Opening Remarks from the Executive Director

We are happy to announce that Fiscal Year 2012 (FY12), starting July 1, 2011, and ending June 30, 2012, was a successful year for the Voluntary Protection Programs Participants’ Association, Inc. (VPPPA). The 27th Annual National VPPPA Conference took place in New Orleans, La., and attracted an unprecedented number of approximately 3,300 attendees. The conference offered many opportunities to learn and network, which were well received by participants eager to improve worksite safety and health. As every year, the enthusiasm of numerous volunteers, speakers, sponsors, exhibitors, our partners at the Occupational Safety and Health Administration (OSHA), state-plan states, the Department of Energy (DOE) and the Department of Defense (DoD), and the support and dedication of the VPPPA National Board of Directors helped create the best conference possible for our members.

VPPPA aims to provide the best in membership services for the best in safety and health. Representing worksites and employees dedicated to improving occupational safety and health through peer-to-peer networking and sharing of best practices, the association strives to provide the best opportunities at regional and national conferences as well as through publications, e-newsletters and online networking tools.

The results of this past fiscal year leave the association in a solid financial condition. Assets at the close of FY12 total $4,380,381 – a testament to the sound practices of the association.

VPPPA appreciates the commitment of the member sites to the association and to safety and health excellence for the American workforce.

Thank you for your continued support!

R. Davis Layne
Executive Director
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Membership

The Membership & Development Department engaged in a variety of campaigns during FY12. These campaigns had two purposes: to retain and recruit members for the association.

Recruitment campaigns included reaching out to leads generated during regional and national VPPPA conferences, as well as different outreach events during the year. The department reached out to nonmembers who attended these conferences and used lists obtained from outreach events to create new leads and attract new members. A special emphasis was placed on contacting these leads through personal calls. This proved to be beneficial, not only in reaching decision makers at these sites, but also in attaining the ultimate goal of bringing in new members. Furthermore, we have continued to benefit from our relationship with OSHA to reach out to newly approved VPP sites and showcase the value of membership with VPPPA.

Retention campaigns, which included contacting lapsed members from the past two years, resulted in VPPPA retaining 87 percent of its members. By the close of FY12, the association welcomed 203 new members and ended with a total of 2,072 members.

<table>
<thead>
<tr>
<th>Membership Type</th>
<th>Count</th>
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<tbody>
<tr>
<td>Full Member</td>
<td>1,210</td>
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<tr>
<td>Associate</td>
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<td>Corporate</td>
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<tr>
<td>Affiliates</td>
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<tr>
<td>Non-Profit</td>
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<tr>
<td>Union</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,072</strong></td>
</tr>
</tbody>
</table>
Development

The Membership & Development Department secured 40 sponsors for the 27th Annual National VPPPA Conference. This year we had an increase in sponsorship revenue by 24 percent from last year for a total of $186,065. We have surpassed our goal for another consecutive year, and broken our own record of the most collected in a single year. Our dedication to catering to our sponsors’ needs has paid off by solidifying many or our partner relationships and keeping sponsorship loyalty for years to come. This is promising for the 2012 conference in Anaheim, Calif.

Another area of success has been advertising for The Leader and conference programs. We have gone beyond our goal for advertisement sales, bringing in $78,379.75 in revenue. This amounts to about eight percent more than our expected goal of $72,500. Although e-newsletter ad sales have been challenging, we still saw interest and continued with different advertisement campaign efforts to draw more interest, increasing overall advertising revenue.
THANK YOU to Our 27th 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 America, North America Gas Division
ConocoPhillips Company
Delta Air Lines, Inc.
ExxonMobil Beaumont Complex
Marathon Petroleum Corporation
NuStar Energy, LP
VPPStore.com Powered by CompleteSource
Waste Management
Valero Energy Corporation
SafeStart®, A Division of Electrolab Ltd.

SILVER LEVEL SPONSORS
{$2,500–$4,999}
Marriott International, Inc.
Pfizer Consumer Healthcare
Raytheon Company
Glove Guard, LP
Region I VPPPA Chapter

BRONZE LEVEL SPONSORS
{$1,000–$2,499}
CH2M-WG Idaho, LLC
Covanta Energy Corporation
General Electric
Georgia-Pacific, LLC
Hunter Douglas, Inc.
Shermco Industries, Inc.
Idaho National Laboratory (INL), Battelle Energy Alliance

PLATINUM LEVEL SPONSORS
{$7,500–$9,999}
Monsanto Company

GOLD LEVEL SPONSORS
{$5,000–$7,499}
Chevron Phillips Chemical Company, LP
Clean Harbors Environmental Services
McWane, Inc
URS
Frito-Lay, Inc.

CONTRIBUTORS
{UP TO $999}
Alliant Corporation
Bradley Eyewashes
Clement Communications
DriveCam
Glen Raven Technical Fabrics
Honeywell Safety Products
Moldex-Metric, Inc.
SiteHawk/Industrial Data Systems, Inc.
Tec Laboratories, Inc.
L.L. Bean, Inc.
Wiley X Eyewear
THANK YOU to FY11 DONORS to the VPPPA Scholarship Fund!

**CUM LAUDE LEVEL**
BP America Inc.
Delta Airlines, Inc.

**CONTRIBUTOR LEVEL**
Brandenburg Industrial Services Company
Certified Environmental Management, Ltd.
Clean Harbors of Baltimore, Inc.
ConocoPhillips Company, Houston Corporate Headquarters
Covanta Onondaga, LP
Eli, Inc., Infineum Bayway Chemical Plant
Ergonomic Concepts
Front Range Steel, Inc.
General Electric
General Electric Lighting, LLC
L&W Supply Great Lakes Gypsum
Longview Fibre Paper & Packaging, Inc.
Morton Salt, Grantsville
Nalco Company
Occupational Safety Management Specialists
Olin Corporation
Owens Corning
U.S. Department of Labor, OSHA
Wheelabrator North Broward

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.
The VPPPA Safety and Health Achievement Program 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.

2011 VPPPA ANNUAL AWARDS

The VPPPA Annual Awards consist of three categories: VPP Outreach, VPP Innovation and Safety and Health Outreach.

The VPP Outreach Award recognizes those who achieve an outstanding level of outreach activity and encourage others to share their knowledge. The winner of the 2011 VPP Outreach Award was Hasbro East Longmeadow in East Longmeadow, Mass. Hasbro East Longmeadow has a very active VPP Safety Committee with an ambitious mentoring goal. Hasbro budgets time and resources to ensure assistance for any company asking for support. Additionally, Hasbro actively encourages employees to become SGEs, host ergonomics and safety trainings and volunteer at VPPPA conferences.

The purpose of the VPP Innovation 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. In 2011, the Raytheon Precision Manufacturing VPP Team in Dallas, Texas, was recognized as the winner of the VPP Innovation Award. The Raytheon Precision Manufacturing VPP Team played a significant role in establishing the VPP North Texas Think Tank – a collaborative, sustainable network of expertise to share innovations, deliberate solutions to safety challenges and mentor companies pursuing VPP.
The Safety & Health Outreach Award recognizes an individual, company or worksite that has developed and successfully implemented an innovation at their worksite. This year this award was presented to Idaho National Laboratory – Battelle Energy Alliance/Hope Lutheran School Project Team, in Idaho Falls, Idaho, and to Ken Sorenson from Morton Salt, Inc., in Grantsville, Utah.

Idaho National Laboratory – Battelle Energy Alliance teamed up with Hope Lutheran School and Mayo Clinic in an effort to fight childhood obesity. They conducted an ergonomics study to examine how vertical work stations impact student activity, attentiveness and weight. In-class spontaneous physical activity improved by 20 percent, and students reported less discomfort, which was attributed to the seated fixed posture. INL played an essential role in the effort to provide better classroom control and an improved learning environment.

The second winner, Ken Sorenson from Morton Salt, Inc., in Grantsville, Utah, was recognized due to his continuous efforts to promote health and safety among Morton Salt facilities as well as other prospective VPP companies. For the past six years Ken has produced an entertaining and memorable “Safety Survivor” show at his site, where representatives from each department reinforce safety principles as well as create safety anchors for employees by completing different safety challenges.
2011 VPPPA 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, eight students were recognized at the 27th Annual National VPPPA Conference in New Orleans, La.

