



**THE NATIONAL HEMOPHILIA FOUNDATION**

**FINANCIAL REPORT  
DECEMBER 31, 2017 AND 2016**

# 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, 2017 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, 2017, 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

## **Report on Summarized Comparative Information**

We have previously audited the Foundation's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 8, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, 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 17 to 37 is presented for purposes of additional analysis and is not a required part of the financial statements for 2017 and 2016. The supplementary information and accompanying schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The supplementary information and accompanying schedules have been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and accompanying schedules are fairly stated in all material respects in relation to the financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated May 4, 2018 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 the effectiveness of the Foundation's 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, LLP

Livingston, New Jersey  
May 4, 2018

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

**DECEMBER 31, 2017  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR DECEMBER 31, 2016)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	2017	2016
<b>ASSETS</b>					
<b>CURRENT ASSETS:</b>					
Cash and equivalents	\$ 5,786,803	\$ 6,136,223	\$ 250,000	\$ 12,173,026	\$ 10,830,268
Investments at fair value	-	379,300	-	379,300	349,400
Government grants receivable	75,921	-	-	75,921	70,412
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	653,498	-	-	653,498	1,961,875
Contribution receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	7,450	-	250,000	257,450	300,000
Prepaid expenses and other assets	427,010	-	-	427,010	318,795
Total Current Assets	6,950,682	6,515,523	500,000	13,966,205	13,830,750
<b>NONCURRENT ASSETS:</b>					
Contribution receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	7,279	-	492,745	500,024	735,537
Investments at fair value	13,024,439	3,272,907	500,000	16,797,346	12,201,009
Security deposit and other assets	623,590	-	-	623,590	516,340
Fixed assets, net	249,241	-	-	249,241	254,002
Total Noncurrent Assets	13,904,549	3,272,907	992,745	18,170,201	13,706,888
	<b>\$ 20,855,231</b>	<b>\$ 9,788,430</b>	<b>\$ 1,492,745</b>	<b>\$ 32,136,406</b>	<b>\$ 27,537,638</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES:</b>					
Accounts payable	\$ 714,047	\$ -	\$ -	\$ 714,047	\$ 692,327
Accrued expenses	880,129	-	-	880,129	813,274
Accrued payroll and vacation	357,787	-	-	357,787	373,168
Deferred rent payable	334,861	-	-	334,861	288,385
Deferred support and revenue	156,050	6,136,223	-	6,292,273	5,097,055
Total Current Liabilities	2,442,874	6,136,223	-	8,579,097	7,264,209
LONG-TERM LIABILITY - OTHER PAYABLE	346,769	-	-	346,769	241,319
<b>COMMITMENTS</b>					
<b>NET ASSETS:</b>					
Unrestricted	18,018,538	-	-	18,018,538	14,749,525
Unrestricted - board designated	47,050	-	-	47,050	69,719
Temporarily restricted	-	3,652,207	-	3,652,207	3,727,329
Permanently restricted	-	-	1,492,745	1,492,745	1,485,537
Total Net Assets	18,065,588	3,652,207	1,492,745	23,210,540	20,032,110
	<b>\$ 20,855,231</b>	<b>\$ 9,788,430</b>	<b>\$ 1,492,745</b>	<b>\$ 32,136,406</b>	<b>\$ 27,537,638</b>

*See accompanying notes to financial statements.*

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

**YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Unrestricted	Temporarily Restricted	Permanently Restricted	2017 Total	2016 Total
<b>SUPPORT AND REVENUE:</b>					
Special events revenue	\$ 2,289,090	\$ -	\$ -	\$ 2,289,090	\$ 2,186,582
Less: direct costs	<u>(1,327,110)</u>	<u>-</u>	<u>-</u>	<u>(1,327,110)</u>	<u>(1,077,254)</u>
	961,980	-	-	961,980	1,109,328
Government grants	569,832	-	-	569,832	585,357
Contributions and grants	13,596,756	743,259	-	14,340,015	16,284,946
Revenues generated from affiliated chapters	7,019	28,485	7,208	42,712	1,294,370
Contributions from combined federal campaign	20,525	-	-	20,525	20,565
Educational seminars and programs	4,310,658	-	-	4,310,658	4,195,825
Investment income	497,455	20,070	-	517,525	352,739
Realized gains (losses) on investments	257	2	-	259	(1,913)
Unrealized gains on investments	1,577,576	59,362	-	1,636,938	384,919
Publication income	-	-	-	-	3,953
Educational/medical literature	1,252,033	-	-	1,252,033	1,324,820
Other income	53,754	-	-	53,754	43,427
Net assets released from restrictions	<u>926,300</u>	<u>(926,300)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Support and Revenue</b>	<u>23,774,145</u>	<u>(75,122)</u>	<u>7,208</u>	<u>23,706,231</u>	<u>25,598,336</u>
<b>EXPENSES:</b>					
Program services:					
Health education and training	7,860,955	-	-	7,860,955	7,849,059
Community services	4,559,165	-	-	4,559,165	4,498,781
Chapter services	1,696,911	-	-	1,696,911	1,849,439
Research	<u>1,598,442</u>	<u>-</u>	<u>-</u>	<u>1,598,442</u>	<u>1,434,911</u>
<b>Total Program Services</b>	<u>15,715,473</u>	<u>-</u>	<u>-</u>	<u>15,715,473</u>	<u>15,632,190</u>
Supporting services:					
Management and general	3,857,394	-	-	3,857,394	3,282,587
Fundraising	<u>954,934</u>	<u>-</u>	<u>-</u>	<u>954,934</u>	<u>910,047</u>
<b>Total Supporting Services</b>	<u>4,812,328</u>	<u>-</u>	<u>-</u>	<u>4,812,328</u>	<u>4,192,634</u>
<b>Total Expenses</b>	<u>20,527,801</u>	<u>-</u>	<u>-</u>	<u>20,527,801</u>	<u>19,824,824</u>
<b>CHANGE IN NET ASSETS</b>	3,246,344	(75,122)	7,208	3,178,430	5,773,512
<b>NET ASSETS, BEGINNING OF YEAR</b>	<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>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 18,065,588</u>	<u>\$ 3,652,207</u>	<u>\$ 1,492,745</u>	<u>\$ 23,210,540</u>	<u>\$ 20,032,110</u>

