



## **Annual Report FY20**

**July 1, 2019 - June 30, 2020**

# Table of Contents

---



<b>Membership Report</b>	<b>3-6</b>
<b>Sponsorship</b>	<b>6</b>
<b>2019 Safety+ Symposium Sponsors &amp; Contributors</b>	<b>7</b>
<b>Scholarship Fund Donors</b>	<b>8</b>
<b>Scholarship Winners</b>	<b>9</b>
<b>2019 VPPPA Annual Awards</b>	<b>10</b>
<b>2019 Regional Mentors of the Year</b>	<b>11</b>
<b>Educational Events</b>	<b>12-13</b>
<b>VPPPA Expo 2019 Exhibitors</b>	<b>14-16</b>
<b>Outreach</b>	<b>16</b>
<b>2019-2020 National Board of Directors</b>	<b>17</b>
<b>Financial Report</b>	<b>18-39</b>



# Membership Report



## New Website

In FY20, VPPPA made the decision to transition to a new database and website called MemberClicks. The purpose is to better serve VPPPA members and offer an improved online member experience. The website will launch in early FY21.

## Member Benefits

Members continued to receive valuable benefits over the course of the year including discounted registration rates to the annual Safety+ Symposium and regional conferences, as well as access to a wealth of information contained on the VPPPA website. Additional benefits that members took advantage of are listed below:

### Website

- **Webinars** - VPPPA offered over 15 free webinars in FY20, including a COVID-19 Best Practices series.
- **Webinar Library** – Webinars are now free for VPPPA members. In addition, all previous webinars are housed on our website for members to access for free.
- **Job Board** – Companies send us job openings, and we post them on our website and social media.

### Discounts

Members receive discounts on various educational opportunities throughout the year such as:

- **Safety+ Symposium**
- **VPPPA Regional Conferences\***
- **Columbia Southern University** - VPPPA members receive a **10% discount** on tuition. In addition, members do not have to pay the application fee, and also receive **free** textbooks.

*\*Due to COVID-19, Regional Conferences for FY20 were cancelled.*

### Publications

Members continue to enjoy the benefits of VPPPA's award-winning quarterly magazine, *The Leader*, the monthly newsletter, "On the Level," and the award-winning blog published on [vpppa.org](http://vpppa.org). In addition, starting with the Spring 2019 issue of the *Leader*, we started offering the feature articles of the magazine in Spanish online. Finally, the Spring 2019 issue of the *Leader* was the first redesigned issue of the magazine, featuring a new, cleaner look.



# Membership Report



## **The Leader**

VPPPA's trade publication, *the Leader*, continued to be a success in FY20. *The Leader* won two APEX Awards this year. *The Leader* was a Grand Award Winner for Design & Illustration for the Autumn 2019 Issue. The Autumn 2019 issue focused on natural disasters and emergency preparedness.

VPPPA also received an Award of Excellence recognition in the category Magazines, Journals, & Tabloid's - Most Improved, for the *Leader*. Over the last two years, the VPPPA Communications staff has been working diligently on improving the quality of articles in the magazine, as well as providing a redesign of the layout.

With nearly 1,200 entries, competition for the APEX Awards was exceptionally intense this year. The APEX Awards are sponsored by the Editors of Writer's Web Watch, published by Communications Concepts, Inc. Best Practices in Print, Web & ePublishing.

In addition to the magazine's standard columns, the following topics covered in FY20 were:

### Summer 2019 – Slips, Trips and Falls

- Global Safety and Health Watch: Global Outbreaks – Investigating Diseases
- Slips, Trips and Falls: The Dangers of a Commonplace Hazard
- Walking-Working Surfaces and Pedestrian Safety: Gaining Traction in your Walking-Working Surfaces Program
- Worker Fatigue As a Factor in Slip, Trip and Fall Injuries
- Cringe Worthy Excuses that Lead to Slips, Trips and Falls
- Emergency Response Pertaining to Slips, Trips and Falls
- What Slips, Trips and Falls Signage Can Teach Us About Workplace Communication
- Product Fall Protection: The Danger of Falling Objects in Industrial Settings

### Autumn 2019 – Natural Disasters

- Global Safety and Health Watch: How Can I Help?
- Critical Consideration for Social Media and Emergency Management Today
- Emergency Planning Best Practices for Effective Hazardous Chemical Management
- From the Front Lines of Natural Disaster Rescue
- Before, During and After: Surviving a Disaster with Effective Planning
- When Disaster Strikes... Do You Have the Right Protective Equipment?
- Why You Should Consider a Tornado Shelter
- Safety in the Era of Extreme Weather Events
- From the Perspective of a First Responder



# Membership Report



## Winter 2020 – Mental Health

- Global Safety & Health Watch: Finding Space to Breathe
- From the Perspective of a First Responder: The Ticking Time Bomb of PTSD
- National Guidelines for Workplace Suicide Prevention: Take the Pledge to Make Suicide Prevention a Health and Safety Priority
- Building Behavioral Health in the Construction Industry
- Reasonable Suspicion Drug Testing: Signs to Look for and When to Implement
- Breaking the Stigma and Silence: Suicide in the Safety Industry
- Five Ways to Improve Employee Mental Health
- Suicide Prevention: The Next Step in Construction Safety
- VPPPA Best Practices: A Case Study of Safety Leadership at Every Level

## Spring 2020 – Profiles in Safety

- Global Safety and Health Watch: Unmasking the Details – The History of these small but mighty devices
- How Early Intervention Leads to Improved Worker Safety: 3 Success Stories
- Saving Lives and Limbs Through Safety Leadership
- The Jeff Walters Story
- Safety – It's about the Little Things
- The Days We Will Remember
- From Magician to Safety Professional
- An Interview With Senator Mike Enzi
- COVID-19: VPPPA Members Making A Difference

## On the Level

The monthly newsletter (sent the 3rd Thursday of each month) is now available to download online. All issues of the newsletter are up on the website allowing members to check back issues of the publication.

## Blog

A safety and health blog is available every other Thursday. This is open to both members and nonmembers. There is a discussion forum under each article that allows debate and comments about each blog entry. The blog provides a good opportunity for members to share their ideas, write articles and receive analysis and regulation updates more quickly from our industry partners and experts.

The VPPPA Blog was honored with an APEX Award this year. It received the Award of Excellence Recognition in the Social Media Blog Content Category. APEX Awards are based on excellence in graphic design, editorial content and the ability to achieve overall communications excellence.



# Membership Report & Sponsorships



## Member Engagement

There were several new ways VPPPA engaged with membership in FY20. FY20 began with a 35th birthday party for VPPPA that took place at the Safety+ Symposium in New Orleans, LA. At the birthday bash, 80's-themed swag was given out. VPPPA members were encouraged to wear their swag and post photos on social media.

Social media has been a great way to get members engaged and spread awareness of VPPPA. The membership and communications department are researching ways to improve member engagement in FY21.

We started an Instagram account in the summer of 2020. Our handle is @vpppa\_inc. We were able to utilize feed posts and stories at the Safety+ Symposium.

## Sponsorships

The 2019 Safety+ Symposium, held in New Orleans, LA, had a total of 43 sponsors and contributors. Cash contributions totaled **\$218,950**.