The VPPPA June Brothers Scholarship is intended for students pursuing either an undergraduate or graduate degree in the safety/health/environmental field. The winner of the 2011 June Brothers Scholarship was Bryan Brislin, whose father is Thomas Brislin, an EHS manager at Wheelabrator Ridge Energy in Auburndale, Fla. Bryan was accepted to the Chemical Engineering Program at Florida State University for chemical/environmental engineering.

The Stephen Brown 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 achieved a great amount of service and outreach. The 2011 Stephen Brown Scholarship winner, Nicole Johnson, has completed three construction internships, including two at VPP Star sites in Richland, Wash.: Luwa Intermech and Bechtel National, Inc. She was in the top five percent of her class at Washington State University and was pursuing minor degrees in Engineering, Business Administration and Spanish.

In 2007, the VPPPA National Board of Directors established the VPPPA William “Sully” Sullivan Scholarship in memory of William “Sully” Sullivan, founder of Always In Mind, Inc., and VPP supporter. Its intent is to recognize an employee at a VPPPA full member site who has made significant contributions to the VPP program at his/her site. The 2011 William “Sully” Sullivan Scholarship was awarded to Chasity Woolley. Chasity worked as a site assessor with URS Federal Services at the Tooele Chemical Demilitarization Facility (TOCDF) in Stockton, Utah, and was working on her associate’s degree from Utah State University, while also enrolled at Westminster College, a private liberal arts college, where she pursued a B.S. in Business Administration.

The Delta/VPPPA Safety, Health and Environmental Scholarship supports “Delta’s Force for Global Good” initiative and is awarded to students pursuing a degree in environmental, occupational safety and/or health studies. Recipients are chosen based on their academic excellence, outreach, involvement and leadership efforts. This scholarship is awarded to five students each year.

Amber Clark’s grandfather, Dick Brown, worked at Bechtel National Inc. in Kennewick, Wash. Amber was pursuing her nursing degree from Columbia Basin College; her goal was to be the positive difference in patients’ recoveries.

Cassandra Brown is the daughter of Scott Brown from Verso Paper in Jay, Maine. Cassandra was a rising junior at the University of Massachusetts in Amherst, pursuing B.S. degrees in Kinesiology and Public Health Sciences. She had been honored with a Residence Life Leadership Award and served as a resident assistant while at school.

Jennifer Tyra’s father, Michael Tyra, worked for Delta Airlines in Atlanta, Ga. Jennifer’s passion for serving others began on a mission trip to Managua, Nicaragua. She was a sophomore at Mercer University where she had been named a Mercer Service Scholar, and was studying Biology on the pre-physician assistant track.

Kaleigh Kopacz was pursuing a nursing degree at Endicott College. Kaleigh was a rising Junior and her father, Robert Kopacz, worked at Kanzaki Specialty Papers Inc. in Ware, Mass. She has been described as professional in all aspects of client care, and was very involved in the Endicott community.

Taisha Thornton was attending the University of Northern Iowa, majoring in pre-medicine, hoping to enter into a physician assistant career. Taisha’s mother, Tammy Thornton, worked at Rockwell Collins in Decorah, Iowa. Her goal was to become a doctor and provide unconditional care for everyone in need.
2011 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**  Stephen L. Arena, Northrop Grumman Systems Corporation, Norwalk, Conn.

**REGION III**  Brian D. Hale, Integrity Windows & Doors, Roanoke, Va.

**REGION IV**  David Parsons, Performance Pipe, Williamstown, Ky.

**REGION V**  Shawn French, Eli Lilly & Company, Indianapolis, Ind.

**REGION VI**  Gene Stevens, Firestone Polymers, LLC, Sulphur, La.

**REGION VII**  Joe Young, Kraft Foods, Kirksville, Mo.

**REGION IX**  Tamrat Antenyistegn, GE Flight Test Operation (FTO), Victorville, Calif.
Educational Events

2011 ANNUAL NATIONAL VPPPA CONFERENCE

VPPPA jazzed up safety in New Orleans, La., for the 27th Annual National VPPPA Conference, with a record-breaking attendance of approximately 3,300 safety and health professionals. The city of New Orleans was extremely welcoming and allowed VPP to take over the Big Easy.

The members of the Conference Planning Committee had their work cut out for them in reviewing more than 250 workshop proposals for the annual conference. VPP sites continued to show their enthusiasm for safety and health, as the number of workshop proposals that we received continued to increase. With a focus on popular topics from last year’s conference, the committee meticulously selected over 140 workshops in hopes of maintaining balanced and well-attended educational workshops that all conference attendees could learn from. This also increased workshop options for each time slot on Tuesday and Wednesday. Pre-conference workshops also expanded as the Department of Defense and the Department of Energy held pre-conference workshops in conjunction with the annual conference.

More than 60 percent of conference attendees stated educational content/career development as the main reasons for attending, indicating that the attendees are taking their education seriously and strive to improve their knowledge of safety and health processes. The VPPPA Conference Planning Committee worked very hard to incorporate valuable education and networking breaks at the 27th Annual National VPPPA Conference. This helped maintain an atmosphere where conference attendees from all levels of VPP expertise were able to build on and implement new practices at their worksites! Although networking and visiting the expo hall were critical aspects of the conference according to attendees, education remained the number one reason sites attended.

For the third year in a row, the association partnered with the Occupational Safety and Health Administration (OSHA) to give attendees the opportunity to attend an SGE Training Course prior to the start of the 27th Annual National VPPPA Conference. More than 70 approved attendees were able to learn how to assess and evaluate an applicant or a current participant’s safety and health management system (SHMS) against VPP criteria and how to become an effective VPP onsite evaluation team member. They heard from experienced SGEs who have worked alongside OSHA personnel. Once the newly-approved SGEs were sworn in on Sunday, they were ready to participate and celebrate at the national conference.

Attendees got a chance to interact with other people from their region at the Chapter Welcome Reception on Sunday evening. All of the regions used this time to network with attendees and handed out giveaways.

The opening general session was packed full of great speakers eager to express their support of VPP. Senator Mary Landrieu, a New Orleans native, welcomed attendees and gave a well-received speech. Landrieu was followed by James Gallogly, chief executive of LyondellBasell, who emphasized the importance of VPP at his worksites. He also discussed how important VPP is at preventing errors and injuries in every worksite. Part two of the opening session featured extreme adventurer Jamie Clarke. Clarke motivated the audience by sharing his persistence in climbing Mount Everest twice.

—continued on page 13
The VPPPA Expo 2011 featured {more than 314 booths}, offering attendees an even bigger selection this year. Exhibitors enjoyed networking, generous exhibit hall hours and an exhibitor lounge. The grand opening of the exhibit hall set the stage for the conference with {more than 220 exhibitors} eager to show their safety products and services. Both the Board of Directors and VPPPA staff took this opportunity to welcome attendees and exhibitors to the 27th Annual National VPPPA Conference. Many attendees mingled with other attendees and exhibitors.

Since the previous year’s off-site venue was such a success, VPPPA decided to hold the closing reception off-site again. Generations Hall was a great way to close out the conference. After enjoying some delicious Big Easy styled food, attendees danced the night away on the dance floor.

At the closing general session, Assistant Secretary of Labor for OSHA Dr. David Michaels addressed the crowd with an update on the status of VPP. Dr. Michaels re-assured everyone that VPP is not going away. He was followed by Captain Al Haynes, who stressed the importance of communication, preparation, execution and cooperation. These factors helped save the lives of numerous people despite a horrible plane crash.

Several prizes were given away at the closing general session, including a free 2012 membership, a complimentary registration for the 2012 conference, a GE refrigerator, Wiley X Eyewear Jake, a Dell laptop sponsored by A.I.M., a two-night stay at any Marriott branded hotel, and one complimentary room for four nights during the 28th Annual National VPPPA Conference in Anaheim, Calif., compliments of the Anaheim Marriott.