*See accompanying notes to financial statements.*

**THE NATIONAL HEMOPHILIA FOUNDATION**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,									
	Program Services					Support Services			2017	2016
	Health Education and Training	Community Services	Chapter Services	Research	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>										
Salaries	\$ 1,574,565	\$ 1,253,144	\$ 500,066	\$ 331,296	\$ 3,659,071	\$ 1,850,562	\$ 325,970	\$ 2,176,532	\$ 5,835,603	\$ 5,299,513
Employee benefits and payroll taxes	356,411	320,381	130,137	76,521	883,450	410,728	88,777	499,505	1,382,955	1,184,479
Pension expense	89,385	65,723	29,949	13,193	198,250	151,260	7,441	158,701	356,951	358,830
Total Salaries and Related Expenses	<u>2,020,361</u>	<u>1,639,248</u>	<u>660,152</u>	<u>421,010</u>	<u>4,740,771</u>	<u>2,412,550</u>	<u>422,188</u>	<u>2,834,738</u>	<u>7,575,509</u>	<u>6,842,822</u>
<b>OTHER EXPENSES:</b>										
Supplies	116,668	35,627	6,719	4,418	163,432	28,132	5,479	33,611	197,043	199,735
Printing and other	188,420	485,626	2,699	32,495	709,240	80,815	219,448	300,263	1,009,503	1,015,204
Telephone	37,586	42,245	24,174	6,318	110,323	17,732	8,410	26,142	136,465	126,258
Occupancy	162,974	101,262	150,670	18,745	433,651	203,199	40,840	244,039	677,690	661,010
Insurance	-	-	-	-	-	43,337	-	43,337	43,337	46,222
Equipment rental and maintenance	599,915	110,791	59,328	14,856	784,890	72,698	17,769	90,467	875,357	713,961
Travel, conferences, conventions	2,830,624	890,947	343,458	135,487	4,200,516	228,698	118,534	347,232	4,547,748	4,203,151
Accounting and auditing	-	-	-	-	-	65,211	-	65,211	65,211	62,870
Consulting and professional fees	1,606,182	937,316	17,781	185,800	2,747,079	347,138	39,164	386,302	3,133,381	3,952,770
Legal fees	-	8,106	-	6,575	14,681	127,822	-	127,822	142,503	130,153
Membership dues	4,041	57,868	756	1,446	64,111	130,606	22,429	153,035	217,146	298,044
Awards and grants	232,999	209,852	422,775	765,634	1,631,260	1,056	-	1,056	1,632,316	1,312,759
Postage and shipping	47,089	29,264	3,030	2,361	81,744	3,475	57,703	61,178	142,922	165,820
Employment recruiting	-	-	-	-	-	18,399	-	18,399	18,399	9,674
Depreciation and amortization	13,805	10,937	5,369	3,297	33,408	15,871	2,967	18,838	52,246	47,723
Banking and investment fees	291	76	-	-	367	60,655	3	60,658	61,025	36,648
Total Other Expenses	<u>5,840,594</u>	<u>2,919,917</u>	<u>1,036,759</u>	<u>1,177,432</u>	<u>10,974,702</u>	<u>1,444,844</u>	<u>532,746</u>	<u>1,977,590</u>	<u>12,952,292</u>	<u>12,982,002</u>
Total Expenses	<u>\$ 7,860,955</u>	<u>\$ 4,559,165</u>	<u>\$ 1,696,911</u>	<u>\$ 1,598,442</u>	<u>\$ 15,715,473</u>	<u>\$ 3,857,394</u>	<u>\$ 954,934</u>	<u>\$ 4,812,328</u>	<u>\$ 20,527,801</u>	<u>\$ 19,824,824</u>

*See accompanying notes to financial statements.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**STATEMENTS OF CASH FLOWS**

	Year Ended December 31,	
	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 3,178,430	\$ 5,773,512
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	52,246	47,723
Realized (gains) losses from investments	(259)	1,913
Unrealized gains from investments	(1,636,938)	(384,919)
Deferred rent payable	46,476	58,928
Proceeds from donated stock	5,218	-
(Increase) decrease in assets:		
Government grants receivable	(5,509)	(1,691)
Grants and other receivables	1,308,377	(1,171,350)
Contribution receivables	278,063	(886,023)
Security deposits and other assets	(107,250)	(54,407)
Prepaid expenses	(108,215)	63,526
Increase (decrease) in liabilities:		
Accounts payable	21,720	234,369
Accrued expenses	66,855	24,351
Accrued payroll and vacation	(15,381)	(104,869)
Long term other payable	105,450	52,631
Deferred support and revenue	1,195,218	(647,510)
Net Cash Flows from Operating Activities	4,384,501	3,006,184
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(47,484)	-
Purchase of investments	(3,026,446)	(1,966,774)
Proceeds from sale of investments	32,187	24,710
Net Cash Flows from Investing Activities	(3,041,743)	(1,942,064)
<b>NET CHANGE IN CASH AND EQUIVALENTS</b>	1,342,758	1,064,120
<b>CASH AND EQUIVALENTS, BEGINNING OF YEAR</b>	10,830,268	9,766,148
<b>CASH AND EQUIVALENTS, END OF YEAR</b>	\$ 12,173,026	\$ 10,830,268
<b>SUPPLEMENTAL CASH FLOW INFORMATION -</b>		
Donated Stock	\$ 5,525	\$ 5,359

*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, 2017 and 2016, approximately 37% of the Foundation’s total support and revenue were provided by two pharmaceutical companies. For these pharmaceutical companies, grants and other receivables represented 26% and 10% of the total grants and other receivables as of December 31, 2017 and 2016, 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 Financial Accounting Standards Board (FASB) Accounting Standards Codification (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 \$47,050 and \$69,719 as of December 31, 2017 and 2016, respectively. As of December 31, 2016, the balance of \$69,719 was designated for the special project associated with the Clinical Practice Guidelines of which \$22,669 was expended in 2017, resulting in a balance of \$47,050 as of December 31, 2017 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):**

***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 statements of financial position. Interest and dividends and realized and unrealized gains and losses, if any, are reported in unrestricted net assets unless its use is restricted by explicit donor stipulation or by law. Purchases and sales of investments are recorded on a settlement date basis. The cost of securities sold is determined using the specific identification method. The Foundation reviews its investments annually for impairment. Management has determined there are no other than temporary losses as of December 31, 2017. Investment expenses totaled \$28,689 and \$22,356 as of December 31, 2017 and 2016, respectively.