<b>2017 Safety+ Symposium</b>	\$193,510.00
<b>2018 Safety+ Symposium</b>	\$204,298.00
<b>2019 Safety+ Symposium</b>	\$218,950.00





# Thank You to our 2019 Safety+ Symposium SPONSORS and CONTRIBUTORS For Your OUTSTANDING SUPPORT!

## STAR LEVEL SPONSORS

(\$25,000 and above)

- Cintas
- SafeStart

## PREMIERE LEVEL SPONSORS

(\$20,000 - \$24,999)

- Always in Mind (A.I.M.)
- Nucor Corporation

## DIAMOND LEVEL SPONSORS

(\$10,000 - \$19,999)

- Coca-Cola
- ExxonMobil Beaumont
- Marathon Petroleum
- Monsanto, a member of the Bayer Group
- NuStar Energy
- Valero

## PLATINUM LEVEL SPONSORS

(\$7,500 - \$9,999)

- Amazon
- DRAEGER
- Honeywell International

## GOLD LEVEL SPONSORS

(\$5000 - \$7,499)

- Hunter Douglas
- McWane, Inc.
- Prairie State Generating Company
- Vallen Distribution

## SILVER LEVEL SPONSORS

(\$2,500 - \$4,999)

- J.J. White, Inc.
- Jacobs/CHPRC
- Mary Kay
- S&B Engineers and Constructors, Ltd.
- United Airlines

## BRONZE LEVEL SPONSORS

(\$1,000 - \$2,499)

- Alliance Safety Council
- Board of Certified Safety Professionals
- Bolle Safety
- Freeman
- Magid Glove Safety & Manufacturing
- Majestic Glove
- McKee Foods
- Oldcastle Infrastructure
- Roco Rescue
- Sherwin Williams
- SlipNOT

## CONTRIBUTOR LEVEL SPONSORS

(Under \$1,000)

- Blue House Design Company
- Clearwater Paper Corporation
- Frito Lay
- Master Print
- Morton Salt
- Terry D. Gray
- Unique NOLA Tours
- Velocity EHS
- VPP Store
- VPPPA ReNorth Star Battery
- RNR Rescue
- Southwest Generation



# Scholarship Fund Donors



---

## **Thank You** to the **VPPPA Scholarship Fund Donors!**

In an ongoing effort to advance the field of occupational safety and health, VPPPA established a scholarship program for VPPPA members and their families. Scholarship donations are used as seed money to accrue interest that will finance the scholarships annually. In FY20, VPPPA received a total of **\$3,340** in scholarship donations.

VPPPA would like to thank all the individuals who made contributions toward the scholarship program by purchasing a raffle ticket during the 2019 Safety+ Symposium. A total of **\$3,340** worth of raffle sales were accrued during the symposium.





# Scholarship Fund Winners



---

## 2019 Scholarship Winners

Four students were recognized at the 2019 Safety+ Symposium in New Orleans, Louisiana.

### VPPPA June Brothers Scholarship

The VPPPA June Brothers Scholarship was established in 2005 and is intended for students pursuing either an undergraduate or graduate degree in the safety/health/environmental field. This scholarship is open to students enrolled in or enrolling in a college or university. This annual scholarship is granted to one student who is either employed at a VPPPA Full member site or to the child/grandchild of a member. The winner of the 2019 June Brothers Scholarship was **Cameron Cothran, Andale, Kansas**.

### The Stephen Brown Scholarship

The VPPPA Stephen Brown Scholarship was established in 2005 and is intended for students pursuing a degree in the trades. This scholarship is open to students enrolled in or enrolling in a vocational school, college or university. This annual scholarship is granted to one student who is either employed at a VPPPA Full member site or to the child/grandchild of a member. The winner of the 2019 Stephen Brown Scholarship was **Bryce Peterson, Pasco, Washington**.

### William “Sully” Sullivan Scholarship

During the February 2007 VPPPA National Board of Directors meeting, the board established the VPPPA William “Sully” Sullivan Scholarship. This scholarship is intended to recognize an employee at a VPPPA Full member site who has made significant contributions to VPP at his/her site. This scholarship is open to employees enrolled in or enrolling in a vocational school, college or university. The 2019 William “Sully” Sullivan Scholarship was awarded to **Kendall Brusseau, Spokane, Washington**.

### Sergeant Safety Scholarship

The Sergeant Safety Scholarship (aka DoD Scholarship) is intended for students pursuing either an undergraduate or graduate degree in the safety/health/environmental field and associated with the Department of Defense or contractor sites. This scholarship is open to students enrolled in or enrolling in a college or university. The 2019 Sergeant Safety Scholarship was awarded to **Justin R. Williams, Great Falls, Montana**.



# VPPPA Annual Awards



## 2019 VPPPA Annual Awards

The VPPPA Annual Awards consist of three categories: VPP Outreach, VPP Innovation and Safety and Health Outreach. The following winners were honored at a ceremony at the 2019 Safety+ Symposium in New Orleans, LA. We also held a special breakfast for the winners where they were able to network and discuss important and relevant safety issues.

### VPP Outreach Award

The purpose of the VPP Outreach Award is to provide recognition for “VPP Ambassadors.” This award recognizes those who achieve an outstanding level of outreach activity and encourage others to share their knowledge. Reaching out to communicate and persuade others of the benefits of pursuing OSHA or DOE VPP approval is an important part of the mission of the VPPPA. Another part of the mission is to persuade other government regulatory agencies to adopt similar programs. The VPP Outreach Award is for an individual, company or worksite that has done an extraordinary amount of work in these areas. The 2019 VPP Outreach Award recipient was **Chevron Phillips Chemical Company, LP - Cedar Bayou Plant.**

### VPP Innovation Award

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.

The 2019 VPP Innovation Award recipients were **Cintas Ergonomics Innovation, Cintas Corporation and Savannah River Remediation, Savannah River Site.**

### Safety & Health Outreach Award

The purpose of the Safety and Health Outreach Award is to provide recognition to “VPP Models,” who reach out to share the safety, health, technical and management expertise developed at their sites. The award is for an individual, company or worksite that has achieved an outstanding level of outreach in the safety and health arena, not directly encompassing the VPP. The 2019 VPPPA Safety and Health Outreach Award recipients were **CHPRC STEM Like ME! Program, CH2M HILL Plateau Remediation Company; East Tennessee Technology Park, UCOR, an AECOM-led partnership with Jacobs; Hanford Tank Operations Contract, Washington River Protection Solutions; and Billy Edington.**



# VPPPA Regional Mentors of the Year



---

## 2019 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:** Paul Ludington, Dominion Energy Millstone Power Station

**Region II:** John Bawiec and Kevin Mihalenko- Tropicana JC

**Region III:** Tom Ozog, Seward Power Station

**Region IV:** Michael Perry, Daikin America

**Region V:** Afton Chemical, Sauget, Illinois

**Region VI:** Kimberly Cooper-Chevron Phillips, Orange, TX

**Region VII:** Sarah Van Meter- Bayer, St. Louis, MO

**Region VIII:** Rocky Mountain Arsenal

**Region X:** Eileen Tanner, Covanta Marion Inc.



# Educational Events



---

## 2019 Safety+ Symposium

The National Symposium ventured back to New Orleans for the 2019 Safety+ Symposium, taking place at the Ernest N. Morial Convention Center. The symposium brought together 2,600 safety and health professionals and industry leaders from around the nation and the world. The 2019 Safety+ Symposium was focused on bringing a new and improved VPPPA to our guests while also celebrating our 35th Birthday.

As is custom, the symposium kicked off with the Annual Meeting of the Membership, where financial and membership reports were given. We announced our new VPPPA logo during the Opening General Session. There were 3 keynotes on Women in Safety, Mental Health and Generational Gaps during the session. The crowd was very entertained by the fast-paced, hot-topic keynotes.

