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Membership Growth

1,791  Total 2013 and 2014 Membership processed in FY14
1,580  Sites that paid dues in FY13 and renewed in FY14
81.1%  Retention Rate for FY14

Membership Breakdown by Category

Full Member: 1,089  Government/Agency: 27
Affiliates: 241  Non-Profit: 7
Associate: 334  International: 5
Corporate: 83  Union: 5

TOTAL: 1,791

Per information from previous Annual Reports, the total for the respective fiscal years are below:

FY11 Membership  2,118
FY12 Membership  2,072
FY13 Membership  1,947
Member Benefits

Members received the benefits below in FY14 in addition to discounted education rates to the regional conferences and national conference:

The Leader

VPPPA’s trade publication, *The Leader*, was redesigned this year and was sent out four times. The following topics were covered:

- Hand-arm vibration hazards
- Airline safety programs
- Railroad track safety
- Distracted driving
- VPP in hospital settings
- Contractor safety committees
- Safety culture, and more
- Chapter and association news, Conference news, and Member spotlights

Best Practices Directory

The 2014 Best Practices Directory was sent to the membership and featured 36 new listings as well as a look back at previous best practices submitted since the very first directory 30 years ago. Best practice areas included behavior programs, contractor programs, employee involvement, ergonomics, training, hazard tracking and more.

Electronic Newsletters

Members enjoyed a newly launched monthly newsletter entitled “On the Level,” which provides information on new legislative updates, season safety news, member spotlights, upcoming events, association contests and news and relevant events from our partners.

Webinars

- There were 11 webinars in FY14 covering a range of topics including:
- PPE & Combustible Dust
- Annual Self Evaluations
- OSHA HazCom / GHS
- Implementing the New Fall Protection Standards
- Prescription Abuse in the Workplace
- Integrity Based Safety
- Inspiring Manager Engagement in EHS

Mentoring

Dozens of matches were made by the mentoring committee in FY14. The committee continues to look for companies willing to mentor and companies who want to be mentees.
**Sponsorship**

The 29th Annual National VPPPA Conference had a total of 34 sponsors. Cash contributions totaled $144,900.

<table>
<thead>
<tr>
<th>Conference</th>
<th>Amount</th>
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<tbody>
<tr>
<td>2011 VPPPA National Conference</td>
<td>$186,232.50</td>
</tr>
<tr>
<td>2012 VPPPA National Conference</td>
<td>$221,462.00</td>
</tr>
<tr>
<td>2013 VPPPA National Conference</td>
<td>$193,442.50</td>
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</tbody>
</table>
Thank You to our 29th Annual National VPPPA SPONSORS and CONTRIBUTORS For Your OUTSTANDING SUPPORT!

DIAMOND LEVEL SPONSORS
($10,000 AND ABOVE)
• Always In Mind, Inc. (A.I.M.)
• BP
• Delta Air Lines, Inc.
• ExxonMobil Beaumont Complex
• Marathon Petroleum Corporation
• Motiva Enterprises – Port Arthur, TX
• NuStar Energy, LP
• SafeStart, A Division of Electrolab, Ltd.
• TEEX: Texas A & M Engineering Extension Service
• Valero Energy Corporation

PLATINUM LEVEL SPONSORS
($7,500 - $9,999)
• Chevron Phillips Chemical Company LP
• Monsanto Company

GOLD LEVEL SPONSORS
($5000 - $7,499)
• Clean Harbors Environmental Services, Inc.
• Hunter Douglas, Inc.
• McWane, Inc.
• Phillip 66

SILVER LEVEL SPONSORS
($2,500 - $4,999)
• Frito-Lay, Inc.
• PICS Auditing, LLC
• Region VI VPPPA Chapter

BRONZE LEVEL SPONSORS
($1,000 - $2,499)
• American Heart Association
• Brandenburg Industrial Service Company
• CH2M Hill – WG Idaho, LLC
• Columbia Southern University
• Dräger
• Fite Fire & Safety
• Gateway Safety
• Glove Guard
• Honeywell Safety Products
• MSDSonline
• National Safety Council
• Roco Rescue
• Shermco Industries, Inc.

CONTRIBUTORS
• General Electric
• Wiley X Eyewear
Thank You to our FY14 Donors to the VPPPA Scholarship Fund!

The VPPPA Scholarship Program was first established in 2004 in honor of former VPPPA National Board of Directors Chairperson, June Brothers and Vice Chair Steve Brown. The program has since grown in the number of scholarships available and a VPPPA Scholarship Fund was created in 2008. In FY14, VPPPA received a total of $9,341 in scholarship donations.

Listed in Alphabetical Order

• Boise Cascade, LLC
• Clean Harbors of Baltimore, Inc.
• CP Kelco
• DE United Way
• EII, Inc., Infineum Bayway Chemical Plant
• Front Range Steel, Inc.
• Jendy Avens
• LPR Construction Company
• Morton Salt, Grantsville
• Network for Good
• Posillico Civil, Inc.
• Region X VPPPA
• U.S. Department of Labor, OSHA
• Valspar

Also, VPPPA wishes to thank all the individuals who made donations or who purchased a scholarship raffle ticket during the 29th Annual National VPPPA Conference. Attendees purchased a total of $7,375 worth of scholarship raffle tickets during the conference.
The VPPPA Annual Awards consist of three categories: VPP Outreach, VPP Innovation and Safety and Health Outreach.

**VPPPA Outreach Award**
The award recognizes those who achieve an outstanding level of outreach activity and encourage others to share their knowledge. The 2013 VPP Outreach Award recipient was Handford Site VPP Champions Committee in Richland, WA. The committee is a unique mix of both contractors and regulators that work together to mentor and facilitate excellence in the safety and health arena representing over 10,400 employees across the Hanford site. It provides support and assistance to Hanford projects and companies as they pursue and/or maintain VPP recognition.

**VPP Innovation Award**
The purpose of this award is to provide recognition for an individual, company or worksite that has developed and successfully implemented an innovation, encouraged others to try new approaches and emphasized the value of creativity and flexibility in the resolution of worker safety and health problems. The innovation may be program-related or of a technical nature. The 2013 VPP Innovation Award recipient is CH2M Hill Plateau Remediation Company (CHPRC) in Richland, WA. The site found that gathering and maintaining materials and equipment for emergency responses was an arduous task that delayed response times. To resolve this problem, CHPRC designed a horse trailer that could be stocked with the appropriate materials and equipment, attached to a truck and hauled to any location. The trailer is outfitted with shelves, bins, a generator, air conditioning and enough equipment to supply a recovery team of 10 personnel. CHPRC now has five trailers which have helped to increase efficiency, improved response time and better protect personnel.

**Safety & Health Outreach Award**
This award recognizes an individual, company or worksite that has developed and successfully implemented an innovation at their worksite. The 2013 VPPPA Safety and Health Outreach Award recipient is Illinois Refining Division (IRD) in Robinson, IL. Since 2005, when the IRD initially achieved Behavioral Based Safety (BBS) accreditation, the refinery has fostered close relationships with their resident contractors to develop stellar BBS programs. Eight resident contractors achieved accreditation in 2012 alone through the mentoring of IRD. The IRD views the addition of contractor companies in the BBS process as an opportunity to further enhance safety within each company as well as the overall safety of the refinery. The IRD has trained upwards of 4,000 direct and indirect employees and contractors in the BBS process and OSHA recordable rates indicate that the program is making a positive impact on the safety at the IRD.
**2013 VPPPA Safety & Health Achievement Program**

The VPPPA Safety and Health Achievement Programs was created in 1997 to formally recognize the contributions of employees at VPPPA member sites to the field of safety, health and environmental program management. The program is an opportunity for hourly, non-safety and health professionals to be recognized for their knowledge of safety and health issues and outreach activities at their worksites and in their communities.

