | <u>\$ -</u>         | <u>\$ 93,897</u>                  | <u>\$ 1,485,537</u>               | <u>\$ 1,579,434</u> |

**Note 9 - Commitments:**

The Foundation leases office space and equipment under operating leases. Rent expense including real estate taxes included under occupancy and special event direct costs for the years ended December 31, 2016 and 2015 was \$674,152 and \$599,595, respectively. At December 31, 2016, future minimum rental payments under these operating leases, inclusive of the effect of the office lease escalation clause, are as follows:

| <u>Year Ending December 31,</u> |                     |
|---------------------------------|---------------------|
| 2017                            | \$ 622,935          |
| 2018                            | 612,562             |
| 2019                            | 604,315             |
| 2020                            | 638,132             |
| 2021                            | 663,384             |
| 2022 and thereafter             | <u>2,563,144</u>    |
|                                 | <u>\$ 5,704,472</u> |

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 10 - Benefit Plan:**

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

For the years ended December 31, 2016 and 2015, expense for both benefit plans included under pension expense and special events was \$371,692 and \$335,118, respectively. Additionally, the liability to the 457(b) deferred compensation plan was \$241,319 and \$188,688 as of December 31, 2016 and 2015, respectively, and is reflected under long term liability - other payable in the statements of financial position. The related investment of the funds is included under security deposits and other assets for the same amounts.

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

|   | December 31, |            |
|---|--------------|------------|
|   | 2016         | 2015       |
|   | Unrestricted |            |
| <b>ASSETS</b>   |              |            |
| <b>CURRENT ASSETS:</b>  |              |            |
| Cash and equivalents  | \$ 193,690   | \$ 205,624 |
| Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2016 and 2015 | 20,044       | 675        |
| Prepaid expenses and other assets   | 1,305        | 3,071      |
| Total Current Assets  | 215,039      | 209,370    |
|   | \$ 215,039   | \$ 209,370 |
| <b>LIABILITIES AND NET ASSETS</b>   |              |            |
| <b>CURRENT LIABILITIES:</b>   |              |            |
| Accounts payable  | \$ 6,495     | \$ 1,870   |
| Deferred support and revenue  | 5,658        | 8,697      |
| Intercompany payable  | 42,320       | 21,568     |
| Total Current Liabilities   | 54,473       | 32,135     |
| <b>COMMITMENTS</b>  |              |            |
| <b>NET ASSETS -</b>   |              |            |
| Unrestricted  | 160,566      | 177,235    |
| Total Net Assets  | 160,566      | 177,235    |
|   | \$ 215,039   | \$ 209,370 |

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION**

**CENTRAL OHIO CHAPTER STATEMENTS OF ACTIVITIES**

**AND CHANGES IN NET ASSETS**

|  | Year Ended December 31, |                   |
|--|-------------------------|-------------------|
|  | 2016                    | 2015              |
|  | Unrestricted            |                   |
| <b>SUPPORT AND REVENUE:</b>                  |                         |                   |
| Special events revenue                       | \$ 50,979               | \$ 85,222         |
| Less: direct costs                           | <u>(59,317)</u>         | <u>(57,116)</u>   |
|  | (8,338)                 | 28,106            |
| Contributions and grants                     | 167,843                 | 192,497           |
| Revenues generated from affiliated chapters  | 2,360                   | 180               |
| Contributions from combined federal campaign | 927                     | -                 |
| Educational seminars and programs            | 5                       | 495               |
| Educational/medical literature               | 23,517                  | 46,825            |
| Other income                                 | <u>-</u>                | <u>19</u>         |
| Total Support and Revenue                    | <u>186,314</u>          | <u>268,122</u>    |
| <b>EXPENSES:</b>                             |                         |                   |
| Program services:                            |                         |                   |
| Health education and training                | 64,046                  | 60,580            |
| Community services                           | <u>74,420</u>           | <u>86,156</u>     |
| Total Program Services                       | <u>138,466</u>          | <u>146,736</u>    |
| Supporting services:                         |                         |                   |
| Management and general                       | 63,249                  | 28,438            |
| Fundraising                                  | <u>1,268</u>            | <u>19,157</u>     |
| Total Supporting Services                    | <u>64,517</u>           | <u>47,595</u>     |
| Total Expenses                               | <u>202,983</u>          | <u>194,331</u>    |
| CHANGE IN NET ASSETS                         | (16,669)                | 73,791            |
| NET ASSETS, BEGINNING OF YEAR                | <u>177,235</u>          | <u>103,444</u>    |
| NET ASSETS, END OF YEAR                      | <u>\$ 160,566</u>       | <u>\$ 177,235</u> |