The exhibit hall opened later that day and the hall was packed with over 250 exhibitors and 1,800 attendees. Everyone was able to grab food, visit exhibitors, and visit the VPPPA booth which was decorated in 1980's-themed items to celebrate our birthday.

Each day throughout the week, the symposium started with a keynote speech before attendees went off to attend the workshops. During breaks you could find attendees in the expo hall grabbing snacks, playing games in the foyer, or in the relaxation room.

For the first time, we included a social media area. We had the SafetyPro Podcast broadcasting live from the show. They interviewed attendees, speakers, and VPPPA leadership. This was also an area where various media would meet to host interviews, the *Leader* and other magazines were located, and a television broadcast from one of the workshop rooms.

The week ended with our 35th Birthday Bash where we had cupcakes, drinks, fortune tellers, music, and more. Attendees woke up the next morning to take part in some workshops and then join the Closing General Session for Safety Family Feud and brunch. The 2019 Safety+ Symposium brought creative ways to entertain and educate our attendees.

# Educational Events



---

## Webinars

There were 11 webinars in FY20 covering the following topics:

- **Two Heads are Safer than One**
- **Safety's Competitive Advantage**
- **VPP Annual Self Evaluation**
- **CAL OSHA/ VPP**
- **Mental Health and Working from Home**
- **OSHA Compliance, Enforcement, and Best Practices in the COVID-19 Era**
- **Avoiding Incompatible Chemicals: HAZCOM Tips for COVID-19 and After**
- **COVID-19 Best Practices Webinar Series (3 Sessions from 3 Member Companies)**
- **CAL OSHA Virtual Audits**



# VPPPA Expo 2019 Exhibitors



- 3M PERSONAL SAFETY DIVISON
- ABUS USA
- Accuform Signs
- Adrians Safety Solutions
- Air Systems International, Inc.
- Allcomm Wireless, Inc.
- Alliance Safety Council, COSS
- Allied Powers LLC
- Always In Mind, Inc.
- American Heart Association, National Center
- American Society of Safety Professionals
- Andax Industries
- Armor Guys Inc.
- Armourx Inc.
- ART Corporate Solutions
- A-Safe Inc
- ATI Worksite Solutions
- Atrix International
- ATS Shieldsafe
- Austin Fire Systems
- Avetta
- AVO Training Institute, Inc.
- Axiom Medical
- Barefoot Industrial Ergonomic Flooring by Beagle 1, Inc.
- BeAed LP
- BIC Alliance
- BIODINETIX
- Bird Barrier America Inc,
- Blackline Safety
- Board of Certified Safety Professionals
- Bollé Safety
- Boot Barn
- Boplan USA Inc
- Brand Safway Services, LLC (Region IX)
- Brandenburg Industrial Services Company
- Briotix Health
- Bulwark Protective Apparel
- CANQUALIFY, LLC
- CBS ArcSafe, Inc.
- Cementex Products, Inc.
- Certags, LLC
- CertifiedSafety, Inc.
- Checkers Safety Group
- Cintas
- Cisco Eagle Inc.
- CleanSpace Technology
- Columbia Southern University
- Concept Seating
- Confined Space Control Covers, Inc.
- Coretex Products, Inc.
- Council for Accreditation in Occupational Hearing Conservation (CAOHC)
- Crane & Rigging Consultants
- CRC Industries
- CTEH, LLC.
- D. C. Taylor Co.
- DEKRA
- DISA Global Solutions
- DiVal Safety Equipment
- DRAEGER
- DragonWear
- DripDrop Hydration
- Dupont Personal Protection
- EHS Excellence Consulting LLC.
- Electrical Safety Specialists, LLC
- Elvex Corporation
- Engenuity Global, LLC
- EPP
- Ergo Advantage
- Ericson Manufacturing
- Essilor Prescription Safety Eyewear
- ETracker
- Eureka Safety, Inc.
- FallTech
- First Aid Only
- Gas Clip Technologies
- Gateway Safety, Inc.
- Gensuite LLC
- Geroline Inc.
- GlenGuard
- Global Glove
- Glove Guard, LP
- Gravic - Remark Software
- Guardair Corporation
- GVS North America
- Hammerhead Industries, Inc.
- Harbor Enterprises, LLC aka Survive-A-Storm
- Hellman & Associates, Inc.
- HEMCO Industries
- Herzig Engineering
- HexArmor®
- Honeywell Safety Products
- Houston Area Safety Council
- HOYA Safety Division
- Hunter Buildings
- HySafe
- Hytorc Div. UNEX Corporation
- I-Gard Corporation
- Impacto Protective Products, Inc.
- Indiana Safety + Supply
- Industrial Psychologists, Inc.
- Industrial Rescue Instruction Systems, Inc.
- Industrial Safety & Hygiene News
- Industrial Scientific Corporation
- Industrial Sunscreen
- inFRONT
- Innolytics, LLC
- inoLECT, LLC
- Instamation Systems, Inc.
- Intrepid Industries, Inc.
- Ironclad Performance Wear

# VPPPA Expo 2019 Exhibitors (cont.)



- iStrike by AnythingWeather
- JCL Safety Services
- JLG Industries, Inc.
- JUSTIN FR WORK APPAREL
- KATANA Safety
- KeepSafe, Inc.
- Kermel
- Kirk Key Interlock
- Klever Innovations
- Koolin' Kloths, Etc. Inc.
- Lehigh CustomFit
- Levitt-Safety Limited
- Liberty Glove & Safety
- Lights To Go, Inc.
- LION
- LSU Fire & Emergency Training Institute
- Macurco Gas Detection
- Magid Glove & Safety Manufacturing Company, LLC
- Majestic Glove
- Martin Technical, Inc
- Martor USA
- MCR Safety
- Meltric Corporation
- MineARC Systems
- Modjoul Inc
- Moldex-Metric, Inc.
- Mount Vernon FR
- NASCO Industries, Inc.
- Newson Gale
- NEXTTEQ, LLC
- Nightstick By Bayco Products, Inc.
- OCCfit Solutions
- OccuNomix International, LLC
- OEL Worldwide Industries
- OG Wellness
- OHD, Occupational Health Dynamics
- One Beat CPR & AED
- OnGuard/ A Hilco Vision Company
- Otto Trading Inc.
- Pac West Supply
- Palmer Safety
- Panduit Corp.
- Parker Print Solutions
- Partners in Leadership
- Pelican Products, Inc
- Pelsue Company
- Petzl America
- Phonak LLC
- Portwest LLC
- Premier Safety
- Professional Benefit Administrators
- ProtectEar USA
- Protective Industrial Products, Inc.
- PSRG
- PureFlo
- RAD Torque Systems Inc.
- Railhead Corporation
- Rasco FR, Inc.
- RedGuard
- ResponsAble Safety Staffing
- Ringers Gloves
- Rite-Hite Corporation
- RKI Instruments
- RNR Rescue
- Roco Rescue
- SafeRack, LLC
- SafeStart
- Safety Design, Inc.
- Safety First Group Exhibiting Safety Anywhere
- Safety Hive
- Safety Institute
- Safety Management Systems, Inc.
- Safety Plus, Inc
- Safety Rail Company LLC
- SafetyBanners.Org
- Safetycal, Inc.
- SafeVision, LLC
- Saf-Tech, Inc.
- Sam Carbis Solutions Group, LLC
- Satellite Shelters, Inc.
- SG World USA LLC
- Shermco Industries, Inc.
- Simply SMART! Safety
- Skedco Inc
- SLICE, INC.
- SlipNOT Metal Safety Flooring
- SPAN INTERNATIONAL TRAINING LLC
- Spotter Buddy
- Steel Grip, Inc.
- Superior Glove Works
- Sure Foot Corporation
- Tang and Company
- Task Glove
- TAWI USA
- Tec Laboratories Inc.
- TEEX
- The Blast Bag Company, Inc.
- The Marlin Company
- The Sqwincher Corp.
- ThermoFisher Scientific
- TickKey International, Inc.
- Total Safety
- Tyndale Enterprise, Inc
- U.S. Department of Energy - VPP
- U.S. Department of Labor, OSHA
- UltraTech Internatioal , Inc.
- Unify Health Services
- United Safety
- Vallen Distribution
- VelocityEHS
- Visual WorkPlace, LLC
- Vital I.D.
- VPP Participants' Association (VPPPA)
- VPPStore powered by Complete-SourceSafety



