Honoring our History, Transforming the Future.
The National Society of Hispanic MBAs (NSHMBA) is the premier Hispanic business organization dedicated to building and advancing Hispanic leadership through graduate management education and professional development. Recognized as the nation’s most prestigious Hispanic organization, NSHMBA has 39 chapters in the U.S. and Puerto Rico serving more than 26,000 members since 1988.

We are the essential bridge to the resources Hispanic students and professionals need to attain personal and professional goals. NSHMBA is corporate America’s link to a talented and diverse employee pool.

**OUR MISSION**

- Increase the number of Hispanics graduating from graduate business programs through scholarships, awareness programs and mentorship.
- Enhance career management opportunities for Hispanic MBAs from schools to leadership positions, through job placement and world-class professional development.
- To be the partner of choice for organizations seeking to hire and develop Hispanic talent.
- Recruit and retain as life-long members a majority of Hispanic MBAs.

**OUR VISION**

To be the premier organization for Hispanic business professionals.

**NSHMBA STRATEGIC OBJECTIVES**

- Brand NSHMBA as the premier organization for Hispanic business professionals as the central gathering point for networking, professional development and job placement.
- Deliver world-class professional development to our membership through partnerships and co-branding programs with top tier organizations to serve our corporate, entrepreneurial, non-profit and government constituencies.
- Create effective senior leader networks for our corporate, entrepreneurial, non-profit and government constituencies.
- Significantly increase the NSHMBA endowment and the funding scholarships for Hispanic MBA students.
- Position and promote the chapters as the life blood of NSHMBA, while developing a culture of mutual accountability and a clear understanding of the service model among the board, national staff and chapter leadership.
- Align the membership recruitment and retention model to fulfill our mission of recruiting and retaining as life-long members more than 50 percent of all Hispanic MBAs.
- Diversify the funding sources of NSHMBA, including developing a clearing house for Hispanic executive talent and the piloting of regional conferences.
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A Message from NSH MBA
Chief Executive Officer,
Manny Gonzalez:

First, I want to say, “Happy 25th Anniversary, NSH MBA!”

Twenty-five years ago, a small group of visionaries gathered around a table. Their sole objective: to form an organization that would endeavor to positively impact the Hispanic community by producing more leaders with MBA degrees. Since that initial meeting, with the support of committed sponsors and tireless volunteers, NSH MBA has grown and flourished to become the premier Hispanic business professional organization. NSH MBA has been successful in all of its endeavors, and I’m committed to helping continue that success through the pursuit of our mission.

As we celebrate our Silver Anniversary, we acknowledge our organization’s exceptional impact on education, talent development, leadership, innovation, and excellence. We believe our opportunities to continue to deliver on our mission are endless, and, given our standing as a leading organization, we are well-positioned to capture the momentum that is occurring in the U.S. today. The world is much more different than it was 25 years ago, and I’m glad that NSH MBA has played a major part in the development of many of our current Hispanic leaders. I’ve served as CEO for almost three years now and I’ve had the pleasure of meeting thousands of great companies, volunteers and students. I feel so proud of our successes because I know that we have helped make a difference for so many individuals and our community. I will continue to steer the organization towards investing in ways to help accelerate your personal growth and professional goals.

Manny Gonzalez
CEO
A MESSAGE FROM NSHMBA
NATIONAL BOARD CHAIR,
YVONNE MARTIN:

2013 was a significant milestone for NSHMBA. As we celebrated the 25th anniversary of NSHMBA’s founding, we reflected on the successes of our organization in advancing our mission of increasing the number of Hispanic leaders with MBAs and enhancing opportunities for them.

For the last quarter-century, NSHMBA has been tirelessly devoted to its mission. We’ve faced great challenges over the years and we’ve notched some great successes. We’ve had the pleasure of service from thousands of individuals consisting of board members, chapter officers, members, students, and both corporate and academic sponsors who have come together as a family over the years. I’m glad to say that we’ve impacted many lives, and will continue to do so. We still have lots of work to do though, as this milestone calls for us to look to the future and seek new ways to ensure that we maintain and expand on our accomplishments.

For the last two years, I’ve had the great pleasure of serving as Chair of the National Board for NSHMBA. Now in our 25th year, I am honored to have led this exceptional organization as we have reached a tremendous milestone and set the stage for our future. This year marks the end of my tenure as Chair, but it certainly does not mark the end of my continued involvement with NSHMBA.

We are relentlessly committed to serving our community and being an engine for economic and educational advancement. I’m excited about the opportunities available to our members, chapter officers, and both corporate and educational sponsors.

It has been an honor and privilege to have served as your Chair. On behalf of the entire Board of Directors and our organization, I would like to thank all of our supporters who have helped make NSHMBA a great organization and who will help propel it forward for another 25 years!

Yvonne Martin
National Board Chair
BOARD OF DIRECTORS, NSHMBA INC.

Yvonne Martin, Chair
Stuart Jara, Vice Chair
Cory Shade, Secretary
Nicolas Medina, Treasurer
Agustin Carcoba
Lino Carrillo
Rosanna Durruthy
Anthony Lopez
Carlos Passi
Julio Rocha
Thomas Savino
Manuel Gonzalez

BOARD OF DIRECTORS, NSHMBA FOUNDATION

Stuart Jara, Chair
Ramiro J. Atristain-Carrion
Carmen Heredia-Lopez
Mark Ponce
Ron Fernandez
Manuel Gonzalez

EXECUTIVE MANAGEMENT TEAM

Manuel Gonzalez, Chief Executive Officer
Selene Benavides, Chief Financial Officer/Chief Operating Officer
Rick Cantu, Director of Business Development, Marketing & Membership
NSHMBAs vision is simple. To be the premier organization for Hispanic business professionals. To do so, this past year we identified the following key initiatives that will ensure success:

**ACCELERATING THE MISSION IN 2013**

**FOCUS ON KEEPING CONFERENCE RELEVANT**

Strengthen and enable our chapters to produce and deliver quality professional development events and other products to drive increasing revenue.