The most anticipated prize was from the scholarship raffle, which {raised $7,885 for the VPPPA Scholarship Fund}. Ted Wheeler of Puget Sound Naval Shipyard had the winning raffle ticket and ultimately chose the Nascar Racing Package. We would like to thank all those who contributed to the Scholarship Fund by purchasing raffle tickets and we hope to continue raising money for such a great cause.
VPPPA Expo 2011 Exhibitors

3M Company
A Box 4 U
Accelerated Development Systems, Inc. (ADSI)
Accuform Signs, Inc.
Alliant Corporation
AllOne Health Resources
Always In Mind, Inc. (A.I.M.)
American Heart Association, National Center
American Trainco
Ansell
APG
Appleton Mfg. Division
ART Corporate Solutions, Inc.
Ashburn Hill Corporation
Atlas Ergonomics
Auburn Engineers, Inc.
AVO Training Institute, Inc.
Batavia Services
BeAed
Beagle 1, Inc.
Beyond Basic
BIC Alliance
Bluewater Manufacturing, Inc.
Bootie Butler
Bradley Eyewashes
Brady Corporation
Brandenburg Industrial Services Company
BullEx Digital Safety
Bulwark Protective Apparel
BW Technologies by Honeywell
C3 Softworks
Cabela’s
CAR-BER
Carbis, Inc.
Cementex Products, Inc.
Checkers Industrial Safety Products
Clement Communications
Cobra Systems
Colden Corporation
Columbia Southern University
Columbus McKinnon Corporation
Comprehensive Occupational Resources
Contractor Compliance Network
Cool Shirt by Shafer
CoreTex Products, Inc.
Cotterman Company
Crossfire Safety Eyewear
Crowcon Detection Instruments
Custom Protect Ear, Inc.
Damotech
Deb USA, Inc.
DoD VPP CX
Draeger
DragonFur by True North
DuPont Personal Protection
DuPont Sustainable Solutions
DXP Enterprises, Inc.
E.A.R., Inc.
Edge Eyewear
EHS Excellence Consulting, Inc.
Encon Safety Products, Inc.
Equalizer USA
ERB Industries, Inc.
ERECTASTEP
Ergodyne
Ergomat
ERI Safety Videos
ESC Services, Inc.
Essilor Prescription Safety Eyewear
FabEnCo, Inc.
FallTech
Fastenal Company
Fisher Safety
Flexible Lifeline Systems
G&K Services
Gas Clip Technologies
GASCO Affiliates, LLC
Gatefeed.com
Gateway Safety, Inc.
GfG Instrumentation, Inc.
Glen Raven, Inc.
Global Glove and Safety Manufacturing, Inc.
Glove Guard LP
Grace Industries
Gravitec Systems, Inc.
Great Lakes Embroidery
GRITS GANG at The Embroidery House
Guardair Corporation
Hagemeyer North America
Happy Feet
Hemco Industries
HexArmor
HGW & Associates, LLC
High Five Products, Inc.
Honeywell Analytics
Hy-Safe Technology
Hytest Safety Footwear Network
ICU-Total Safety U.S., Inc.
Impacto Protective Products, Inc.
Industrial Hygiene News/Rimbach Publishing Inc.
Industrial Netting
Industrial Psychologists, Inc.
Industrial Safety & Hygiene News
Industrial Scientific Corporation
Industry Safe-TRA, Inc.

...continued on page 15
Insite Health
Institute of Industrial Engineers
International Enviroguard, Inc.
Intrepid Industries, Inc.
IVES Training Group
JLG Industries, Inc.
Justrite Manufacturing Co., LLC
KeepSafe, Inc.
Keytroller, LLC
Kimberly-Clark Professional
Klever Innovations
Koolin’ Klothz
Koza’s Inc.
Lomont IMT
Lovegreen Machine Safety
Magid Glove & Safety
Majestic Glove
Master Lock Company
MCR Safety
Medsafe
Microflex Corporation
Milliken & Company/FR Workwear
Milliken Performance Solutions
Mine Safety Appliances Company (MSA)
Moldex-Metric, Inc.
MSDSonline
Nanofilm/Clarity Defog It
NASCO Industries, Inc.
National Fire Protection Association
National Safety Council
Oberon Company
OccFit Solutions
Oilind Safety
ONGUARD Industries
OSHA Education Center at UT Arlington
OSHA Training Institute Education Centers
OxySure Systems, Inc.
Pac West Supply (Gorilla Guard)
Phonak, LLC
PICS
Plasteco
PlugsSafety
Polartec
Predictive Solutions
ProTec Eyewear
Protective Industrial Products
PS DOORS
RCI Safety
Red Wing Brands of America, Inc.
Ringers Gloves
RISC Inc.
Rite-Hite
Riverside Manufacturing Company
RKI Instruments
Roco Rescue
Rugged Cycles
SafeRack, LLC
Safestart®, A Division of Electrolab, Ltd.
Safetec Compliance Systems, Inc.
Safety Source Productions, Inc.
SafetyBanners.Org
SAFETYCAL, Inc.
Saf-Tech
Safeway Services
Safety Source Productions, Inc.
Salisbury
SAVE A BACK, Inc.
Sensit Technologies
Shermco Industries, Inc.
Showa Best Glove
SiteHawk
Snap-On Industrial
SPC Industrial, A Division of Structural Plastics
Spenco Medical
Sperian Protection
SRMax Slip Resistant Shoes
Streamlight, Inc.
Summit Training Source, Inc.
SVS Vision Centers
Tailored Injury Prevention Solutions
TapRoot
Tec Laboratories Inc.
TEEX OSHA Training Institute
TenCate Protective Fabrics
The Andersen Company
The Blast Bag Company, Inc.
The Ergonomics Center of North Carolina
The Mundy Companies
Tingley Rubber Corporation
TopWorx
TriTech Fall Protection Systems
Tulane University, CAEPH
Tyndale Company, Inc.
U.S. Department of Energy – VPP
U.S. Department of Labor, OSHA
U.S. Safety
UltraTech International, Inc.
Utility Relay Company
Valeo
Visual Workplace
VPPStore.com
 Powered by Complete Source
Walls Industries
Wells Lamont Industrial
Wendy’s Safety Boutique by JR Resources
Westex, Inc.
Wiley X Eyewear
Wishbone Safety, Inc.
Working Concepts, Inc.
Workrite Uniform Company
Yoke Industrial Corporation
Zee Medical
ZOLL Medical Corporation
Webinars

VPPPA hosted one webinar in FY11 on OSHA Hexavalent Chromium Standard-Welding and Other Hotwork. More than 40 registrants took advantage of this training in July 2011.

Conference Website

Registration for the 28th Annual National VPPPA Conference opened in February 2012 with a new conference website. With the unveiling of VPPPA’s new website planned for later in the year, the conference section premiered first so members and other potential attendees could get used to the new look and feel from the beginning through the end of the conference without any further changes or disruptions.
Government Affairs

In a tumultuous election year, the Government Affairs Department dedicated itself to making sure that officials in Washington, D.C., did not lose sight of how important it is to protect the health and safety of America’s workforce.

At the 27th Annual National VPPPA Conference in New Orleans, La., the department worked to raise awareness among members and other attendees and involve them in voicing their support of VPP. Across the spring and summer of 2011, VPP employees sent approximately 10,000 letters to their elected officials to highlight the program’s successes. Building on this momentum, educational outreach visits to Capitol Hill were organized in October and November of 2011. In February 2012, members met with over 70 offices to express how VPP has impacted their own worksites and the difference it has made nationwide.

In June 2012, VPPPA Executive Director R. Davis Layne was asked to testify before the House Committee on Education and the Workforce’s Subcommittee on Workforce Protections at a hearing entitled “Promoting Safe Workplaces through Voluntary Protection Programs.” He was joined by VPPPA national board member Rob Henson. The department worked with the Office of the Executive Director to research and draft written testimony and to prepare for the hearing in general.

Outreach

Throughout FY12, the association engaged in targeted outreach to audiences across the country with exhibits and presentations at relevant conferences and safety events. For the first time since OSHA’s shift toward enforcement, the main feedback received from conference attendees was not focused on concern about VPP disappearing. Instead, many attendees came by to talk about working toward VPP and finding out about regional and national conferences. Equally interested were exhibitors who were considering regional and national conferences in 2012.