*See independent auditors' report.*

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

**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

|                                       | Year Ended December 31           |                       |                   |                           |                 |                  |                   |                   |
|---------------------------------------|----------------------------------|-----------------------|-------------------|---------------------------|-----------------|------------------|-------------------|-------------------|
|                                       | Program Services                 |                       |                   | Support Services          |                 |                  | 2016              | 2015              |
|                                       | Health Education<br>and Training | Community<br>Services | Total             | Management<br>and General | Fundraising     | Total            | Total<br>Expenses | Total<br>Expenses |
| <b>SALARIES AND RELATED EXPENSES:</b> |                                  |                       |                   |                           |                 |                  |                   |                   |
| Salaries                              | \$ 15,534                        | \$ 23,348             | \$ 38,882         | \$ 20,133                 | \$ 768          | \$ 20,901        | \$ 59,783         | \$ 65,047         |
| Employee benefits and payroll taxes   | 6,976                            | 10,174                | 17,150            | 6,956                     | 291             | 7,247            | 24,397            | 18,624            |
| Pension expense                       | 216                              | 128                   | 344               | 259                       | 3               | 262              | 606               | 982               |
| Total Salaries and Related Expenses   | <u>22,726</u>                    | <u>33,650</u>         | <u>56,376</u>     | <u>27,348</u>             | <u>1,062</u>    | <u>28,410</u>    | <u>84,786</u>     | <u>84,653</u>     |
| <b>OTHER EXPENSES:</b>                |                                  |                       |                   |                           |                 |                  |                   |                   |
| Supplies                              | 2,968                            | 5,811                 | 8,779             | 9,772                     | -               | 9,772            | 18,551            | 8,220             |
| Printing                              | 366                              | 725                   | 1,091             | 120                       | -               | 120              | 1,211             | 8,378             |
| Telephone                             | 498                              | 749                   | 1,247             | 1,422                     | -               | 1,422            | 2,669             | 2,231             |
| Occupancy                             | -                                | -                     | -                 | 10,450                    | -               | 10,450           | 10,450            | 7,717             |
| Insurance                             | -                                | -                     | -                 | -                         | -               | -                | -                 | 100               |
| Equipment rental and maintenance      | 462                              | 694                   | 1,156             | 1,318                     | -               | 1,318            | 2,474             | -                 |
| Travel, conferences, conventions      | 36,055                           | 15,290                | 51,345            | 5,974                     | -               | 5,974            | 57,319            | 48,700            |
| Consulting and professional fees      | 825                              | 4,070                 | 4,895             | 4,405                     | -               | 4,405            | 9,300             | 19,656            |
| Membership dues                       | -                                | 528                   | 528               | 2,017                     | -               | 2,017            | 2,545             | -                 |
| Awards and grants                     | -                                | 8,453                 | 8,453             | -                         | -               | -                | 8,453             | 10,434            |
| Postage and shipping                  | 127                              | 4,450                 | 4,577             | 364                       | 206             | 570              | 5,147             | 4,172             |
| Banking and investment fees           | 19                               | -                     | 19                | 59                        | -               | 59               | 78                | -                 |
| Miscellaneous                         | -                                | -                     | -                 | -                         | -               | -                | -                 | 70                |
| Total Other Expenses                  | <u>41,320</u>                    | <u>40,770</u>         | <u>82,090</u>     | <u>35,901</u>             | <u>206</u>      | <u>36,107</u>    | <u>118,197</u>    | <u>109,678</u>    |
| Total Expenses                        | <u>\$ 64,046</u>                 | <u>\$ 74,420</u>      | <u>\$ 138,466</u> | <u>\$ 63,249</u>          | <u>\$ 1,268</u> | <u>\$ 64,517</u> | <u>\$ 202,983</u> | <u>\$ 194,331</u> |

*See independent auditors' report.*

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

|   | December 31, |           |
|---|--------------|-----------|
|   | 2016         | 2015      |
|   | Unrestricted |           |
| <b>ASSETS</b>   |              |           |
| <b>CURRENT ASSETS:</b>  |              |           |
| Cash and equivalents  | \$ 97,088    | \$ 79,400 |
| Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2016 and 2015 | 1,404        | -         |
| Prepaid expenses and other assets   | 4,085        | 1,851     |
| Total Current Assets  | 102,577      | 81,251    |
| <b>NONCURRENT ASSETS -</b>  |              |           |
| Security deposit and other assets   | 500          | 500       |
| Total Noncurrent Assets   | 500          | 500       |
|   | \$ 103,077   | \$ 81,751 |
| <b>LIABILITIES AND NET ASSETS</b>   |              |           |
| <b>CURRENT LIABILITIES:</b>   |              |           |
| Accrued expenses  | \$ 2,247     | \$ 49     |
| Deferred support and revenue  | 14,764       | 21,316    |
| Intercompany payable  | 7,369        | 7,503     |
| Total Current Liabilities   | 24,380       | 28,868    |
| <b>COMMITMENTS</b>  |              |           |
| <b>NET ASSETS -</b>   |              |           |
| Unrestricted  | 78,697       | 52,883    |
| Total Net Assets  | 78,697       | 52,883    |
|   | \$ 103,077   | \$ 81,751 |

*See independent auditors' report.*



**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION**

**IDAHO CHAPTER STATEMENTS OF ACTIVITIES**

**AND CHANGES IN NET ASSETS**

|                                | Year Ended December 31, |           |
|--------------------------------|-------------------------|-----------|
|                                | 2016                    | 2015      |
|                                | Unrestricted            |           |
| <b>SUPPORT AND REVENUE:</b>    |                         |           |
| Special events revenue         | \$ 45,647               | \$ 30,914 |
| Less: direct costs             | (31,601)                | (20,805)  |
|                                | 14,046                  | 10,109    |
| Contributions and grants       | 77,534                  | 64,140    |
| Educational/medical literature | 17,624                  | 15,099    |
| Total Support and Revenue      | 109,204                 | 89,348    |
| <b>EXPENSES:</b>               |                         |           |
| Program services:              |                         |           |
| Health education and training  | 19,828                  | 16,536    |
| Community services             | 41,311                  | 34,631    |
| Total Program Services         | 61,139                  | 51,167    |
| Supporting services -          |                         |           |
| Management and general         | 22,251                  | 22,209    |
| Total Supporting Services      | 22,251                  | 22,209    |
| Total Expenses                 | 83,390                  | 73,376    |
| CHANGE IN NET ASSETS           | 25,814                  | 15,972    |
| NET ASSETS, BEGINNING OF YEAR  | 52,883                  | 36,911    |
| NET ASSETS, END OF YEAR        | \$ 78,697               | \$ 52,883 |