In 2013, four individuals were honored with the VPPPA Safety & Health Achievement Award at the 29th Annual National VPPPA Conference in Nashville, TN.: Calandra S. Barrows of General Electric Healthcare in Florence, SC; Keith G. Hender of Camden County Energy Recovery Corporation in Camden, NJ; Fred Appenzellar, Jr. of General Electric Intelligent Platforms in Huntsville, AL; and Russell J. Overton of Savannah River Remediation LLC in Aiken, SC.

**Scholarships**

In an ongoing effort to advance the field of occupational safety and health, VPPPA has established a scholarship program for VPPPA members and their families. This year, three students were recognized at the 29th Annual National VPPPA Conference in Nashville, TN.

**VPPPA June Brothers Scholarship**

This scholarship is intended for students pursuing either an undergraduate or graduate degree in the safety/health/environmental field. The winner of the 2013 June Brothers Scholarship was Shelby Cothran, who is the daughter of Brent Cothran, WestarEnergy in Colwich, KS. Shelby is a certified nursing assistant, certified home health aid assistant and is working to become a certified medical assistant while maintaining a 4.0 GPA, engaging in volunteer work, participating in sports and working part time.

**The Stephen Brown Scholarship**

This scholarship was created to recognize students who are role models in their field of study, their schools and their community. The scholarship is for students who are pursuing an education in the trades’ profession and who have excelled academically as well as participated in a great amount of service and outreach. The 2013 Stephen Brown Scholarship winner, Mason Walker, is the son of Nancy Walker of Tesoro Refining in Mandan, ND. A sophomore at Bismarck State College, Mason works part time as a welder/fabricator for a local dock and ice house fabricating company.

**William “Sully” Sullivan Scholarship**

In 2007, the VPPPA National Board of Directors established the VPPPA William “Sully” Sullivan Scholarship in memory of A.I.M.’s founder and VPP supporter William “Sully” Sullivan. Its intent is to recognize an employee at a VPPPA full member site who has made significant contributions to the VPP at his/her site. The 2013 William “Sully” Sullivan Scholarship was awarded to Desiree Bruce. She has recently returned to college to complete a degree in environmental science while continuing to work full time. Desiree works at the Pacific Northwest National Laboratory in Richland, WA.
2013 Regional Mentors of the Year

The Regional Mentor of the Year award was established by the VPPPA Mentoring Committee on behalf of the VPPPA Chapter Board of Directors. This award is designed to recognize an individual or site from each region that epitomizes mentoring and exhibits support, time, effort and action in VPP, setting him/herself apart from other mentors.

**Region I:** George C. Caras, Raytheon Company & Paul Ward, Raytheon Company

**Region II:** Joe Whalen, International Paper Company

**Region III:** Mark Ball, ABB Inc.

**Region IV:** Michael Perry, Daikin American Inc.

**Region VI:** Ron Kunkle, Raytheon MCVC

**Region VII:** Jon Alexander, Monsanto

**Region VIII:** Cathy West, GE Analytical Instruments

More than 2,500 attendees gathered in Nashville, Tenn., August 26-29, 2013, for safety-and health-related workshops, plenty of opportunities to network and an exhibit hall packed with companies offering products and services to improve safety and health programs.

There were nine preconference workshops presented on Sunday, August 25 and over 100 workshops options for attendees and multiple education development tracks. The conference allowed attendees to learn from workshop presenters, and also gave attendees plenty of time to share best practices with each other and expand their professional networks. There was also an SGE training preconference workshop this year as well as OSHA’s “What’s New in DOE-VPP?”

The board of directors provided association updates – ranging from a membership update to a financial report – during the Annual Meeting of the Membership at the kickoff of the conference. The Opening General Session featured presentations from the Occupational Safety and Health Administration’s Assistant Secretary of Labor Dr. David Michaels; James Rodgers, chief executive officer of Eastman Chemical Company; and motivational speaker Dan Clark. VPPPA award and scholarship winners were recognized, and Brad Davy, director of the Office of Worker Safety & Health Assistance at the Department of Energy (DOE), presented awards on behalf of DOE.

An exhibit hall with more than 250 companies provided attendees with the opportunity to learn about products and services that can help improve workers’ safety and health on the job. From fall protection to educational advancement opportunities and consulting services – the exhibit hall offered resources for every type of work environment.

The conference concluded with a presentation by Regie Hamm performed during the closing reception. Congressman Diane Black from Tennessee addressed the crowd to praise the audience’s efforts toward improving workplace safety and health and welcome attendees to Nashville.
Webinars
There were 11 webinars in FY14 covering a range of topics including:

• PPE & Combustible Dust - 18 attendees
• Annual Self Evaluations - Presented twice with 153 attendees total
• OSHA HazCom/ GHS - 10 Attendees
• Using Big Data to Predict and Prevent Death - 11 attendees
• Implementing the New Fall Protection Standards - 26 attendees
• Prescription Abuse in the Workplace - 4 attendees
• Integrity Based Safety - 3
• OSHA Process Safety Regulation - 14
• Inspiring Manager Engagement in EHS - 14 attendees
• Real Programs and Strategies - 165 attendees
VPPPA Expo 2013 Exhibitors

- 3M Occupational Health & Environmental Safety Division
- A Box 4 U
- Accelerated Development Systems Inc. (ADSI)
- Accuform Signs, Inc.
- Air Systems International
- Airfeet
- Alert Safety Products
- Alliance Safety Council
- Always In Mind, Inc.
- American Heart Association, National Center
- American Trainco, Inc.
- Ampco Safety Tools
- Angiology Corporation of America, Inc
- Ansell
- Appleton Mfg. Division
- Argus-Hazco
- Arizona Instrument, LLC
- Armourx Inc
- ART Corporate Solutions, Inc.
- ATI Worksite Solutions
- Auburn Engineers
- AVO Training Institute, Inc.
- Batavia Services, Inc.
- BeAed
- Beagle 1, Inc.
- Benko Products
- BIC Alliance
- Big Bill (Codet Newport)
- BlueWater MFG Inc.
- Board of Certified Safety Professionals
- BootieButler
- Brandenburg Industrial Service Company
- Browz, LLC
- BST
- Bullard
- BullEx
- Bulwark Protective Apparel
- C3 Softworks
- Capital Safety
- CARBER
- Carbis, Inc.
- CareOnSite
- CavCom Inc.
- CBS Arc Safe, Inc
- Cementex Products, Inc
- Certified Safety Mfg
- Certified Safety, Inc.
- Checkers Industrial Safety Products, Inc
- Cintas Corporation
- Clarion Safety Systems
- Cobra Systems
- Colden Corporation
- Columbia Southern University
- Concept Seating
- Concurrent Technologies Corporation
- Cool Shirt Systems
- Cotterman Company
- Creative Safety Supply
- CrossFire Safety Eyewear
- Deb USA
- Devtra Inc - The “Checker”
- Draeger Safety, Inc
- DragonWear By True North
- DuPont Protection Technologies
- Dxp Safety Services, Inc.
- Eagle Safety Eyewear
- Edge Eyewear
- EHS Excellence Consulting, LLC.
- EHS Today
- Elvex Corporation
- Emerson Process Management/TopWorx
- Encon Safety Products, Inc.
- Enviroguard
- Equalizer USA
- ERB Safety
- Erectastep
- Ergodyne
- ESC Services, Inc.
- Essilor Laboratories
- FabEnCo, Inc.
- Facility Safety Management Magazine
- Fall Protection Systems
- FallTech
- Fauske & Associates LLC
- G&K Services
- Gas Clip Technologies
- Gateway Safety, Inc.
- Gensuite LLC
- GfG Instrumentation, Inc.
- Global Glove
- Glove Guard, LP
- Grace Industries
- Grits Gang at The Embroidery House
- Guardair Corporation
- Hansen-Rice, Inc
- HEMCO Industries
- HexArmor®
- Honeywell Analytics
- Honeywell Safety Products
- Hy-Safe Technology
- Implus Corporation
- Industrial Psychologists, Inc.
- Industrial Safety & Hygiene News
- Industrial Scientific Corporation
- inoLECT, LLC
- Intrepid Industries, Inc.
VPPPA EXPO 2013
EXHIBITORS
(CONT.)