On October 6, 2011, VPPPA participated in the DCA (national airport) fall safety day. October 31–November 2, VPPPA was represented with an exhibit at the NSC Conference & Expo in Philadelphia, Pa. In 2012, outreach continued with the 15th Annual Applied Ergonomics Conference in Nashville, Tenn., the Texas Safety Conference & Expo in Galveston, Texas, the ASSE: Safety 2012 in Denver, Colo., and AIHce in Indianapolis, Ind. VPPPA Executive Director R. Davis Layne was a featured keynote speaker at the Applied Ergonomics Conference held at the Gaylord Opryland in Nashville, Tenn.
Chapters

**Region I**

CT, MA, ME, NH, RI, VT

The Region I VPPPA Chapter Conference took place June 11–13, 2012, at the Killington Resort in Killington, VT. Three hundred and thirteen people attended the conference, which also featured a VPP Application Workshop® with 20 attendees, a Strengthening Star Quality Workshop with six attendees and an Inspections Techniques and Hazard Recognition Workshop with 23 attendees. Keynote speakers at the conference included Michael Vigezzi, global manager of VPP and safety programs at GE; Marthe Kent, regional administrator for OSHA Region I; and motivational speaker Tony Crow.

**Region II**

NJ, NY, PR, VI

June 18–22, 2012, Region II hosted its 2012 chapter conference at the Taj Mahal Hotel & Resort in Atlantic City, NJ. Twelve people attended a VPP Application Workshop® at the conference, which had a total of 261 attendees. Keynote speaker Jeff “Odie” Espenship, a former fighter pilot, addressed conference attendees during the opening session.

The region also hosted the MidAtlantic Safety and Health Expo, in partnership with the New Jersey State Safety Council, July 11–13, 2011, in Atlantic City. The event had 289 total registrants, 45 vendor booths and 44 workshops.


REGIOn III  DC, DE, MD, PA, VA, WV
The 2012 Region III VPPPA Chapter Conference took place June 20–22 at the Norfolk Waterside Marriott in Norfolk, Va. The region hosted 458 attendees during the conference, which included four pre-conference workshops: OSHA General 10-Hour with 29 attendees; a VPP Application Workshop® with 22 attendees; a Strengthening Star Quality Workshop with five attendees; and an Understanding and Applying the NFPA-70E Workshop with six attendees.

The region hosted a number of Special Government Employee (SGE) training sessions throughout FY12, including one in Allentown, Pa., with seven attendees and another in Virginia Beach, Va., with 19 attendees.

REGIOn IV  AL, FL, GA, KY, MS, NC, SC, TN
The 2012 Region IV conference, which took place June 19–21 in Chattanooga, Tenn., attracted 695 attendees and 70 exhibitors. Three pre-conference workshops were offered at the Chattanooga Marriott & Convention Center before the conference: a VPP Application Workshop® with 28 attendees; a Strengthening Star Quality Workshop with 38 attendees; and a Hazard Recognition 101 Workshop with 28 attendees.

The region hosted SGE training courses in FY12, including one in Decatur, Ala., where 25 new SGEs were sworn in, and another in Fort Lauderdale, Fla., where 15 new SGEs were sworn in.

REGIOn V  IL, IN, MI, MN, OH, WI
The Region V VPPPA Chapter Conference in FY12 took place May 30–31, 2012, at the Renaissance Schaumburg Hotel & Convention Center in Schaumburg, Ill. The conference featured a pre-conference VPP Application Workshop® with 46 attendees and 530 total attendees. Conference highlights included: award-winning speaker and author Dan Clark; more than 40 workshops; and more than 50 raffle prizes.

REGIOn VI  AR, LA, NM, OK, TX
Region VI hosted its annual chapter conference May 15–18, 2012, at the Omni Fort Worth/Fort Worth Convention Center in Fort Worth, Texas. Overall, 1,169 people registered for the conference, 343 exhibitors attended to showcase goods and services, and 84 workshop speakers put on 140 workshops. The region awarded two $1,000 scholarships at the conference.

A number of pre-conference workshops were offered, including: a First Timers Meeting with 30 people; OSHA 7300 – OSHA’s Permit Required Confined Space Standard with 22 attendees; a Mentoring Workshop with 27 attendees; a Strengthening Star Quality Workshop with 48 attendees; OSHA 7405: Fall Hazard Awareness for Construction with 24 attendees; OSHA 7500 – Introduction to Safety and Health Management with 55 attendees; OSHA 7105 – Evacuation and Emergency Planning with 53 attendees; OSHA Challenge with 17 attendees; and a VPP Application Workshop® with 40 attendees.
REGION VII IA, KS, MO, NE
The 2012 Region VII VPPPA Chapter Conference took place May 7–9, in Des Moines, Iowa, at the Des Moines Marriott Downtown and had 379 total attendees. The region offered two pre-conference workshops: a VPP Application Workshop® with 30 attendees and a Sustaining Star Quality Workshop with 16 attendees. Keynote speakers at the conference included Tom Mabe, a comedian and motivational speaker, and Doug Sterbenz, executive vice president and chief operating officer at Westar Energy in Topeka, Kan.

REGION VIII CO, MT, ND, SD, UT, WY
Two hundred and thirty-two people attended Region VIII's 2012 chapter conference in Greenwood Village, Colo., May 2–3. The conference, which took place at the Doubletree Hotel Denver Tech, offered three pre-conference workshops: a VPP Application Workshop® with 30 attendees; a Strengthening Star Quality Workshop with 21 attendees; and a VPP 101 Workshop with 17 attendees. The region hosted the 3rd Annual Bingo-Rama event at the conference, raising $1,135 for St. Jude Children's Research Hospital, which Region VIII matched, along with a bit extra.

REGION IX AS, AZ, CA, GU, HI, NV
April 4–5, 2012, Region IX hosted its regional conference at the Monterey Marriott and Convention Center in Monterey, Calif. Four hundred and eighteen people attended the conference, which featured two pre-conference workshops: a VPP Application Workshop® with 30 attendees and a VPP Re-Certification Workshop with 22 attendees. Representatives from California OSHA, Arizona OSHA and Nevada OSHA were all present at the conference.

REGION X AK, ID, OR, WA
The 2012 Region X VPPPA Chapter Conference took place May 15–17 at The Grove Hotel/The Boise Centre in Boise, Idaho. Three hundred and twenty-seven people attended the conference, which included four pre-conference workshops: a VPP Application Workshop® with 39 registrants; Leading High Performance Teams with 25 registrants; Staying Young in an Aging Workforce with 25 registrants; and Proven Strategies for Improving Safety Committee Effectiveness with 38 registrants.

CHAPTER SERVICE AGREEMENT
The VPPPA National Office provided registration services for seven of the 10 chapters in FY12, including I, II, III, V, VII, VIII and IX. The services included processing registrants and payments, responding to registration inquiries, emailing confirmations and receipts, printing badges, providing badge holders, providing onsite registration services, sending weekly reports and lists to chapter representatives, compiling a final financial report and furnishing the chapters with their respective revenue.
VPPPA National Board of Directors’ Committees

ACHIEVEMENT COMMITTEE
In an effort to begin streamlining the process of applying for the VPPPA Safety & Health Achievement Award, the committee reformatted the Achievement Workbook into an electronically fillable PDF. However, due to the increased frequency of electronic submissions, applicants often submitted an overabundance of supporting materials. To cut back on applications totaling more than 1,000 pages, the committee also decided that next year there will be a limit placed on the amount of supporting materials an applicant can submit for each section.

AWARDS COMMITTEE
The Awards Committee reviewed a total of 49 scholarship applications. Because some individuals applied to more than one scholarship, the total number of unique applicants was 34. Beagle 1 donated $250 to the VPPPA June Brothers Scholarship, bringing the total amount of this scholarship to $2,750. VPPPA distributed $7,750 total in scholarship funds in FY12 in addition to the five Delta/VPPPA Scholarships.

The committee approved the new VPPPA DoD Scholarship, aka the Sergeant Safety Scholarship, to begin in FY13. This scholarship will be available to uniformed and non-uniformed employees of active VPPPA Full member DoD sites and their families.

