

USENIX ASSOCIATION

The Advanced Computing Systems Association

Financial Statements
with Independent Auditor's Report

Years Ended December 31, 2017 and 2016

USENIX ASSOCIATION

Years Ended December 31, 2017 and 2016

Table of Contents

	Page
Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	6
Supplemental Schedules	
Schedules of Functional Expenses	13
Schedules of LISA SIG Activities	14
Schedules of Conference Events Activities	
Year ended December 31, 2017	15
Year ended December 31, 2016	16
Schedules of General and Administrative Expenses	17



INDEPENDENT AUDITOR'S REPORT

Board of Directors
USENIX Association

We have audited the accompanying financial statements of USENIX Association, a California nonprofit corporation (the Organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of USENIX Association as of December 31, 2017 and 2016, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The 2017 and 2016 supplemental schedules of functional expenses, schedules of LISA SIG activities, schedules of conference events activities, and schedules of general and administrative expenses on pages 13 through 17 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

BHLF LLP

Walnut Creek, California
October 26, 2018

USENIX ASSOCIATION

Statements of Financial Position December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets		
Cash and equivalents	\$ 641,026	\$ 742,910
Accounts receivable	118,733	94,535
Prepaid expenses	219,894	215,002
Investments	<u>6,365,034</u>	<u>5,803,274</u>
Total current assets	7,344,687	6,855,721
Property and equipment, net	<u>85,137</u>	<u>137,795</u>
Total assets	<u>\$ 7,429,824</u>	<u>\$ 6,993,516</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 49,859	\$ 744,335
Accrued compensation	72,363	59,811
Deferred revenue	<u>739,440</u>	<u>443,275</u>
Total current liabilities	<u>861,662</u>	<u>1,247,421</u>
Deferred revenue, net of current portion	<u>187,500</u>	<u>337,500</u>
Total liabilities	<u>1,049,162</u>	<u>1,584,921</u>
Net assets		
Unrestricted net assets	<u>6,380,662</u>	<u>5,408,595</u>
Total net assets	<u>6,380,662</u>	<u>5,408,595</u>
Total liabilities and net assets	<u>\$ 7,429,824</u>	<u>\$ 6,993,516</u>

See notes to financial statements.

USENIX ASSOCIATION

Statements of Activities Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Conference and workshop revenue	\$ 5,064,417	\$ 4,857,484
Membership dues	228,793	257,295
General sponsorship	129,000	60,000
Product sales	5,146	7,067
Event services and projects	4,000	4,750
LISA SIG dues and other	-	7,946
	<u>5,431,356</u>	<u>5,194,542</u>
EXPENSES		
Program services		
Conferences and workshops	4,554,459	4,537,398
Projects, programs and membership	307,626	377,969
Total program services	<u>4,862,085</u>	<u>4,915,367</u>
Management and general	445,114	621,006
Fundraising	<u>50,849</u>	<u>84,715</u>
	<u>5,358,048</u>	<u>5,621,088</u>
CHANGE IN NET ASSETS FROM OPERATIONS	<u>73,308</u>	<u>(426,546)</u>
OTHER INCOME (EXPENSES)		
Donations	24,470	23,660
Investment income	925,730	432,343
Investment fees	(51,441)	(45,897)
Other income	-	150
	<u>898,759</u>	<u>410,256</u>
Total other income (expenses)		
	<u>898,759</u>	<u>410,256</u>
Change in net assets	972,067	(16,290)
NET ASSETS - unrestricted		
Beginning of year	<u>5,408,595</u>	<u>5,424,885</u>
End of year	<u>\$ 6,380,662</u>	<u>\$ 5,408,595</u>

See notes to financial statements.

USENIX ASSOCIATION

Statements of Cash Flows Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 972,067	\$ (16,290)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	78,241	162,634
Realized gain (loss) on investments	(378,535)	16,503
Change in unrealized loss on investments	(395,695)	(313,749)
In-kind revenues	-	(5,888)
Changes in operating assets and liabilities:		
Accounts receivable	(24,198)	261,384
Prepaid expenses	(4,892)	(84,176)
Accounts payable and accrued expenses	(694,476)	666,632
Accrued compensation	12,552	(2,648)
Deferred revenue	146,165	(223,325)
Net cash provided by (used in) operating activities	<u>(288,771)</u>	<u>461,077</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(713,101)	(2,589,262)
Sale of investments	925,571	2,500,000
Purchases of property and equipment	<u>(25,583)</u>	<u>(60,198)</u>
Net cash provided by (used in) investing activities	<u>186,887</u>	<u>(149,460)</u>
NET CHANGE IN CASH AND EQUIVALENTS	(101,884)	311,617
CASH AND EQUIVALENTS		
Beginning of year	<u>742,910</u>	<u>431,293</u>
End of year	<u>\$ 641,026</u>	<u>\$ 742,910</u>

See notes to financial statements.