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.

***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, 2017 and 2016, conditional promises to give to the Foundation amounted to \$0 and \$507,132, for the purpose of funding its Clinical Fellowship Program.

***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.

Repairs and maintenance costs are expensed as incurred; major renewals and betterments are capitalized. When assets are disposed of, the assets and related allowances for depreciation are eliminated from the accounts and any resulting gain or loss is reflected in operations.

# THE NATIONAL HEMOPHILIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

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

**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 \$949,419 and \$892,000 as of December 31, 2017 and 2016, respectively.

**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.

**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.

**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 2017 and 2016 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 2014 through 2016 are open to examination by the IRS as of December 31, 2017, with limited exceptions for various states. Unrelated business income tax for the years ended December 31, 2017 and 2016 amounted to \$74,394 and \$0, respectively, and is included under printing and other (production of the Hemaware magazine, both printed and online formats) in the statements of functional expenses.

**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.

**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.

# THE NATIONAL HEMOPHILIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

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

**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.

**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, 2016, from which the summarized information was derived.

**Recently Issued Accounting Pronouncements** - In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)," requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for annual reporting periods beginning after December 15, 2018. Management is currently evaluating the impact of this adoption on its financial statements.

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)," which replaces the existing guidance in ASC 840 - Leases. This ASU requires a dual approach for lessee accounting under which a lessee would account for leases as finance leases or operating leases. Both finance leases and operating leases will result in the lessee recognizing a right-of-use asset and a corresponding lease liability. For finance leases, the lessee would recognize interest expense and amortization of the right-of-use asset and for operating leases, the lessee would recognize a straight-line total lease expense. This ASU is effective for fiscal years beginning after December 15, 2019. The requirements of this standard include a significant increase in required disclosures. Management is currently evaluating the impact of this ASU on the financial statements.

In August 2016, the FASB issued ASU 2016-14, "Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities". The amendments in this ASU make improvements to the information provided in financial statements and accompanying notes of not-for-profit entities. The amendments set forth the FASB's improvements to net asset classification requirements and the information presented about a not-for-profit entity's liquidity, financial performance, and cash flows. The ASU will be effective for fiscal years beginning after December 15, 2017. Earlier application is permitted. The changes in this ASU should generally be applied on a retrospective basis in the year that the ASU is first applied. Management is currently evaluating the impact of this ASU on the financial statements.

**Subsequent Events** - Management has reviewed and evaluated all events and transactions from December 31, 2017 through May 4, 2018, the date that the financial statements were available for issuance. The effects of those events and transactions that provide additional pertinent information about conditions that existed at the statement of financial position date have been recognized in the accompanying financial statements.

# THE NATIONAL HEMOPHILIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

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

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

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

Level 2 - Inputs to the valuation methodology include:

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

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

The asset'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, 2017 and 2016:

	<i>Assets at Fair Value as of December 31, 2017</i>			
	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>	<i>Total</i>
Common Stocks	\$ 7,084	\$ -	\$ -	\$ 7,084
Mutual Funds - Fixed Income	6,544,348	-	-	6,544,348
Mutual Funds - Equity				
U.S.	6,382,644	-	-	6,382,644
International	4,242,570	-	-	4,242,570
Total	<u>\$ 17,176,646</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,176,646</u>

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

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

	<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
Total	<u>\$ 12,550,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,550,409</u>

**Note 3 - Contribution Receivables:**

Contribution receivables have been discounted over the payment period using a discount rate of 0.98% for 2017 and 2016. Contribution receivables are restricted for research and are due as follows:

	December 31,	
	2017	2016
Less than one year	\$ 257,450	\$ 300,000
One to five years	507,350	750,000
	764,800	1,050,000
Less: discount to present value	7,326	14,463
	<u>\$ 757,474</u>	<u>\$ 1,035,537</u>
To summarize:		
Current	\$ 257,450	\$ 300,000
Long-term	500,024	735,537
	<u>\$ 757,474</u>	<u>\$ 1,035,537</u>

**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

**Note 4 - Fixed Assets:**

The Foundation's fixed assets consist of the following:

	December 31,	
	2017	2016
Furniture, fixtures and equipment	\$ 315,305	\$ 267,820
Computers	24,196	24,196
Leasehold improvements	51,576	51,576
	391,077	343,592
Less: Accumulated depreciation and amortization	141,836	89,590
	\$ 249,241	\$ 254,002

Depreciation and amortization expense was \$52,246 and \$47,723 for the years ended December 31, 2017 and 2016, respectively.

**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 \$214,082 and \$177,398 as of December 31, 2017 and 2016, 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,	
	2017	2016
Research	\$ 1,085,085	\$ 1,368,388
Clinical Fellowship	1,270,294	1,207,919
International Programs	975,980	997,776
Dale Smith Endowment Fund *	235,478	93,897
Soozie Courter Memorial Fund	56,875	56,875
Hemophilia of Georgia Endowment Fund *	27,033	-
Scholarship Fund	1,462	2,474
	\$ 3,652,207	\$ 3,727,329

\* See Endowment footnote 8

# THE NATIONAL HEMOPHILIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### 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,	
	2017	2016
Clinical Fellowship	\$ 444,757	\$ 577,136
Research	440,317	399,345
International Programs	40,213	-
Scholarship Fund	1,013	1,037
Katrina Relief Fund	-	877
	<u>\$ 926,300</u>	<u>\$ 978,395</u>

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

The Foundation maintains donor-restricted funds 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.

#### *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



**THE NATIONAL HEMOPHILIA FOUNDATION**

**NOTES TO FINANCIAL STATEMENTS**

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

*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.

*Spending Policy*

The Foundation has decided to accumulate investment income until it is sufficient to be given as a research award. This amount totaling \$262,511 and \$93,897 as of December 31, 2017 and 2016, respectively, are recorded as temporary restricted assets until the board approves the award of the research grant.