CHAPTER CHAIR COMMITTEE
The Chapter Chair Committee is working on a regional conference matrix to avoid coinciding chapter conferences as much as possible.

CONFERENCE PLANNING COMMITTEE
For the 27th Annual National VPPPA Conference in New Orleans, La., the committee focused on incorporating new educational speakers to present a more diverse workshop selection. The committee also evaluated the previous year’s Wednesday night reception and decided to take the reception off-site for the second year in a row.

The committee voted on and selected the conference theme and logo. The committee selected the five eight-hour Skill Builder Workshops held on Sunday, August 28, 2011, and they selected five four-hour pre-conference workshops. The committee also selected the featured speakers for the two general sessions held on Monday and Thursday.

CONSTRUCTION COMMITTEE
In FY12, the Construction Committee sought to increase the amount of construction-related content in The Leader and for VPPPA webinars. The committee arranged for a welding webinar to take place in July 2011, which had 40 registrants, and a committee member submitted content for the Winter 2012 edition of The Leader on lessons in safety culture. Additionally, a number of committee members submitted best practices from their sites to share in the 2012 Best Practices Directory, and some visited congressional representatives to share their thoughts on VPP. The committee also reached out to create a conference-within-a-conference with some construction-related organizations, but an official partnership has not been confirmed.
EDUCATION COMMITTEE
The Education Committee focused on identifying potential webinar speakers and exhausted several avenues in that effort. The committee also decided to open webinars to non-members. Although non-members have to pay a higher fee to participate, they are now able to benefit from our webinars.

LABOR AND MANAGEMENT COMMITTEE
The Labor and Management Committee expanded its efforts to reach out to members in all regions and increase dialogue among program participants. By reaching out to regional chapter chairs, the committee has begun a campaign to increase geographic representation by recruiting new members. Additionally, an article was produced for The Leader that explained the committee’s role and its recent activities.

Members of the committee have met with the national leaders of some unions to discuss VPP and participation at the local level. At the 27th Annual National VPPPA Conference, the annual Labor and Management Open Forum allowed the committee to discuss relevant topics with attendees.

LEGISLATIVE AND REGULATORY COMMITTEE
At the 27th Annual National VPPPA Conference in New Orleans, La., the Legislative and Regulatory Committee worked to answer the membership’s questions and raise awareness about policy statements from the Occupational Safety and Health Administration. Additionally, it supported educational outreach visits on Capitol Hill in October and November 2011 and February 2012.

During 2012’s regional chapter conferences, the committee rolled out the VPP Works & Saves initiative to further involve and engage attendees. Moving forward, the committee will work with the Communications & Outreach Department to revisit existing outreach materials.

MEMBER SERVICES COMMITTEE
During FY12, the Member Services Committee focused on three topics and made it a priority to get board approval to move ahead with its efforts. To better inform all employees at member sites of the benefits VPPPA membership provides, the committee drafted a letter to be sent out to all primary contacts to pass along to the employees at their sites explaining valuable benefits available to them. A second focus was placed on the Affiliate membership category and deciding what would be the best approach to address issues with the distribution of membership lists on a monthly basis, one of their member benefits. Lastly, the Agency membership category was reviewed in terms of its tiers and the dues associated with each tier.

MENTORING COMMITTEE
The Mentoring Committee continued to pursue its three goals from FY11 in FY12. The first was to make mentoring matches in a timely manner. Matches were made by the committee within 30 days of the original mentoring request. The second goal was to recruit quality mentors who are knowledgeable about both VPP and the mentoring process. The final goal was to continue to work with local technical schools and colleges to foster and encourage incorporation of VPP and VPP elements into their curriculums.

…continued from page 21

…continued on page 23
NOMINATING COMMITTEE

In FY12, there were seven open positions with terms concluding at the end of the 29th Annual National VPPPA Conference in Nashville, Tenn. The positions were: vice chairperson; secretary; labor representative from a site with a collective bargaining agent; representative from a DOE-VPP site; and three director-at-large positions.

During the Annual Meeting of the Membership at the 27th Annual National VPPPA Conference, 2011 Nominating Committee Chairperson David Sams opened the floor for nominations. The following individuals were elected by a vote of acclamation:

- Michael Guillory (newly elected vice-chair), NuStar Energy, LP
- Anthony Stoner (newly elected secretary), Integrity Windows and Doors
- Stephen Gauthier (newly elected representative from a site with a collective bargaining agent), General Electric Transportation Aircraft Engines
- Stacy Thursby (re-elected as representative from a DOE-VPP site), Washington Closure Hanford

The 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:

- William J. Harkins (re-elected director-at-large), The Mundy Companies
- Morgan LeBlanc (newly elected director-at-large), Constellation Wine Company
- J.A. Rodriguez, Jr. (newly elected director-at-large), Raytheon Technical Services Company, LLC
2011–2012 National Board of Directors

**CHAIRPERSON**
Mike Maddox  
NuStar Energy  
San Antonio, Texas

**VICE CHAIRPERSON**
Mike Guillory  
NuStar Energy, LP  
St. James, Louisiana

**SECRETARY**
Tony Stoner  
Integrity Windows and Doors  
Fargo, North Dakota

**TREASURER**
Chris Adolfson  
Idaho National Laboratory  
Idaho Falls, Idaho

**LABOR REPRESENTATIVE FROM A SITE WITH A COLLECTIVE BARGAINING AGENT**
Stephen Gauthier  
General Electric Transportation Aircraft Engines  
Lynn, Massachusetts

**LABOR REPRESENTATIVE FROM A SITE WITHOUT A COLLECTIVE BARGAINING AGENT**
Rob Henson  
LyondellBasell  
Channelview, Texas

**REPRESENTATIVE FROM A DOE-VPP SITE**
Stacy Thursby  
Washington Closure Hanford  
Richland, Washington

**REPRESENTATIVE FROM A VPP CONTRACTOR/ CONSTRUCTION SITE**
Richard McConnell  
Austin Industrial at LyondellBasell  
Channelview, Texas

**DIRECTOR-AT-LARGE**
Bob Hamilton  
Dow Chemicals  
Bristol, Pennsylvania

**DIRECTOR-AT-LARGE**
Bill Harkins  
Flint Hills Resources  
Corpus Christi, Texas

**DIRECTOR-AT-LARGE**
Morgan LeBlanc  
Constellation Wine Company  
Madera, California

**DIRECTOR-AT-LARGE**
William “Buddy” Tucker  
The Mundy Companies  
Pasadena, Texas

**DIRECTOR-AT-LARGE**
J.A. Rodriguez, Jr.  
Raytheon Technical Services Company, LLC  
Dulles, Virginia
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FINANCIAL STATEMENTS

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29  Statements of Activities

31  Statements of Functional Expenses

33  Statements of Cash Flows

34  Notes to Financial Statements
INDEPENDENT AUDITOR’S REPORT

To the Board of Directors
Voluntary Protection Programs Participants’ Association
Falls Church, Virginia

We have audited the accompanying statements of financial position of the Voluntary Protection Programs Participants’ Association (the Association) as of June 30, 2012 and 2011, and the related statements of activities, functional expenses and cash flows for the years then ended. These financial statements are the responsibility of the Association’s management. 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 audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Voluntary Protection Programs Participants’ Association as of June 30, 2012 and 2011, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Fairfax, Virginia
November 9, 2012
ANNUAL REPORT 2012
JULY 1 2011 - JUNE 30 2012

VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION, INC.