USENIX ASSOCIATION

Notes to Financial Statements

1. NATURE OF OPERATIONS

USENIX Association (Organization) is a non-profit corporation and was incorporated in 1980. The Organization's primary purpose is to provide educational benefit, including the exchange and communication of research and technological ideas pertaining to advanced computing systems and tools. The Organization has approximately 2,300 members in 47 countries. The Organization's programs include:

Conferences and Events – Conferences are organized by dedicated USENIX staff and volunteer program committees that are comprised of industry professionals. The Organization's conferences are highly technical, attracting attendees with mid-to-senior level experience in information technology positions, and offering opportunities for learning, networking, presenting, and publishing research in the conference proceedings.

Major annual conferences include Enigma, the USENIX Security Symposium, SREcon conferences in three locations, LISA, File and Storage Technologies Conference (FAST) and the USENIX Annual Technical Conference (ATC). USENIX also organizes smaller conferences focusing on specific areas in advanced computing systems. Co-located workshops and a training program are held with some conferences.

Memberships – Membership in the Organization provides benefits that include discounts on conference registration fees at select events as well as a free subscription to the Organization's magazine. The magazine, ;login:, is published four times a year, and features technical articles on a wide range of topics, tips on system administration techniques, workplace strategies, and book reviews.

Open Access Initiative – The Organization publishes its conference proceedings free of charge, making them available to members and non-members alike on its website, along with video, audio and slide presentations from conferences.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation – The accompanying financial statements are presented using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The net assets, revenues, gains and losses, expenses and other changes in the accompanying financial statements are classified based on the existence or absence of donor imposed restrictions. Accordingly, for reporting purposes, net assets of the Organization and changes therein are classified as follows:

Unrestricted net assets – Represent net assets that are not subject to donor-imposed stipulations and are available to support the Organization's operations. This includes certain amounts designated by the board for the reserve fund or other uses.

USENIX ASSOCIATION

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Temporarily restricted net assets – Represent contributions that are limited in use by the Organization in accordance with temporary donor-imposed stipulations. These stipulations may expire with time or may be satisfied and removed by actions of the Organization according to the terms of the contribution. Upon satisfaction of such stipulations, the associated net assets are released from temporarily restricted net assets and recognized as unrestricted net assets. There are no temporarily restricted net assets at December 31, 2017 and 2016.

Permanently restricted net assets – Represent contributions to be held as investments in perpetuity as directed by the original donor. At December 31, 2017 and 2016 the Organization does not have any permanently restricted net assets.

Use of estimates – 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 revenues and expenses during the reporting periods. Actual results could differ from those estimates.

Cash and equivalents – For purposes of the statement of cash flows, the Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents unless otherwise restricted or designated. Periodically, such deposits may be in excess of federally insured limits.

Investments – The Organization has reported investments in marketable securities with readily determinable fair market values and all investments in debt securities at their fair market values in the statements of financial position. Realized and unrealized gains and losses are reflected in the statement of activities. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized

Inventory – The Organization does not maintain physical inventory of its conference proceedings as these materials are distributed through electronic-only formats. Proceedings are distributed electronically to attendees before conferences and they are also available online with unrestricted access after the conferences occur.

Property and equipment – Property and equipment are recorded at cost and depreciated on a straight-line basis over their respective estimated useful lives, which range from five to seven years. It is the Organization's policy to capitalize expenditures for those items in excess of \$1,000. Repairs and maintenance are charged to expense as incurred. Donations of property and equipment are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose.

Deferred Revenue - The Organization's deferred revenue consists of conference registration and sponsorship payments made in advance of conferences to be held in future years.

Conference registration and sponsorship revenue and receivables – Revenues from conferences and workshops are recognized when the events take place. Amounts received prior to the events are recorded as deferred revenue. Membership dues, which are non-refundable, are recognized as income when dues are received. Revenues from product sales are recognized upon completion of sales. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to an allowance for doubtful accounts. The allowance is based on experience and other circumstances which may affect the collectability. There was no allowance for doubtful accounts at December 31, 2017 and 2016, respectively.