*See independent auditors' report.*

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

**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

|                                       | Year Ended December 31           |                       |                  |                           |                  |                   |                   |
|---------------------------------------|----------------------------------|-----------------------|------------------|---------------------------|------------------|-------------------|-------------------|
|                                       | Program Services                 |                       |                  | Support Services          |                  | 2016              | 2015              |
|                                       | Health Education<br>and Training | Community<br>Services | Total            | Management<br>and General | Total            | Total<br>Expenses | Total<br>Expenses |
| <b>SALARIES AND RELATED EXPENSES:</b> |                                  |                       |                  |                           |                  |                   |                   |
| Salaries                              | \$ 8,390                         | \$ 14,682             | \$ 23,072        | \$ 5,453                  | \$ 5,453         | \$ 28,525         | \$ 21,648         |
| Employee benefits and payroll taxes   | 827                              | 1,448                 | 2,275            | 537                       | 537              | 2,812             | 11,271            |
| Pension expense                       | 24                               | 43                    | 67               | 16                        | 16               | 83                | 735               |
| Total Salaries and Related Expenses   | <u>9,241</u>                     | <u>16,173</u>         | <u>25,414</u>    | <u>6,006</u>              | <u>6,006</u>     | <u>31,420</u>     | <u>33,654</u>     |
| <b>OTHER EXPENSES:</b>                |                                  |                       |                  |                           |                  |                   |                   |
| Supplies                              | 653                              | 4,191                 | 4,844            | 957                       | 957              | 5,801             | 4,469             |
| Printing                              | 30                               | 2,218                 | 2,248            | 496                       | 496              | 2,744             | 2,729             |
| Telephone                             | 590                              | 1,032                 | 1,622            | 1,326                     | 1,326            | 2,948             | 2,293             |
| Occupancy                             | -                                | -                     | -                | 6,910                     | 6,910            | 6,910             | 6,385             |
| Equipment rental and maintenance      | 880                              | 1,408                 | 2,288            | 3,082                     | 3,082            | 5,370             | 1,375             |
| Travel, conferences, conventions      | 8,333                            | 13,142                | 21,475           | 1,782                     | 1,782            | 23,257            | 16,332            |
| Consulting and professional fees      | -                                | -                     | -                | 833                       | 833              | 833               | 1,500             |
| Membership dues                       | -                                | -                     | -                | 615                       | 615              | 615               | 249               |
| Awards and grants                     | -                                | 2,758                 | 2,758            | -                         | -                | 2,758             | 3,450             |
| Postage and shipping                  | 101                              | 389                   | 490              | 229                       | 229              | 719               | 935               |
| Banking and investment fees           | -                                | -                     | -                | 15                        | 15               | 15                | 5                 |
| Total Other Expenses                  | <u>10,587</u>                    | <u>25,138</u>         | <u>35,725</u>    | <u>16,245</u>             | <u>16,245</u>    | <u>51,970</u>     | <u>39,722</u>     |
| <b>Total Expenses</b>                 | <u>\$ 19,828</u>                 | <u>\$ 41,311</u>      | <u>\$ 61,139</u> | <u>\$ 22,251</u>          | <u>\$ 22,251</u> | <u>\$ 83,390</u>  | <u>\$ 73,376</u>  |

*See independent auditors' report.*

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

|   | December 31,      |                   |
|---|-------------------|-------------------|
|   | 2016              | 2015              |
|   | Unrestricted      |                   |
| <b>ASSETS</b>   |                   |                   |
| <b>CURRENT ASSETS:</b>  |                   |                   |
| Cash and equivalents  | \$ 338,581        | \$ 268,050        |
| Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2016 and 2015 | 10,450            | 3,691             |
| Prepaid expenses and other assets   | 13,574            | 1,653             |
| Total Current Assets  | 362,605           | 273,394           |
|   | <b>\$ 362,605</b> | <b>\$ 273,394</b> |
| <b>LIABILITIES AND NET ASSETS</b>   |                   |                   |
| <b>CURRENT LIABILITIES:</b>   |                   |                   |
| Accounts payable  | \$ -              | \$ 1,194          |
| Accrued expenses  | 171               | -                 |
| Deferred support and revenue  | 69,800            | 74,537            |
| Intercompany payable  | 42,299            | 26,199            |
| Total Current Liabilities   | 112,270           | 101,930           |
| <b>COMMITMENTS</b>  |                   |                   |
| <b>NET ASSETS -</b>   |                   |                   |
| Unrestricted  | 250,335           | 171,464           |
| Total Net Assets  | 250,335           | 171,464           |
|   | <b>\$ 362,605</b> | <b>\$ 273,394</b> |

*See independent auditors' report.*

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

|  | Year Ended December 31, |                   |
|--|-------------------------|-------------------|
|  | 2016                    | 2015              |
|  | Unrestricted            |                   |
| <b>SUPPORT AND REVENUE:</b>                  |                         |                   |
| Special events revenue                       | \$ 138,582              | \$ 104,412        |
| Less: direct costs                           | <u>(71,850)</u>         | <u>(60,189)</u>   |
|  | 66,732                  | 44,223            |
| Contributions and grants                     | 257,609                 | 151,849           |
| Contributions from combined federal campaign | -                       | 78                |
| Educational seminars and programs            | 47,780                  | 47,685            |
| Educational/medical literature               | <u>38,938</u>           | <u>38,253</u>     |
| Total Support and Revenue                    | <u>411,059</u>          | <u>282,088</u>    |
| <b>EXPENSES:</b>                             |                         |                   |
| Program services:                            |                         |                   |
| Health education and training                | 115,680                 | 79,924            |
| Community services                           | <u>180,229</u>          | <u>145,703</u>    |
| Total Program Services                       | <u>295,909</u>          | <u>225,627</u>    |
| Supporting services:                         |                         |                   |
| Management and general                       | 34,967                  | 31,625            |
| Fundraising                                  | <u>1,312</u>            | <u>984</u>        |
| Total Supporting Services                    | <u>36,279</u>           | <u>32,609</u>     |
| Total Expenses                               | <u>332,188</u>          | <u>258,236</u>    |
| CHANGE IN NET ASSETS                         | 78,871                  | 23,852            |
| NET ASSETS, BEGINNING OF YEAR                | <u>171,464</u>          | <u>147,612</u>    |
| NET ASSETS, END OF YEAR                      | <u>\$ 250,335</u>       | <u>\$ 171,464</u> |