# VPPPA Expo 2019 Exhibitors (cont.) & Outreach



- Walman Optical Company
- Warwick Mills, Inc.
- Wells Lamont Industrial
- Western Technology
- Westex By Milliken
- Wiley X Eyewear
- Wonder Grip
- Woodfield Systems USA
- Working Athlete
- Working Concepts, Inc.
- World Wide Professional Solutions, LLC.
- WristWand, LLC
- Zanafel Laboratories, Inc
- ZOLL Medical Corporation

## **Throughout FY20, the association participated in the following trade shows and outreach events:**

The association exhibited or attended:

- Pennsylvania Governor's Occupational Safety & Health Conference
- Virginia Occupational Safety & Health Conference
- Behavioral Safety Now

There were other outreach events planned. However, the majority of those events were cancelled due to the COVID-19 pandemic.



# 2019-2020 National Board of Directors



## **Chairperson**

**J. A. Rodriguez, Jr.**  
Raytheon Company  
Dulles, VA

## **Vice Chairperson**

**Terry Schulte**  
NuStar Energy, LP  
Elk Grove, CA

## **Secretary**

**Dan Lazorcak**  
Honeywell International  
Tempe, AZ

## **Treasurer**

**Chris Adolfsen**  
Idaho National Laboratory, Battelle Energy Alliance  
Idaho Falls, ID

## **Director from a Site with a Collective Bargaining Agent**

**Jack Griffith**  
CH2M Hill Plateau Remediation Company  
Richland, WA

## **Director from a Site without a Collective Bargaining Agent**

**JD Dyer**  
Shermco  
Irving, TX

## **Director from a DOE-VPP Site**

**Stacy A. Thursby**  
AECOM, Washington River Protection Solutions  
Richland, WA

## **Director from a VPP Constructor/ Construction Site**

**Brad Gibson**  
S&B Engineers & Constructors  
Houston, TX

## **Director-at-Large**

**Kristyn Grow**  
Cintas Corporation  
Chester, VA

## **Director-at-Large**

**Sean Horne**  
Valero Energy  
San Antonio, TX

## **Director-at-Large**

**Alice Tatro**  
Acushnet Company - Ball Plant II  
N. Dartmouth, MA

## **Director-at-Large**

**Shelly Ettel**  
AECOM  
Pueblo, CO

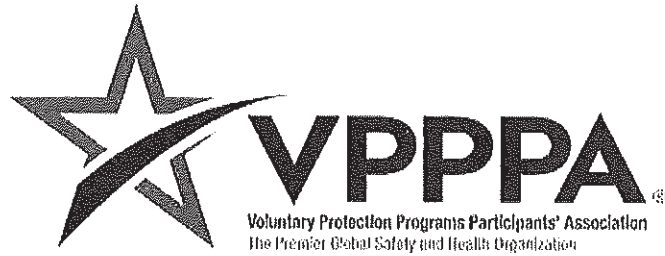
## **Director-at-Large**

**Bill Linneweh**  
Hendrickson  
Woodbridge, IL

## **Director-at-Large**

**Andrew Youpel**  
Brandenburg Industrial Service Company  
Chicago, IL





INDEPENDENT AUDITORS' REPORT AND  
FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019



4114 Legato Road  
5<sup>TH</sup> Floor  
Fairfax, VA 22033

P: 703.591.5200  
F: 703.385.3572

[WWW.BSLLC.COM](http://WWW.BSLLC.COM)

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



## INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

### CONTENTS

	<u>Page</u>
Independent Auditors' Report .....	1 - 2
Statements of Financial Position June 30, 2020 and 2019 .....	3
Statements of Activities For the Years Ended June 30, 2020 and 2019 .....	4 - 5
Statements of Functional Expenses For the Years Ended June 30, 2020 and 2019 .....	6 - 7
Statements of Cash Flows For the Years Ended June 30, 2020 and 2019 .....	8
Notes to Financial Statements .....	9 - 20





## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying financial statements of Voluntary Protection Programs Participants' Association (a not-for-profit organization), which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities, functional expenses, 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.

### Auditors' 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors of  
Voluntary Protection Programs Participants' Association  
Page 2



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 as of June 30, 2020 and 2019, 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.

*Burdette Smith & Bish LLC*

Fairfax, Virginia  
October 12, 2020



# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



## STATEMENTS OF FINANCIAL POSITION JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents .....	\$ 22,930	\$ 443,079
Accounts receivable, net .....	68,021	9,283
Due from chapters .....	36,739	-
Prepaid expenses .....	186,569	227,298
<b>Total Current Assets</b> .....	<b>314,259</b>	<b>679,660</b>
<b>INVESTMENTS</b> .....	<b>5,215,375</b>	<b>5,308,688</b>
<b>PROPERTY AND EQUIPMENT, AT COST</b> .....	<b>558,237</b>	<b>580,048</b>
Less: accumulated depreciation and amortization .....	(445,443)	(364,557)
	<b>112,794</b>	<b>215,491</b>
<b>OTHER ASSETS</b>		
Deposits .....	4,966	4,966
Certificate of deposit, restricted .....	13,234	13,272
<b>Total Other Assets</b> .....	<b>18,200</b>	<b>18,238</b>
	<b>\$ 5,660,628</b>	<b>\$ 6,222,077</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable .....	\$ 65,517	\$ 74,482
Accrued payroll .....	1,467	-
Due to chapters .....	127,098	95,104
Contract liabilities .....	402,022	1,810,207
Loan payable .....	131,571	-
<b>Total Current Liabilities</b> .....	<b>727,675</b>	<b>1,979,793</b>
<b>LONG-TERM LIABILITIES</b>		
Deferred rent .....	165,943	183,925
Contract liabilities .....	523,424	-
<b>Total Long-Term Liabilities</b> .....	<b>689,367</b>	<b>183,925</b>
<b>NET ASSETS</b>		
Without donor restrictions.....	4,131,431	3,932,949
With donor restrictions .....	112,155	125,410
	<b>4,243,586</b>	<b>4,058,359</b>
	<b>\$ 5,660,628</b>	<b>\$ 6,222,077</b>