USENIX ASSOCIATION

Notes to Financial Statements

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and pledges – All donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the period in which the contributions are recognized.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets and liabilities are reported as increase or decreases in unrestricted net assets unless their use is restricted by explicit donor restriction or by law.

Functional allocation of expenses – Expenses by function have been allocated among program and supporting services classifications on the basis of estimates made by the Organization's management.

3. INVESTMENTS

Investments at consist of the following at December 31:

	<u>2017</u>	<u>2016</u>
Common stock	\$ 2,764,394	\$ 2,746,309
Mutual funds	2,486,177	2,177,397
Corporate bonds	592,057	375,960
U.S. government securities	408,756	286,201
Cash equivalents	113,650	217,407
	<u>\$ 6,365,034</u>	<u>\$ 5,803,274</u>

Investment income (loss) has been classified as increases (decreases) in unrestricted net assets and was comprised of the following at December 31:

	<u>2017</u>	<u>2016</u>
Interest and dividend income	\$ 151,500	\$ 135,097
Unrealized gain	395,695	313,749
Realized gain (loss) from investments	378,535	(16,503)
	<u>\$ 925,730</u>	<u>\$ 432,343</u>

Investment fees were \$51,441 and \$45,897 for the year ended December 31, 2017 and 2016, respectively.

USENIX ASSOCIATION

Notes to Financial Statements

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31:

	<u>2017</u>	<u>2016</u>
Leasehold Improvements	\$ 32,217	\$ 32,217
Equipment	439,004	426,432
Website	<u>762,535</u>	<u>749,524</u>
	1,233,756	1,208,173
Less: Accumulated Depreciation	<u>(1,148,619)</u>	<u>(1,070,378)</u>
	<u>\$ 85,137</u>	<u>\$ 137,795</u>

Depreciation expense is \$78,241 and \$162,634 for the years ended December 31, 2017 and 2016, respectively.

5. FAIR VALUE MEASUREMENTS

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

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

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

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016:

U.S. government securities: Valued at the closing price reported in the active market in which the individual securities are traded.

USENIX ASSOCIATION

Notes to Financial Statements

5. FAIR VALUE MEASUREMENTS (CONTINUED)

Corporate bonds: Certain corporate bonds are valued at the closing price reported in the active market in which the bond is traded. Other corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Common stock: Certain common stocks are valued at the closing price reported in the active market in which the individual securities are traded. Investments in certain restricted common stocks are valued at the quoted market price of the issuer's unrestricted common stock less an appropriate discount. If a quoted market price for unrestricted common stock of the issuer is not available, restricted common stocks are valued at a multiple of current earnings less an appropriate discount. The multiple chosen is consistent with multiples of similar companies based on current market prices.

Mutual funds: Valued at the net asset value (NAV) of shares, based on quoted market prices, held by the Organization at year-end.

Cash equivalents: Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer.

The methods 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 Organization management believes its valuation methodologies 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 different fair value measurement at the reporting date.

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

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
<u>2017</u>				
Common stock	\$ 2,764,394	\$ -	\$ -	\$ 2,764,394
Mutual funds	2,486,177	-	-	2,486,177
Corporate bonds	-	592,057	-	592,057
U.S. government securities	-	408,756	-	408,756
Cash equivalents	113,650	-	-	113,650
	<u>\$ 5,364,221</u>	<u>\$ 1,000,813</u>	<u>\$ -</u>	<u>\$ 6,365,034</u>
<u>2016</u>				
Mutual funds	\$ 2,177,397	\$ -	\$ -	\$ 2,177,397
Common stock	2,746,309	-	-	2,746,309
Cash equivalents	217,407	-	-	217,407
Corporate bonds	-	375,960	-	375,960
U.S. government securities	-	286,201	-	286,201
	<u>\$ 5,141,113</u>	<u>\$ 662,161</u>	<u>\$ -</u>	<u>\$ 5,803,274</u>

USENIX ASSOCIATION

Notes to Financial Statements

6. BOARD DESIGNATED NET ASSETS

In December 1992, the Board of Directors established an investment account with the intent of assuring a reserve fund for operations and a growth opportunity for supporting the “Good Works” programs envisioned by USENIX. The fund was established with \$1,000,000 from unrestricted funds. The Board has established portfolio objectives and investment guidelines that outline the permitted asset mix and characteristics of the portfolio of securities. The intent of the Board is to allow the reserve funds to be invested in high quality securities and bonds for mid-term growth while still providing the Organization with liquidity and safety for reserve needs.