*See independent auditors' report.*

THE NATIONAL HEMOPHILIA FOUNDATION

SUPPLEMENTARY INFORMATION  
NEVADA CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2016  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)

|                                       | Year Ended December 31           |                       |                   |                           |                 |                  |                   |                   |
|---------------------------------------|----------------------------------|-----------------------|-------------------|---------------------------|-----------------|------------------|-------------------|-------------------|
|                                       | Program Services                 |                       |                   | Support Services          |                 |                  | 2016              | 2015              |
|                                       | Health Education<br>and Training | Community<br>Services | Total             | Management<br>and General | Fundraising     | Total            | Total<br>Expenses | Total<br>Expenses |
| <b>SALARIES AND RELATED EXPENSES:</b> |                                  |                       |                   |                           |                 |                  |                   |                   |
| Salaries                              | \$ 42,806                        | \$ 44,955             | \$ 87,761         | \$ 5,580                  | \$ 990          | \$ 6,570         | \$ 94,331         | \$ 74,409         |
| Employee benefits and payroll taxes   | 10,327                           | 11,055                | 21,382            | 1,002                     | 256             | 1,258            | 22,640            | 21,160            |
| Pension expense                       | 2,216                            | 2,407                 | 4,623             | 173                       | 58              | 231              | 4,854             | 3,114             |
| Total Salaries and Related Expenses   | <u>55,349</u>                    | <u>58,417</u>         | <u>113,766</u>    | <u>6,755</u>              | <u>1,304</u>    | <u>8,059</u>     | <u>121,825</u>    | <u>98,683</u>     |
| <b>OTHER EXPENSES:</b>                |                                  |                       |                   |                           |                 |                  |                   |                   |
| Supplies                              | 11,315                           | 13,616                | 24,931            | 1,451                     | -               | 1,451            | 26,382            | 16,258            |
| Printing                              | 362                              | 7,028                 | 7,390             | 404                       | -               | 404              | 7,794             | 8,016             |
| Telephone                             | 1,035                            | 1,086                 | 2,121             | 714                       | -               | 714              | 2,835             | 2,702             |
| Occupancy                             | -                                | -                     | -                 | 11,130                    | -               | 11,130           | 11,130            | 7,620             |
| Equipment rental and maintenance      | 1,717                            | 8,918                 | 10,635            | 2,769                     | -               | 2,769            | 13,404            | 1,668             |
| Travel, conferences, conventions      | 41,413                           | 56,208                | 97,621            | 5,180                     | -               | 5,180            | 102,801           | 83,318            |
| Consulting and professional fees      | 3,277                            | 800                   | 4,077             | 1,200                     | -               | 1,200            | 5,277             | 5,600             |
| Membership dues                       | -                                | -                     | -                 | 2,110                     | -               | 2,110            | 2,110             | 2,638             |
| Awards and grants                     | 150                              | 31,324                | 31,474            | 3,000                     | -               | 3,000            | 34,474            | 29,038            |
| Postage and shipping                  | 998                              | 2,709                 | 3,707             | 155                       | -               | 155              | 3,862             | 2,387             |
| Banking and investment fees           | 64                               | 123                   | 187               | 99                        | 8               | 107              | 294               | 100               |
| Miscellaneous                         | -                                | -                     | -                 | -                         | -               | -                | -                 | 208               |
| Total Other Expenses                  | <u>60,331</u>                    | <u>121,812</u>        | <u>182,143</u>    | <u>28,212</u>             | <u>8</u>        | <u>28,220</u>    | <u>210,363</u>    | <u>159,553</u>    |
| Total Expenses                        | <u>\$ 115,680</u>                | <u>\$ 180,229</u>     | <u>\$ 295,909</u> | <u>\$ 34,967</u>          | <u>\$ 1,312</u> | <u>\$ 36,279</u> | <u>\$ 332,188</u> | <u>\$ 258,236</u> |

See independent auditors' report.

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

|  | December 31, |            |
|--|--------------|------------|
|  | 2016         | 2015       |
|  | Unrestricted |            |
| <b>ASSETS</b>  |              |            |
| CURRENT ASSETS:  |              |            |
| Cash and equivalents   | \$ 412,801   | \$ 391,549 |
| Grants and other receivables, less allowance for<br>uncollectible accounts of \$-0- in 2016 and 2015 | 9,000        | -          |
| Prepaid expenses and other assets  | 23,262       | 2,759      |
| Total Current Assets   | 445,063      | 394,308    |
| NONCURRENT ASSETS:   |              |            |
| Security deposit   | 1,177        | -          |
| Total Noncurrent Assets  | 1,177        | -          |
|  | \$ 446,240   | \$ 394,308 |
| <b>LIABILITIES AND NET ASSETS</b>  |              |            |
| CURRENT LIABILITIES:   |              |            |
| Accrued expenses   | \$ 352       | \$ 310     |
| Deferred support and revenue   | 57,356       | 20,000     |
| Intercompany payable   | 23,926       | 41,164     |
| Total Current Liabilities  | 81,634       | 61,474     |
| COMMITMENTS  |              |            |
| NET ASSETS -   |              |            |
| Unrestricted   | 364,606      | 332,834    |
| Total Net Assets   | 364,606      | 332,834    |
|  | \$ 446,240   | \$ 394,308 |