**INCREASE VALUE PROPOSITION FOR MEMBERS TO RETAIN AND GROW**

**IMPLEMENT A FUNDRAISING STRATEGY**

$  

**CREATE A STRATEGY FOR 2014 AND BEYOND**

**GROWTH • RELEVANCY • SUSTAINABILITY**

**2013 HIGHLIGHTS**

- 18% Membership increase, from approximately 21,500 to 26,241
- Increase in chapters from 37 chapters to 39 chapters
- 9% increase in University Partners, from 68 universities to 77 universities
- Increase in the total amount of the UPP scholarship awards, from $2.1 million to $2.25 million
- 67% Increase in the number of Platinum members
- 37% increase in the number of UPP scholarship recipients, from 77 scholars to 106 scholars
- 24th Annual Conference & Career Expo
- Positive IN TDA from NSHMBAs operations.
- Celebrate 25 years in existance
THE NSHMBA CORPORATE ADVISORY BOARD

The NSHMBA Corporate Advisory Board was founded in October of 1998 to provide advice and counsel to NSHMBA on how to promote and further its mission beyond the 21st century. Its main objectives are to:

- Provide input on NSHMBA’s overall direction, focus and priorities
- Strengthen the synergies between NSHMBA and its partners
- Strengthen NSHMBA’s power and influence in businesses and other organizations

CURRENT CORPORATE ADVISORY BOARD MEMBERS INCLUDE:

- ExxonMobil
- FINRA
- Ford
- GE
- General Mills
- Georgetown University
- Humana
- IBM
- Intel Corporation
- Johnson & Johnson
- Merck & Co.
- Microsoft
- Nationwide
- P&G
- Pepsi Co., Inc/Frito Lay
- Pitney Bowes
- SHRM
- Target
- Tesoro
- The Home Depot
- The Walt Disney Company
- United Health Group*
- United Technologies Corporation
- University of Notre Dame
- University of Texas at Austin
- University of Texas at San Antonio
- Vanguard
- Wells Fargo Bank
Higher education is very important to our national economy, both as a significant industry in its own right and as a source of trained and educated personnel for the rest of the economy. College educated workers earn a significant wage and are less likely to become unemployed than less educated workers.

It is very important to increase the number of Hispanic students entering and completing a degree in accredited universities in the United States. With the support and cooperation of our generous donors and partnered Universities, NSHMBA's encouragement of Hispanics to pursue a graduate management degree is the vital to the mission of the NSHMBA Foundation. NSHMBA is able to provide these financial awards for talented Hispanics who otherwise may not been able to pursue a graduate degrees. NSHMBA is currently partnered with 77 colleges and universities throughout the United States with the goal to increase the number of Hispanic students completing a master's degree. NSHMBA is always seeking more universities to partner with and help in building a constant pipeline of talented Hispanics seeking MBAs, and to develop a close relationship with NSHMBA's Mission & Vision.

PROGRAM REVENUES

**NSHMBA Scholarship Program**

<table>
<thead>
<tr>
<th>Number of students awarded</th>
<th>105</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total amount funded</td>
<td>$488,750</td>
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<tr>
<td>Average student award</td>
<td>$4,654</td>
</tr>
</tbody>
</table>

Funded by NSHMBA's corporate, foundation and individual donors

**University Partnership Program**

<table>
<thead>
<tr>
<th>Number of University Partners</th>
<th>77</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of students awarded</td>
<td>62</td>
</tr>
<tr>
<td>Total amount funded</td>
<td>$853,320</td>
</tr>
<tr>
<td>Average student award</td>
<td>$14K</td>
</tr>
</tbody>
</table>

Funded by NSHMBA's University Partners

- More than half of our University Partners were included on U.S. News and World Reports 2011 ranking of the top 100 MBA programs in the U.S.
- 27 NSHMBA University Partners were included in Business Week's 2011 ranking of the top 57 MBA programs in the country. Financial assistance for outstanding Hispanics is made possible by these participating schools.

**CORPORATE DONORS**

**Platinum ($50,000 - $99,000)**
- Chrysler Foundation
- Target Foundation

**Silver ($10,000 - $24,999)**
- Grand Hyatt
- Kaiser Permanente

**Advocate ($1,000 - $9,999)**
- Hyatt Regency
- CMN Cardenas Marketing
- Cisco Systems
- ExxonMobil
- Miller Coors
- Thompson Reuters
- Safeway, Inc.
- Verizon Foundation
- Humana
- Marathon Oil
- Rockville Motors
NSH MBA University Partners are Highly Respected Industry Experts:

Case Western Reserve University
The Weatherhead School of Management
Chapman University
George L. Argyros School of Business and Economics
Clark University
Graduate School of Management
Cleveland State University
Monte Ahuja College of Business
Columbia University
Columbia Business School
Cornell University
The Johnson School
Drexel University
LeBow College of Business
Emory University
Goizueta Business School
Florida International University
Chapman Graduate School of Business
George Mason University
School of Management
Georgetown University
McDonough School of Business
HULT
International School of Business
Illinois Institute of Technology
Stuart School of Business
Indiana University
Kelley School of Business
Northeastern University
Graduate School of Business Administration
Pace University
Lubin School of Business
Purdue University
Krannert School of Business
Rice University
Jones Graduate School of Business
Rollins College
Crummer Graduate School of Business
Rutgers, The State University of New Jersey
Rutgers Business School
Simmons College
School of Management
Stetson University
School of Business Administration
Texas Christian University
The Neeley School of Business
The College of William and Mary
Mason School of Business
The George Washington University
School of Business
The Ohio State University
Fisher College of Business
The Pennsylvania State University
Smeal MBA Program
The University of Akron
College of Business Administration
The University of Chicago
Booth Graduate School of Business
The University of Tampa
John H. Sykes College of Business
The University of Texas at Dallas
School of Management
The University of Texas at San Antonio
College of Business
Babcock Graduate School of Management
Willamette University
Atkinson Graduate School of Management
Yale University
Yale School of Management
NSHMBA’S NATIONAL PRESENCE — 39 CHAPTERS ACROSS THE COUNTRY AND STILL GROWING!