Funds are invested and have been designated as follows:

Balance at December 31, 2015	\$ 5,416,766
Investment income	432,039
Investment fees	(45,771)
Transfers from reserve fund	<u>240</u>
Balance at December 31, 2016	<u>\$ 5,803,274</u>
Investment income	926,018
Investment fees	(51,777)
Transfers to reserve fund	<u>(312,481)</u>
Balance at December 31, 2017	<u>\$ 6,365,034</u>

7. INCOME TAXES

The Organization was granted tax-exempt status other than a private foundation as provided by Internal Revenue Code Section 501(c)(3) in a determination letter dated August 15, 1984. As a result, the Organization is exempt from paying income taxes, except with respect to income unrelated to its tax exempt purpose. At December 31, 2017 and 2016 the Organization does not have any unrelated business income, and thus no provision for income taxes has been reflected in these financial statements.

The Organization has analyzed tax positions taken for filings with the Internal Revenue Service and all state jurisdictions where it operates. The Organization believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse affect on the Organization’s financial position, results of operations or cash flows. Accordingly, the Organization has not recorded any reserves, or related accruals for interest and penalties for uncertain income tax positions at December 31, 2017 and 2016, respectively.

As of December 31, 2017, periods subsequent to 2013 are subject to audit by various taxing authorities; however, there are currently no audits for any tax periods in progress.

The Organization’s policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively. The Organization has not recognized any interest and penalties in the years ended December 31, 2017 and 2016, respectively.

USENIX ASSOCIATION

Notes to Financial Statements

8. RETIREMENT PLAN

The Organization maintains a 401(k) retirement plan (Plan) for all eligible employees. Contributions are made on behalf of the employees at the rate of 5% of an eligible employee's compensation. The amounts contributed to the plan for the years ended December 31, 2017 and 2016 are \$50,748 and \$40,718, respectively.

9. COMMITMENTS

The Organization leases 2,910 square feet of office space at its headquarters in Berkeley, California, under terms of a lease dated January 13, 1987. The most recent renewal, dated April 19, 2016 extended the lease through May 31, 2021. The base rent is \$6,000 per month, beginning June 1, 2016 (\$2.06 sq. ft.). There is a provision for a CPI adjustment with minimum increase per year. The future lease obligations are as follows, assuming a 3% increase, for the years ended December 31:

2018	\$	75,458
2019		77,722
2020		80,053
2021		<u>33,765</u>
	\$	<u>266,998</u>

Rent expense for the years ended December 31, 2017 and 2016 is \$76,140 and \$76,263, respectively.

The Organization sponsors numerous conferences, including the USENIX Annual Technical Conference, a major Systems Administration Conference, known as LISA, and a Security Conference. In addition, the Organization sponsors a number of smaller events on specialized topics. Commitments for the larger conferences are generally made for hotel and meeting room space up to five years prior to the conference dates. In the event of a cancellation or a lower than anticipated attendance, there is a potential liability to the Organization for the commitments to the hotels and convention centers involved in these contracts. As the likelihood is remote, no accrual has been recorded. As of December 31, 2017 the total commitments for hotel rooms in the event of cancellation for all USENIX conferences are as follows:

	<u>Room Nights Committed</u>	<u>Committed Event Cancellation Cost</u>
2018	7,969	\$ 1,664,506
2019	7,019	700,452
2020	3,000	138,927
2021	2,323	<u>169,190</u>
		<u>\$ 2,673,075</u>

10. SUBSEQUENT EVENTS

The Organization's management has reviewed the results of activities for the period of time from its year ended December 31, 2017 through October 26, 2018, the date the financial statements were available to be issued, and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor any additional subsequent events have occurred, the nature of which would require disclosure.