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION**

**COLORADO CHAPTER STATEMENTS OF ACTIVITIES**

**AND CHANGES IN NET ASSETS**

|                                | <u>Year Ended December 31,</u> |                   |
|--------------------------------|--------------------------------|-------------------|
|                                | <u>2016</u>                    | <u>2015</u>       |
|                                | <u>Unrestricted</u>            |                   |
| <b>SUPPORT AND REVENUE:</b>    |                                |                   |
| Special events revenue         | \$ 105,252                     | \$ 94,422         |
| Less: direct costs             | <u>(52,091)</u>                | <u>(46,811)</u>   |
|                                | 53,161                         | 47,611            |
| Contributions and grants       | 356,717                        | 338,419           |
| Educational/medical literature | 16,350                         | 17,500            |
| Other income                   | <u>318</u>                     | <u>-</u>          |
| Total Support and Revenue      | <u>426,546</u>                 | <u>403,530</u>    |
| <b>EXPENSES:</b>               |                                |                   |
| Program services:              |                                |                   |
| Health education and training  | 139,202                        | 109,219           |
| Community services             | <u>210,734</u>                 | <u>135,450</u>    |
| Total Program Services         | <u>349,936</u>                 | <u>244,669</u>    |
| Supporting services:           |                                |                   |
| Management and general         | <u>44,838</u>                  | <u>34,345</u>     |
| Total Supporting Services      | <u>44,838</u>                  | <u>34,345</u>     |
| Total Expenses                 | <u>394,774</u>                 | <u>279,014</u>    |
| CHANGE IN NET ASSETS           | 31,772                         | 124,516           |
| NET ASSETS, BEGINNING OF YEAR  | <u>332,834</u>                 | <u>208,318</u>    |
| NET ASSETS, END OF YEAR        | <u>\$ 364,606</u>              | <u>\$ 332,834</u> |

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THE NATIONAL HEMOPHILIA FOUNDATION

SUPPLEMENTARY INFORMATION  
 COLORADO CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2016  
 (WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)

|                                     | Year Ended December 31           |                       |                   |                           |                  |                   |                   |
|-------------------------------------|----------------------------------|-----------------------|-------------------|---------------------------|------------------|-------------------|-------------------|
|                                     | Program Services                 |                       |                   | Support Services          |                  | 2016              | 2015              |
|                                     | Health Education<br>and Training | Community<br>Services | Total             | Management<br>and General | Total            | Total<br>Expenses | Total<br>Expenses |
| SALARIES AND RELATED EXPENSES:      |                                  |                       |                   |                           |                  |                   |                   |
| Salaries                            | \$ 31,328                        | \$ 58,969             | \$ 90,297         | \$ 12,095                 | \$ 12,095        | \$ 102,392        | \$ 78,203         |
| Employee benefits and payroll taxes | 9,191                            | 15,605                | 24,796            | 2,640                     | 2,640            | 27,436            | 19,382            |
| Pension expense                     | 835                              | 3,049                 | 3,884             | 884                       | 884              | 4,768             | 3,264             |
| Total Salaries and Related Expenses | <u>41,354</u>                    | <u>77,623</u>         | <u>118,977</u>    | <u>15,619</u>             | <u>15,619</u>    | <u>134,596</u>    | <u>100,849</u>    |
| OTHER EXPENSES:                     |                                  |                       |                   |                           |                  |                   |                   |
| Supplies                            | 3,388                            | 5,883                 | 9,271             | 1,080                     | 1,080            | 10,351            | 14,325            |
| Printing                            | 706                              | 59                    | 765               | 221                       | 221              | 986               | 1,224             |
| Telephone                           | 986                              | 1,855                 | 2,841             | 941                       | 941              | 3,782             | 1,222             |
| Occupancy                           | -                                | -                     | -                 | 18,420                    | 18,420           | 18,420            | 7,431             |
| Insurance                           | -                                | -                     | -                 | 202                       | 202              | 202               | -                 |
| Equipment rental and maintenance    | 4,593                            | 1,453                 | 6,046             | 737                       | 737              | 6,783             | -                 |
| Travel, conferences, conventions    | 67,313                           | 80,680                | 147,993           | 1,673                     | 1,673            | 149,666           | 107,844           |
| Consulting and professional fees    | 20,832                           | 29,502                | 50,334            | 1,006                     | 1,006            | 51,340            | 29,929            |
| Membership dues                     | -                                | 809                   | 809               | 4,280                     | 4,280            | 5,089             | 2,639             |
| Awards and grants                   | -                                | 12,761                | 12,761            | 528                       | 528              | 13,289            | 11,767            |
| Postage and shipping                | 30                               | 79                    | 109               | 29                        | 29               | 138               | 1,709             |
| Banking and investment fees         | -                                | 30                    | 30                | 102                       | 102              | 132               | 75                |
| Total Other Expenses                | <u>97,848</u>                    | <u>133,111</u>        | <u>230,959</u>    | <u>29,219</u>             | <u>29,219</u>    | <u>260,178</u>    | <u>178,165</u>    |
| Total Expenses                      | <u>\$ 139,202</u>                | <u>\$ 210,734</u>     | <u>\$ 349,936</u> | <u>\$ 44,838</u>          | <u>\$ 44,838</u> | <u>\$ 394,774</u> | <u>\$ 279,014</u> |

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

|  | December 31, |            |
|--|--------------|------------|
|  | 2016         | 2015       |
|  | Unrestricted |            |
| <b>ASSETS</b>                                    |              |            |
| <b>CURRENT ASSETS:</b>                           |              |            |
| Cash and equivalents                             | \$ 322,479   | \$ 325,080 |
| uncollectible accounts of \$-0- in 2016 and 2015 | 2,250        | 2,008      |
| Prepaid expenses and other assets                | 675          | 625        |
| Total Current Assets                             | 325,404      | 327,713    |
| <b>NONCURRENT ASSETS:</b>                        |              |            |
| Security deposit                                 | 599          | -          |
| Total Noncurrent Assets                          | 599          | -          |
|  | \$ 326,003   | \$ 327,713 |
| <b>LIABILITIES AND NET ASSETS</b>                |              |            |
| <b>CURRENT LIABILITIES:</b>                      |              |            |
| Accounts payable                                 | \$ 730       | \$ 2,071   |
| Accrued expenses                                 | 1,886        | 309        |
| Deferred support and revenue                     | 9,062        | 1,575      |
| Intercompany payable                             | 19,268       | 30,318     |
| Total Current Liabilities                        | 30,946       | 34,273     |
| <b>COMMITMENTS</b>                               |              |            |
| <b>NET ASSETS -</b>                              |              |            |
| Unrestricted                                     | 295,057      | 293,440    |
| Total Net Assets                                 | 295,057      | 293,440    |
|  | \$ 326,003   | \$ 327,713 |