- IVES Training & Compliance Group
- JLG Industries, Inc.
- KeepSafe, Inc.
- Keytroller LLC
- Kinetics Noise Control
- Klever Innovations
- Koolin’ Kloths Etc Inc
- Koza’s Inc.
- Labelmaster
- Liberty Glove & Safety
- LockNClimb, LLC
- Lovegreen Machine Safety
- Magid Glove & Safety
- Majestic Glove
- Master Lock Company, LLC
- McCord Communication
- MCR Safety
- Meltric Corp.
- Milliken FR
- Moldex-Metric, Inc.
- Mount Vernon Mills
- MSA Safety
- MSDS Pro LLC
- MSDSonline
- NASCO Industries, Inc.
- National Marker Company (NMC)
- National Safety Council
- OccFit Solutions
- Occupational Safety Council of America
- OHD Inc
- Orr Safety Corporation
- Performance Solutions by Milliken
- Phonak LLC
- PICS
- Plasteco, Inc.
- PlugsSafety
- Polartec, LLC
- Portagas
- Predictive Solutions
- Protect Ear USA
- Protective Industrial Products, Inc.
- PS Doors
- Python Safety
- Raygear
- RCI Safety
- Red Wing Brands of America
- Revco Industries Inc
- Rigid Lifelines
- Rite-Hite
- Roco Rescue
- Russ Bassett
- SafeRack, LLC
- Safestart
- Safety Solutions Inc
- Safety Source Productions, Inc.
- Safety Track
- SafetyBanners.Org
- SAFETYCAL®
- Safeway Services
- Salisbury by Honeywell
- SAVE A BACK, Inc.
- SawStop
- Scientific Sales, Inc
- Seton Identification Products
- Shermco Industries, Inc.
- Showa Best Glove
- SiteDocs Safety Corp
- SiteHawk
- SlipNOT Metal Safety Flooring
- Smart Step Flooring
- Speakman Company
- Spenco Medical
- Stanco Mfg, Inc
- Steel Grip, Inc.
- Streamlight Inc.
- Summit Training Source
- Superior Glove Works
- TECGEN® SELECT
- TEEX OSHA Training Institute
- TenCate Protective Fabrics
- The Andersen Company
- The Blast Bag Company
- The Mundy Companies
- The Sqwincher Corporation
- The University of Texas at Arlington - OSHA Education Center
- Total Safety U.S., Inc.
- Tyndale Company, Inc.
- U.S. Bureau of Labor Statistics
- U.S. Department of Energy - VPP
- United Shutdown Safety
- USA Services, Inc.
- Valeo Inc.
- Visual WorkPlace, LLC
- VPPStore.com Powered By CompleteSource
- Wells Lamont Industry Group
- Wendy’s Safety Boutique by JR Resources
- Westex, Inc.
- Westone Laboratories
- Wiley X Eyewear
- Working Concepts, Inc.
- Workrite Uniform Company
- WorkSafe USA Inc
- ZOLL Medical Corporation
Throughout FY14, the association participated in a number of trade show and outreach events.

The association exhibited at:

- 18th Annual VOSH Conference - Hampton Roads, VA, October 8-11, 2013
- NSC Congress & Expo - Chicago, IL, September 30 - October 2, 2013

The association also formed partnerships with Occupational Health & Safety Magazine, ASSE, EHS Today, ISHN, IHN and IEE.
Continuing its congressional outreach efforts, the department organized and executed an event where members met with 41 key congressional offices. This was followed up by broader events in March and June, where they shared their personal and their companies’ experiences with VPP with 104 and 125 offices, respectively. In conjunction with the 29th national conference in Nashville, the first State-Plan Symposium was held. This brought together VPP managers and other agency officials from across the country to discuss their own best-practices and opportunities for improving the 22 programs run by OSHA state plans.
Chapter Reports

Region I - CT, MA, ME, NH, RI, VT
The 2014 Region 1 Conference held was held in Portland, Maine Inn By the Bay, on May 5-7, 2014. With two guest speakers, and over 20 workshops. OSHA participation was also high this year. There were at total of 359 attendees and 27 exhibitors. The Region I Conference is “the Premier Safety and Health Conference in the New England Region focusing on the Voluntary Protection Program and VPP Excellence.” One pre-conference workshop was held, VPP Application Workshop, presented by the EHS Excellence team of Norm Dietch and Brian Bennett. Twenty breakout sessions were presented by a mix of member sites, OSHA, vendors, and consultants. Most of the breakout session topics were new.

Region II - NJ, NY, PR, VI
Region II hosted it’s annual conference in Atlantic City, NJ this year from June 2-4. There were 164 attendees and 22 exhibitors. The conference also featured a few post conference workshops this year which were well attended. Overall, the conference was very rewarding and successful despite some challenges this year.

Region III - DC, DE, MD, PA, VA, WV
The annual Region III conference was held May 6-9, 2014 in Pittsburgh, PA. There were 297 people in attendance and 36 exhibitors. Attendance was a bit lower than usual possibly because the national conference will is in Region III this year.

Region IV - AL, FL, GA, KY, MS, NC, SC, TN

Region V - IL, IN, MI, MN, OH, WI
For the first time in Region V, the conference was held at the Indy Convention Center in Indianapolis. Turnout was strong, 395 attendees, 89 exhibitors. The VPP Application Workshop was well attended, 19 people, as was the SGE training, 23 people. One of Region V’s member sites, Frito Lay was also generous enough to take attendees on a tour of the Frito Lay facility.
**Region VI - AR, LA, NM, OK, TX**
The Region VI VPPPA Conference in Little Rock, AR from May 5-8 was a success. Attendance was projected at 1100 due to the fact that the conference was being held outside of Texas but that number was exceeded. There were 108 Exhibiting Companies - 246 Exhibitor Bodies and 1063 general attendees. There were eight free Preconference workshops held, all were well attended with two of them maxed out. The preconference workshops were, Safety Culture Academy - 30 (Maxed), Challenge - 20, Mentoring - 33, OSHA 7105 Evacuation & Emergency Planning - 42, OSHA 7405 Fall Hazard Awareness for Construction - 25, OSHA 7845 Recordkeeping Rule Seminar - 15, Strengthening Star Quality - 31, and VPP Application Workshop - 40 (Maxed).

**Region VII - IA, KS, MO, NE**
The 21st Annual Region VII VPPPA Conference was held in Omaha/LaVista, NE on May 19-21, 2014. Overall conference attendance was 303, up from last year’s 271. The opening general session featured guest speakers included Darwin Craig - Supervisory Safety and Occupational Health Specialist with (OSHA) in Omaha, Nebraska, Bill McDonald - Acting Deputy Regional Administrator for the U.S. Department of Labor, Occupational Safety and Health Administration (OSHA) located in Kansas City, Missouri, Mike Maddox - VPPPA National Chairperson and the conference keynote speaker was former NBA All-Star Mark Eaton. Exhibitor registrations were slightly down this year with only 37 as compared to 44 last year. Sponsorships were about on par compared to our past conferences.

**Region VIII - CO, MT, ND, SD, UT, WY**
The 2014 conference, VPP-Reach for the Stars took place April 30-May 1 in Denver, CO. VPP Application Works and Strengthening Star Quality Workshops were held on April 29th. This year, Region VIII added an Exhibition Hall Grand Opening similar to the National Conference format, to stimulate attendee/vendor interaction. Conference size continues to be evaluated as well as location, and Exhibition Hall layout & friendliness.