NSHMBA’s 39 chapters and its dedicated members are the “heart and soul” of our organization. Members enjoy unique leadership opportunities, plus many networking events that will help them achieve the next level in their professional development.

NSHMBA MEMBERS ARE

Demographics:

- 45% Female
- 55% Male
- 94% Hispanics
- 57% MBA’s
- 51% Professional Executives and/or Professionals
- 45% Students

As consumers they are...

- The thought leaders and role models of their professional generation
- Highly educated, motivated, and disciplined
- Leaders in their communities
- The fastest growing consumer market
- Highly loyal with strong brand affinity
- Technologically savvy and well connected
- Entrepreneurial spirits who desire success in all they do

CHAPTER LEADERSHIP PROFILE:

Comprised of talented men and women:

- 48% Female
- 52% Male
- 44% 25 of 34 years of age
- 37% 35 to 44 years of age

Highly educated:

- 1% Associate Degree
- 61% Bachelor’s Degree
- 19% Graduate Degree (MBA)
- 7% Graduate Degree (non-MBA)
- 3% Doctorate

Working in a variety of top industries:

- 13% Financial Services/Banking
- 7% Technology
- 10% Education/Non-Profit

Highly experienced:

- 19% 3 to 6 years
- 25% 7 to 10 years
- 20% 11 to 15 years
- 14% 16 to 20 years
- 14% More than 20 years

OFFICER LEADERSHIP PROGRAM

NSHMBA’s local chapter officer training programs are designed to energize the leadership and enable them to continue driving the mission at their local chapters, and to utilize the national network of chapters as a resource and support system. Officers participate in dynamic sessions and breakout groups focused on team leadership development and technology innovations.

During the officer leadership programs, the focus is on leadership development, best practices and NSHMBA operations. Through this content, we provide chapter officers with the essential principles practices and parameters needed to comply with effective governance and to strengthen the chapter for overall deliverance of the organization’s mission.
HIGHLIGHTS FROM THE 24TH NSHMBA CONFERENCE & CAREER EXPO

CONFERENCE STATISTICS AND DATA

ATTENDEE DATA

Demographics:

- 62% Male
- 38% Female

- 6/10 attendees were Hispanic

Highly educated:

- 72% MBA
- 69% Graduate Degree
- 15% Bachelor Degree
- 9% Graduate Students from Top 50 Universities

Highly experienced:

- Less than 3 years: 17%
- 3 to 6 years: 47%
- 7 to 10 years: 19%

CONFERENCE STATISTICS

- 189 Total Exhibitors
- 4,250 Attendees
- 400+ Volunteers
- 120+ Career Management Center Coaches
Sponsors of the 24th Annual NSHMBA Conference and Career Expo: Corporate Sponsors

Abbott
Accenture
Aetna
ALDI, Inc
Allstate
Amazon
American Airlines
American Red Cross
AMF Media Group
Bank of America
BASF
BD
Beauti Control Inc
Becker Professional Education
BP
Bristol-Myers Squibb
Broad Residency
Campbell Soup Company
Capital One
Central Intelligence Agency
CEP Exhibit Productions, Inc.
Chevron
Chick-fil-A, Inc.
Christus Health
Chrysler Group LLC
Cigna
City of Chicago Department of Cultural Affairs
Comcast- NBC Universal
Consumer Financial Protection Bureau
Darden Restaurants
Del Monte Foods
Dell, Inc.
Delta Airlines, Inc.
Diageo
Diocese of Beaumont
Dish Network
Dr Pepper Snapple Group
E & J Gallo Winery
Education Pioneers
Eli Lilly and Company
EMC
ExxonMobil
Federal Deposit Insurance Corporation (FDIC)
Federal Home Loan Banks
Federal Reserve System
FINRA
Ford Motor Company
Freddie Mac
GE
Genentech, a Member of the Roche Group
General Mills
General Motors
GlaxoSmithKline
Harley-Davidson
Health Care Services Corporation
H-E-B
Henkel
Highmark
Humana
IBM Corporation
Infosys
Intel
International Lease Finance Corporation
JobTarget
Johns Hopkins University Carey Business School
Johnson and Johnson
Kaiser Permanente
Kimberly-Clark Corporation
Laureate Education Inc.
Liberty Mutual Insurance Group
Lincoln Financial
Lockheed Martin Corporation
L’Oreal
Luxottica
M&T Bank
Mabe Sa de CV
Marriott International, Inc.
Mars Incorporated
MassMutual Financial Group
McDonald’s Corporation
Media Vest- The Travelers
Merck
MetLife
MGM Resorts International
Microsoft
Nationwide Insurance
Nationwide Insurance (Chapter Support)
New York Life
Owens & Minor
PepsiCo
Pernod Ricard
PNC
PNC c/o Hodes
Principal Financial Group
Procter & Gamble
Prudential
Regent
Starwood Hotels
State Farm Insurance
State Farm Insurance c/o OMD
SunTrust Bank
Target
Teach for America
Tenet Healthcare Corporation
Tesoro
The Clorox Company
The Consortium for Graduate Study in Management
The Hartford Financial Services Group
The Hershey Company
The Home Depot
The Hyatt
The Kellogg Company
The PhD Project
The Travelers Companies
The University of Texas at Austin, McCombs School of Business
The University of Texas at El Paso, College of Business Administration
ToyMotor Sales, USA, Inc.
U.S. Postal Service
Unilever
United States Securities and Exchange Commission
United Technologies Corporation
UnitedHealth Group
USAA
UT Medical Branch
Valpak
Vanguard
VF Corporation
Vibrant Pittsburgh
Walgreens
Walmart
WellPoint, Inc.
Wells Fargo
Whirlpool Corporation
Whirlpool Corporation
WorldBusiness Capital