The accompanying notes are an integral part of these financial statements.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Registration fees .....	\$ 1,419,915	\$ -	\$ 1,419,915
Membership dues .....	651,139	-	651,139
Exhibitor registration fees .....	738,950	-	738,950
Sponsorship revenue .....	266,295	-	266,295
Advertising revenue .....	153,836	-	153,836
Contributions .....	-	3,340	3,340
Investment income, net.....	167,963	-	167,963
Other income .....	1,152	-	1,152
	3,399,250	3,340	3,402,590
Net assets released from restrictions .....	16,595	(16,595)	-
	3,415,845	(13,255)	3,402,590
<b>EXPENSES</b>			
Program services .....	2,792,169	-	2,792,169
Support services:			
Management and general .....	400,047	-	400,047
Unallocated payments to chapters .....	25,147	-	25,147
	3,217,363	-	3,217,363
Change in Net Assets .....	198,482	(13,255)	185,227
NET ASSETS, BEGINNING OF YEAR .....	3,932,949	125,410	4,058,359
NET ASSETS, END OF YEAR .....	\$ 4,131,431	\$ 112,155	\$ 4,243,586

The accompanying notes are an integral part of these financial statements.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUE AND SUPPORT</b>			
Registration fees .....	\$ 1,865,210	\$ -	\$ 1,865,210
Membership dues .....	676,644	-	676,644
Exhibitor registration fees .....	808,100	-	808,100
Sponsorship revenue .....	234,998	-	234,998
Advertising revenue .....	127,034	-	127,034
Contributions .....	-	7,790	7,790
Investment income, net .....	155,679	-	155,679
Other income .....	168	-	168
	3,867,833	7,790	3,875,623
Net assets released from restrictions .....	14,903	(14,903)	-
	3,882,736	(7,113)	3,875,623
<b>EXPENSES</b>			
Program services .....	2,810,090	-	2,810,090
Support services:			
Management and general .....	262,152	-	262,152
Unallocated payments to chapters .....	27,557	-	27,557
	3,099,799	-	3,099,799
Change in Net Assets .....	782,937	(7,113)	775,824
NET ASSETS, BEGINNING OF YEAR .....	3,150,012	132,523	3,282,535
NET ASSETS, END OF YEAR .....	\$ 3,932,949	\$ 125,410	\$ 4,058,359

The accompanying notes are an integral part of these financial statements.



# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

## STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2020

	PROGRAM SERVICES										SUPPORT SERVICES			Total
	Conference	Membership	Newsletter	Chapters	Outreach	Safety and Health	Courses	Government Affairs	Scholarships	Programs	Management and General	Unallocated Payments to Chapters		
Advertising .....	\$ 109,337	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 111,980	
Audio visual .....	221,482	-	-	-	-	-	-	-	-	-	-	-	221,482	
Awards and gifts .....	96,437	5,052	-	-	-	-	-	-	-	-	-	-	101,489	
Bank charges .....	755	542	123	153	97	1	26	40	-	1,737	548	-	2,285	
Credit card charge .....	18,410	13,211	3,009	3,728	2,363	28	641	964	-	42,354	13,367	-	55,721	
Depreciation and amortization .....	36,409	26,128	5,951	7,372	4,672	55	1,267	1,906	-	83,760	26,436	-	110,196	
Employee benefits .....	26,407	18,950	4,316	5,347	3,389	40	919	1,383	-	60,751	19,174	-	79,925	
Fees and taxes .....	-	-	-	-	-	-	-	-	-	-	2,080	-	2,080	
Insurance .....	16,856	1,617	368	456	289	3	78	118	-	19,785	1,636	-	21,421	
Leased equipment .....	5,481	3,933	896	1,110	703	8	191	287	-	12,609	3,979	-	16,588	
Meals and entertainment .....	631,566	-	-	-	-	-	-	-	-	631,566	-	-	631,566	
Miscellaneous .....	53,195	(6,550)	-	-	8,136	-	-	-	-	54,781	-	-	54,781	
Office supplies .....	3,543	992	226	2,132	5,176	2	48	72	-	12,191	3,905	-	16,096	
Payments to affiliates .....	-	-	-	-	-	-	-	-	-	-	-	25,147	25,147	
Postage and mailing .....	10,343	4,411	22,265	-	2,473	-	-	-	-	39,492	577	-	40,069	
Printing and artwork .....	43,473	16,267	50,496	-	502	-	-	-	-	110,738	10,975	-	121,713	
Professional services .....	367,831	94,676	21,563	26,714	16,931	200	4,592	7,430	-	539,937	95,794	-	635,731	
Rent .....	44,995	32,289	7,354	9,112	5,774	68	1,566	2,856	-	103,514	32,670	-	136,184	
Repair and maintenance .....	9,521	6,833	1,556	1,928	1,222	14	331	499	-	21,904	6,913	-	28,817	
Salaries and payroll taxes .....	230,238	165,222	37,630	46,619	29,546	348	8,014	12,055	-	529,672	167,173	-	696,845	
Scholarships .....	-	-	-	-	-	-	-	-	16,595	16,595	-	-	16,595	
Small equipment purchases .....	1,302	934	213	264	167	2	45	68	-	2,995	944	-	3,939	
Staff education .....	4,531	3,252	741	918	582	7	158	237	-	10,426	3,290	-	13,716	
Staff travel .....	17,545	-	-	217	4,867	-	-	206	-	22,835	398	-	23,233	
Telephone .....	27,813	6,044	1,376	1,705	1,081	13	293	441	-	38,766	6,115	-	44,881	
Temporary service .....	1,501	1,077	245	304	193	2	52	79	-	3,453	1,090	-	4,543	
	\$ 1,978,971	\$ 394,880	\$ 158,328	\$ 108,079	\$ 88,163	\$ 791	\$ 18,221	\$ 28,141	\$ 16,595	\$ 2,792,189	\$ 400,047	\$ 25,147	\$ 3,217,363	



The accompanying notes are an integral part of these financial statements.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

## STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2019

	PROGRAM SERVICES										SUPPORT SERVICES		
	Conference	Membership	Newsletter	Chapters	Outreach	Safety and Health	Courses	Government Affairs	Scholarships	Total Programs	Management and General	Unallocated Payments to Chapters	Total
Advertising .....	\$ 89,701	\$ -	\$ 115	\$ 56	\$ 48	\$ -	\$ 23	\$ 20	\$ -	\$ 90,245	\$ 171	\$ -	\$ 90,416
Audio visual .....	167,819	-	-	-	-	-	-	-	-	167,819	-	-	167,819
Awards and gifts .....	63,638	3,012	-	-	-	-	-	-	-	66,650	13	-	66,663
Bank charges .....	524	599	245	120	103	-	50	42	-	1,683	363	-	2,046
Credit card charge .....	16,936	19,386	7,928	3,872	3,319	-	1,607	1,356	-	54,404	11,734	-	66,138
Depreciation and amortization .....	6,458	7,392	3,023	1,476	1,265	-	613	517	-	20,744	4,474	-	25,218
Employee benefits .....	22,145	25,348	10,367	5,063	4,339	-	2,101	1,774	-	71,137	15,343	-	86,480
Fees and taxes .....	-	-	-	-	-	-	-	-	-	-	4,114	-	4,114
Insurance .....	6,112	1,563	639	312	268	-	130	109	-	9,133	946	-	10,079
Leased equipment .....	4,250	4,865	1,989	972	833	-	403	340	-	13,652	2,945	-	16,597
Meals and entertainment .....	849,882	-	-	-	-	-	-	-	-	849,882	-	-	849,882
Miscellaneous .....	163,769	-	-	-	9,537	-	-	-	-	173,306	-	-	173,306
Office supplies .....	4,838	2,149	879	429	3,398	-	178	150	-	12,021	818	-	12,839
Payments to affiliates .....	-	-	-	-	-	-	-	-	-	-	-	27,557	27,557
Postage and mailing .....	4,697	5,082	14,742	472	2,605	-	-	3	-	27,601	536	-	28,137
Printing and artwork .....	38,414	18,676	48,246	-	-	-	-	-	-	105,336	1,552	-	106,888
Professional services .....	242,451	69,023	28,228	13,786	11,816	-	5,721	4,830	-	375,855	41,780	-	417,635
Rent .....	34,873	39,916	16,325	7,972	6,834	-	3,308	2,793	-	112,021	24,161	-	136,182
Repair and maintenance .....	11,052	12,650	5,173	2,527	2,166	-	1,048	885	-	35,501	7,657	-	43,158
Salaries and payroll taxes .....	134,764	134,764	67,382	67,382	33,691	33,691	33,691	33,691	14,903	539,056	134,764	-	673,820
Scholarships .....	-	-	-	684	587	-	284	240	-	14,903	-	-	14,903
Staff education .....	20,178	7,257	2,968	1,449	8,517	-	601	1,154	-	29,849	4,315	-	34,164
Staff travel .....	15,652	-	-	-	1,242	-	-	508	-	29,677	4,392	-	34,069
Telephone .....	\$ 1,901,146	\$ 355,390	\$ 209,650	\$ 106,572	\$ 90,568	\$ 33,691	\$ 49,758	\$ 48,412	\$ 14,903	\$ 2,810,090	\$ 262,152	\$ 27,557	\$ 3,099,799