*Changes in Donor-Restricted Endowment Net Assets*

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, December 31, 2015	\$ -	\$ 72,235	\$ 250,000	\$ 322,235
Additions	-	-	1,235,537	1,235,537
Investment return	-	21,662	-	21,662
Endowment net assets, December 31, 2016	<u>\$ -</u>	<u>\$ 93,897</u>	<u>\$ 1,485,537</u>	<u>\$ 1,579,434</u>
Additions	\$ -	\$ -	\$ 7,208	\$ 7,208
Investment return	-	168,614	-	168,614
Endowment net assets, December 31, 2017	<u>\$ -</u>	<u>\$ 262,511</u>	<u>\$ 1,492,745</u>	<u>\$ 1,755,256</u>

# THE NATIONAL HEMOPHILIA FOUNDATION

## NOTES TO FINANCIAL STATEMENTS

### Note 9 - Commitments:

The Foundation leases office space and equipment under operating leases. Rent expense including real estate taxes included under occupancy and special event direct costs for the years ended December 31, 2017 and 2016 was \$658,005 and \$674,152, respectively. At December 31, 2017, 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>	
2018	\$ 628,656
2019	622,825
2020	655,528
2021	672,368
2022	681,080
2023 and thereafter	<u>1,884,835</u>
	<u>\$ 5,145,292</u>

### Note 10 - Benefit Plans:

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 nonqualified deferred compensation plan for certain executives that operate under Section 457(b) of the Internal Revenue Code.

For the years ended December 31, 2017 and 2016, expense for both benefit plans included under pension expense and special events was \$361,391 and \$371,692, respectively. Additionally, the liability to the 457(b) deferred compensation plan was \$346,769 and \$241,319 as of December 31, 2017 and 2016, 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,	
	2017	2016
	Unrestricted	
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and equivalents	\$ 94,855	\$ 193,690
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	38,224	20,044
Prepaid expenses and other assets	2,317	1,305
Total Current Assets	135,396	215,039
	\$ 135,396	\$ 215,039
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ -	\$ 6,495
Deferred support and revenue	13,592	5,658
Intercompany payable	23,003	42,320
Total Current Liabilities	36,595	54,473
COMMITMENTS		
NET ASSETS -		
Unrestricted	98,801	160,566
Total Net Assets	98,801	160,566
	\$ 135,396	\$ 215,039

*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,	
	2017	2016
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 62,425	\$ 50,979
Less: direct costs	<u>(90,556)</u>	<u>(59,317)</u>
	(28,131)	(8,338)
Contributions and grants	161,249	167,843
Revenues generated from affiliated chapters	269	2,360
Contributions from combined federal campaign	724	927
Educational seminars and programs	2,125	5
Educational/medical literature	<u>19,017</u>	<u>23,517</u>
Total Support and Revenue	<u>155,253</u>	<u>186,314</u>
<b>EXPENSES:</b>		
Program services:		
Health education and training	74,099	64,046
Community services	<u>83,374</u>	<u>74,420</u>
Total Program Services	<u>157,473</u>	<u>138,466</u>
Supporting services:		
Management and general	44,826	63,249
Fundraising	<u>14,719</u>	<u>1,268</u>
Total Supporting Services	<u>59,545</u>	<u>64,517</u>
Total Expenses	<u>217,018</u>	<u>202,983</u>
CHANGE IN NET ASSETS	(61,765)	(16,669)
NET ASSETS, BEGINNING OF YEAR	<u>160,566</u>	<u>177,235</u>
NET ASSETS, END OF YEAR	<u>\$ 98,801</u>	<u>\$ 160,566</u>

*See independent auditors' report.*

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

**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,							
	Program Services			Support Services			2017	2016
	Health Education and Training	Community Services	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>								
Salaries	\$ 22,658	\$ 25,445	\$ 48,103	\$ 10,096	\$ 9,627	\$ 19,723	\$ 67,826	\$ 59,783
Employee benefits and payroll taxes	8,974	10,642	19,616	3,977	3,932	7,909	27,525	24,397
Pension expense	366	439	805	178	147	325	1,130	606
Total Salaries and Related Expenses	<u>31,998</u>	<u>36,526</u>	<u>68,524</u>	<u>14,251</u>	<u>13,706</u>	<u>27,957</u>	<u>96,481</u>	<u>84,786</u>
<b>OTHER EXPENSES:</b>								
Supplies	3,512	1,478	4,990	4,274	335	4,609	9,599	18,551
Printing	591	5,968	6,559	531	-	531	7,090	1,211
Telephone	593	676	1,269	1,139	254	1,393	2,662	2,669
Occupancy	-	-	-	13,292	-	13,292	13,292	10,450
Insurance	-	-	-	576	-	576	576	-
Equipment rental and maintenance	-	1,688	1,688	141	178	319	2,007	2,474
Travel, conferences, conventions	34,307	19,075	53,382	4,082	72	4,154	57,536	57,319
Accounting and auditing	-	-	-	600	-	600	600	-
Consulting and professional fees	2,675	5,115	7,790	3,344	13	3,357	11,147	9,300
Membership dues	-	2,052	2,052	1,581	-	1,581	3,633	2,545
Awards and grants	-	8,759	8,759	-	-	-	8,759	8,453
Postage and shipping	423	2,037	2,460	159	161	320	2,780	5,147
Banking and investment fees	-	-	-	856	-	856	856	78
Total Other Expenses	<u>42,101</u>	<u>46,848</u>	<u>88,949</u>	<u>30,575</u>	<u>1,013</u>	<u>31,588</u>	<u>120,537</u>	<u>118,197</u>
<b>Total Expenses</b>	<u>\$ 74,099</u>	<u>\$ 83,374</u>	<u>\$ 157,473</u>	<u>\$ 44,826</u>	<u>\$ 14,719</u>	<u>\$ 59,545</u>	<u>\$ 217,018</u>	<u>\$ 202,983</u>