UNIVERSITIES

Arizona State University, W. P. Carey School of Business
Babson College, F.W. Olin Graduate School of Business
Barry University
Baylor University
Brigham Young University, Marriott School of Management
Columbia Business School
Cornell University, Johnson School of Business
Duke University, The Fuqua School of Business
Emory University, Goizueta Business School
Florida International University
George Washington University
Georgetown University, McDonough School of Business
Georgia Institute of Technology, Scheller College of Business
Harvard Business School
Indiana University, Kelley School of Business
Keck Graduate Insitute of Applied Life Sciences
Kellogg School of Management
Lally School of Management and Technology, Rensselaer Polytechnic Institute
Loyola Marymount University
Michigan State University, The Eli Broad Graduate School of Management
Penn State University, Smeal MBA Program
Purdue University, Krannert School of Management
Rice University, Jesse H. Jones Graduate School of Business
Texas Christian University, Neeley School of Business
The Ohio State University
The University of Texas at San Antonio, College of Business
Thunderbird School of Global Management
UCLA Anderson School of Management
University of Arizona, Eller College of Management
University of Chicago, Booth School of Business
University of Dallas
University of Georgia, Terry School of Business
University of Houston, Bauer College of Business, MBA Program
University of Maryland, Robert H. Smith School of Business
University of Massachusetts, Amherst, Isenberg School of Management
University of Minnesota, Carlson School of Management
University of Notre Dame
University of Pittsburgh, Joseph M. Katz Graduate School of Business
University of Rochester
University of Utah, David Eccles School of Business
University of Virginia, Darden School of Business
University of Washington, Foster School of Business
University of Wisconsin, Madison, Wisconsin School of Business
Vanderbilt University, Owen Graduate School of Management
Wake Forest University
Washington University, Olin School of Business
The National Society of Hispanic MBA’s established the Brillante Awards for Excellence in 1989; the awards are given to bright and shining leaders who pave the way for many MBA’s, while radiating positive energy to encourage and motivate others. In addition to the Gala, winners receive a custom designed award, a seal to post on their website, recognition on NSH MBA’s website and publications. Award winners also enjoy complementary conference registration, free airfare and hotel accommodations.

2013 BRILLANTE AWARD WINNERS

Corporate Award Recipient

Educational Excellence Award Recipient

Community Service Excellence Award Recipient

Carlos F. Orta
Chief Executive Officer
Hispanic Association on Corporate Responsibility (HACR)

FOUNDERS AWARD RECIPIENTS

Founders Award Recipient

Founders Award Recipient

Founders Award Recipient

Former Mayor Henry Cisneros

Monica Lozano
Chief Executive Officer
ImpreMedia, LLC

Bill Valle
Head of Human Resources
Samsung Semiconductor, Inc.
Dan was born on May 7, 1956 in Los Angeles, California. He attended Belmont High School where he excelled as both a student and athlete. It was here that he began to take an interest in both politics and Latino issues.

In 1974, he entered the University of Southern California and graduated with a bachelor’s degree in public administration in 1977. Continuing with his studies at USC, he graduated with his Master’s in Public Administration a year later. While studying for his Masters, Dan served as a White House Fellow working for a year with the Immigration and Naturalization Service in Washington D.C. Dan had a special relationship with USC and was a founding member of the USC Mexican American Alumni Association. Today, the USCLAA is one of the largest Latino alumni organizations in the country.

Following college, Dan began a distinguished career in both the public and private sector. For six years he served as legislative director for former California State Senator Art Torres. During that time period, he worked hard to understand the political system and discovered that in many ways it did not favor the poor or underserved. He became involved with various Latino organizations and in 1988 help found the National Society of Hispanic MBA’s.

After leaving the office of Senator Torres, Dan worked for a time with the United Way of Los Angeles as director of public policy. He led its effort to reach out to many of the new immigrants coming to the Los Angeles area from Mexico and Central America before he moved on.

Over the course of the next few years, Dan served in a leadership or executive capacity with a number of firms including Cerrell Associates, the NutraSweet Company, Ameritech (now AT&T), and Anheuser-Busch (AB) to name a few. But it was his work at AB that brought Dan the most satisfaction.

As AB’s community relations manager in the West, and later the Mid-West, Dan was able to direct significant corporate funds to social and educational programs in many under-served communities, and to the Latino organizations he admired and thought vital to the community including the Hispanic Scholarship Fund (HSF), the National Council of La Raza (NCLR), and the Mexican-American Legal Defense and Education Fund (MALDEF). Through Dan’s efforts and with the support of AB, MALDEF was able to purchase the building in Los Angeles which currently serves as MALDEF’s headquarters. Dan was the consummate over-achiever.

There wasn’t anything Dan didn’t believe he could accomplish if he set his mind to it. He served on a number of national and local boards and worked tirelessly to ensure their success. Dan never “minced his words” or “beat around the bush”. He told you what he thought and was ready to acknowledge your accomplishments as quickly as he was your short-comings.