The accompanying notes are an integral part of these financial statements.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



## STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Change in net assets .....	\$ <u>185,227</u>	\$ <u>775,824</u>
Adjustments to reconcile net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization .....	110,197	25,218
Amortization of discount on investments .....	18,999	12,344
Unrealized (gain) loss on investments .....	(66,248)	(60,250)
(Increase) decrease in:		
Accounts receivable .....	(58,738)	11,202
Accrued interest on investments .....	502	(3,975)
Due from chapters .....	(36,739)	-
Prepaid expenses .....	40,729	(62,912)
Increase (decrease) in:		
Accounts payable .....	(8,965)	48,379
Accrued payroll .....	1,467	-
Contract liabilities .....	523,424	-
Due to chapters .....	31,994	23,606
Deferred revenue .....	(1,408,185)	(446,086)
Deferred rent .....	(17,982)	(13,504)
	<u>(869,545)</u>	<u>(465,978)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES .....</b>	<b><u>(684,318)</u></b>	<b><u>309,846</u></b>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Cash used to purchase fixed assets .....	(7,500)	(39,897)
Cash used to purchase investments .....	(3,166,388)	(4,501,098)
Cash proceeds from sales of money market accounts .....	255,081	(504,753)
Cash proceeds from sale of investments .....	3,051,405	4,509,268
<b>NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES .....</b>	<b><u>132,598</u></b>	<b><u>(536,480)</u></b>
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>		
Cash received for notes payable .....	131,571	-
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES .....</b>	<b><u>131,571</u></b>	<b><u>-</u></b>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS .....	(420,149)	(226,634)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR .....	443,079	669,713
CASH AND CASH EQUIVALENTS, END OF YEAR .....	\$ <u><u>22,930</u></u>	\$ <u><u>443,079</u></u>
<b><u>SUPPLEMENTAL NON-CASH ACTIVITIES</u></b>		
Donated conference materials .....	\$ <u>26,330</u>	\$ <u>24,700</u>
	<u>\$ 26,330</u>	<u>\$ 24,700</u>

The accompanying notes are an integral part of these financial statements.



# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019



## NOTE 1 - Summary of Significant Accounting Policies

Voluntary Protection Programs Participants' Association (the Association) is a not-for-profit organization incorporated under the laws of 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.

### Basis of Accounting

The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

### Revenue Recognition

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, *Revenue from Contracts with Customers*, which added a new ASC Topic 606 ("ASC 606"). The new standard established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes substantially all of the previous revenue recognition guidance, including industry-specific guidance. The new standard requires entities to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This update also requires quantitative and qualitative disclosures sufficient to enable users of financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including disclosures on significant judgments made when applying the guidance. On July 1, 2019, the Association adopted these standards using the full retrospective method, which requires the Association to recast each prior period presented consistent with the new guidance. The adoption of ASC 606 on July 1, 2019 did not result in a material impact on the Association's financial statements.

Revenue from membership dues are fixed-termed and recognized ratably over the membership year as member benefits are received and consumed throughout the membership period. Dues received prior to the membership period are presented as contract liabilities in the accompanying statements of financial position.

Conference-related revenue includes registration fees and sponsorships, recognized at a point in time when the performance obligation is satisfied, which is when the annual conference occurs. Conference-related revenue received prior to the Association's annual conference is recorded as contract liabilities in the accompanying statement of financial position.

Contribution income is not considered a contract and therefore falls outside the scope of ASC 606. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019



## NOTE 1 – Summary of Significant Accounting Policies, Continued

### In-Kind Support

Contributions of donated materials that enhance a non-financial asset and contributed services that are considered specialized, can be estimated, and would have been purchased if not donated, are reflected in the accompanying financial statements. In-kind support is recorded as contribution at the estimated fair market value as of the date of the donation.

### Cash Equivalents

For purposes of the statement of cash flows, the Association considers cash held in the checking account and cash on hand, held outside of the investment portfolio, to be cash and cash equivalents.

### Accounts Receivable

Accounts receivable include amounts due from attendees of the Association's current year annual conference, regional chapter conferences, and vendor newsletter advertisements. Management reviews accounts receivable on an annual basis to determine the collectability of all receivables. When applicable, an allowance for uncollectible accounts is recorded against accounts receivable in the statement of financial position and is reported as a decrease in net assets. The allowance for uncollectible accounts was \$-0- for each of the years ended June 30, 2020 and 2019.

### Contract Liabilities

These balances represent timing differences between when amounts are billed or received from customers and when the goods or services associated with these amounts have been provided. The timing of these billings is generally driven by the contract terms. Contract liabilities consist of member dues paid, which will be recognized over the remainder of the membership year and conference-related income paid to the Association in advance of the conference. Contract liability is recorded when the Association has received payments for products or services not yet delivered or in situations where revenue recognition criteria have not been met.

### Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates in the financial statements include the estimated useful lives of property and equipment.

### Fair Value of Financial Statements

Accounting principles generally accepted in the United States established a framework for measuring fair value, clarifying the definition of fair value within that framework and expanding disclosure about fair value measurements. U.S. GAAP has established a three-tiered fair value hierarchy with Level 1 representing quoted prices for identical assets or liabilities in an active market, Level 2 representing quoted prices for identical assets or liabilities in a market that is non-active or with other than directly or indirectly observable inputs, and Level 3 representing estimate values based on unobservable inputs. Related disclosures are segregated for assets and liabilities measured at fair value based on the level used within the hierarchy to determine their fair values.

The carrying amounts for cash and cash equivalents, accounts receivable, prepaid expenses, deposits, accounts payable, amounts due to/from chapters, and contract liability approximate fair market value because of the short maturity of these instruments.



# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019



## NOTE 1 – Summary of Significant Accounting Policies, Continued

### Investments

Investments in money market funds and fixed income funds with readily determinable market values are reported in the statement of financial position at fair value using level 1 valuation methodology. Investments using Level 2 inputs consisted of certificates of deposit and government and agency bonds. The fair values are priced using an outside data and pricing 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. Interest, dividends, and realized gains or losses are recorded when earned or sustained. Fluctuations in the market value of the portfolio are recorded as unrealized gains or losses in the accompanying statements of activities. Donated securities are recorded at quoted market values as of the close of business on the date the security is received and are sold upon receipt or immediately thereafter to establish fair market value.