**Region IX - AS, AZ, CA, GU, HI, NV**
The Region IX Conference, held April 15-17, 2014 was held in Anaheim, CA this year. Attendance was down slightly this year but overall conference feedback was generally positive and dozens of workshops were offered.
Region X - AK, ID OR, WA
The 20th Annual Northwestern S&H Summit was held at the Anchorage, AK on May 13-16, 2014. The theme was “Soar into Safety”. A record breaking number of vendors traveled north to be at the Summit. There were 40 vendors, 205 attendees of which 100 were first timers. With a variety of workshops to choose from, attendees reported that it was one of the best ever. Region X Conference Planning have been choosing workshop topics from the suggestions that are made by attendees the year before and have found this to be very successful. The Innovation Award was won by Plummer Forests Products Particle Board Plant and the S&H Outreach Award was given to Mission Support Services. Region X Vice Chairperson was chosen as the SGE of the Year. With Tim Taylor recognized for his outstanding contributions to the 2014 Summit receiving the Chairperson award. For the first time, we offered an off site pre-conference workshop, Aviation Crash Survival Experience, was well attended and received high recommendations from attendees.
Achievement and Awards Committee

A tremendous amount of positive feedback was received from the award winners after the 29th Annual National VPPPA Conference held in Nashville, Tennessee. They felt honored and fortunate to have received such a prestigious award. The inclusion of the DOE Awards during the General Session was also a success in that it encouraged additional DOE contractors and staff to attend the conference including Presidents and CEOs of contractor companies within the Department of Energy.

In an effort to promote the recognition program, the Committee will suggest to member sites to use the VPP-PA Achievement form and tailor it to encourage a company-wide competition with the expectation that more of their hourly workers will get involved. Then the Committee can provide templates so that other site can do the same to generate more participation.

Moving forward and looking at ways to improve the awards process, the Committee has suggested including a separate time after the Opening General Session for photos for the award winners; ensuring that the Mentors of the Year are invited to the rehearsal for seating and session flow; making certain that an invitation to the Awards and Achievement Award Committee members is sent out to the individuals to allow this information to be forwarded to their management; and to use past Achievement Award winners as mentors to those who are seeking assistance.

There have been multiple submissions for this years award and the committee has been working hard to evaluate all of the applications and select winners to be announced at the 30th Annual National VPPPA conference.

Conference Planning Committee

The committee has been working with the national office to plan the 30th Annual National VPPPA Conference to be held at the Gaylord National Hotel in National Harbor, MD. The prep work included choosing 126 workshops, speakers and entertainment for the events, and networking activities. For the first year ever, we will have a conference mobile app for attendees as well. The committee also worked to finalize and carry out plans for the 29th conference that was held in August 2013. The 29th conference saw a registration total of 2,550 people.
Construction Committee
Throughout late 2013 and early 2014, the committee has focused mainly on brainstorming opportunities for construction-related outreach, including articles for The Leader and webinars. The committee has obtained a partnership with the Houston Business Round table. The round table will be coordinating with the committee to set up a presentation of VPP 101 for owners and contractors. The presentation will also include a script.

The committee also wants to remind everyone that new members are welcome. The committee is always open to new and fresh ideas and perspectives.

Labor and Management Committee
The Labor and Management Committee hosted another successful Labor and Management Open Forum at the 29th Annual National VPPPA Conference in Nashville, Tenn. The session was well attended and a productive discussion took place, addressing the concerns of employees of all levels from a diverse set of sites. Assistant Secretary of Labor Dr. David Michaels spoke with attendees and focused on isocyanates in particular. Additionally, the committee’s workshop, “Working Together, Hazard Prevention,” went well, and its members look forward to supplying exciting content for the upcoming conference at National Harbor, Md.

The committee has submitted several articles to The Leader and hopes to supplement that outreach by continuing to attend local safety conferences and meetings to promote excellent safety and health management systems that every employee can support. Working with the national Board of Directors, the committee will work with national organizations to build support for VPP.

In 2014, the Labor and Management Committee is working with the Legislative and Regulatory Committee on communications to send out to local unions to gather their support for VPPPA’s legislative outreach. Our hopes are to garner letters of support that we can include in the educational packets we submit to Congress. We are also working on our presentations for the national conference.

Legislative and Regulatory Committee
The Legislative and Regulatory Committee has continued to keep members and legislative staff apprised on legislative activities within the association. The committee would like to thank Buddy Tucker recent VPPPA board member and committee chairperson for his service to the committee over the past few years and wish him well in his new job. The committee will be resume its monthly conference calls to discuss other avenues the committee can look to help achieve our success in keeping the VPPPA membership involved and informed in future activities hosted by the Legislative and Regulatory committee.
Marketing Committee

The marketing committee has steadily worked towards increasing the associations’ presence in the media through partnerships with various magazines, educational institutions and other like-minded associations.

The first partnership builds off our growing relationship with EHS Today Magazine. Last year they were a media partner for the 29th Annual National VPPPA Conference in Nashville, TN and they will continue to be our partner in 2014 for the 30th anniversary year. Along with a social media campaign, EHS Today will write feature articles about the association to appear in their magazine as well as on their website with a reach of 80,000 subscribers. The magazine will also promote our upcoming national conference via direct e-mail to 5,000 of their subscribers. We in turn will list EHS Today as a media partner on our website and in conference materials.

The second partnership is with OH&S Magazine. OH&S Magazine submitted a proposal for a super cast webinar that will reach 65,000 of their subscribers and attract a minimum webinar attendance of 300 safety and health workers. The webinars will be culled from workshops held during the Region VI conference and promoted through OH&S’s network and promoted as VPPPA webcasts. One of these will be promoted as a VPPPA sponsored webcast. This partnership allows us to reach a broader audience that may not be exposed to VPP or VPPPA. We would receive the contact information for all participants to market to at a later date. During the webcast we will be able to poll the participants as well as include five or six slides with information about the association, membership and the upcoming national conference. Our out-of-pocket cost for this promotional effort is $3,000.

BIC Magazine would like to trade complimentary booth space at the national conference for advertising space in their national magazine. This swap agreement is recommended by the Marketing Committee.

The National Safety Council (NSC) has made overtures to partner with the association on promoting our national conference via their website and e-newsletters. Cross promotion would occur with ad swaps, booth swap and joint efforts to support the safety and health community at large. NSC has joined the association as a member and the Marketing Committee proposes that we join NSC at a cost of $375.

Columbia Southern University (CSU) has proposed an agreement between their university and VPPPA to offer discounted rates on tuition, waive the application fee and offer textbooks at no cost through their textbook grant program to members of the association. We are currently following up on this great opportunity and, in partnership with the Membership Committee, plan to roll out these added benefits to the membership in the springtime.

University of Alabama at Birmingham continues its VPP Excellence in Safety Certificate program where VPPPA is promoted as a partner. Its first graduating class will be honored at our National conference this year. Regional and National VPPPA board members are actively involved as instructors for this unique program.
Member Services Committee
In FY14, the Member Services Committee focused primarily on not necessarily fashioning new benefits for members, but rather bolstering the benefits that are currently offered. With the adjunct of a new Customer Relationship Management (CRM) system, the Committee will be able to continually strengthen the benefits that are publicized in order for members to fully utilize those that already exist.

Additionally, the Member Services Committee unveiled a new and improved membership brochure. The brochure featured a vibrant and eye-catching design with the clear-cut and concise message, “You can save a life.” It explains the benefits and values of joining VPPPA as well as demonstrates the growth and distribution of the association through several graphs. The brochure is used to generate interest and increase knowledge and will be primarily passed out at regional conferences, trade shows, annual meetings.

Mentoring Committee
In an effort to promote the award-winning VPPPA Mentoring Program and the process of assisting companies/facilities interesting in the VPP or improving their safety and health management systems, the Mentoring Committee publicized both a Call for Mentors and a Call for Mentees in The Leader, the official magazine of the VPPPA, as well as On The Level, the associations monthly e-newsletter. The results were significant in that for the FY14, over a dozen sites were matched and are currently working together to form a unique relationship based on the needs of the mentored site.