*See independent auditors' report.*

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

	December 31,	
	2017	2016
	Unrestricted	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 97,507	\$ 97,088
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	7,750	1,404
Prepaid expenses and other assets	1,500	4,085
Total Current Assets	106,757	102,577
<b>NONCURRENT ASSETS -</b>		
Security deposit and other assets	500	500
Total Noncurrent Assets	500	500
	\$ 107,257	\$ 103,077
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accrued expenses	\$ 731	\$ 2,247
Deferred support and revenue	18,789	14,764
Intercompany payable	8,444	7,369
Total Current Liabilities	27,964	24,380
<b>COMMITMENTS</b>		
<b>NET ASSETS -</b>		
Unrestricted	79,293	78,697
Total Net Assets	79,293	78,697
	\$ 107,257	\$ 103,077

*See independent auditors' report.*

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

	Year Ended December 31,	
	2017	2016
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 27,267	\$ 45,647
Less: direct costs	(26,942)	(31,601)
	325	14,046
Contributions and grants	97,128	77,534
Educational/medical literature	22,125	17,624
Total Support and Revenue	119,578	109,204
<b>EXPENSES:</b>		
Program services:		
Health education and training	39,671	19,828
Community services	40,474	41,311
Total Program Services	80,145	61,139
Supporting services -		
Management and general	38,837	22,251
Total Supporting Services	38,837	22,251
Total Expenses	118,982	83,390
<b>CHANGE IN NET ASSETS</b>	596	25,814
<b>NET ASSETS, BEGINNING OF YEAR</b>	78,697	52,883
<b>NET ASSETS, END OF YEAR</b>	\$ 79,293	\$ 78,697

*See independent auditors' report.*

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

**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,						2017 Total Expenses	2016 Total Expenses
	Program Services			Support Services				
	Health Education and Training	Community Services	Total	Management and General	Total			
<b>SALARIES AND RELATED EXPENSES:</b>								
Salaries	\$ 15,922	\$ 12,510	\$ 28,432	\$ 14,217	\$ 14,217	\$ 42,649	\$ 28,525	
Employee benefits and payroll taxes	1,544	1,214	2,758	1,379	1,379	4,137	2,812	
Pension expense	363	285	648	324	324	972	83	
Total Salaries and Related Expenses	<u>17,829</u>	<u>14,009</u>	<u>31,838</u>	<u>15,920</u>	<u>15,920</u>	<u>47,758</u>	<u>31,420</u>	
<b>OTHER EXPENSES:</b>								
Supplies	312	2,624	2,936	653	653	3,589	5,801	
Printing	206	2,629	2,835	277	277	3,112	2,744	
Telephone	978	768	1,746	1,747	1,747	3,493	2,948	
Occupancy	-	-	-	6,888	6,888	6,888	6,910	
Insurance	-	-	-	576	576	576	-	
Equipment rental and maintenance	-	-	-	2,696	2,696	2,696	5,370	
Travel, conferences, conventions	20,182	12,705	32,887	6,693	6,693	39,580	23,257	
Accounting and auditing	-	-	-	800	800	800	-	
Consulting and professional fees	-	-	-	305	305	305	833	
Membership dues	-	-	-	1,468	1,468	1,468	615	
Awards and grants	-	7,057	7,057	-	-	7,057	2,758	
Postage and shipping	154	682	836	277	277	1,113	719	
Banking and investment fees	10	-	10	537	537	547	15	
Total Other Expenses	<u>21,842</u>	<u>26,465</u>	<u>48,307</u>	<u>22,917</u>	<u>22,917</u>	<u>71,224</u>	<u>51,970</u>	
<b>Total Expenses</b>	<u>\$ 39,671</u>	<u>\$ 40,474</u>	<u>\$ 80,145</u>	<u>\$ 38,837</u>	<u>\$ 38,837</u>	<u>\$ 118,982</u>	<u>\$ 83,390</u>	

*See independent auditors' report.*



**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION  
NEVADA CHAPTER STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2017	2016
	<u>Unrestricted</u>	
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and equivalents	\$ 439,116	\$ 338,581
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	11,030	10,450
Prepaid expenses and other assets	<u>15,768</u>	<u>13,574</u>
Total Current Assets	<u>465,914</u>	<u>362,605</u>
NONCURRENT ASSETS -		
Security deposit	<u>1,800</u>	<u>-</u>
Total Noncurrent Assets	<u>1,800</u>	<u>-</u>
	<u>\$ 467,714</u>	<u>\$ 362,605</u>
<b>LIABILITIES AND NET ASSETS</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 856	\$ -
Accrued expenses	-	171
Deferred support and revenue	59,405	69,800
Intercompany payable	<u>37,509</u>	<u>42,299</u>
Total Current Liabilities	<u>97,770</u>	<u>112,270</u>
COMMITMENTS		
NET ASSETS -		
Unrestricted	<u>369,944</u>	<u>250,335</u>
Total Net Assets	<u>369,944</u>	<u>250,335</u>
	<u>\$ 467,714</u>	<u>\$ 362,605</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION**