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION  
NEBRASKA STATEMENTS OF ACTIVITIES  
AND CHANGES IN NET ASSETS**

|  | Year Ended December 31, |                   |
|--|-------------------------|-------------------|
|  | 2016                    | 2015              |
|  | Unrestricted            |                   |
| <b>SUPPORT AND REVENUE:</b>                  |                         |                   |
| Special events revenue                       | \$ 63,945               | \$ 60,456         |
| Less: direct costs                           | <u>(32,523)</u>         | <u>(33,043)</u>   |
|  | 31,422                  | 27,413            |
| Contributions and grants                     | 78,837                  | 95,569            |
| Contributions from combined federal campaign | 5,364                   | -                 |
| Educational seminars and programs            | 1,100                   | 720               |
| Investment income                            | 133                     | 127               |
| Educational/medical literature               | <u>10,800</u>           | <u>25,823</u>     |
| Total Support and Revenue                    | <u>127,656</u>          | <u>149,652</u>    |
| <b>EXPENSES:</b>                             |                         |                   |
| Program services:                            |                         |                   |
| Health education and training                | 60,142                  | 78,660            |
| Community services                           | <u>38,194</u>           | <u>49,295</u>     |
| Total Program Services                       | <u>98,336</u>           | <u>127,955</u>    |
| Supporting services:                         |                         |                   |
| Management and general                       | 25,843                  | 24,517            |
| Fundraising                                  | <u>1,860</u>            | <u>4,294</u>      |
| Total Supporting Services                    | <u>27,703</u>           | <u>28,811</u>     |
| Total Expenses                               | <u>126,039</u>          | <u>156,766</u>    |
| CHANGE IN NET ASSETS                         | 1,617                   | (7,114)           |
| NET ASSETS, BEGINNING OF YEAR                | <u>293,440</u>          | <u>300,554</u>    |
| NET ASSETS, END OF YEAR                      | <u>\$ 295,057</u>       | <u>\$ 293,440</u> |

*See independent auditors' report.*

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

**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)**

|                                       | Year Ended December 31           |                       |                  |                           |                 |                  |                   |                   |
|---------------------------------------|----------------------------------|-----------------------|------------------|---------------------------|-----------------|------------------|-------------------|-------------------|
|                                       | Program Services                 |                       |                  | Support Services          |                 |                  | 2016              | 2015              |
|                                       | Health Education<br>and Training | Community<br>Services | Total            | Management<br>and General | Fundraising     | Total            | Total<br>Expenses | Total<br>Expenses |
| <b>SALARIES AND RELATED EXPENSES:</b> |                                  |                       |                  |                           |                 |                  |                   |                   |
| Salaries                              | \$ 16,794                        | \$ 17,944             | \$ 34,738        | \$ 12,790                 | \$ 601          | \$ 13,391        | \$ 48,129         | \$ 59,938         |
| Employee benefits and payroll taxes   | 2,708                            | 2,767                 | 5,475            | 1,985                     | 51              | 2,036            | 7,511             | 15,320            |
| Pension expense                       | -                                | -                     | -                | -                         | -               | -                | -                 | 2,159             |
| Total Salaries and Related Expenses   | <u>19,502</u>                    | <u>20,711</u>         | <u>40,213</u>    | <u>14,775</u>             | <u>652</u>      | <u>15,427</u>    | <u>55,640</u>     | <u>77,417</u>     |
| <b>OTHER EXPENSES:</b>                |                                  |                       |                  |                           |                 |                  |                   |                   |
| Supplies                              | 1,163                            | 1,804                 | 2,967            | 1,178                     | -               | 1,178            | 4,145             | 13,272            |
| Printing                              | 328                              | 1,064                 | 1,392            | 261                       | 1,208           | 1,469            | 2,861             | 3,381             |
| Telephone                             | 1,039                            | 1,110                 | 2,149            | 1,953                     | -               | 1,953            | 4,102             | 3,808             |
| Occupancy                             | -                                | -                     | -                | 3,575                     | -               | 3,575            | 3,575             | 2,845             |
| Equipment rental and maintenance      | 656                              | 778                   | 1,434            | 1,232                     | -               | 1,232            | 2,666             | 2,838             |
| Travel, conferences, conventions      | 29,400                           | 10,168                | 39,568           | 1,430                     | -               | 1,430            | 40,998            | 41,210            |
| Consulting and professional fees      | 7,550                            | 354                   | 7,904            | 845                       | -               | 845              | 8,749             | 5,833             |
| Membership dues                       | 155                              | -                     | 155              | 139                       | -               | 139              | 294               | 2,599             |
| Awards and grants                     | -                                | 1,763                 | 1,763            | -                         | -               | -                | 1,763             | 898               |
| Postage and shipping                  | 325                              | 442                   | 767              | 390                       | -               | 390              | 1,157             | 2,584             |
| Banking and investment fees           | 24                               | -                     | 24               | 65                        | -               | 65               | 89                | 81                |
| Total Other Expenses                  | <u>40,640</u>                    | <u>17,483</u>         | <u>58,123</u>    | <u>11,068</u>             | <u>1,208</u>    | <u>12,276</u>    | <u>70,399</u>     | <u>79,349</u>     |
| Total Expenses                        | <u>\$ 60,142</u>                 | <u>\$ 38,194</u>      | <u>\$ 98,336</u> | <u>\$ 25,843</u>          | <u>\$ 1,860</u> | <u>\$ 27,703</u> | <u>\$ 126,039</u> | <u>\$ 156,766</u> |