Dan loved life and enjoyed every minute he spent with friends, family, and giving back to the community. Unfortunately, his life ended far too soon when he succumbed to liver failure on April 13, 2000. Dan’s bravado was second to none. He will be remembered and respected for what he brought to those that needed it most and for the smile and laugh that was contagious to everyone who knew him.
## National Society of Hispanic MBA’s, Inc. and NSHMBA Foundation
### Consolidated Statements of Financial Position
#### As of December 31, 2013 and 2012

### Assets

#### CURRENT ASSETS:

- Cash and cash equivalents
- Investments, at market
- Accounts receivable, net of allowance of doubtful accounts of $24,000 and $40,880 as of December 31, 2013 and 2012, respectively.
- Prepaid expenses and other current assets

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
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<tbody>
<tr>
<td>Cash</td>
<td>$934,952</td>
<td>$1,558,407</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>7,194,551</td>
<td>6,413,849</td>
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<tr>
<td>Prepaid expenses and other current assets</td>
<td>178,872</td>
<td>278,468</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>8,432,450</td>
<td>8,315,282</td>
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</table>

<table>
<thead>
<tr>
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<th>2013</th>
<th>2012</th>
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</thead>
<tbody>
<tr>
<td>Deposits</td>
<td>11,888</td>
<td>13,153</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>95,210</td>
<td>62,622</td>
</tr>
</tbody>
</table>

**Total Assets**: $8,539,548

### Liabilities and Net Assets

#### CURRENT LIABILITIES

- Accounts payable
- Accrued expenses
- Accrued compensation and vacation
- Capital lease, current position
- Deferred revenue

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$93,324</td>
<td>$85,825</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>39,037</td>
<td>157,250</td>
</tr>
<tr>
<td>Accrued compensation and vacation</td>
<td>52,769</td>
<td>61,180</td>
</tr>
<tr>
<td>Capital lease, current position</td>
<td>-</td>
<td>493</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>459,717</td>
<td>544,018</td>
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<tr>
<td>Total Current Liabilities</td>
<td>644,847</td>
<td>848,766</td>
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<tr>
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</thead>
<tbody>
<tr>
<td>Deferred Rent</td>
<td>33,404</td>
<td>40,416</td>
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</tbody>
</table>

**Total Liabilities**: 678,251

### Commitments

**Net Assets:**

- Unrestricted
- Temporarily restricted

<table>
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<tr>
<th></th>
<th>2013</th>
<th>2012</th>
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<td>Unrestricted</td>
<td>7,600,893</td>
<td>7,289,615</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>260,404</td>
<td>212,260</td>
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<tr>
<td>Total Net Assets</td>
<td>7,861,297</td>
<td>7,501,875</td>
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</table>

**Total Liabilities and Net Assets**: $8,391,057

The accompanying notes are an integral part of these financial statements.
The accompanying notes are an integral part of these financial statements.
The accompanying notes are an integral part of these financial statements.
### National Society of Hispanic MBA’s, Inc. and NSHMBA Foundation
#### Consolidated Statements of Functional Expenses
**Years Ended December 31, 2013 and 2012**

<table>
<thead>
<tr>
<th>Year Ended December 31, 2013</th>
<th>Total Expenses</th>
<th>Program Service Expenses</th>
<th>Management and General Expenses</th>
<th>Fundraising Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Fees</td>
<td>$1,098,554</td>
<td>$767,619</td>
<td>$321,587</td>
<td>$9,348</td>
</tr>
<tr>
<td>Conference/Events</td>
<td>1,049,633</td>
<td>846,428</td>
<td>78,477</td>
<td>124,728</td>
</tr>
<tr>
<td>Salaries &amp; Wage</td>
<td>1,470,572</td>
<td>1,070,528</td>
<td>394,992</td>
<td>5,052</td>
</tr>
<tr>
<td>Scholarships</td>
<td>456,250</td>
<td>456,250</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Travel/Travel Related</td>
<td>384,635</td>
<td>282,428</td>
<td>101,500</td>
<td>707</td>
</tr>
<tr>
<td>Information Technologies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>18,472</td>
<td>10,374</td>
<td>6,903</td>
<td>1,195</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>133,104</td>
<td>(3,543)</td>
<td>136,985</td>
<td>(338)</td>
</tr>
<tr>
<td>Occupancy</td>
<td>154,193</td>
<td>115,645</td>
<td>23,129</td>
<td>15,419</td>
</tr>
<tr>
<td>Payroll Taxes</td>
<td>118,891</td>
<td>-</td>
<td>118,891</td>
<td>-</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>96,515</td>
<td>42,030</td>
<td>54,485</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>41,133</td>
<td>30,850</td>
<td>6,170</td>
<td>4,113</td>
</tr>
<tr>
<td>Loss on disposal of property</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Postage &amp; Shipping</td>
<td>16,500</td>
<td>8,417</td>
<td>7,317</td>
<td>766</td>
</tr>
<tr>
<td>Misc/Other Expense</td>
<td>107,909</td>
<td>23,290</td>
<td>84,410</td>
<td>209</td>
</tr>
<tr>
<td>Equipment Rental &amp; Maintenance</td>
<td>21,231</td>
<td>8,209</td>
<td>12,380</td>
<td>642</td>
</tr>
<tr>
<td>Taxes - Other</td>
<td>492</td>
<td>-</td>
<td>492</td>
<td>-</td>
</tr>
<tr>
<td>Bad Debt Expense</td>
<td>(4,128)</td>
<td>(3,096)</td>
<td>(619)</td>
<td>(413)</td>
</tr>
<tr>
<td>Equipment/Furniture</td>
<td>76,243</td>
<td>33,398</td>
<td>42,845</td>
<td>-</td>
</tr>
<tr>
<td>Dues/Subscriptions</td>
<td>7,171</td>
<td>4,156</td>
<td>3,018</td>
<td>(3)</td>
</tr>
<tr>
<td>Fines, Penalties, &amp; Judgments</td>
<td>(44)</td>
<td>(265)</td>
<td>221</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total** $5,247,326     $3,692,718     $1,393,183     $161,425

The accompanying notes are an integral part of these financial statements.
### NATIONAL SOCIETY OF HISPANIC MBA’S, INC. AND NSHMBA FOUNDATION
CONSORTIUM STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED DECEMBER 31, 2013 AND 2012