**NEVADA CHAPTER STATEMENTS OF ACTIVITIES**

**AND CHANGES IN NET ASSETS**

	Year Ended December 31,	
	2017	2016
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 156,387	\$ 138,582
Less: direct costs	<u>(103,518)</u>	<u>(71,850)</u>
	52,869	66,732
Contributions and grants	384,105	257,609
Educational seminars and programs	6,000	47,780
Educational/medical literature	<u>31,099</u>	<u>38,938</u>
Total Support and Revenue	<u>474,073</u>	<u>411,059</u>
<b>EXPENSES:</b>		
Program services:		
Health education and training	130,846	115,680
Community services	<u>176,959</u>	<u>180,229</u>
Total Program Services	<u>307,805</u>	<u>295,909</u>
Supporting services:		
Management and general	43,148	34,967
Fundraising	<u>3,511</u>	<u>1,312</u>
Total Supporting Services	<u>46,659</u>	<u>36,279</u>
Total Expenses	<u>354,464</u>	<u>332,188</u>
CHANGE IN NET ASSETS	119,609	78,871
NET ASSETS, BEGINNING OF YEAR	<u>250,335</u>	<u>171,464</u>
NET ASSETS, END OF YEAR	<u>\$ 369,944</u>	<u>\$ 250,335</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION  
NEVADA CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2017  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,							
	Program Services			Support Services			2017	2016
	Health Education and Training	Community Services	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>								
Salaries	\$ 39,680	\$ 42,715	\$ 82,395	\$ 6,593	\$ 2,477	\$ 9,070	\$ 91,465	\$ 94,331
Employee benefits and payroll taxes	11,183	12,694	23,877	1,766	825	2,591	26,468	22,640
Pension expense	1,308	1,841	3,149	228	86	314	3,463	4,854
Total Salaries and Related Expenses	<u>52,171</u>	<u>57,250</u>	<u>109,421</u>	<u>8,587</u>	<u>3,388</u>	<u>11,975</u>	<u>121,396</u>	<u>121,825</u>
<b>OTHER EXPENSES:</b>								
Supplies	6,002	14,965	20,967	2,586	36	2,622	23,589	26,382
Printing	448	6,579	7,027	902	-	902	7,929	7,794
Telephone	1,002	1,100	2,102	1,059	65	1,124	3,226	2,835
Occupancy	-	-	-	12,168	-	12,168	12,168	11,130
Insurance	-	-	-	192	-	192	192	-
Equipment rental and maintenance	-	440	440	4,814	-	4,814	5,254	13,404
Travel, conferences, conventions	62,308	62,135	124,443	5,762	-	5,762	130,205	102,801
Accounting and auditing	-	-	-	1,200	-	1,200	1,200	-
Consulting and professional fees	7,670	1,000	8,670	1,093	-	1,093	9,763	5,277
Membership dues	-	995	995	2,906	-	2,906	3,901	2,110
Awards and grants	-	30,530	30,530	-	-	-	30,530	34,474
Postage and shipping	998	1,889	2,887	315	19	334	3,221	3,862
Banking and investment fees	247	76	323	1,564	3	1,567	1,890	294
Total Other Expenses	<u>78,675</u>	<u>119,709</u>	<u>198,384</u>	<u>34,561</u>	<u>123</u>	<u>34,684</u>	<u>233,068</u>	<u>210,363</u>
Total Expenses	<u>\$ 130,846</u>	<u>\$ 176,959</u>	<u>\$ 307,805</u>	<u>\$ 43,148</u>	<u>\$ 3,511</u>	<u>\$ 46,659</u>	<u>\$ 354,464</u>	<u>\$ 332,188</u>

*See independent auditors' report.*

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

	December 31,	
	2017	2016
	Unrestricted	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 450,464	\$ 412,801
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	-	9,000
Prepaid expenses and other assets	6,230	23,262
Total Current Assets	456,694	445,063
<b>NONCURRENT ASSETS -</b>		
Security deposit	1,177	1,177
Total Noncurrent Assets	1,177	1,177
	\$ 457,871	\$ 446,240
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 841	\$ -
Accrued expenses	-	352
Deferred support and revenue	28,746	57,356
Intercompany payable	28,446	23,926
Total Current Liabilities	58,033	81,634
<b>COMMITMENTS</b>		
<b>NET ASSETS -</b>		
Unrestricted	399,838	364,606
Total Net Assets	399,838	364,606
	\$ 457,871	\$ 446,240

*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>2017</u>	<u>2016</u>
	<u>Unrestricted</u>	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 96,526	\$ 105,252
Less: direct costs	<u>(76,675)</u>	<u>(52,091)</u>
	19,851	53,161
Contributions and grants	405,853	356,717
Educational/medical literature	10,625	16,350
Other income	<u>-</u>	<u>318</u>
Total Support and Revenue	<u>436,329</u>	<u>426,546</u>
<b>EXPENSES:</b>		
Program services:		
Health education and training	93,231	139,202
Community services	<u>265,507</u>	<u>210,734</u>
Total Program Services	<u>358,738</u>	<u>349,936</u>
Supporting services:		
Management and general	<u>42,359</u>	<u>44,838</u>
Total Supporting Services	<u>42,359</u>	<u>44,838</u>
Total Expenses	<u>401,097</u>	<u>394,774</u>
<b>CHANGE IN NET ASSETS</b>	35,232	31,772
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>364,606</u>	<u>332,834</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 399,838</u>	<u>\$ 364,606</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION  
COLORADO CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2017  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,						2017	2016
	Program Services			Support Services		Total Expenses	Total Expenses	
	Health Education and Training	Community Services	Total	Management and General	Total			
<b>SALARIES AND RELATED EXPENSES:</b>								
Salaries	\$ 18,330	\$ 65,625	\$ 83,955	\$ 7,849	\$ 7,849	\$ 91,804	\$ 102,392	
Employee benefits and payroll taxes	6,241	18,319	24,560	1,958	1,958	26,518	27,436	
Pension expense	613	4,334	4,947	642	642	5,589	4,768	
Total Salaries and Related Expenses	<u>25,184</u>	<u>88,278</u>	<u>113,462</u>	<u>10,449</u>	<u>10,449</u>	<u>123,911</u>	<u>134,596</u>	
<b>OTHER EXPENSES:</b>								
Supplies	1,176	5,296	6,472	897	897	7,369	10,351	
Printing	229	368	597	32	32	629	986	
Telephone	646	2,265	2,911	870	870	3,781	3,782	
Occupancy	-	-	-	18,590	18,590	18,590	18,420	
Insurance	-	-	-	1,401	1,401	1,401	202	
Equipment rental and maintenance	-	1,419	1,419	-	-	1,419	6,783	
Travel, conferences, conventions	53,811	95,400	149,211	896	896	150,107	149,666	
Accounting and auditing	-	-	-	1,700	1,700	1,700	-	
Consulting and professional fees	11,864	56,360	68,224	1,917	1,917	70,141	51,340	
Membership dues	-	992	992	3,510	3,510	4,502	5,089	
Awards and grants	-	14,780	14,780	1,056	1,056	15,836	13,289	
Postage and shipping	321	349	670	102	102	772	138	
Banking and investment fees	-	-	-	939	939	939	132	
Total Other Expenses	<u>68,047</u>	<u>177,229</u>	<u>245,276</u>	<u>31,910</u>	<u>31,910</u>	<u>277,186</u>	<u>260,178</u>	
Total Expenses	<u>\$ 93,231</u>	<u>\$ 265,507</u>	<u>\$ 358,738</u>	<u>\$ 42,359</u>	<u>\$ 42,359</u>	<u>\$ 401,097</u>	<u>\$ 394,774</u>	