Nominating Committee
In FY14, there were six positions up for election with terms concluding at the end of the 31st Annual National VPPPA Safety and Health conference in Grapevine, TX. These positions were Vice Chairperson, Secretary, Director from a Site with a Collective Bargaining Agent, Director from a DOE-VPP Site and two Director-at-Large positions. Additionally, one Director-at-Large stepped down making a third position available. During the 29th Annual National VPPPA Conference, the 2013 Nominating Committee Chairperson, Frank Avila, opened the floor for nominations. The following individuals were elected by a vote of acclamation:

- Mike Guillory - Vice Chairperson, Brock Group. Houston, TX
- Tony Stoner - Secretary, Integrity Windows and Doors, Fargo, ND
- Kent Lang - Director from a Site with a Collective Bargaining Agent, Clearwater Paper, Lewiston, ID
- Stacy Thursby - Director from a DOE-VPP Site, URS Corporation, Richland, WA

Three Director-at-Large positions were contested and elections were held during the conference. The following individuals were elected by the VPPPA membership to fill these positions:

- Bill Harkins - Director-at-Large, Chevron Phillips Chemical Company, Baytown, TX
- J. A. Rodriguez - Director-at-Large, Raytheon Intelligence, Information and Services, Dulles, VA
- Terry Schulte - Director-at-Large, NuStar Energy, LP, Elk Grove, CA
2013-2014
National Board of Directors

Chairperson
Mike Maddox
NuStar Energy, LP
San Antonio, TX

Vice Chairperson
Mike Guillory
The Brock Group
Houston, TX

Secretary
Anthony Stoner
Integrity Windows and Doors
Fargo, ND

Treasurer
Chris Adolfson
Idaho National Laboratory
Idaho Falls, ID

Director from a Site with a Collective Bargaining Agent
Stephen Gauthier
General Electric Company Riverworks
Lynn, MA

Director from a DOE-VPP Site
Stacy A. Thursby
URS Professional Solutions
Richland, WA

Director from a VPP Constructor/Construction Site
Richard McConnell
Austin Industrial at LyondellBasell
Houston, TX

Director-at-Large
Frank Avila
Motorola Solutions
Schaumburg, IL

Director-at-Large
Shelley Baber
FirstEnergy Corporation
Greensburg, PA

Director-at-Large
Bill Harkins
Chevron Phillips Chemical Company
Baytown, TX

Director-at-Large
J. A. Rodriguez, Jr.
Raytheon Technical Services Company LLC
Dulles, VA

Labor Representative from a Site without a Collective Bargaining Agent
Rob Henson
LyondellBasell
Channelview, TX
INDEPENDENT AUDITOR’S REPORT
ON THE FINANCIAL STATEMENTS

To the Board of Directors
Voluntary Protection Programs
Participants’ Association, Inc.

We have audited the accompanying financial statements of Voluntary Protection Programs Participants’ Association, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2014 and 2013, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

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

Auditor’s Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 our 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 Voluntary Protection Programs Participants’ Association, Inc. as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Restatement of Beginning Net Assets

As discussed in Note J to the financial statements, net assets as of July 1, 2012, and during the year ended June 30, 2013, were restated to classify the scholarship fund in the proper net asset class. This adjustment had no effect on total net assets or change in net assets. Our opinion is not modified with respect to that matter.

Fairfax, Virginia
October 24, 2014
# Financial Report

**VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS’ ASSOCIATION, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2014 AND 2013**

## Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$515,655</td>
<td>$402,977</td>
</tr>
<tr>
<td>Investments, at fair value</td>
<td>3,625,888</td>
<td>3,772,993</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>19,750</td>
<td>22,182</td>
</tr>
<tr>
<td>Certificate of deposit, at cost</td>
<td>13,272</td>
<td>13,232</td>
</tr>
<tr>
<td>Prepaid expenses and deposits</td>
<td>233,644</td>
<td>219,360</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>154,935</td>
<td>215,304</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$4,563,144</td>
<td>$4,646,048</td>
</tr>
</tbody>
</table>

## Liabilities and Net Assets

**Liabilities**

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$187,617</td>
<td>$40,139</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>1,483,791</td>
<td>1,466,874</td>
</tr>
<tr>
<td>Deferred rent</td>
<td>168,742</td>
<td>189,802</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>1,840,150</td>
<td>1,696,815</td>
</tr>
</tbody>
</table>

**Net Assets**

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Undesignated</td>
<td>2,571,736</td>
<td>2,801,604</td>
</tr>
<tr>
<td>Board-designated endowment</td>
<td>16,616</td>
<td>14,828</td>
</tr>
<tr>
<td><strong>Total Unrestricted</strong></td>
<td>2,588,352</td>
<td>2,816,432</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>134,642</td>
<td>132,801</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>2,722,994</td>
<td>2,949,233</td>
</tr>
</tbody>
</table>

**TOTAL LIABILITIES AND NET ASSETS**  

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$4,563,144</td>
<td>$4,646,048</td>
</tr>
</tbody>
</table>
## VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS’ ASSOCIATION, INC.
### STATEMENTS OF ACTIVITIES
#### YEARS ENDED JUNE 30, 2014 AND 2013

### Unrestricted Activities

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration fees</td>
<td>$1,148,255</td>
<td>$1,094,085</td>
</tr>
<tr>
<td>Membership dues</td>
<td>749,594</td>
<td>825,952</td>
</tr>
<tr>
<td>Exhibitor registration fees</td>
<td>524,908</td>
<td>448,313</td>
</tr>
<tr>
<td>Sponsorship revenue</td>
<td>144,900</td>
<td>193,443</td>
</tr>
<tr>
<td>Investment income</td>
<td>53,371</td>
<td>33,285</td>
</tr>
<tr>
<td>Advertising revenue</td>
<td>32,774</td>
<td>59,742</td>
</tr>
<tr>
<td>Other</td>
<td>14,364</td>
<td>3,657</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>satisfaction of program restrictions</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7,500</td>
<td>7,750</td>
</tr>
</tbody>
</table>

**Total Revenue and Support**

- 2014: $2,675,666
- 2013: $2,666,227

### Expenses

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conference</td>
<td>1,626,612</td>
<td>1,284,770</td>
</tr>
<tr>
<td>Membership</td>
<td>358,657</td>
<td>307,677</td>
</tr>
<tr>
<td>Newsletter</td>
<td>213,303</td>
<td>204,214</td>
</tr>
<tr>
<td>Government affairs</td>
<td>149,612</td>
<td>168,596</td>
</tr>
<tr>
<td>Chapters</td>
<td>143,386</td>
<td>138,333</td>
</tr>
<tr>
<td>Outreach</td>
<td>69,881</td>
<td>76,588</td>
</tr>
<tr>
<td>Safety and health</td>
<td>69,042</td>
<td>76,645</td>
</tr>
<tr>
<td>Courses</td>
<td>8,177</td>
<td>11,874</td>
</tr>
<tr>
<td>Merchandise</td>
<td>1,383</td>
<td>2,159</td>
</tr>
</tbody>
</table>

**Total Program Services**

- 2014: $2,640,053
- 2013: $2,270,856

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supporting Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management and general</td>
<td>186,472</td>
<td>72,939</td>
</tr>
<tr>
<td>Unallocated payments to chapters</td>
<td>77,221</td>
<td></td>
</tr>
</tbody>
</table>

**Total Supporting Services**

- 2014: $263,693
- 2013: $72,939

**Total Expenses**

- 2014: $2,903,746
- 2013: $2,343,795

**Change in Unrestricted Net Assets**

- 2014: $(228,080)
- 2013: $322,432

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions</td>
<td>9,341</td>
<td>9,722</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>(7,500)</td>
<td>(7,750)</td>
</tr>
</tbody>
</table>

