SPONDYLITIS ASSOCIATION OF AMERICA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014
TABLE OF CONTENTS

INDEPENDENT AUDITORS' REPORT 1

FINANCIAL STATEMENTS

Statement of Financial Position 2
Statement of Activities 3
Statement of Functional Expenses 4
Statement of Cash Flows 5

NOTES TO FINANCIAL STATEMENTS 6 - 12
INDEPENDENT AUDITORS' REPORT

To the Audit Committee of
SPONDYLITIS ASSOCIATION OF AMERICA
Van Nuys, California

We have audited the accompanying financial statements of Spondylitis Association of America (the "Organization"), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to 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 ("U.S. GAAP"); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the U.S. ("U.S. GAAS"). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Organization'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 Organization'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 Spondylitis Association of America as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. GAAP.

October 14, 2014
SPONDYLITIS ASSOCIATION OF AMERICA

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2014

ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$2,786,646</td>
</tr>
<tr>
<td>Investments</td>
<td>$1,507,083</td>
</tr>
<tr>
<td>Contributions Receivable</td>
<td>$3,000</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>$12,874</td>
</tr>
<tr>
<td>Restricted Cash</td>
<td>$141,079</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,942,682</strong></td>
</tr>
<tr>
<td>Property and Equipment, net</td>
<td>$20,264</td>
</tr>
<tr>
<td>Deposits</td>
<td>$5,441</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$1,968,387</strong></td>
</tr>
</tbody>
</table>

LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Payable</td>
<td>$100,000</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>$6,155</td>
</tr>
<tr>
<td>Accrued Vacation</td>
<td>$27,042</td>
</tr>
<tr>
<td>Funds Held on Behalf of SPARTAN</td>
<td>$141,079</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td><strong>$274,276</strong></td>
</tr>
<tr>
<td>Commitments (Note 8)</td>
<td></td>
</tr>
<tr>
<td>Net Assets</td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>$1,331,548</td>
</tr>
<tr>
<td>Board-designated fund</td>
<td>$140,620</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$1,472,168</strong></td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>$221,943</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$1,694,111</strong></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,968,387</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
SPONDYLITIS ASSOCIATION OF AMERICA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2014

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue and Support</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual contributions</td>
<td>537,867</td>
<td>174,992</td>
<td>712,859</td>
</tr>
<tr>
<td>Corporate and foundation contributions</td>
<td>611,146</td>
<td>-</td>
<td>611,146</td>
</tr>
<tr>
<td>Program revenue</td>
<td>16,020</td>
<td>-</td>
<td>16,020</td>
</tr>
<tr>
<td>Interest income</td>
<td>11,177</td>
<td>-</td>
<td>11,177</td>
</tr>
<tr>
<td>Unrealized gains on investments</td>
<td>5,962</td>
<td>-</td>
<td>5,962</td>
</tr>
<tr>
<td>Realized gains on investments</td>
<td>757</td>
<td>-</td>
<td>757</td>
</tr>
<tr>
<td>Net Assets Released from Restrictions</td>
<td>116,783</td>
<td>(116,783)</td>
<td>-</td>
</tr>
<tr>
<td>Total Revenues and Support</td>
<td>1,299,712</td>
<td>58,209</td>
<td>1,357,921</td>
</tr>
</tbody>
</table>

| Functional Expenses    |              |                        |          |
| Program services        | 928,805      | -                      | 928,805  |
| Management and general  | 204,691      | -                      | 204,691  |
| Fundraising             | 85,596       | -                      | 85,596   |
| Total Functional Expenses| 1,219,092 | - | 1,219,092 |

| Changes in Net Assets   | 80,620       | 58,209                 | 138,829  |

| Net Assets, beginning of year, as restated (see Note 9) | 1,391,548 | 163,734 | 1,555,282 |

| Net Assets, end of year | 1,472,168 $ | 221,943 | 1,694,111 |

See accompanying notes to financial statements.
# SPONDYLITIS ASSOCIATION OF AMERICA