*See independent auditors' report.*

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

	December 31,	
	2017	2016
	Unrestricted	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 317,713	\$ 322,479
uncollectible accounts of \$-0- in 2017 and 2016	7,091	2,250
Prepaid expenses and other assets	588	675
Total Current Assets	325,392	325,404
<b>NONCURRENT ASSETS -</b>		
Security deposit	599	599
Total Noncurrent Assets	599	599
	\$ 325,991	\$ 326,003
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 270	\$ 730
Accrued expenses	-	1,886
Deferred support and revenue	5,933	9,062
Intercompany payable	13,461	19,268
Total Current Liabilities	19,664	30,946
<b>COMMITMENTS</b>		
<b>NET ASSETS -</b>		
Unrestricted	306,327	295,057
Total Net Assets	306,327	295,057
	\$ 325,991	\$ 326,003

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION**

**NEBRASKA CHAPTER STATEMENTS OF ACTIVITIES**

**AND CHANGES IN NET ASSETS**

	Year Ended December 31,	
	2017	2016
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 72,676	\$ 63,945
Less: direct costs	(46,038)	(32,523)
	26,638	31,422
Contributions and grants	122,553	78,837
Contributions from combined federal campaign	4,885	5,364
Educational seminars and programs	205	1,100
Investment income	161	133
Educational/medical literature	7,500	10,800
Total Support and Revenue	161,942	127,656
<b>EXPENSES:</b>		
Program services:		
Health education and training	72,744	60,142
Community services	33,165	38,194
Total Program Services	105,909	98,336
Supporting services:		
Management and general	41,740	25,843
Fundraising	3,023	1,860
Total Supporting Services	44,763	27,703
Total Expenses	150,672	126,039
<b>CHANGE IN NET ASSETS</b>	11,270	1,617
<b>NET ASSETS, BEGINNING OF YEAR</b>	295,057	293,440
<b>NET ASSETS, END OF YEAR</b>	\$ 306,327	\$ 295,057

*See independent auditors' report.*



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

**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,							
	Program Services			Support Services			2017	2016
	Health Education and Training	Community Services	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses
<b>SALARIES AND RELATED EXPENSES:</b>								
Salaries	\$ 18,682	\$ 12,804	\$ 31,486	\$ 14,276	\$ 1,610	\$ 15,886	\$ 47,372	\$ 48,129
Employee benefits and payroll taxes	10,813	7,765	18,578	9,157	459	9,616	28,194	7,511
Pension expense	267	194	461	230	9	239	700	-
Total Salaries and Related Expenses	<u>29,762</u>	<u>20,763</u>	<u>50,525</u>	<u>23,663</u>	<u>2,078</u>	<u>25,741</u>	<u>76,266</u>	<u>55,640</u>
<b>OTHER EXPENSES:</b>								
Supplies	2,124	1,079	3,203	2,104	76	2,180	5,383	4,145
Printing	189	309	498	226	792	1,018	1,516	2,861
Telephone	728	508	1,236	1,389	51	1,440	2,676	4,102
Occupancy	-	-	-	7,359	-	7,359	7,359	3,575
Insurance	-	-	-	288	-	288	288	-
Equipment rental and maintenance	2,378	1,168	3,546	1,548	-	1,548	5,094	2,666
Travel, conferences, conventions	30,992	6,835	37,827	992	-	992	38,819	40,998
Accounting and auditing	-	-	-	900	-	900	900	-
Consulting and professional fees	5,780	150	5,930	19	-	19	5,949	8,749
Membership dues	-	-	-	279	-	279	279	294
Awards and grants	336	1,879	2,215	-	-	-	2,215	1,763
Postage and shipping	443	474	917	386	26	412	1,329	1,157
Employment recruiting	-	-	-	49	-	49	49	-
Banking and investment fees	12	-	12	2,538	-	2,538	2,550	89
Total Other Expenses	<u>42,982</u>	<u>12,402</u>	<u>55,384</u>	<u>18,077</u>	<u>945</u>	<u>19,022</u>	<u>74,406</u>	<u>70,399</u>
Total Expenses	<u>\$ 72,744</u>	<u>\$ 33,165</u>	<u>\$ 105,909</u>	<u>\$ 41,740</u>	<u>\$ 3,023</u>	<u>\$ 44,763</u>	<u>\$ 150,672</u>	<u>\$ 126,039</u>

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION  
WEST VIRGINIA CHAPTER STATEMENTS OF FINANCIAL POSITION**

	December 31,	
	2017	2016
	Unrestricted	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 116,801	\$ 125,857
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	6,525	15,712
Prepaid expenses and other assets	2,124	2,570
Total Current Assets	125,450	144,139
<b>NONCURRENT ASSETS -</b>		
Security deposit	395	395
Total Noncurrent Assets	395	395
	\$ 125,845	\$ 144,534
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 3,730	\$ 3,171
Accrued expenses	-	701
Deferred support and revenue	21,712	14,675
Intercompany payable	9,404	5,658
Total Current Liabilities	34,846	24,205
<b>COMMITMENTS</b>		
<b>NET ASSETS -</b>		
Unrestricted	90,999	120,329
Total Net Assets	90,999	120,329
	\$ 125,845	\$ 144,534

*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,	
	2017	2016
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 37,226	\$ 35,863
Less: direct costs	(23,250)	(16,369)
	13,976	19,494
Contributions and grants	76,904	89,411
Revenues generated from affiliated chapters	625	2,250
Contributions from combined federal campaign	867	271
Educational/medical literature	-	2,250
Total Support and Revenue	92,372	113,676
<b>EXPENSES:</b>		
Program services:		
Health education and training	43,768	24,821
Community services	44,325	29,401
Total Program Services	88,093	54,222
Supporting services:		
Management and general	27,846	20,476
Fundraising	5,763	4,581
Total Supporting Services	33,609	25,057
Total Expenses	121,702	79,279
CHANGE IN NET ASSETS	(29,330)	34,397
NET ASSETS, BEGINNING OF YEAR	120,329	85,932
NET ASSETS, END OF YEAR	\$ 90,999	\$ 120,329