#### YEAR ENDED DECEMBER 31, 2012

<table>
<thead>
<tr>
<th>Expense Description</th>
<th>Total Expenses</th>
<th>Program Service Expenses</th>
<th>Management and General Expenses</th>
<th>Fundraising Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Fees</td>
<td>$1,017,483</td>
<td>$759,032</td>
<td>$249,257</td>
<td>$9,194</td>
</tr>
<tr>
<td>Conference/Events</td>
<td>1,338,620</td>
<td>1,043,133</td>
<td>150,069</td>
<td>145,418</td>
</tr>
<tr>
<td>Salaries &amp; Wage</td>
<td>1,711,884</td>
<td>1,064,732</td>
<td>535,470</td>
<td>111,682</td>
</tr>
<tr>
<td>Scholarships</td>
<td>472,536</td>
<td>472,536</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Travel/Travel Related</td>
<td>519,586</td>
<td>452,151</td>
<td>66,608</td>
<td>827</td>
</tr>
<tr>
<td>Information Technologies</td>
<td>7,158</td>
<td>2,397</td>
<td>4,761</td>
<td>-</td>
</tr>
<tr>
<td>Supplies</td>
<td>36,956</td>
<td>22,989</td>
<td>12,677</td>
<td>1,290</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>235,462</td>
<td>146,449</td>
<td>73,652</td>
<td>15,361</td>
</tr>
<tr>
<td>Occupancy</td>
<td>158,666</td>
<td>118,999</td>
<td>23,800</td>
<td>15,867</td>
</tr>
<tr>
<td>Payroll Taxes</td>
<td>96,375</td>
<td>61,866</td>
<td>28,361</td>
<td>6,148</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>89,661</td>
<td>27,465</td>
<td>62,196</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>39,939</td>
<td>29,954</td>
<td>5,991</td>
<td>3,994</td>
</tr>
<tr>
<td>Loss on disposal of property</td>
<td>7,722</td>
<td>-</td>
<td>7,722</td>
<td>-</td>
</tr>
<tr>
<td>Postage &amp; Shipping</td>
<td>33,045</td>
<td>23,046</td>
<td>9,663</td>
<td>336</td>
</tr>
<tr>
<td>Misc/Other Expense</td>
<td>133,858</td>
<td>20,038</td>
<td>113,820</td>
<td>-</td>
</tr>
<tr>
<td>Equipment Rental &amp; Maintenance</td>
<td>49,933</td>
<td>32,117</td>
<td>14,663</td>
<td>3,153</td>
</tr>
<tr>
<td>Taxes - Other</td>
<td>(25)</td>
<td>(31)</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>Bad Debt Expense</td>
<td>55,756</td>
<td>41,817</td>
<td>8,363</td>
<td>5,576</td>
</tr>
<tr>
<td>Equipment/Furniture</td>
<td>80,902</td>
<td>22,315</td>
<td>58,587</td>
<td>-</td>
</tr>
<tr>
<td>Dues/Subscriptions</td>
<td>15,830</td>
<td>5,436</td>
<td>10,394</td>
<td>-</td>
</tr>
<tr>
<td>Fines, Penalties, &amp; Judgements</td>
<td>1,252</td>
<td>265</td>
<td>987</td>
<td>-</td>
</tr>
</tbody>
</table>

#### TOTAL EXPENSES

| Total Budget            | $6,102,590 | $4,346,706 | $1,437,047 | $318,846 |

The accompanying notes are an integral part of these financial statements.
NOTE 1 - ORGANIZATION OVERVIEW

On June 30, 2009, National Society of Hispanic MBA’s, changed its name to NSHMBA Foundation (“NSHMBA Foundation”), a California public benefit charitable corporation and tax exempt organization per the United States of America’s Internal Revenue Code (IRC) 501(c)3, organized to promote Hispanic graduate management education, entrepreneurship, and the visibility of Hispanics in executive level management positions to create a stronger awareness within the business and not-for-profit sectors.

The NSHMBA Foundation’s principal source of revenue is obtained from grants, donors, educational events, and return on investments intended to provide grants, scholarships and educational opportunities to Hispanics in the United States.

On April 23, 2009, the National Society of Hispanic MBA’s, Inc. (“NSHMBA, Inc.”) was incorporated in the state of Texas in accordance with the Texas Business Organization Code as a public benefit business league. It received tax exempt organization status per IRC 501(c)6 in February 2010, as an organization to promote Hispanic graduate management education, entrepreneurship, and to increase the visibility of Hispanics in executive level management positions thereby creating a stronger awareness within the business and not-for-profit sectors.

The Organization’s principal source of revenue is obtained from sponsors and attendees at conferences. Membership is a minor source of revenue. Chapter events provide a source of revenue and function as networking, scholarships and educational opportunities to the membership.

Collectively, both organizations are referred to as the “Organization” unless otherwise noted. The NSHMBA Foundation’s and NSHMBA, Inc. corporate offices are located in Irving, Texas.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Combining

The accompanying combined financial statements include the accounts of the NSHMBA Foundation and NSHMBA, Inc. and are prepared in conformity with generally accepted accounting principles in the United States of America (“US GAAP”). All material inter-organization transactions and accounts have been eliminated. Certain amounts have been reclassified from prior period consolidated financial statements to conform to the current period presentation. The Organization has evaluated subsequent events through April 9, 2012, the date of issuance of these financial statements.

Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make significant accounting estimates and assumptions that affect certain reported amounts in the financial statements and accompanying notes. These accounting estimates include valuation of accounts receivable, investments, lives used to depreciate fixed assets, deferred revenues, allocation of certain functional expenses and value of in-kind donations. Actual results could differ from these estimates and assumptions.
Cash and Cash Equivalents
The Organization's cash equivalents are primarily comprised of investments in overnight interest-bearing deposits, commercial paper and money market instruments and other short-term investments with original maturity dates of three months or less at the time of purchase. The Organization maintains cash and cash equivalent balances at multiple financial institutions.

Fair Value of Financial Instruments
The carrying amounts of the Organization's financial instruments, including cash and cash equivalents, investments, accounts receivable, accounts payable, accrued liabilities and capital lease approximate fair value due to their short maturities.

Accounts Receivable
Accounts receivable are stated at amounts management expects to collect from outstanding balances. Management provides for a probable uncollectible amount through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Accounts are considered past due when payment has not been received by the due date as stated on the invoice.