*See independent auditors' report.*

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

|   | December 31, |           |
|---|--------------|-----------|
|   | 2016         | 2015      |
|   | Unrestricted |           |
| <b>ASSETS</b>   |              |           |
| <b>CURRENT ASSETS:</b>  |              |           |
| Cash and equivalents  | \$ 125,857   | \$ 76,810 |
| Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2016 and 2015 | 15,712       | 3,970     |
| Prepaid expenses and other assets   | 2,570        | 250       |
| Intercompany receivable   | -            | 4,778     |
| Total Current Assets  | 144,139      | 85,808    |
| <b>NONCURRENT ASSETS -</b>  |              |           |
| Security deposit  | 395          | 395       |
| Total Noncurrent Assets   | 395          | 395       |
|   | \$ 144,534   | \$ 86,203 |
| <b>LIABILITIES AND NET ASSETS</b>   |              |           |
| <b>CURRENT LIABILITIES:</b>   |              |           |
| Accounts payable  | \$ 3,171     | \$ 210    |
| Accrued expenses  | 701          | 61        |
| Deferred support and revenue  | 14,675       | -         |
| Intercompany payable  | 5,658        | -         |
| Total Current Liabilities   | 24,205       | 271       |
| <b>COMMITMENTS</b>  |              |           |
| <b>NET ASSETS -</b>   |              |           |
| Unrestricted  | 120,329      | 85,932    |
| Total Net Assets  | 120,329      | 85,932    |
|   | \$ 144,534   | \$ 86,203 |

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION  
WEST VIRGINIA CHAPTER STATEMENTS OF ACTIVITIES  
AND CHANGES IN NET ASSETS**

|  | Year Ended December 31, |           |
|--|-------------------------|-----------|
|  | 2016                    | 2015      |
|  | Unrestricted            |           |
| <b>SUPPORT AND REVENUE:</b>                  |                         |           |
| Special events revenue                       | \$ 35,863               | \$ 37,018 |
| Less: direct costs                           | (16,369)                | (15,541)  |
|  | 19,494                  | 21,477    |
| Contributions and grants                     | 89,411                  | 68,499    |
| Revenues generated from affiliated chapters  | 2,250                   | -         |
| Contributions from combined federal campaign | 271                     | 496       |
| Educational/medical literature               | 2,250                   | -         |
| Total Support and Revenue                    | 113,676                 | 90,472    |
| <b>EXPENSES:</b>                             |                         |           |
| Program services:                            |                         |           |
| Health education and training                | 24,821                  | 10,362    |
| Community services                           | 29,401                  | 10,981    |
| Total Program Services                       | 54,222                  | 21,343    |
| Supporting services -                        |                         |           |
| Management and general                       | 20,476                  | 13,391    |
| Fundraising                                  | 4,581                   | -         |
| Total Supporting Services                    | 25,057                  | 13,391    |
| Total Expenses                               | 79,279                  | 34,734    |
| CHANGE IN NET ASSETS                         | 34,397                  | 55,738    |
| NET ASSETS, BEGINNING OF YEAR                | 85,932                  | 30,194    |
| NET ASSETS, END OF YEAR                      | \$ 120,329              | \$ 85,932 |

*See independent auditors' report.*

THE NATIONAL HEMOPHILIA FOUNDATION

SUPPLEMENTARY INFORMATION  
WEST VIRGINIA CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2016  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2015)

|                                      | Year Ended December 31           |                       |                  |                           |                 |                  |                  | 2016<br>Total<br>Expenses | 2015<br>Total<br>Expenses |
|--------------------------------------|----------------------------------|-----------------------|------------------|---------------------------|-----------------|------------------|------------------|---------------------------|---------------------------|
|                                      | Program Services                 |                       |                  | Support Services          |                 |                  |                  |                           |                           |
|                                      | Health Education<br>and Training | Community<br>Services | Total            | Management<br>and General | Fundraising     | Total            |                  |                           |                           |
| <b>SALARIES AND RELATED EXPENSES</b> |                                  |                       |                  |                           |                 |                  |                  |                           |                           |
| Salaries                             | \$ 5,250                         | \$ 7,875              | \$ 13,125        | \$ 5,251                  | \$ 2,625        | \$ 7,876         | \$ 21,001        | \$ -                      |                           |
| Employee benefits and payroll taxes  | 526                              | 789                   | 1,315            | 526                       | 263             | 789              | 2,104            | -                         |                           |
| Pension expense                      | 157                              | 236                   | 393              | 156                       | 79              | 235              | 628              | -                         |                           |
| Total Salaries and Related Expenses  | <u>5,933</u>                     | <u>8,900</u>          | <u>14,833</u>    | <u>5,933</u>              | <u>2,967</u>    | <u>8,900</u>     | <u>23,733</u>    | <u>-</u>                  |                           |
| <b>OTHER EXPENSES:</b>               |                                  |                       |                  |                           |                 |                  |                  |                           |                           |
| Supplies                             | 308                              | 107                   | 415              | 2,279                     | 240             | 2,519            | 2,934            | 1,671                     |                           |
| Printing                             | 195                              | 998                   | 1,193            | -                         | -               | -                | 1,193            | 503                       |                           |
| Telephone                            | 431                              | 647                   | 1,078            | 1,079                     | -               | 1,079            | 2,157            | 2,122                     |                           |
| Occupancy                            | -                                | -                     | -                | 4,780                     | -               | 4,780            | 4,780            | 4,492                     |                           |
| Equipment rental and maintenance     | -                                | -                     | -                | -                         | -               | -                | -                | 320                       |                           |
| Travel, conferences, conventions     | 12,814                           | 12,717                | 25,531           | 6,072                     | 1,374           | 7,446            | 32,977           | 17,386                    |                           |
| Consulting and professional fees     | 1,166                            | 1,139                 | 2,305            | -                         | -               | -                | 2,305            | 1,437                     |                           |
| Membership dues                      | 300                              | 250                   | 550              | 202                       | -               | 202              | 752              | 210                       |                           |
| Awards and grants                    | 3,366                            | 4,302                 | 7,668            | -                         | -               | -                | 7,668            | 5,960                     |                           |
| Postage and shipping                 | 308                              | 341                   | 649              | 59                        | -               | 59               | 708              | 477                       |                           |
| Banking and investment fees          | -                                | -                     | -                | 72                        | -               | 72               | 72               | 63                        |                           |
| Miscellaneous                        | -                                | -                     | -                | -                         | -               | -                | -                | 93                        |                           |
| Total Other Expenses                 | <u>18,888</u>                    | <u>20,501</u>         | <u>39,389</u>    | <u>14,543</u>             | <u>1,614</u>    | <u>16,157</u>    | <u>55,546</u>    | <u>34,734</u>             |                           |
| Total Expenses                       | <u>\$ 24,821</u>                 | <u>\$ 29,401</u>      | <u>\$ 54,222</u> | <u>\$ 20,476</u>          | <u>\$ 4,581</u> | <u>\$ 25,057</u> | <u>\$ 79,279</u> | <u>\$ 34,734</u>          |                           |