**Change in Temporarily Restricted Net Assets**

- 2014: $1,841
- 2013: $1,972

**Change in Net Assets**

- 2014: $(226,239)
- 2013: $324,404

**Net Assets, Beginning of Year**

- 2014: $2,949,233
- 2013: $2,624,829

**Net Assets, End of Year**

- 2014: $2,722,994
- 2013: $2,949,233
<table>
<thead>
<tr>
<th>Program Services</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conference</td>
<td>$2,166</td>
<td>$2,487</td>
<td>$4,653</td>
</tr>
<tr>
<td>Membership</td>
<td>$2,246</td>
<td>$1,858</td>
<td>$4,104</td>
</tr>
<tr>
<td>Newsletter</td>
<td>$1,204</td>
<td>$1,247</td>
<td>$2,451</td>
</tr>
<tr>
<td>Chairs</td>
<td>$1,000</td>
<td>$1,122</td>
<td>$2,122</td>
</tr>
<tr>
<td>Offices</td>
<td>$1,000</td>
<td>$1,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>Total</td>
<td>$7,616</td>
<td>$7,537</td>
<td>$15,153</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Report</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>$3,500</td>
<td>$3,500</td>
<td>$7,000</td>
</tr>
<tr>
<td>Administration</td>
<td>$3,500</td>
<td>$3,500</td>
<td>$7,000</td>
</tr>
<tr>
<td>Total</td>
<td>$7,000</td>
<td>$7,000</td>
<td>$14,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Supporting Services and Programs</th>
<th>2014</th>
<th>2015</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct costs</td>
<td>$6,450</td>
<td>$6,450</td>
<td>$12,900</td>
</tr>
<tr>
<td>Total</td>
<td>$6,450</td>
<td>$6,450</td>
<td>$12,900</td>
</tr>
</tbody>
</table>

| Total | $15,153 | $14,153 | $29,306 |
VOLUNTARY PROTECTION PROGRAMS
PARTICIPANTS' ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Flow from Operating Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$(226,239)</td>
<td>$324,404</td>
</tr>
<tr>
<td>Adjustments to Reconcile Change in Net Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>to Net Cash (Used in) Provided by Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>72,962</td>
<td>70,248</td>
</tr>
<tr>
<td>Net (gain) loss on investments</td>
<td>(4,690)</td>
<td>20,680</td>
</tr>
<tr>
<td>(Increase) Decrease in Operating Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued interest on investments</td>
<td>2,308</td>
<td>(25,928)</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>2,432</td>
<td>11,685</td>
</tr>
<tr>
<td>Prepaid expense and other assets</td>
<td>(14,284)</td>
<td>(46,019)</td>
</tr>
<tr>
<td>Increase (Decrease) in Operating Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>147,478</td>
<td>(285,468)</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>16,917</td>
<td>114,695</td>
</tr>
<tr>
<td>Deferred rent</td>
<td>(21,060)</td>
<td>(36,111)</td>
</tr>
<tr>
<td>Net Cash (Used in) Provided by Operating Activities</td>
<td>(24,176)</td>
<td>148,186</td>
</tr>
<tr>
<td>Cash Flows from Investing Activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net sales of money market accounts</td>
<td>23,559</td>
<td>159,607</td>
</tr>
<tr>
<td>Sales and maturities of investments at fair value</td>
<td>1,375,110</td>
<td>949,647</td>
</tr>
<tr>
<td>Purchase of investments at fair value</td>
<td>(1,249,182)</td>
<td>(1,145,433)</td>
</tr>
<tr>
<td>Purchase of certificate of deposit, at cost</td>
<td>(40)</td>
<td>(36)</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(12,593)</td>
<td>(41,705)</td>
</tr>
<tr>
<td>Net Cash Provided by (Used in) Investing Activities</td>
<td>136,854</td>
<td>(77,920)</td>
</tr>
<tr>
<td>Increase in Cash and Cash Equivalents</td>
<td>112,678</td>
<td>70,266</td>
</tr>
<tr>
<td>Cash and Cash Equivalents, Beginning of Year</td>
<td>402,977</td>
<td>332,711</td>
</tr>
<tr>
<td>Cash and Cash Equivalents, End of year</td>
<td>$515,655</td>
<td>$402,977</td>
</tr>
<tr>
<td>Supplementary Schedule of Noncash Investing Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rollover of certificate of deposit, at cost</td>
<td>$13,232</td>
<td>$13,196</td>
</tr>
</tbody>
</table>
NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization and Nature of Operations

Voluntary Protection Programs Participants’ Association, Inc. (the Association) is incorporated in the Commonwealth of Virginia. The Association is an occupational safety and health organization dedicated to cooperative safety and health management systems. The Association’s programs are focused on compliance with the Department of Occupational Safety and Health Administration (OSHA) directives and encourage excellence in occupational safety and health programs. The Association provides networking, educational offerings, publications, legislative information, mentoring, professional development, and volunteer opportunities to its members.

2. Basis of Accounting

The Association’s financial statements have been prepared on the accrual basis of accounting. Accordingly, revenue is recognized when earned or, in the case of contributions, unconditionally promised, and expenses are recognized when incurred.

3. Use of Estimates

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

4. Cash and Cash Equivalents

The Association considers all highly liquid debt instruments not included in the investment portfolio purchased with original maturities of 3 months or less to be cash equivalents. Some of these balances may not be federally insured. However, the Association does not believe it is subject to any significant credit risk as a result of these deposits.
VOLUNTARY PROTECTION PROGRAMS
PARTICIPANTS' ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE A – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

5. Accounts Receivable

Accounts receivable include amounts due from attendees of the Association's prior annual conference, regional chapter conferences, and vendor newsletter advertisements. Management reviews accounts receivable on an annual basis to determine if any receivables will potentially be uncollectible. An allowance for uncollectible accounts receivable reduces accounts receivable in the statement of financial position and is reported as a decrease in net assets. There was no provision for uncollectible accounts for each of the years ended June 30, 2014 and 2013.

6. Property and Equipment

Purchased property and equipment over $500 are capitalized at cost, and donated property is recorded at fair value at the date of donation. Depreciation and amortization of property and equipment are calculated using the straight-line method over the estimated useful lives (generally 3 to 7 years). Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Repairs and maintenance are expensed when incurred.

7. Net Assets

The Association classifies and reports its net assets and activities based on the existence or absence of donor-imposed restrictions as follows:

Unrestricted net assets – Unrestricted net assets include those net assets whose use is not restricted by donors, even though its use may be designated by the Board of Directors.

Temporarily restricted net assets – Temporarily restricted net assets include those net assets whose use by the Association has been donor-restricted by specified time or purpose limitations. Temporarily restricted net assets consisted of unspent donations to the scholarship fund.
8. Membership Dues

Membership dues are recognized ratably over the membership year. Dues received prior to the membership period are presented as deferred revenue in the accompanying statements of financial position.

9. Conference Revenue

Revenue received prior to the Association's annual conference is recorded as deferred revenue in the accompanying statements of financial position and recognized when the annual conference is held.

10. Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction expires or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported on the statements of activities as net assets released from restriction.

11. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

12. Advertising

Advertising costs are expensed as incurred and were $3,643 and $3,586 during the years ended June 30, 2014 and 2013, respectively.
13. Income Taxes

The Association is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as an other than private foundation as described in Section 509(a)(3) of the Internal Revenue Code. The Association is liable for income taxes on any income from activities unrelated to it exempt purpose, which primarily consists of advertising.

The Association evaluates uncertainty in income tax positions based on a more-likely-than-not recognition standard. If that threshold is met, the income tax position is then measured at the largest amount that is greater than 50 percent likely of being realized upon ultimate settlement and current and deferred income taxes would be recognized.