STATEMENTS OF FINANCIAL POSITION
June 30, 2012 and 2011

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
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<td>$ 1,189,328</td>
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<tr>
<td>Accounts receivable</td>
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<td>20,153</td>
</tr>
<tr>
<td>Prepaid conference expenses</td>
<td>115,506</td>
<td>153,079</td>
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<tr>
<td>Other current assets</td>
<td>52,869</td>
<td>41,279</td>
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<tr>
<td><strong>Total current assets</strong></td>
<td>$1,093,239</td>
<td>$1,403,839</td>
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<tr>
<td>Property and Equipment, net of accumulated depreciation of 2012 $125,915; 2011 $88,479</td>
<td>95,700</td>
<td>109,373</td>
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<tr>
<td><strong>Other Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments</td>
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<td>2,653,493</td>
</tr>
<tr>
<td>Restricted certificate of deposit</td>
<td>13,196</td>
<td>13,133</td>
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<tr>
<td>Deposits</td>
<td>4,966</td>
<td>4,966</td>
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<tr>
<td><strong>Total other assets</strong></td>
<td>$3,191,442</td>
<td>$2,671,592</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$4,380,381</td>
<td>$4,184,804</td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>$ 1,352,179</td>
<td>$ 1,365,307</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>178,127</td>
<td>130,481</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>225,246</td>
<td>241,471</td>
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<tr>
<td><strong>Total current liabilities</strong></td>
<td>$1,755,552</td>
<td>$1,737,259</td>
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<tr>
<td>Commitments and Contingencies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$2,624,579</td>
<td>$2,447,295</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>250</td>
<td>250</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>$2,624,829</td>
<td>$2,447,545</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>$4,380,381</td>
<td>$4,184,804</td>
</tr>
</tbody>
</table>

SEE NOTES TO FINANCIAL STATEMENTS
### STATEMENT OF ACTIVITIES

**Year Ended June 30, 2012**

<table>
<thead>
<tr>
<th>Revenue, gains and other support</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration fees</td>
<td>$1,547,853</td>
<td></td>
<td>$1,547,853</td>
</tr>
<tr>
<td>Membership dues</td>
<td>830,933</td>
<td></td>
<td>830,933</td>
</tr>
<tr>
<td>Exhibitor registration fees</td>
<td>441,852</td>
<td></td>
<td>441,852</td>
</tr>
<tr>
<td>Scholarship contributions</td>
<td>24,275</td>
<td></td>
<td>24,275</td>
</tr>
<tr>
<td>Sponsorship revenue</td>
<td>186,065</td>
<td></td>
<td>186,065</td>
</tr>
<tr>
<td>Advertising revenue</td>
<td>78,380</td>
<td></td>
<td>78,380</td>
</tr>
<tr>
<td>Merchandise revenue</td>
<td>650</td>
<td></td>
<td>650</td>
</tr>
<tr>
<td>Net investment income</td>
<td>55,502</td>
<td></td>
<td>55,502</td>
</tr>
<tr>
<td>Other</td>
<td>47,744</td>
<td></td>
<td>47,744</td>
</tr>
<tr>
<td><strong>Total revenue, gains and other support</strong></td>
<td><strong>3,213,254</strong></td>
<td></td>
<td><strong>3,213,254</strong></td>
</tr>
</tbody>
</table>

**Expenses**

**Program:**

| Conference                                                | $1,768,150   |                        | 1,768,150 |
| Membership                                                | 402,517      |                        | 402,517  |
| Chapters                                                  | 164,644      |                        | 164,644  |
| Government affairs                                        | 213,025      |                        | 213,025  |
| Newsletter                                                | 260,970      |                        | 260,970  |
| Outreach                                                  | 118,072      |                        | 118,072  |
| Courses                                                   | 13,486       |                        | 13,486   |
| Merchandise                                                | 2,761        |                        | 2,761    |
| **Total expenses**                                         | **3,035,970**|                        | **3,035,970** |

**Management and General**

| Management and General                                   | 92,345       |                        | 92,345   |

**Total expenses**

| **Total expenses**                                         | **3,035,970**|                        | **3,035,970** |

**Change in net assets**

| Change in net assets                                      | 177,284      |                        | 177,284  |

**Net Assets, beginning**

| Net Assets, beginning                                    | 2,447,395    | 250                     | 2,447,545 |

**Net Assets, ending**

| Net Assets, ending                                        | $2,624,579   | $250                    | $2,624,829 |

SEE NOTES TO FINANCIAL STATEMENTS
## STATEMENT OF ACTIVITIES

**Year Ended June 30, 2011**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue, gains and other support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Registration fees</td>
<td>$1,398,342</td>
<td>-</td>
<td>$1,398,342</td>
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<tr>
<td>Membership dues</td>
<td>$843,341</td>
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<td>$843,341</td>
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<tr>
<td>Exhibitor registration fees</td>
<td>$369,120</td>
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<td>$369,120</td>
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<tr>
<td>Scholarship contributions</td>
<td>$7,210</td>
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<td>$7,210</td>
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<tr>
<td>Sponsorship revenue</td>
<td>$149,353</td>
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<td>$149,353</td>
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<tr>
<td>Advertising revenue</td>
<td>$78,618</td>
<td>-</td>
<td>$78,618</td>
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<tr>
<td>Merchandise revenue</td>
<td>$690</td>
<td>-</td>
<td>$690</td>
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<tr>
<td>Net investment income</td>
<td>$119,417</td>
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<td>$119,417</td>
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<tr>
<td>Other</td>
<td>$1,803</td>
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<td>$1,803</td>
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<tr>
<td><strong>Total</strong></td>
<td>$2,967,894</td>
<td>-</td>
<td>$2,967,894</td>
</tr>
</tbody>
</table>

Net assets released through satisfaction of purpose restrictions

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$13,127</td>
<td>(13,127)</td>
<td></td>
</tr>
</tbody>
</table>

**Total revenue, gains and other support**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$2,981,021</td>
<td>(13,127)</td>
<td>$2,967,894</td>
</tr>
</tbody>
</table>

**Expenses**

**Program:**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conference</td>
<td>$1,483,732</td>
<td>-</td>
<td>$1,483,732</td>
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<tr>
<td>Membership</td>
<td>$452,209</td>
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<td>$452,209</td>
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<tr>
<td>Chapters</td>
<td>$152,142</td>
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<td>$152,142</td>
</tr>
<tr>
<td>Government affairs</td>
<td>$203,446</td>
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<td>$203,446</td>
</tr>
<tr>
<td>Newsletter</td>
<td>$211,043</td>
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<td>$211,043</td>
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<tr>
<td>Outreach</td>
<td>$80,320</td>
<td>-</td>
<td>$80,320</td>
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<tr>
<td>Courses</td>
<td>$10,486</td>
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<td>$10,486</td>
</tr>
<tr>
<td>Merchandise</td>
<td>$270</td>
<td>-</td>
<td>$270</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,593,642</td>
<td>-</td>
<td>$2,593,642</td>
</tr>
</tbody>
</table>

**Management and General**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>$163,298</td>
<td>-</td>
<td>$163,298</td>
</tr>
</tbody>
</table>

**Total expenses**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
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<tbody>
<tr>
<td></td>
<td>$2,756,940</td>
<td>-</td>
<td>$2,756,940</td>
</tr>
</tbody>
</table>

**Change in net assets**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Assets, beginning</td>
<td>$2,223,214</td>
<td>13,377</td>
<td>$2,236,591</td>
</tr>
<tr>
<td>Net Assets, ending</td>
<td>$2,447,295</td>
<td>$250</td>
<td>$2,447,545</td>
</tr>
</tbody>
</table>