## STATEMENT OF FUNCTIONAL EXPENSES

### FOR THE YEAR ENDED JUNE 30, 2014

<table>
<thead>
<tr>
<th></th>
<th>Microbiome Research</th>
<th>IRAP1 Genetic Research</th>
<th>Scientific Study</th>
<th>Physicians Education and Support</th>
<th>Patient Conferences, Education and Support</th>
<th>Total Program Services</th>
<th>Management and General</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Personnel Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries</td>
<td>$</td>
<td>-</td>
<td>$ 68,287</td>
<td>$ 73,978</td>
<td>$ 284,531</td>
<td>$ 426,796</td>
<td>$ 85,360</td>
<td>$ 56,906</td>
<td>$ 569,062</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>-</td>
<td>-</td>
<td>5,396</td>
<td>5,846</td>
<td>22,483</td>
<td>33,725</td>
<td>6,744</td>
<td>4,497</td>
<td>44,966</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>-</td>
<td>-</td>
<td>5,305</td>
<td>5,747</td>
<td>22,105</td>
<td>33,157</td>
<td>6,632</td>
<td>4,421</td>
<td>44,210</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>-</td>
<td>78,988</td>
<td>85,571</td>
<td>329,119</td>
<td>493,678</td>
<td>98,736</td>
<td>65,824</td>
<td>658,238</td>
</tr>
</tbody>
</table>

**Other Expenses**

<table>
<thead>
<tr>
<th></th>
<th>Microbiome Research</th>
<th>IRAP1 Genetic Research</th>
<th>Scientific Study</th>
<th>Physicians Education and Support</th>
<th>Patient Conferences, Education and Support</th>
<th>Total Program Services</th>
<th>Management and General</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical research grants</td>
<td>25,000</td>
<td>50,000</td>
<td>75,000</td>
<td>-</td>
<td>-</td>
<td>150,000</td>
<td>-</td>
<td>-</td>
<td>150,000</td>
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<tr>
<td>Administrative</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,068</td>
<td>23,466</td>
<td>24,514</td>
<td>25,872</td>
<td>2,930</td>
<td>53,316</td>
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<td>Communication and website</td>
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<td>-</td>
<td>17,500</td>
<td>37,136</td>
<td>54,636</td>
<td>-</td>
<td>-</td>
<td>54,636</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,609</td>
<td>4,609</td>
<td>9,218</td>
<td>-</td>
<td>-</td>
<td>9,218</td>
</tr>
<tr>
<td>Design and printing</td>
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<td>-</td>
<td>-</td>
<td>42,140</td>
<td>42,140</td>
<td>84,280</td>
<td>-</td>
<td>-</td>
<td>84,280</td>
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<tr>
<td>Legal and accounting</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>58,813</td>
<td>-</td>
<td>-</td>
<td>58,813</td>
</tr>
<tr>
<td>Medical and scientific conferences</td>
<td>-</td>
<td>-</td>
<td>11,000</td>
<td>8,546</td>
<td>19,347</td>
<td>38,893</td>
<td>-</td>
<td>-</td>
<td>38,893</td>
</tr>
<tr>
<td>Postage</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>451</td>
<td>34,337</td>
<td>34,788</td>
<td>10,235</td>
<td>2,447</td>
<td>47,470</td>
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<tr>
<td>Rent</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>55,608</td>
<td>55,608</td>
<td>6,686</td>
<td>6,921</td>
<td>12,607</td>
<td>69,215</td>
</tr>
<tr>
<td>State licensing</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,234</td>
<td>11,234</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>11,234</td>
</tr>
<tr>
<td>Travel</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,309</td>
<td>17,396</td>
<td>18,705</td>
<td>-</td>
<td>4,815</td>
<td>23,520</td>
</tr>
</tbody>
</table>

$ 25,000 $ 50,000 $ 164,988 $ 114,445 $ 574,372 $ 928,805 $ 204,691 $ 85,596 $ 1,219,092

See accompanying notes to financial statements.
SPONDYLITIS ASSOCIATION OF AMERICA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2014

Cash Flows from Operating Activities
  Changes in net assets $ 138,829
  Adjustments to reconcile changes in net assets to net cash provided by operating activities
    Depreciation 6,145
    Unrealized gains on investments (5,962)
    Realized gains on investments (757)
    (Increase) decrease in operating assets
      Contributions receivable 7,000
      Prepaid expenses (5,516)
    Increase (decrease) in operating liabilities
      Grants payable 100,000
      Accounts payable 185
      Accrued vacation (1,543)
      Funds held on behalf of SPARTAN (89,919)

Net Cash Provided by Operating Activities 148,462

Cash Flows from Investing Activities
  Proceeds from sales of investments 1,110,000
  Purchase of investments (1,302,070)
  Purchases of furniture and equipment (13,967)

Net Cash Used in Investing Activities (206,037)

Net Decrease in Cash and Cash Equivalents (57,575)

Cash and Cash Equivalents, beginning of year 477,300

Cash and Cash Equivalents, end of year (1) $ 419,725

(1) Comprised of:
  Cash and Cash Equivalents $ 278,646
  Restricted Cash 141,079

$ 419,725

See accompanying notes to financial statements.