SUPPLEMENTAL SCHEDULES

USENIX ASSOCIATION

Schedules of Functional Expenses Years Ended December 31, 2017 and 2016

	<u>Conferences and workshops</u>	<u>Projects, programs and membership</u>	<u>Total Program Services</u>	<u>Management and general</u>	<u>Fundraising</u>	<u>Total</u>
<u>2017</u>						
Conferences and workshops	\$ 3,344,678	\$ -	\$ 3,344,678	\$ -	\$ -	\$ 3,344,678
Personnel and related benefits	862,802	133,090	995,892	254,646	37,144	1,287,682
General and administrative	280,715	43,681	324,396	190,468	13,705	528,569
Membership, login	-	123,760	123,760	-	-	123,760
Membership/products/video-recording	66,264	-	66,264	-	-	66,264
Programs, projects, and good works	-	7,095	7,095	-	-	7,095
	<u>-</u>	<u>7,095</u>	<u>7,095</u>	<u>-</u>	<u>-</u>	<u>7,095</u>
Total expenses	<u>\$ 4,554,459</u>	<u>\$ 307,626</u>	<u>\$ 4,862,085</u>	<u>\$ 445,114</u>	<u>\$ 50,849</u>	<u>\$ 5,358,048</u>
<u>2016</u>						
Conferences and workshops	\$ 3,494,793	\$ -	\$ 3,494,793	\$ -	\$ -	\$ 3,494,793
Personnel and related benefits	733,522	99,312	832,834	319,615	58,105	1,210,554
General and administrative	309,083	41,650	350,733	301,391	26,610	678,734
Membership, login	-	135,465	135,465	-	-	135,465
Membership/products/video-recording	-	80,870	80,870	-	-	80,870
Programs, projects, and good works	-	20,672	20,672	-	-	20,672
	<u>-</u>	<u>20,672</u>	<u>20,672</u>	<u>-</u>	<u>-</u>	<u>20,672</u>
Total expenses	<u>\$ 4,537,398</u>	<u>\$ 377,969</u>	<u>\$ 4,915,367</u>	<u>\$ 621,006</u>	<u>\$ 84,715</u>	<u>\$ 5,621,088</u>

See independent auditor's report

USENIX ASSOCIATION

Schedules of LISA SIG Activities Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
REVENUES		
Membership dues	\$ -	\$ 7,025
Publications	-	423
Other income	-	498
	<u> </u>	<u> </u>
Total revenues	<u>\$ -</u>	<u>\$ 7,946</u>

See independent auditor's report

USENIX ASSOCIATION

Schedule of Conference Events Activities Year Ended December 31, 2017

	E1 ATC & Workshops	E2 LISA & Workshops	E3 Security & Workshops	E6 SREcon	E7 FAST & Workshops	E8 Enigma	E9 NSDI	E11 SREcon Europe	E12 SREcon Asia	Total
Location	Santa Clara, CA	San Francisco, CA	Vancouver, BC, Canada	San Francisco, CA	Santa Clara, CA	Oakland, CA	Boston, MA	Dublin, Ireland	Singapore	
REVENUE										
Conference registration	\$305,385	\$871,650	\$449,755	\$305,025	\$286,825	\$335,100	\$170,175	\$300,275	\$116,985	\$3,141,175
Sponsorships	151,500	208,960	153,000	272,685	160,500	340,500	81,800	160,850	57,550	1,587,345
Co-located workshops	75,965	-	143,975	-	3,375	-	-	-	-	223,315
Vendor exhibitions and other	-	63,543	-	-	13,618	91	30	3,500	-	80,782
Training	-	-	-	-	31,800	-	-	-	-	31,800
	<u>532,850</u>	<u>1,144,153</u>	<u>746,730</u>	<u>577,710</u>	<u>496,118</u>	<u>675,691</u>	<u>252,005</u>	<u>464,625</u>	<u>174,535</u>	<u>5,064,417</u>
Total revenue										
EXPENSES										
Catering	150,699	285,080	168,314	220,471	155,193	259,454	79,762	138,994	97,082	1,555,049
Personnel and administrative	131,114	385,112	148,707	68,714	102,476	131,465	78,444	53,743	43,742	1,143,517
Program sessions	63,208	86,631	61,492	54,145	48,411	149,879	43,864	51,971	6,910	566,511
Registration package and directory	18,959	57,246	42,767	17,728	30,700	32,178	8,759	18,574	6,043	232,954
Vendor exhibits	640	71,565	5,180	76,890	2,153	65,522	-	2,509	-	224,459
Training	-	175,324	-	-	20,600	-	-	-	-	195,924
Workshops	67,593	-	60,758	-	4,627	-	-	-	-	132,978
Miscellaneous	8,976	30,088	17,271	9,179	12,093	30,257	6,614	9,589	4,400	128,467
Student and women grants	26,830	9,550	27,815	4,050	22,235	2,250	21,535	4,200	-	118,465
Attrition and meeting room rental	-	-	-	-	3,448	51,056	-	29,655	-	84,159
Connectivity	11,797	18,647	9,497	17,160	10,082	8,943	7,420	-	-	83,546
Open access production	982	12,585	14,389	13,671	400	13,447	6,720	1,237	2,833	66,264
Marketing	54	10,842	27	67	27	3,664	27	3,454	4,004	22,166
	<u>480,852</u>	<u>1,142,670</u>	<u>556,217</u>	<u>482,075</u>	<u>412,445</u>	<u>748,115</u>	<u>253,145</u>	<u>313,926</u>	<u>165,014</u>	<u>4,554,459</u>
Total expenses										
Change in net assets - conferences and events	<u>\$ 51,998</u>	<u>\$ 1,483</u>	<u>\$ 190,513</u>	<u>\$ 95,635</u>	<u>\$ 83,673</u>	<u>\$ (72,424)</u>	<u>\$ (1,140)</u>	<u>\$ 150,699</u>	<u>\$ 9,521</u>	<u>\$ 509,958</u>