*SEE NOTES TO FINANCIAL STATEMENTS*
<table>
<thead>
<tr>
<th>Program</th>
<th>Conference</th>
<th>Membership</th>
<th>Chapters</th>
<th>Government Affairs</th>
<th>Newsletter</th>
<th>Outreach</th>
<th>Courses</th>
<th>Merchandise</th>
<th>Management and General</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and payroll taxes</td>
<td>$371,558</td>
<td>$253,002</td>
<td>$110,972</td>
<td>$109,366</td>
<td>$108,264</td>
<td>$43,328</td>
<td>$5,359</td>
<td>$1,005</td>
<td>$27,331</td>
<td>$1,030,185</td>
</tr>
<tr>
<td>Program-general</td>
<td>872,950</td>
<td>1,404</td>
<td>603</td>
<td>3,429</td>
<td>798</td>
<td>12,585</td>
<td>583</td>
<td>23</td>
<td>883</td>
<td>893,258</td>
</tr>
<tr>
<td>Professional services</td>
<td>165,726</td>
<td>22,490</td>
<td>9,662</td>
<td>21,986</td>
<td>12,785</td>
<td>7,869</td>
<td>1,796</td>
<td>373</td>
<td>14,143</td>
<td>256,830</td>
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<tr>
<td>Printing and artwork</td>
<td>76,035</td>
<td>11,878</td>
<td>573</td>
<td>1,306</td>
<td>79,536</td>
<td>1,235</td>
<td>(493)</td>
<td>22</td>
<td>840</td>
<td>170,932</td>
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<tr>
<td>Rent</td>
<td>67,645</td>
<td>25,797</td>
<td>11,081</td>
<td>25,218</td>
<td>14,664</td>
<td>9,026</td>
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<td>477</td>
<td>40</td>
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<td>873</td>
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<td>312</td>
<td>71</td>
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<td>201</td>
<td>42</td>
<td>1,583</td>
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<td>297</td>
<td>68</td>
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<td>113</td>
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<td>179</td>
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<td><strong>$118,072</strong></td>
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<td>Newsletter</td>
<td>Outreach</td>
<td>Courses</td>
<td>Merchandise and General</td>
<td>Total</td>
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<td>(23)</td>
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<td>536</td>
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<td>207</td>
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<td>12</td>
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<td>478</td>
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<td>289</td>
<td>101</td>
<td>216</td>
<td>115</td>
<td>46</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>543</td>
<td>217</td>
<td>58</td>
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<td>Credit card charges</td>
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<td><strong>Total functional expenses</strong></td>
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<td><strong>$203,440</strong></td>
<td><strong>$211,043</strong></td>
<td><strong>$80,320</strong></td>
<td><strong>$10,486</strong></td>
<td><strong>$270</strong></td>
<td><strong>$163,298</strong></td>
<td><strong>$2,756,940</strong></td>
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## VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS’ ASSOCIATION

### STATEMENTS OF CASH FLOWS

**Years Ended June 30, 2011 and 2010**

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<tr>
<th></th>
<th>2011</th>
<th>2010</th>
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<td><strong>Cash Flows From Operating Activities</strong></td>
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<tr>
<td>Change in net assets</td>
<td>$210,954</td>
<td>$345,689</td>
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<td><strong>Adjustments to reconcile change in net assets to net cash provided by operating activities:</strong></td>
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<td></td>
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<tr>
<td>Depreciation</td>
<td>38,501</td>
<td>28,320</td>
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<tr>
<td>Net unrealized gain on certificates of deposit</td>
<td>(22,703)</td>
<td>(29,507)</td>
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<td>Net unrealized gain on other investments</td>
<td>(12,519)</td>
<td>(21,802)</td>
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<tr>
<td>Net gain on sale of investments</td>
<td>(551)</td>
<td>(6,006)</td>
</tr>
<tr>
<td>Interest earnings reinvested in restricted certificate of deposit</td>
<td>(85)</td>
<td>(174)</td>
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<tr>
<td><strong>Decrease (increase) in:</strong></td>
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<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(7,412)</td>
<td>26,114</td>
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<td>Investment interest receivable</td>
<td>2,342</td>
<td>(2,855)</td>
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<td>Prepaid conference expenses</td>
<td>(70,728)</td>
<td>347,200</td>
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<tr>
<td>Prepaid expenses and other current assets</td>
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<td>(22,213)</td>
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<tr>
<td><strong>Increase (decrease) in:</strong></td>
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<td></td>
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<tr>
<td>Deferred revenue</td>
<td>90,828</td>
<td>7,073</td>
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<tr>
<td>Accounts payable</td>
<td>46,814</td>
<td>(258,598)</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>17,962</td>
<td>46,517</td>
</tr>
<tr>
<td><strong>Net cash provided by operating activities</strong></td>
<td>297,873</td>
<td>459,758</td>
</tr>
</tbody>
</table>

| **Cash Flows from Investing Activities** |       |       |
| Redemption of certificates of deposit | 190,000 | 100,000 |
| Proceeds from sale of investments | 182,145 | 397,575 |
| Purchase of property and equipment | (49,666) | (23,029) |
| Purchase of certificates of deposit | (50,000) | (531,000) |
| Purchase of investments | (215,866) | (460,351) |
| **Net cash provided by (used in) investing activities** | 56,613 | (516,805) |

| **Increase (decrease) in cash and cash equivalents** |       |       |
| **Cash and Cash Equivalents, beginning** |       |       |
| **Cash and Cash Equivalents, ending** | $1,189,328 | $834,842 |

**SEE NOTES TO FINANCIAL STATEMENTS**
VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS’ ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Business and Significant Accounting Policies

The Voluntary Protection Programs Participants’ Association (the Association) was 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 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.

Financial statement presentation: The Association's financial statements have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

The Association reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Net assets and changes in net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Association are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations or time restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met by actions of the Association and/or the passage of time.

Support and revenue recognition: Revenue from membership dues is initially recorded as deferred revenue and recognized as revenue according to the Association’s deferment schedule, which recognizes revenue over the applicable membership year.

Revenue received prior to June 30 for the Association’s annual conference held in the fall is recorded as deferred revenue and recognized in the year that the annual conference is held.

Revenue is considered to be unrestricted unless specifically stipulated by a donor. When a donor-stipulated time restriction ends or a purpose restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restriction. Donations for which restrictions are satisfied in the same year as received are reported in the statement of activities as temporarily restricted revenues and net assets released from restriction.

Cash and cash equivalents: The Association considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents. This includes cash in demand accounts and money market deposit accounts. Certain 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.
NOTES TO FINANCIAL STATEMENTS

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair value in the statements of financial position. Investment income (including realized and unrealized gains and losses on investments, interest and dividends) is included in the change in unrestricted net assets. See Note 4 for additional information on fair value measurement.

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.

Accounts receivable: Accounts receivable include amounts due from attendees of the Association’s prior annual conference and 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. Any subsequent collection of previously charged-off accounts is recorded through the provision for uncollectible accounts receivable. The provision for uncollectible accounts at both June 30, 2012 and 2011 was zero.

Property and equipment: Property and equipment are stated at cost. Depreciation is calculated using the straight-line method over the estimated useful lives (3-10 years) of the assets. Expenditures for major renewals and improvements that extend the useful lives of property and equipment are capitalized. Property and equipment with a cost of $500 or more and a useful life of over one year are capitalized.

Functional allocation of expenses: Program and management and general costs have been summarized on a functional basis in the statements of activities. Indirect costs have been allocated to programs and management and general categories based on the percentage of labor hours by department to total labor hours.

Advertising: Advertising costs are expensed as incurred and at June 30, 2012 and 2011 were $5,198 and $5,039, respectively.

Estimates and assumptions: 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 could differ from those estimates.
NOTES TO FINANCIAL STATEMENTS

Note 1.  Nature of Business and Significant Accounting Policies (Continued)

Income tax status: The Association is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, with the exception of any profits earned from unrelated business activities, which are subject to the Unrelated Business Income Tax, and is required to file information returns with the Internal Revenue Service annually.

Effective July 1, 2009, the Association adopted the provisions of accounting for uncertainty in income tax positions as required by the Income Tax Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification; however, management does not believe it is exposed to any such positions as they are defined in this guidance. The Association files Form 990, Return of Organization Exempt from Income Tax, annually with the United States Department of the Treasury. Such returns for the tax years ended June 30, 2009 through 2012 remain open to potential examination by taxing authorities.

Reclassification: Certain amounts in the 2011 financial statements have been reclassified to conform with classifications adopted in 2012.

Subsequent events: Subsequent events have been evaluated through November 9, 2012, which was the date the financial statements were available to be issued.

Note 2.  Net Assets

Unrestricted net assets include a general scholarship fund, established by the Board of Directors for Association members and their families. At June 30, 2012 and 2011, the general scholarship fund had a balance of $141,728 and $138,719, respectively. The Association determines the scholarship amounts, number of scholarships, the beneficiaries, and the number of beneficiaries.