As of June 30, 2014 and 2013, there were no accruals for uncertain income tax positions. If applicable, the Association records interest and penalties as a component of income tax expense. At a minimum, tax years from June 30, 2011, through the current year remain open for examination by federal and state tax authorities.

14. Reclassifications

Certain prior year information has been reclassified for comparative purposes to conform to the current year presentation.

15. Subsequent Events

The Association has evaluated events and transactions for potential recognition or disclosure through October 24, 2014, which is the date the financial statements were available to be issued.
NOTE B – FAIR VALUE MEASUREMENTS AND INVESTMENT INCOME

Fair Value Measurements

Accounting standards use the following prioritized input levels to measure fair value. The input levels used for valuing investments are not necessarily an indication of risk.

Level 1: Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes.

Level 2: Includes inputs other than level 1 that are directly or indirectly observable in the marketplace, such as yield curves or other market data.

Level 3: Unobservable inputs in which there is little or no market data and require the reporting entity to develop its own assumptions.
VOLUNTARY PROTECTION PROGRAMS
PARTICIPANTS’ ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE B – FAIR VALUE MEASUREMENTS AND INVESTMENT INCOME
(CONTINUED)

Investments measured at fair value on a recurring basis were as follows at June 30, 2014:

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$375,120</td>
<td>$375,120</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>9,643</td>
<td>9,643</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>2,841,522</td>
<td>2,841,522</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Fixed income funds</td>
<td>101,379</td>
<td>101,379</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Government and agency bonds</td>
<td>151,966</td>
<td>146,258</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>146,258</td>
<td>146,258</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$3,625,888</td>
<td>$486,142</td>
<td>$3,089,159</td>
<td>$736,589</td>
</tr>
</tbody>
</table>

Investments measured at fair value on a recurring basis were as follows at June 30, 2013:

<table>
<thead>
<tr>
<th></th>
<th>Total</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$398,679</td>
<td>$398,679</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>11,951</td>
<td>11,951</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>3,076,758</td>
<td>3,076,758</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Fixed income funds</td>
<td>100,840</td>
<td>100,840</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Government and agency bonds</td>
<td>184,765</td>
<td>184,765</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$3,772,993</td>
<td>$511,470</td>
<td>$3,261,523</td>
<td>$249,940</td>
</tr>
</tbody>
</table>

Investments using Level 2 inputs consisted of certificate of deposits, government and agency bonds, and corporate bonds. The fair values of the certificates of deposit, government and agency bonds, and corporate bonds are priced using an outside data and pricing company (the Company), which uses a market approach and spreads based on the credit risk of the issuer, maturity, current yield, and other terms and conditions of each security. Management believes the Company’s estimates to be reasonable approximations of the fair value of the investments.
VOLUNTARY PROTECTION PROGRAMS
PARTICIPANTS’ ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE B – FAIR VALUE MEASUREMENTS AND INVESTMENT INCOME
(CONTINUED)

Investment Income

Investment income consisted of the following for the years ended June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividends</td>
<td>$ 48,681</td>
<td>$ 53,965</td>
</tr>
<tr>
<td>Net gain (loss) on investments</td>
<td>4,690</td>
<td>(20,680)</td>
</tr>
<tr>
<td></td>
<td>$ 53,371</td>
<td>$ 33,285</td>
</tr>
</tbody>
</table>

NOTE C – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software</td>
<td>$ 120,875</td>
<td>$ 120,875</td>
</tr>
<tr>
<td>Office equipment</td>
<td>155,039</td>
<td>142,445</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>235,412</td>
<td>235,412</td>
</tr>
<tr>
<td></td>
<td>511,326</td>
<td>498,732</td>
</tr>
<tr>
<td>Less: accumulated depreciation and amortization</td>
<td>(356,391)</td>
<td>(283,428)</td>
</tr>
<tr>
<td></td>
<td>$ 154,935</td>
<td>$ 215,304</td>
</tr>
</tbody>
</table>
NOTE D – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following at June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade accounts payable</td>
<td>$ 21,492</td>
<td>$ 6,403</td>
</tr>
<tr>
<td>Payroll liabilities</td>
<td>19,506</td>
<td>27,636</td>
</tr>
<tr>
<td>Payable to chapters</td>
<td>146,619</td>
<td>6,100</td>
</tr>
<tr>
<td></td>
<td>$ 187,617</td>
<td>$ 40,139</td>
</tr>
</tbody>
</table>

NOTE E – DEFERRED REVENUE

Deferred revenue consisted of the following at June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exhibits</td>
<td>$ 531,478</td>
<td>$ 464,100</td>
</tr>
<tr>
<td>Registration</td>
<td>463,790</td>
<td>532,330</td>
</tr>
<tr>
<td>Membership dues</td>
<td>345,903</td>
<td>349,836</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>137,420</td>
<td>107,400</td>
</tr>
<tr>
<td>Advertising</td>
<td>5,200</td>
<td>13,208</td>
</tr>
<tr>
<td></td>
<td>$ 1,483,791</td>
<td>$ 1,466,874</td>
</tr>
</tbody>
</table>
NOTE F – SCHOLARSHIP FUND AND ENDOWMENT

Scholarship Fund

The Association established the scholarship program for its members and families in an ongoing effort to advance the field of occupational safety and health. The scholarship fund is comprised of donor-restricted funds and a board-designated endowment fund. The donor-restricted funds consisted of donations restricted by donors for scholarships and are included in temporarily restricted net assets in the accompanying statements of financial position. The board-designated endowment fund consisted of accumulated investment income, gains, and losses generated on the total scholarship fund balance and any funds designated by the board to be used for scholarships. The Association’s intent is for the total scholarship fund to become self-sustaining, so that the contributions and investment income generated by the scholarship fund are at least equal to the scholarships distributed.

Return Objectives and Risk Parameters

The Association has adopted investment and spending policies for endowment and other scholarship fund assets that attempt to provide a predictable stream of funding to programs supported by its endowment and other scholarship fund while seeking to maintain the purchasing power of the endowment and other scholarship fund assets. Endowment assets include those assets of the scholarship fund that are board-designated. Under this policy, as approved by the Board of Directors, the endowment and other scholarship fund assets are invested in a manner that is intended to produce results that exceed the price and yield results of a composite market index which best represents the style and asset allocation of the endowment and other scholarship fund’s overall investment structure while assuming a moderate level of investment risk. The Association expects its endowment and other scholarship funds, over time, to provide an average rate of return of approximately 5 percent annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Results

To satisfy its long-term rate-of-return objectives, the Association relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Association targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.
NOTE F – SCHOLARSHIP FUND AND ENDOWMENT (CONTINUED)

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Association has a policy of appropriating for distribution each year amounts from the endowment when expenses are available to meet the board’s intended use of the funds (i.e., scholarships) and if there are no temporarily restricted funds available for the same use. In establishing this policy, the Association considered the long-term expected return on the total scholarship fund. Accordingly, over the long term, the Association expects the current spending policy to allow its total scholarship fund to grow at the rate of inflation, net of fees. This is consistent with the Association’s objective to maintain the purchasing power of the endowment and other scholarship fund assets as well as to provide additional real growth through new gifts and investment return.