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USENIX ASSOCIATION

Schedule of Conference Events Activities Year Ended December 31, 2016

	E1 ATC & Workshops	E2 LISA & Workshops	E3 Security & Workshops	E4 OSDI	E6 SREcon	E7 FAST & Workshops	E8 Enigma	E9 NSDI	E11 SREcon Europe	Total
Location	Denver, CO	Boston, MA	Austin, TX	Savanna, GA	Santa Clara, CA	Santa Clara, CA	San Francisco, CA	Santa Clara, CA	Dublin, Ireland	
REVENUE										
Conference registration	\$162,896	\$923,060	\$388,238	\$306,398	\$155,925	\$339,413	\$399,144	\$153,690	\$162,400	\$2,991,164
Sponsorships	155,150	156,340	132,000	172,397	177,950	207,900	270,500	63,700	92,110	1,428,047
Co-located workshops	172,818	3,700	115,465	14,505	-	2,025	-	4,715	-	313,228
Vendor exhibitions and other	500	107,425	-	-	-	12,020	100	3,500	1,500	125,045
Total revenue	491,364	1,190,525	635,703	493,300	333,875	561,358	669,744	225,605	256,010	4,857,484
EXPENSES										
Catering	78,331	275,004	179,854	231,601	143,066	162,928	393,470	100,837	81,784	1,646,875
Personnel and administrative	123,824	379,464	119,305	86,979	55,284	76,821	89,552	56,670	54,709	1,042,608
Program sessions	37,050	100,483	59,894	45,981	28,316	44,988	194,552	42,303	44,046	597,613
Workshops	134,688	31,920	66,429	10,157	-	3,384	-	7,514	-	254,092
Training	-	180,418	-	-	-	24,351	-	-	-	204,769
Miscellaneous	11,220	63,055	19,030	14,498	10,280	9,687	34,020	6,992	8,184	176,966
Vendor exhibits	-	101,642	2,156	1,629	13,483	770	43,099	-	288	163,067
Registration package and directory	10,574	49,457	18,683	17,034	8,297	15,429	19,968	8,348	8,537	156,327
Student and women grants	18,924	1,100	27,095	26,545	7,500	31,600	2,250	13,500	2,800	131,314
Attrition and meeting room rental	-	35,280	-	-	3,051	3,660	-	4,831	19,875	66,697
Marketing	250	23,531	2,100	28	-	500	26,963	-	-	53,372
Connectivity	-	6,700	-	8,000	3,995	10,438	11,570	2,995	-	43,698
Total expenses	414,861	1,248,054	494,546	442,452	273,272	384,556	815,444	243,990	220,223	4,537,398
Change in net assets - conferences and events	<u>\$ 76,503</u>	<u>\$ (57,529)</u>	<u>\$ 141,157</u>	<u>\$ 50,848</u>	<u>\$ 60,603</u>	<u>\$ 176,802</u>	<u>\$ (145,700)</u>	<u>\$ (18,385)</u>	<u>\$ 35,787</u>	<u>\$ 320,086</u>

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USENIX ASSOCIATION

Schedules of General and Administrative Expenses Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
GENERAL AND ADMINISTRATIVE EXPENSES		
Information technology	\$ 113,342	\$ 114,337
Occupancy	89,146	85,870
Depreciation and amortization	78,241	162,634
Other	49,303	50,727
Office	35,061	31,593
Insurance	36,783	37,910
Legal	30,869	65,409
Accounting	24,666	30,369
Bank and merchant fees	24,316	20,712
Board of Directors meetings and expenses	22,986	42,868
Telephone and internet	17,156	20,916
Image marketing and public relations	5,658	14,299
Renewal mailings and electronic renewals	1,042	1,090
	<u>528,569</u>	<u>678,734</u>
Total general and administrative expense	<u>\$ 528,569</u>	<u>\$ 678,734</u>

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