### Property and Equipment

Property and equipment (including major renewals, replacements and betterments), with a cost of \$500 or more, are capitalized and stated at cost. Donated property is recorded at fair value at the date of donation. Expenditures for ordinary maintenance and repair items are charged to operations as incurred. Upon the sale or other disposition of property, the cost and related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is reflected in the changes in net assets. Depreciation and amortization are provided for principally under the straight-line method. Asset useful lives range from three to seven years. Leasehold improvements are amortized under the straight-line method over the term of the lease.

### Net Assets

To ensure the observance of limitations and restrictions placed on the use of resources available to the Association, resources for various purposes are classified for accounting purposes into classes established according to their nature and purpose as follows:

Net assets without donor restrictions – net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Association's management and includes Board designated funds, i.e.: funds that have been segregated by the Board to be spent only on specific purposes.

Net assets with donor restrictions result from contributions whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Association pursuant to these stipulations. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities. Net assets may be restricted for various purposes, such as for use in future periods or for specific purposes. The Association has no permanently restricted net assets.

### Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs were \$111,980 and \$90,416 for the years ended June 30, 2020 and 2019, respectively.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019



## NOTE 1 – Summary of Significant Accounting Policies, Continued

### Tax Exempt Status

The Association has been granted exemption from income taxes under Section 501 (c)(3) of the Internal Revenue Code and is classified as other than a private foundation as described in Section 509(a)(2) of the Internal Revenue Code. However, income from certain activities not directly related to the Association’s tax-exempt purpose, primarily advertising, may be subject to taxation as unrelated business income.

Management has evaluated the Association’s tax positions and concluded that the Association had taken no uncertain tax positions that require adjustment to or disclosure in the financial statements. With few exceptions, the Association is no longer subject to income tax examinations by the U.S. federal, state, or local tax authorities for years prior to 2017.

## NOTE 2 – Change in Accounting Estimate

In 2020, the Association conducted a review of their software, which resulted in changes in the expected usage of their subledger system. The software, which management had previously intended to use for 15 years, is now estimated to have a useful life of only 5 years.

As a result, of this change in estimates, the Association has adjusted depreciation expense in the current year to reflect the remaining useful life. The effect of these changes on actual current and expected future depreciation expense, included in net assets without restrictions, is as follows:

<u>Increase (Decrease) in Depreciation Expense</u>	
2020 .....	\$ 76,765
2021 .....	360
2022 .....	(7,823)
2023 .....	(7,823)
2024 .....	(7,928)
Later .....	(53,551)
	\$ -

## NOTE 3 – Concentration of Credit Risk

The Association maintains a bank account with a credit-worthy, high quality financial institution. The Federal Insurance Association (FDIC) has limitations on the amount it will insure, and the Association’s account balance may periodically exceed that amount. The Association has not experienced any losses in this account and believes it is not exposed to any significant credit risk related to cash.

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 statement of financial position.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

### NOTE 4 – Accounts Receivable

Accounts receivable, net of allowance for doubtful collections, is comprised of the following at June 30:

	<u>2020</u>	<u>2019</u>
Accounts receivable .....	\$ 68,021	\$ 9,283
Less: allowance for doubtful collections .....	-	-
	\$ 68,021	\$ 9,283

### NOTE 5 - Investments

The following table sets forth the Association's investment assets at fair value at June 30, 2020:

	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Gain (loss)</u>
Money market .....	\$ 746,773	\$ 746,773	-
Fixed income funds .....	535,103	565,586	(30,483)
Accrued interest .....	18,059	-	18,059
Government agency securities .....	1,478,628	1,443,217	35,411
Certificate of deposit .....	2,436,812	2,388,135	48,677
	\$ 5,215,375	\$ 5,143,711	\$ 71,664

Fair value measurements, by level, are as follows as of June 30:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>2020 Total</u>
Money market .....	\$ 746,773	\$ -	\$ -	\$ 746,773
Fixed income funds .....	535,103	-	-	535,103
Accrued interest .....	18,059	-	-	18,059
Government and agency bonds .....	-	1,478,628	-	1,478,628
Certificate of deposit .....	-	2,436,812	-	2,436,812
	\$ 1,299,935	\$ 3,915,440	\$ -	\$ 5,215,375

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>2019 Total</u>
Money market .....	\$ 1,001,854	\$ -	\$ -	\$ 1,001,854
Fixed income funds .....	199,554	-	-	199,554
Accrued interest .....	18,523	-	-	18,523
Government and agency bonds .....	-	1,134,725	-	1,134,725
Certificate of deposit .....	-	2,954,032	-	2,954,032
	\$ 1,219,931	\$ 4,088,757	\$ -	\$ 5,308,688



# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019

## NOTE 5 – Investments, Continued

The following schedule summarizes the investment return and related classification in the statement of activities.

	<u>2020</u>	<u>2019</u>
Interest and dividends .....	\$ 102,015	\$ 95,729
Net unrealized gains (losses) .....	66,248	60,250
Investment expenses .....	(300)	(300)
	\$ 167,963	\$ 155,679

## NOTE 6 - Property and Equipment

Property and equipment, at cost, and the related accumulated depreciation and amortization as of June 30 are summarized as follows:

	<u>2020</u>	<u>2019</u>
Office furniture and equipment .....	\$ 122,802	\$ 152,113
Leasehold improvements .....	265,292	265,292
Software .....	170,143	162,643
	558,237	580,048
Less: accumulated depreciation and amortization .....	(445,443)	(364,557)
	\$ 112,794	\$ 215,491

Depreciation expense totaled \$110,197 and \$25,218 for the years ended June 30, 2020 and 2019, respectively.

## NOTE 7 – Revenue Recognition

Effective July 1, 2019, the Association recognizes revenue in accordance with ASC Topic 606, *Revenue from Contracts with Customers*. The Association adopted this standard using the retrospective method. The Association has determined that adoption of this standard had not significantly impacted the financial statements.

### Contract Liabilities

Contract liabilities primarily represent payments received from customers prior to the satisfaction of the corresponding performance obligations, previously described as deferred revenue. Contract liabilities are recognized as revenue once the corresponding performance obligations are satisfied based on the contract with the customer. Contract liabilities totaled \$402,022 and \$1,810,207 as of June 30, 2020 and 2019, respectively.

### Disaggregation of Revenue

The Association disaggregates revenues by timing of transfer of goods or services as follows:

	<u>2020</u>	<u>2019</u>
Performance obligations satisfied at a point in time .....	\$ 2,580,148	\$ 3,035,510
Performance obligations satisfied over time .....	651,139	676,644
	\$ 3,231,287	\$ 3,712,154

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019

## NOTE 8 – Contract Liabilities

Contract liabilities consisted of the following at June 30:

	<u>2020</u>		<u>2019</u>
Registration .....	\$ 27,655	\$	512,635
Exhibitor registration .....	480,994		704,925
Membership dues .....	332,797		384,502
Sponsorship .....	84,000		202,515
Advertising .....	-		5,630
	<u>\$ 925,446</u>	\$	<u>1,810,207</u>

## NOTE 9 – Chapters

The Association has chapters that represent an established association presence in each 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 is 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 five percent of the membership dues received from members within each chapter, which is shown as “payments to affiliates” on the accompanying statements of functional expenses. At June 30, 2020 and 2019, the amount due to chapters totaled \$127,098 and \$95,104, respectively. In addition the Association was due \$36,739 from chapters at June 30, 2020.