Temporarily restricted net assets consist of donations to scholarship funds where the donor stipulates that the scholarships must be awarded in the name of the individual on whose behalf the scholarship fund was originally established. At June 30, 2012 and 2011, total temporarily restricted net assets consisted of $250 in the William “Sully” Sullivan Scholarship Fund.
VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS’ ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 3. Investments

Investments consisted of the following at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of Deposit</td>
<td>$2,621,532</td>
<td>$1,467,014</td>
</tr>
<tr>
<td>United States Government and Agency Securities</td>
<td>114,010</td>
<td>71,474</td>
</tr>
<tr>
<td>Mutual Funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bond Fund of America</td>
<td></td>
<td>66,318</td>
</tr>
<tr>
<td>Century Diversified Bond Fund</td>
<td></td>
<td>221,911</td>
</tr>
<tr>
<td>Century Inflation Protection Bond Fund</td>
<td></td>
<td>186,951</td>
</tr>
<tr>
<td>PIMCO Short-Term Fund</td>
<td>236,620</td>
<td>235,031</td>
</tr>
<tr>
<td>Eaton Vance Floating Rate Fund</td>
<td>-</td>
<td>252,896</td>
</tr>
<tr>
<td>Eaton Vance Global Macro Absolute Return</td>
<td>-</td>
<td>101,161</td>
</tr>
<tr>
<td>Fidelity Advantage Short</td>
<td>201,118</td>
<td>50,352</td>
</tr>
<tr>
<td>Virtus Multi-Sector Short-Term Bond Fund</td>
<td>-</td>
<td>385</td>
</tr>
</tbody>
</table>

Total mutual funds            | 437,738    | 1,115,005  |

Total investments              | $3,173,280 | $2,653,493 |

The following schedule summarizes the investment return in the statements of activities for the years ended June 30:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net unrealized gains (losses)</td>
<td>$43,338</td>
<td>$35,307</td>
</tr>
<tr>
<td>Net realized gains</td>
<td>10,743</td>
<td>551</td>
</tr>
<tr>
<td>Dividend income</td>
<td>41,033</td>
<td>26,108</td>
</tr>
<tr>
<td>Interest income</td>
<td>47,064</td>
<td>57,451</td>
</tr>
</tbody>
</table>

Total investment income       | $55,502    | $119,417   |

Note 4. Fair Value Measurements

Effective July 1, 2008, the Association adopted Financial Accounting Standards Board Topic regarding Fair Value Measurements and Disclosure, which provides a framework for measuring fair value under accounting principles generally accepted in the United States of America. This standard applies to all financial instruments that are being measured and reported at fair value.
NOTES TO FINANCIAL STATEMENTS

Note 4. Fair Value Measurements (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Association uses various methods including market and income approaches. Based on these approaches, the Association often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Association utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Association is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are being traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities.

For the fiscal year ended June 30, 2012, the application of valuation techniques applied to similar assets and liabilities has been consistent. The following is a description of the valuation methodologies used for the instruments measured at fair value:

Mutual Funds and Equity Securities - Valued at the closing price reported on the active market on which the mutual funds and equity securities are sold. These are classified as Level 1 in the fair value hierarchy.

US Government Obligations - Valued at the closing price reported on the active market on which the securities are sold. These are classified as Level 1 in the fair value hierarchy.

Certificates of Deposits – The fair value of certificates of deposits is the market value based on quoted market prices or market prices provided by recognized broker dealers. These are classified as Level 2 in the fair value hierarchy.
NOTES TO FINANCIAL STATEMENTS

Note 4.  Fair Value Measurements (Continued)

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Association 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 is a summary of the Association’s financial assets that were recorded at fair value on a recurring basis during the year, by level, within the fair value hierarchy at June 30, 2012:

<table>
<thead>
<tr>
<th>Assets:</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of deposits</td>
<td>$</td>
<td>-</td>
<td>$ 2,607,773</td>
<td>-</td>
</tr>
<tr>
<td>United States Government obligations</td>
<td>113,792</td>
<td>-</td>
<td>-</td>
<td>113,792</td>
</tr>
<tr>
<td>Mutual fund:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed taxable</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>437,738</td>
<td>-</td>
<td>-</td>
<td>437,738</td>
</tr>
<tr>
<td></td>
<td>$ 551,530</td>
<td>$ 2,607,773</td>
<td>-</td>
<td>$ 3,159,303</td>
</tr>
</tbody>
</table>

The following is a summary of the Association’s financial assets that were recorded at fair value on a recurring basis during the year, by level, within the fair value hierarchy at June 30, 2011:

<table>
<thead>
<tr>
<th>Assets:</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of deposits</td>
<td>$</td>
<td>-</td>
<td>$ 1,455,466</td>
<td>-</td>
</tr>
<tr>
<td>United States Government obligations</td>
<td>71,206</td>
<td>-</td>
<td>-</td>
<td>71,206</td>
</tr>
<tr>
<td>Mutual fund:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed taxable</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,115,005</td>
<td>-</td>
<td>-</td>
<td>1,115,005</td>
</tr>
<tr>
<td></td>
<td>$ 1,186,211</td>
<td>$ 1,455,466</td>
<td>-</td>
<td>$ 2,641,677</td>
</tr>
</tbody>
</table>

Note 5.  Restricted Certificate of Deposit

In May 2008, the Association purchased a certificate of deposit in the amount of $12,517 to satisfy a letter of credit to secure the Association’s office lease as required per a non-cancelable operating lease agreement entered into on May 27, 2008 (refer to Note 8 for additional information on this lease commitment). The balance on this certificate of deposit at June 30, 2012 and 2011 was $13,196 and $13,133, respectively.

Note 6.  Contractual 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. At June 30, 2012, the Association had entered into contractual commitments amounting to $3,213,713 to be satisfied in years 2012 through 2016.
VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS’ ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 7. Non-Cash Contributions

The Association records the value of non-cash contributions at their estimated fair market value as of the date the contribution is received. Non-cash contributions are generally in the form of items that are given away to conference attendees. Non-cash contributions are recorded as conference contribution revenue with an equal offset to conference expense. The total value of non-cash contributions received for the years ended June 30, 2012 and 2011 was $36,765 and $37,893, respectively.

Note 8. Lease Commitments

Effective May 27, 2008, the Association extended its non-cancelable operating lease to relocate its original office space to a new office space within the same professional office building in Falls Church, Virginia, commencing May 27, 2008 and expiring on July 31, 2018. For the benefit of the lessor, performance under the lease is collateralized by a letter of credit, which is secured by a certificate of deposit purchased by the Association in the amount of $12,517 (see Note 5). Rent expense for the years ended June 30, 2012 and 2011 totaled $172,141 and $170,467, respectively.

The Association also leases a color copier under an operating lease agreement that expires May 2013. Rent expense under this operating lease for the years ended June 30, 2012 and 2011 totaled $7,137 and $4,760, respectively.

The Association also leases a postage machine under an operating lease that expires May 2016. Rent expense under this operating lease totaled $2,880 for the year ended June 30, 2012.

During the year ended June 30, 2012 the Association began leasing a water cooler under an operating lease that expires May 2013. Rent expense under this operating lease totaled $414 for the year ended June 30, 2012. The amount paid represents the prepayment of the total obligation due under the terms of the lease.

Aggregate minimum annual payments under the operating leases mentioned above are due in future years as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$180,745</td>
</tr>
<tr>
<td>2014</td>
<td>177,500</td>
</tr>
<tr>
<td>2015</td>
<td>182,757</td>
</tr>
<tr>
<td>2016</td>
<td>188,178</td>
</tr>
<tr>
<td>2017</td>
<td>190,883</td>
</tr>
<tr>
<td>Thereafter</td>
<td>213,469</td>
</tr>
<tr>
<td>Total</td>
<td>$1,133,532</td>
</tr>
</tbody>
</table>
VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS’ ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

Note 9. Retirement Plan

The Association offers a salary deferral plan under Internal Revenue Code Section 401(k) to all eligible employees. 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. Contributions to the plan for the years ended June 30, 2012 and 2011 totaled $14,766 and $14,795, respectively.

Note 10. Other Income

During the year ended June 30, 2012 the Association received an insurance reimbursement for $43,240. This amount was reimbursed as coverage for refunds given to participants who were not able to attend the 2011 annual conference due to the hurricane that affected the northeast portion of the country at the same time that the conference was held. The insurance proceeds are included in other income on the financial statements.