*See independent auditors' report.*

**THE NATIONAL HEMOPHILIA FOUNDATION**

**SUPPLEMENTARY INFORMATION  
WEST VIRGINIA CHAPTER STATEMENTS OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED DECEMBER 31, 2017  
(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,							
	Program Services			Support Services			2017	2016
	Health Education and Training	Community Services	Total	Management and General	Fundraising	Total	Total Expenses	Total Expenses
<b>SALARIES AND RELATED EXPENSES</b>								
Salaries	\$ 16,009	\$ 16,009	\$ 32,018	\$ 8,005	\$ 2,668	\$ 10,673	\$ 42,691	\$ 21,001
Employee benefits and payroll taxes	1,672	1,672	3,344	836	279	1,115	4,459	2,104
Pension expense	748	748	1,496	375	125	500	1,996	628
Total Salaries and Related Expenses	<u>18,429</u>	<u>18,429</u>	<u>36,858</u>	<u>9,216</u>	<u>3,072</u>	<u>12,288</u>	<u>49,146</u>	<u>23,733</u>
<b>OTHER EXPENSES:</b>								
Supplies	381	1,382	1,763	1,127	469	1,596	3,359	2,934
Printing	-	-	-	5	-	5	5	1,193
Telephone	221	332	553	1,626	111	1,737	2,290	2,157
Occupancy	-	-	-	4,750	-	4,750	4,750	4,780
Insurance	-	-	-	576	-	576	576	-
Equipment rental and maintenance	-	-	-	4,071	-	4,071	4,071	-
Travel, conferences, conventions	20,842	22,899	43,741	3,769	1,531	5,300	49,041	32,977
Accounting and auditing	-	-	-	300	-	300	300	-
Consulting and professional fees	1,070	320	1,390	-	580	580	1,970	2,305
Membership dues	825	-	825	1,506	-	1,506	2,331	752
Awards and grants	2,000	963	2,963	-	-	-	2,963	7,668
Postage and shipping	-	-	-	187	-	187	187	708
Banking and investment fees	-	-	-	713	-	713	713	72
Total Other Expenses	<u>25,339</u>	<u>25,896</u>	<u>51,235</u>	<u>18,630</u>	<u>2,691</u>	<u>21,321</u>	<u>72,556</u>	<u>55,546</u>
Total Expenses	<u>\$ 43,768</u>	<u>\$ 44,325</u>	<u>\$ 88,093</u>	<u>\$ 27,846</u>	<u>\$ 5,763</u>	<u>\$ 33,609</u>	<u>\$ 121,702</u>	<u>\$ 79,279</u>

*See independent auditors' report.*

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

	December 31,	
	2017	2016
<b>ASSETS</b>	Unrestricted	
<b>CURRENT ASSETS:</b>		
Cash and equivalents	\$ 43,044	\$ 32,929
Grants and other receivables, less allowance for uncollectible accounts of \$-0- in 2017 and 2016	3,550	9,970
Prepaid expenses and other assets	-	350
Total Current Assets	46,594	43,249
	\$ 46,594	\$ 43,249
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 95	\$ -
Accrued expenses	-	43
Deferred support and revenue	7,873	3,557
Intercompany payable	30,556	29,915
Total Current Liabilities	38,524	33,515
<b>COMMITMENTS</b>		
<b>NET ASSETS -</b>		
Unrestricted	8,070	9,734
Total Net Assets	8,070	9,734
	\$ 46,594	\$ 43,249

*See independent auditors' report.*

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

	December 31,	
	2017	2016
	Unrestricted	
<b>SUPPORT AND REVENUE:</b>		
Special events revenue	\$ 46,729	\$ 28,137
Less: direct costs	(14,822)	(2,727)
	31,907	25,410
Contributions and grants	98,046	79,458
Revenues generated from affiliated chapters	3,125	-
Educational/medical literature	8,250	-
Total Support and Revenue	141,328	104,868
<b>EXPENSES:</b>		
Program services:		
Health education and training	55,938	552
Community services	79,749	89,961
Total Program Services	135,687	90,513
Supporting services -		
Management and general	7,305	4,621
Total Supporting Services	7,305	4,621
Total Expenses	142,992	95,134
CHANGE IN NET ASSETS	(1,664)	9,734
NET ASSETS, BEGINNING OF YEAR	9,734	-
NET ASSETS, END OF YEAR	\$ 8,070	\$ 9,734

*See independent auditors' report.*

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

**FOR THE YEAR ENDED DECEMBER 31, 2017**  
**(WITH SUMMARIZED COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2016)**

	Year Ended December 31,						2017 Total Expenses	2016 Total Expenses
	Program Services			Support Services				
	Health Education and Training	Community Services	Total	Management and General	Total			
OTHER EXPENSES:								
Supplies	\$ 1,567	\$ 1,655	\$ 3,222	\$ 282	\$ 282	\$ 3,504	2,098	
Printing	928	-	928	7	7	935	298	
Telephone	-	-	-	1,274	1,274	1,274	-	
Insurance	-	-	-	634	634	634	-	
Equipment rental and maintenance	-	1,548	1,548	-	-	1,548	3,509	
Travel, conferences, conventions	53,421	67,002	120,423	3,096	3,096	123,519	80,708	
Consulting and professional fees	-	8,000	8,000	-	-	8,000	7,000	
Membership dues	-	-	-	408	408	408	-	
Awards and grants	-	1,544	1,544	-	-	1,544	1,171	
Postage and shipping	-	-	-	36	36	36	305	
Employment recruiting	-	-	-	61	61	61	-	
Banking and investment fees	22	-	22	1,507	1,507	1,529	45	
Total Other Expenses	<u>55,938</u>	<u>79,749</u>	<u>135,687</u>	<u>7,305</u>	<u>7,305</u>	<u>142,992</u>	<u>95,134</u>	
Total Expenses	<u>\$ 55,938</u>	<u>\$ 79,749</u>	<u>\$ 135,687</u>	<u>\$ 7,305</u>	<u>\$ 7,305</u>	<u>\$ 142,992</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, 2017, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 4, 2018.

**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  
May 4, 2018