Accounts receivable are shown net of an allowance for doubtful accounts of $24,000 as of December 31, 2013. Accounts receivable balances outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Investments
The Organization accounts for investments at fair value. US GAAP requires that investments with readily determinable fair values to be stated at fair value with realized and unrealized gains and losses included in the statement of activities. The investments of the Organization are stated at quoted market values in an active market (Level I Hierarchy) as of the end of the year. These investments are subject to market or credit risks customarily associated with debt and equity investments.

Property and Equipment
The Organization capitalizes significant expenditures, over $500, for property and equipment at cost or fair market value at the date of the contribution. In 2013, the Organization computed depreciation using the straight-line method over the estimated useful lives of the assets, which range from three to ten years. Leasehold improvements are amortized on a straight-line basis over the lesser of the terms of the related lease or the estimated useful life of the assets ranging from three to seven years. Depreciation expense for the year ended December 31, 2013 and 2012 was $41,133 and $39,939, respectively.
Expenditures for major renewals and betterments are capitalized, while minor replacements, repairs, and maintenance, which do not extend the useful lives of the related assets, are expensed as incurred. Upon sale or disposition, the cost and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations.

Contributions of land, buildings, and equipment without donor stipulations concerning the use of long-lived assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire land, buildings, and equipment are reported as revenues of the temporarily restricted net asset class. Restrictions are considered to be released at the time of acquisition of such long-lived assets.
Property and Equipment - continued
The Organization capitalizes software costs for software developed or obtained for internal use. Computer software costs that are incurred in the preliminary project stage are expensed as incurred. Once the capitalization criteria have been met, external direct costs of materials and services consumed in developing or obtaining internal-use computer software, payroll and payroll-related costs for employees who are directly associated with and who devote significant time to the internal-use computer software project (to the extent of the time spent directly on the project), and interest costs incurred when developing computer software for internal use are capitalized. Training costs and data conversion costs are expensed as incurred. During 2013 and 2012, the Organization capitalized $58,635 and $14,874, respectively, of software costs.

Contributions of land, buildings, and equipment without donor stipulations concerning the use of long-lived assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire land, buildings, and equipment are reported as revenues of the temporarily restricted net asset class. Restrictions are considered to be released at the time of acquisition of such long-lived assets.

Long-lived Assets
The Organization evaluates the recoverability of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment was deemed necessary during the years ended December 31, 2013 and 2012.

Unrestricted, Temporarily Restricted and Permanently Restricted Net Assets
The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. In addition, the Organization is required to present a statement of cash flows.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets:
Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily restricted net assets:
Net assets that are subject to donor-imposed stipulations that may or will be met by the occurrence of a specific event or the passage of time. When a donor 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.

Permanently restricted net assets:
Net assets required to be maintained in perpetuity, with only the income used for operating activities due to donor-imposed restrictions.

Advertising Costs
Advertising costs are charged to expense in the period incurred. There were no advertising costs incurred for the years ended December 31, 2013 and 2012.
**Donated Materials, Equipment, and Services**

Donated materials and services are reflected as donated revenue and support with an offsetting expense in the accompanying financial statements and are recorded at fair market value at the date of receipt. In accordance with US GAAP, the Organization accounts for contributed services received in connection with the active participation by volunteers in the Organization’s service programs as well as for contributed services received from various organizations in connection with management, general activities, and special events. The contributions of services are recognized if the services received (a) create or enhance non-financial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The estimated value of such services is reflected as donated support with an offsetting expense in the accompanying financial statements. The Organization received in kind products and/or services that qualified per above criteria in the year ended December 31, 2013 and 2012, valued at $157,606 and $122,828, respectively.

**Allocation of Functional Expenses**

Expenses are classified by function when the expense is incurred. Such classifications require the use of management judgment.

**Contributions**

The Organization accounts for contributions received and contributions made as follows: contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. As such, time-restricted contributions are required to be reported as temporarily restricted support and are then reclassified to unrestricted net assets upon expiration of the time restriction. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

**Revenue Recognition and Deferred Revenue**

The Organization recognizes revenues when a contribution acknowledgement is received, sponsorship agreements are satisfied, events are held, or membership revenue is earned. Amounts received in advance of the next year’s annual conference, national or chapter events are recorded as a liability under “Deferred revenue” until such services and products are delivered. Membership revenue is recognized evenly throughout the membership service term. Lifetime membership revenue is recognized evenly over the average estimated membership service term to the members.

**Accrued Expenses**

As daily business costs are incurred by the Organization, amounts are recorded as accrued expenses. Once applicable invoices are received by the Organization from its vendors, amounts are transferred to accounts payable.

**Concentration Risks**

The Federal Deposit Insurance Corporation ("FDIC") insures accounts at financial institutions up to $250,000. Accounts held at financial institutions exceeded the federally insured limit by approximately $684,952 and $1,058,407 as of December 31, 2013 and 2012, respectively. The Organization did not experience any losses related to uninsured amounts during 2013 and 2012. The Organization routinely evaluates the credit worthiness of the institutions with which it invests. At December 31, 2013 and 2012, the Annual Conference and Career Expo accounted for 64% and 62%, respectively, of the Organization’s revenue.
NOTE 3 - ADMINISTRATIVE SERVICE & LICENSE AGREEMENTS

On July 1, 2009, the NSHMBA Foundation entered into a five (5) year administrative services agreement with NSHMBA, Inc. The agreement provides that NSHMBA, Inc. provide, as an independent contractor, certain managerial, general office and administrative, including without limitation, computer and accounting services. In exchange for these services the NSHMBA Foundation will pay a monthly fee of $14,491, currently in arrears, which are subject to annual re-evaluation. NSHMBA, Inc. may, at its sole discretion, terminate the agreement by providing sixty days advance notification. The NSHMBA Foundation may not terminate the agreement without prior written consent from NSHMBA, Inc. As of December 31, 2013 and 2012, NSHMBA, Inc. had $0 and $11,062, respectively, outstanding administrative services fee receivable. Such balances have been eliminated in the accompanying consolidated financial statements.