## NOTE 10 – Net Assets

Net assets with donor restrictions consist of funds to support the Association’s scholarships.

Net assets consist of the following at June 30:

	<u>2020</u>		<u>2019</u>
<u>With Donor Restrictions</u>			
Purpose restricted .....	\$ 112,155	\$	125,410
	<u>112,155</u>		<u>125,410</u>
<u>Without Donor Restrictions</u>			
Undesignated .....	4,065,303		3,869,450
Board designated .....	66,128		63,499
	<u>4,131,431</u>		<u>3,932,949</u>
Net assets .....	<u>\$ 4,243,586</u>	\$	<u>4,058,359</u>

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019



## NOTE 11 – Scholarship Endowment Fund

The Association established a 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 a board-designated endowment fund established with donor-restricted funds. The donor-restricted funds consist of donations restricted by donors for scholarships and are included in net assets with donor restriction in the accompanying statements of financial position. The portion of the board-designated endowment included in net assets without donor restriction consists of accumulated investment income, gains, and losses generated on the total scholarship fund balance and any unrestricted 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 endowment fund are at least equal to the scholarships distributed.

### Return Objectives and Risk Parameters

The Association has adopted investment and spending policies for endowment fund assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment 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 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 fund's overall investment structure while assuming a moderate level of investment risk. The Association expects its endowment funds, over time, to provide an average rate of return of approximately five 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 year 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.

### 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 fund 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 endowment 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.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019

## NOTE 11 – Scholarship Endowment Fund, Continued

The entire endowment fund is held in investments. The net asset composition of the board-designated endowment fund is as follows at June 30:

	<u>2020</u>	<u>2019</u>
Without donor restrictions .....	\$ 66,128	\$ 63,499
With donor restrictions .....	112,155	125,410
	\$ 178,283	\$ 188,909

### Endowment Fund Activity

Changes in the board-designated endowment fund were as follows for the years ended June 30, 2020 and 2019:

	<u>Without donor restriction</u>	<u>With donor restriction</u>	<u>Total</u>
Balance, June 30, 2018 .....	\$ 19,589	\$ 132,523	\$ 152,112
Interest and dividends .....	2,840	-	2,840
Net unrealized gain (loss) .....	913	-	913
Investment fees .....	(150)	-	(150)
Net investment return .....	3,603	-	3,603
Contributions .....	-	7,790	7,790
Release of restrictions .....	-	(14,903)	(14,903)
Transfers .....	40,307	-	40,307
Balance, June 30, 2019 .....	\$ 63,499	\$ 125,410	\$ 188,909
Interest and dividends .....	1,856	-	1,856
Net unrealized gain (loss) .....	923	-	923
Investment fees .....	(150)	-	(150)
Net investment return .....	2,629	-	2,629
Contributions .....	-	3,340	3,340
Release of restrictions .....	-	(16,595)	(16,595)
Balance, June 30, 2020 .....	\$ 66,128	\$ 112,155	\$ 178,283

## NOTE 12 – 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 Internal Revenue Code. The Association may make discretionary matching contributions each plan year (calendar year) up to 3% of the participation's annual compensation. All participants who are employed on December 31 during the plan year received an allocation of the Association's contributions made for the plan year. Pension expense for the years ended June 30, 2020 and 2019 totaled \$15,868 and \$14,605, respectively.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019



## NOTE 13 – Commitments and Contingencies

### Leases

The Association leases a copier and a postage machine under operating leases that expire in June 2024 and November 2022, respectively. The copier payments are \$927 per month and the postage machine payments are \$953 per quarter.

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, 2025. The Association purchased a certificate of deposit in the original amount of \$12,517 as collateral to a letter of credit that was provided as the security deposit for the office lease. The balance of this certificate of deposit as of June 30, 2020 and 2019 was \$13,234 and \$13,272, respectively, where \$12,517 of this amount is restricted.

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

Rent expense for the years ended June 30 is summarized as follows:

	<u>2020</u>	<u>2019</u>
Rent paid .....	\$ 154,165	\$ 147,474
Straight line adjustment .....	(17,981)	(11,292)
	\$ 136,184	\$ 136,182

The schedule of future minimum lease payments under the above leases as of June 30 is as follows:

2021 .....	\$ 173,716
2022 .....	178,495
2023 .....	181,029
2024 .....	184,652
2025 .....	178,744
2025 and thereafter .....	15,116
	\$ 911,752

### Conference Liability

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.

In November 2015, the Association signed a contract for the August 2020 symposium. Due to circumstances arising from COVID-19, the symposium was canceled during the 2020 fiscal year. The Association is not protected from a force majeure clause, and under the terms of the original contract would be subject to damages equaling 100% of the total revenue for room rentals, or \$1,400,000. Subsequent to the financial statement date, the Association agreed to pay a reduced amount of \$250,000 to the hotel for damages as a result of the conference cancellation, in lieu of the original \$1,400,000. The Association's agreement with the hotel includes a clause that the damages may be converted to a deposit for the 2022 conference, provided a new contract for the future contract is signed timely. The Association intends to make the \$250,000 payment a deposit for a future conference at the hotel, and does not expect to suffer any financial loss as a result of this arrangement.



# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION



## NOTES TO FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

### NOTE 14 – Availability and Liquidity of Resources

The Association’s financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the statement of financial position, are as follows:

Cash .....	\$	22,930
Accounts receivable .....		68,021
Investments .....		5,215,375
Less: Scholarship endowment .....		(178,283)
Less: Conference commitment .....		(250,000)
	\$	4,878,043

As part of liquidity management, the Association has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations that come due. In addition, the Association invests cash in short-term investments, including money market accounts, treasury bonds, and mutual funds. The Association’s financial assets available at June 30, 2020 are sufficient to cover all of its obligations.

### NOTE 15 – Expense Allocation

The financial statements report certain categories of expenses that are attributable to one or more programs and supporting functions of the Association. Those expenses include bank and credit card charges, depreciation, employee benefits, insurance, leased equipment, office supplies, professional services, rent, repairs and maintenance, scholarships, staff education, and telephone where the costs are allocated based on estimates of costs utilized and time and level of effort. Such allocations are determined by management on an equitable basis. The remaining expenses are directly allocated to the program or supporting service to which they relate.

### NOTE 16 – COVID-19 and the CARES Act

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

In response to the pandemic, the U.S. Small Business Administration began offering loans under the Paycheck Protection Program (PPP) in April 2020. The Association applied for and received a PPP loan in the amount of \$131,571 on May 2, 2020. Under the terms of this loan, the funds are eligible to be forgiven if they are used for specific covered expenses. Any portion of the loan that does not qualify for forgiveness is subject to an interest rate of 1% and is payable in equal installments of principal and interest over an eighteen-month period beginning December 2, 2020 and maturing May 2, 2022. Management expects the loan will fully qualify for forgiveness and will not need to be repaid.

# VOLUNTARY PROTECTION PROGRAMS PARTICIPANTS' ASSOCIATION

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2020 AND 2019



## NOTE 16 – COVID-19 and the CARES Act, Continued

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Association's financial condition, liquidity, and future results of operations. Management is actively monitoring the impact of COVID-19 on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Association is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for 2021.

## NOTE 17 – Date of Management's Review

In preparing the accompanying financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through October 12, 2020, the date the financial statements were available for issuance.