5
NOTE 1 - NATURE OF OPERATIONS

Spondylitis Association of America (the "Organization") is a California tax-exempt nonprofit corporation dedicated to advancing education, research and treatment for ankylosing spondylitis and related diseases. As a patient advocacy organization, the Organization seeks to improve the lives of those affected through information, support and connection to community.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Income Tax Status

The Organization is a nonprofit public benefit corporation organized under the laws of California and, as such, is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and corresponding state provisions.

The Organization's federal income tax and informational returns for tax years ended June 30, 2011 and subsequent remain subject to examination by the Internal Revenue Service. The returns for California, the Organization's only state tax jurisdiction, remain subject to examination by the California Franchise Tax Board for tax years ended June 30, 2010 and subsequent.

Basis of Presentation

The financial statements of the Organization have been prepared using the accrual basis of accounting in accordance with U.S. GAAP. Accordingly, income is recognized as earned and expenses are recognized as incurred, regardless of timing of payments.

Financial Statement Presentation

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

Unrestricted Net Assets, General - Include contributions, fundraising, fees, sales and other forms of revenue that are not restricted by the donor or grantor as well as expenditures related to the general operations of the Organization.

Unrestricted Net Assets, Board-Designated - Include unrestricted net assets the Organization's Board of Directors has designated as the Jane Bruckel Research Fund. This fund is to be used at the discretion of the Board of Directors for medical research related to ankylosing spondylitis.
NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial Statement Presentation (Continued)

Temporarily Restricted Net Assets - Include contributions that are temporarily restricted by the donor or grantor. When the restriction is met or expires, the net assets of this classification are reclassified to unrestricted net assets.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from these estimates.

Cash and Cash Equivalents

The Organization considers all highly-liquid financial instruments purchased with an original maturity of three months or less to be cash equivalents.

Concentration of Risk

Occasionally the Organization's cash balances exceed FDIC-insured limits. The Organization has not experienced and does not anticipate any losses related to these balances.

The Organization has two major funding sources that comprise approximately 17% and 13% of its contribution revenue during the year, respectively. No receivables were outstanding from these sources at June 30, 2014. Though the Organization is subject to business risks associated with the level of charitable giving in both the private and public sectors based on general economic conditions, the Organization anticipates this funding will continue at the present levels.

Investments

Investments are monitored by the Board of Directors' investment oversight committee and are stated at fair value. Unrealized gains and losses are recognized aggregately. Realized gains and losses are recognized immediately and are computed using the specific identification method.

The Organization's Board of Directors has limited the use of investments such that the investment principal cannot be used unless approved by a vote of 75% of the Board of Directors present at a meeting.
SPONDYLITIS ASSOCIATION OF AMERICA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

ASC Topic *Fair Value Measurements and Disclosures*, which defines fair value, establishes a framework for measuring fair value in accordance with U.S. GAAP, and expands disclosures about fair value measurements. Under this topic, the Organization must report its investments at fair value among three categories of price inputs available. These categories of inputs are quoted prices in active markets for identical assets (Level 1); significant other observable inputs (Level 2); and significant unobservable inputs (Level 3). At June 30, 2014, all investments were considered to be Level 1 (see Note 3).

Contributions Receivable

Contributions receivable are unsecured and the Organization is at-risk to the extent that such amounts become uncollectible. Management anticipates it will collect 100% of its contributions receivable balance in the next year; thus no allowance for doubtful accounts has been established.

Property and Equipment

Purchases of property and equipment are recorded at cost. Donated items are recorded at fair value when received. Depreciation and amortization on both purchased and donated items are recorded using the straight-line method over the shorter of the estimated useful life of the related asset or the term of the lease for leasehold improvements as follows:

<table>
<thead>
<tr>
<th>Asset</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture and equipment</td>
<td>5 - 7 years</td>
</tr>
</tbody>
</table>

Normal repairs and maintenance are expensed as incurred, whereas significant charges that materially increase values or extend useful lives are capitalized and depreciated over the estimated useful lives of the related assets.

Impairment of Long-Lived Assets

Management reviews each asset or asset group for impairment whenever events or circumstances indicate the carrying value of an asset or asset group may not be recoverable, but at least annually. No impairment provision was recorded by the Organization during the year.
SPONDYLITIS ASSOCIATION OF AMERICA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants Payable

The Organization records appropriations for medical research grants as a liability and expense after approval by the Board of Directors. All grants are for a one year period. At June 30, 2014, the Organization has committed to medical research grants totaling $100,000, which were disbursed in July 2014.