See independent auditors' report.

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION**

**HAWAII CHAPTER STATEMENTS OF ACTIVITIES**

**AND CHANGES IN NET ASSETS**

**FOR THE ELEVEN MONTHS ENDED DECEMBER 31, 2016**

|  | <u>Unrestricted</u> |
|--|---------------------|
| <b>SUPPORT AND REVENUE:</b>                  |                     |
| Special events revenue                       | \$ 28,137           |
| Less: direct costs                           | <u>(2,727)</u>      |
|  | 25,410              |
| Government grants                            | -                   |
| Contributions and grants                     | <u>79,458</u>       |
| Revenues generated from affiliated chapters  | -                   |
| Contributions from combined federal campaign | <u>-</u>            |
| Educational seminars and programs            | -                   |
| Investment income                            | -                   |
| Realized gains (losses) on investments       | -                   |
| Unrealized gains (losses) on investments     | -                   |
| Publication income                           | -                   |
| Educational/medical literature               | -                   |
| In-Kind                                      | -                   |
| Other income                                 | <u>-</u>            |
| Net assets released from restrictions        | <u>-</u>            |
| Total Support and Revenue                    | <u>104,868</u>      |
| <b>EXPENSES:</b>                             |                     |
| Program services:                            |                     |
| Health education and training                | 552                 |
| Community services                           | <u>89,961</u>       |
| Total Program Services                       | <u>90,513</u>       |
| Supporting services -                        |                     |
| Management and general                       | <u>4,621</u>        |
| Total Supporting Services                    | <u>4,621</u>        |
| Total Expenses                               | <u>95,134</u>       |
| <b>CHANGE IN NET ASSETS</b>                  | 9,734               |
| <b>NET ASSETS, BEGINNING OF YEAR</b>         | <u>-</u>            |
| <b>NET ASSETS, END OF YEAR</b>               | <u>\$ 9,734</u>     |

*See independent auditors' report.*



**THE NATIONAL HEMOPHILIA FOUNDATION**  
**SUPPLEMENTARY INFORMATION**  
**HAWAII CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE ELEVEN MONTHS ENDED DECEMBER 31, 2016**

|                                  | Program Services              |                    |                  | Support Services       |             |                 | Total Expenses   |
|----------------------------------|-------------------------------|--------------------|------------------|------------------------|-------------|-----------------|------------------|
|                                  | Health Education and Training | Community Services | Total            | Management and General | Fundraising | Total           |                  |
| OTHER EXPENSES:                  |                               |                    |                  |                        |             |                 |                  |
| Supplies                         | \$ -                          | \$ 775             | \$ 775           | \$ 1,323               | \$ -        | \$ 1,323        | \$ 2,098         |
| Printing                         | -                             | 298                | 298              | -                      | -           | -               | 298              |
| Equipment rental and maintenance | -                             | 584                | 584              | 2,925                  | -           | 2,925           | 3,509            |
| Travel, conferences, conventions | 552                           | 79,966             | 80,518           | 190                    | -           | 190             | 80,708           |
| Consulting and professional fees | -                             | 7,000              | 7,000            | -                      | -           | -               | 7,000            |
| Awards and grants                | -                             | 1,171              | 1,171            | -                      | -           | -               | 1,171            |
| Postage and shipping             | -                             | 122                | 122              | 183                    | -           | 183             | 305              |
| Banking and investment fees      | -                             | 45                 | 45               | -                      | -           | -               | 45               |
| Total Other Expenses             | <u>552</u>                    | <u>89,961</u>      | <u>90,513</u>    | <u>4,621</u>           | <u>-</u>    | <u>4,621</u>    | <u>95,134</u>    |
| Total Expenses                   | <u>\$ 552</u>                 | <u>\$ 89,961</u>   | <u>\$ 90,513</u> | <u>\$ 4,621</u>        | <u>\$ -</u> | <u>\$ 4,621</u> | <u>\$ 95,134</u> |

*See independent auditors' report.*

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The National Hemophilia Foundation (a nonprofit organization) (the "Foundation"), which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 8, 2017.

**Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Wiss & Company*

WISS & COMPANY, LLP

Livingston, New Jersey  
June 8, 2017