Scholarship Fund Composition

The entire scholarship fund is held in investments. The net asset composition of the scholarship fund is as follows at June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted net assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Board-designated</td>
<td></td>
<td></td>
</tr>
<tr>
<td>endowment</td>
<td>$16,616</td>
<td>$14,828</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>134,642</td>
<td>132,801</td>
</tr>
<tr>
<td>net assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Scholarship Fund</td>
<td>$151,258</td>
<td>$147,629</td>
</tr>
</tbody>
</table>
VOLUNTARY PROTECTION PROGRAMS
PARTICIPANTS’ ASSOCIATION, INC.
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013

NOTE F – SCHOLARSHIP FUND AND ENDOWMENT (CONTINUED)

Scholarship Fund Activity

Changes in the scholarship fund were as follows for the years ended June 30, 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted - Board-Designated Endowment</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, July 1, 2012</td>
<td>$15,299</td>
<td>$130,829</td>
<td>$146,128</td>
</tr>
<tr>
<td>Investment Return</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>666</td>
<td></td>
<td>666</td>
</tr>
<tr>
<td>Net loss on investments</td>
<td>(1,137)</td>
<td></td>
<td>(1,137)</td>
</tr>
<tr>
<td>Net investment return</td>
<td>(471)</td>
<td>-</td>
<td>(471)</td>
</tr>
<tr>
<td>Contributions</td>
<td></td>
<td>9,722</td>
<td>9,722</td>
</tr>
<tr>
<td>Restriction releases - satisfaction of program restrictions</td>
<td></td>
<td>(7,750)</td>
<td>(7,750)</td>
</tr>
<tr>
<td>Balance, June 30, 2013</td>
<td>$14,828</td>
<td>$132,801</td>
<td>$147,629</td>
</tr>
<tr>
<td>Investment Return</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>709</td>
<td></td>
<td>709</td>
</tr>
<tr>
<td>Net gain on investments</td>
<td>1,079</td>
<td></td>
<td>1,079</td>
</tr>
<tr>
<td>Net investment return</td>
<td>1,788</td>
<td>-</td>
<td>1,788</td>
</tr>
<tr>
<td>Contributions</td>
<td></td>
<td>9,341</td>
<td>9,341</td>
</tr>
<tr>
<td>Restriction releases - satisfaction of program restrictions</td>
<td></td>
<td>(7,500)</td>
<td>(7,500)</td>
</tr>
<tr>
<td>Balance, June 30, 2014</td>
<td>$16,616</td>
<td>$134,642</td>
<td>$151,258</td>
</tr>
</tbody>
</table>
NOTE G – RETIREMENT PLAN

The Association offers a pension plan to all eligible employees under Section 401(k) of the Internal Revenue Code. Employees may elect to defer a portion of their compensation as permitted under the Internal Revenue Code. The Association may make discretionary matching contributions each plan year (calendar year). All participants who are employed on December 31 during the plan year receive an allocation of Association contributions made for that plan year. Employee benefits for the years ended June 30, 2014 and 2013 totaled $10,426 and $9,677, respectively.

NOTE H – CHAPTERS

The Association has chapters that represent an established association presence in all of the ten OSHA regions. Each chapter elects and is headed by an elected Chapter Board of Directors that consists of safety and health leaders who are both hourly and salary employees from union and non-union sites. Accordingly, the Association does not have control of the chapters. Each chapter is governed by a set of bylaws that are modeled after the national Association bylaws, but are tailored to the needs and environments of the region. The chapter boards, committees, and volunteers are committed to providing local networking opportunities, educational sessions, voluntary protection programs outreach, establishing mentoring relationships, and hosting annual conferences within each of the regions. The Association pays each chapter 5 percent of the membership dues received from members within each chapter, which is shown as “unallocated payments to chapters” on the accompanying statements of activities.

NOTE I – RISK, COMMITMENTS, AND CONTINGENCIES

Investment Risk

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the statements of financial position.
NOTE I – RISK, COMMITMENTS, AND CONTINGENCIES (CONTINUED)

Operating Leases

Office lease: The Association has a non-cancelable operating lease for office space in Falls Church, Virginia, that commenced in May 2008 and expires on July 31, 2018. Effective June 6, 2014, the Association extended its lease in Falls Church, Virginia, commencing January 1, 2015 and expiring on July 31, 2025.

The Association recognizes the minimum non-contingent rents under operating lease as rent expense on a straight-line basis over the life of the lease, with differences between amounts recognized as expense and the amounts actually as deferred rent on the accompanying statements of financial position.

The Association purchased a certificate of deposit in the amount of $12,517 as collateral to a letter of credit that was provided as the security deposit under the office lease. The balance of this certificate of deposit as June 30, 2014 and 2013, was $13,272 and $13,232, respectively, and $12,517 of this amount is restricted in use.

Office Equipment: The Association leases a color copier and postage machine under operating lease agreements that expire in May 2016. Rent expense under these operating leases for the years ended June 30 2014 and 2013 was $9,429 and $10,025, respectively.

Operating Leases (Continued)

Future minimum lease payments under the above leases as of June 30, 2014, were as follows:

Year Ending June 30,

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$110,256</td>
</tr>
<tr>
<td>2016</td>
<td>168,017</td>
</tr>
<tr>
<td>2017</td>
<td>155,667</td>
</tr>
<tr>
<td>2018</td>
<td>150,205</td>
</tr>
<tr>
<td>2019</td>
<td>149,686</td>
</tr>
<tr>
<td>Thereafter</td>
<td>1,012,367</td>
</tr>
</tbody>
</table>

$1,746,198

Rent expense under the various leases totaled $165,148 and $168,874, for the years ended June 30, 2014 and 2013, respectively.
NOTE I – RISK, COMMITMENTS, AND CONTINGENCIES (CONTINUED)

Commitments

The Association has entered into numerous contractual commitments with various hotels for room rentals and the purchase of food and beverages for future annual conferences. The Association may incur significant cancellation fees if a contract is canceled. Management believes that the probability of canceling a contract is remote.

NOTE J – RESTATEMENT OF BEGINNING NET ASSETS

During the year ended June 30, 2014, management adjusted the beginning balance of net assets to classify the scholarship fund in the proper net asset classes. The adjustment did not affect total net assets or change in net assets as of June 30, 2013, and July 1, 2012, and for the year ended June 30, 2013. The effect of the adjustment on the net assets balance on July 1, 2012, by net asset class and in total was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets, July 1, 2012, as previously issued</td>
<td>$ 2,624,579</td>
<td>$ 250</td>
<td>$2,624,829</td>
</tr>
<tr>
<td>Reclassify scholarship fund</td>
<td>(130,579)</td>
<td>130,579</td>
<td>-</td>
</tr>
<tr>
<td>Net assets, July 1, 2012, as restated</td>
<td>$ 2,494,000</td>
<td>$130,829</td>
<td>$2,624,829</td>
</tr>
</tbody>
</table>
NOTE J – RESTATEMENT OF BEGINNING NET ASSETS (CONTINUED)

The effect of the restatement on the change in assets for the year ended June 30, 2013, by net asset class and in total was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in net assets, FY2013, as previously issued</td>
<td>$ 324,404</td>
<td>$ -</td>
<td>$ 324,404</td>
</tr>
<tr>
<td>Scholarship contributions</td>
<td>(9,722)</td>
<td>9,722</td>
<td>-</td>
</tr>
<tr>
<td>Net assets releases from restriction - satisfaction of program restrictions</td>
<td>7,750</td>
<td>(7,750)</td>
<td>-</td>
</tr>
<tr>
<td>Change in net assets, FY2013, as restated</td>
<td>$ 322,432</td>
<td>$ 1,972</td>
<td>$ 324,404</td>
</tr>
</tbody>
</table>
INDEPENDENT AUDITOR’S REPORT
ON THE SUPPLEMENTARY INFORMATION

To the Board of Directors
Voluntary Protection Programs
Participants’ Association, Inc.

We have audited the financial statements of Voluntary Protection Programs Participants’ Association, Inc. as of and for the years ended June 30, 2014 and 2013, and have issued our report thereon dated October 24, 2014, which contained an unmodified opinion on those financial statements. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole.

The schedule of functional expenses is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit 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 information is fairly stated in all material respects in relation to the 2014 financial statements as a whole, and the summarized comparative information presented herein for the year ended June 30, 2013, is consistent, in all material respects, in relation to the 2013 audited financial statements from which it has been derived.

Fairfax, Virginia
October 24, 2014