Revenue Recognition

Contributions consist of donations from solicitations of foundations, corporations, individuals and the general public. Contributions are recognized when pledged to the Organization by the donor.

Functional Expenses

The Organization allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expense classification. Other expenses that are common to several functions are allocated accordingly.

Subsequent Events

The Organization has evaluated events subsequent to June 30, 2014, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through October 14, 2014, the date the financial statements were available to be issued. Based upon this evaluation, it was determined no subsequent events occurred that require recognition or additional disclosure in the financial statements.

NOTE 3 - INVESTMENTS

Investments consist of the following:

Certificates of deposit $ 1,391,463
Equity mutual funds 115,620

$ 1,507,083
SPONDYLITIS ASSOCIATION OF AMERICA

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2014

NOTE 3 - INVESTMENTS (Continued)

Activity in the investments during the year was as follows:

Balance, beginning of year $1,308,294
Purchases of investments 1,302,070
Proceeds from sales of investments (1,110,000)
Realized gains on investments 757
Unrealized gains on investments 5,962

Balance, end of year $1,507,083

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Furniture and equipment $132,539
Accumulated depreciation (112,275)

$20,264

NOTE 5 - TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are as follows:

Patient education and seminars $14,324
Patient registry 11,041
Ankylosing spondylitis self-management app 1,000
Patient surveys 14,443
Early detection training for radiologists 179,000
Miscellaneous research 2,135

$221,943

NOTE 6 - RETIREMENT PLAN

The Organization's employees may participate in an IRC section 403(b) retirement savings plan, established by the Organization. The plan is funded solely by employee contributions to the plan, pursuant to a salary reduction agreement.
NOTE 7 - RELATIONSHIP WITH SPARTAN

Since 2008, the Organization has served as the fiscal agent to the Spondylarthritis Research and Treatment Network ("SPARTAN"), a network of health care professionals in North America dedicated to research, awareness and treatment of spondyloarthritis. The Organization receives contributions on behalf of SPARTAN and expends funds received pursuant to the direction of SPARTAN.

As of December 31, 2013, both parties agreed that the Organization would no longer receive contributions on behalf of SPARTAN and that SPARTAN will apply to become an independent tax-exempt organization. Any excess funds accumulated by the Organization at December 31, 2013 would be depleted by continuing to expend funds on existing projects. Remaining funds will be returned to SPARTAN following completion of those projects. During the year ended June 30, 2014, the Organization received contributions of $108,250 and paid expenses of $198,169 on behalf of SPARTAN. The amount of funds held by the Organization on SPARTAN's behalf totaled $141,079 at June 30, 2014 and was reflected as a liability in the accompanying financial statements.

Excess funds received by the Organization on behalf of SPARTAN at June 30, 2013 were also recognized as a liability and removed from temporarily restricted net assets (see Note 9).

NOTE 8 - COMMITMENTS

The Organization entered into a five-year operating lease agreement to rent its office facilities expiring June 30, 2015. The lease agreement requires a minimum monthly lease payment of $5,441 plus a pro-rata share of building operation costs. Rent expense for the year ended June 30, 2014 totaled $69,215.
NOTE 9 - RESTATEMENT

The Organization restated its previously issued June 30, 2013 financial statements to reflect the treatment of revenues received and expenses disbursed with respect to SPARTAN as agency transactions (see Note 7). The following table summarizes the adjustments made to previously reported amounts of temporarily restricted net assets (no other class of net assets was affected).

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, June 30, 2013, as previously stated</td>
<td>$394,732</td>
</tr>
<tr>
<td>Adjustment</td>
<td>$(230,998)</td>
</tr>
<tr>
<td>Balance, June 30, 2013, as restated</td>
<td>$163,734</td>
</tr>
</tbody>
</table>
COMMUNICATING INTERNAL CONTROL RELATED MATTERS IDENTIFIED IN AN AUDIT

To the Audit Committee
Spondylitis Association of America
Van Nuys, California

In planning and performing our audit of the financial statements of Spondylitis Association of America (the "Organization") for the year ended June 30, 2014, in accordance with U.S. GAAS, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the Organization's internal control to be a significant deficiency:

- We noted that the Organization does not have formal documentation of significant accounting policies. The documentation should include an evaluation of likely circumstances and reference to relevant authoritative guidance. We suggest the Organization document accounting policies related to the following areas:
  - Contribution revenue
  - Medical research grants
  - Transactions related to SPARTAN
COMMUNICATING INTERNAL CONTROLRELATED MATTERS IDENTIFIED IN AN AUDIT

(Continued)

This communication is intended solely for the information and use of management, the board of directors, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

RBZ, LLP

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