Trademark License Agreement
On July 1, 2009, NSHMBA, Inc. entered into a non-exclusive, royalty-free, perpetual, trademark license agreement with the NSHMBA Foundation. The license agreement includes the use of the NSHMBA Foundation’s trademarks and trade names, including the following: Brillante Awards for Excellence, Hispanic Executive Summit, NSHMBA University, The Business Journal of Hispanic Research, Hispanic MBA Magazine, The Bottom Line Newsletter, and The Hispanic MBA Student’s Guide. The license is subject to NSHMBA, Inc. maintain certain quality standard. Non-compliance with quality standards may result in termination of the license. During the years ended December 31, 2013 and 2012, the Organization was in compliance with the terms of the agreement.

Compliance - Establishing Separate and Independent Entities
The agreements referenced above are a part of the efforts of the Organizations to allow the advancement of the mission and vision of the Organizations to proceed through two separate legal entities, each having separate mission, governance, strategy and operations. In this effort, begun in 2009, Management of each of the Organizations has made significant progress in providing the key elements to create two functionally separate legal entities, including ensuring compliance with separate policies and procedures and other actions that are reducing any perceived or actual interdependency between the two Organizations.

NOTE 4 - AFFILIATED CHAPTERS

The Organization has affiliated chapters in Atlanta, Austin, Bakersfield, Boston, Chicago, Cincinnati, Cleveland, Columbus, Connecticut, Dallas/Ft. Worth, Denver, Detroit, El Paso, Houston, Indianapolis, Kansas City, Los Angeles, Louisville, Milwaukee, Minneapolis St. Paul, New Jersey, New York, New Mexico, Orange County, Oregon, Orlando, Philadelphia, Phoenix, Puerto Rico, Rio Grande Valley, Rochester, San Antonio, San Diego, San Francisco, San Jose, Seattle, South Florida, Tampa Bay, and Washington D.C. Organization operations conducted through these chapters are included in these consolidated financial statements. All chapters operate under the Organization’s 501(c)6 tax-exempt determination.
### NOTE 5 - INVESTMENTS

**THE INVESTMENT, AT MARKET, AT DECEMBER 31, INCLUDE THE FOLLOWING:**

#### BANK OF AMERICA MERRILL LYNCH
- **Money Market Funds:**

#### INDEX AND EQUITY MUTUAL FUNDS
- Vanguard Int’l Equity Index Fund: 1,304,714 (2013), 1,024,664 (2012)
- Vanguard 500 Index Fund SHS ETF: 1,715,688 (2013), 1,322,510 (2012)

#### FIXED INCOME SECURITIES:
- PIMCO Total Return INSTL: 1,438,625 (2013), 1,465,539 (2012)

#### TOTAL BANK OF AMERICA MERRILL LYNCH

#### TD AMERITRADE
- **PIMCO All Asset Fund:** 611,046 (2013), 607,073 (2012)

#### TOTAL TD AMERITRADE
- $611,199 (2013), $607,226 (2012)

#### LESS: CASH & CASH EQUIVALENTS

#### TOTAL INVESTMENTS
- $7,194,551 (2013), $6,413,849 (2012)

#### UNREALIZED GAIN ON INVESTMENTS

#### REALIZED LOSS ON INVESTMENTS*
- $(1,851) (2013), $(246,177) (2012)

*Includes realized gains (loss) from sales of securities, cash equivalents, and reinvested dividends

The investments held at Bank of America Merrill Lynch and TD Ameritrade are not bank guaranteed and they are not FDIC insured.
NOTE 6 - PROPERTY AND EQUIPMENT

PROPERTY AND EQUIPMENT AT DECEMBER 31 CONSIST OF THE FOLLOWING:

<table>
<thead>
<tr>
<th>Property Type</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer equipment and hardware</td>
<td>$112,965</td>
<td>$106,167</td>
</tr>
<tr>
<td>Software</td>
<td>76,303</td>
<td>95,567</td>
</tr>
<tr>
<td>Office furniture</td>
<td>73,281</td>
<td>73,281</td>
</tr>
<tr>
<td>Office equipment</td>
<td>60,567</td>
<td>60,567</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>16,962</td>
<td>16,962</td>
</tr>
<tr>
<td>Total property and equipment</td>
<td>$348,365</td>
<td>$352,544</td>
</tr>
<tr>
<td>Less: accumulated depreciation</td>
<td>(253,155)</td>
<td>(289,922)</td>
</tr>
<tr>
<td>Net property and equipment</td>
<td>$95,210</td>
<td>$62,622</td>
</tr>
</tbody>
</table>

Certain leased assets are pledged as security against capital leases.

NOTE 7 - INCOME TAXES

NSHMBA, Inc. has been classified as a public benefit charitable corporation and tax exempt organization per IRC 501(c)6. The NSHMBA Foundation has been classified as a public benefit charitable corporation, and not a private foundation, under Sections 501(a) and 501(c)(3) of the Internal Revenue Code (“the Code”) because it is an organization of the type described in Section 509 (a)(2) of the Code. Therefore, NSHMBA, Inc. and NSHMBA Foundation are exempt from federal tax, except to the extent of any unrelated business income. The Organization believes it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Organization files its tax forms in the U.S. federal jurisdiction (Internal Revenue Service), for both NSHMBA, Inc. and NSHMBA Foundation; and the California Franchise Tax Board and office of the attorney general for the State of California (NSHMBA Foundation only). The Organization, for both NSHMBA, Inc. and NSHMBA Foundation, is generally no longer subject to examination by the Internal Revenue Service for years before 2011; and NSHMBA Foundation for the State of California for years before 2010.

In accordance with FASB ASC No. 740, “Uncertainty in Income Taxes”; the Organization recognizes the impact of tax positions in the financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. The Organization has evaluated its tax positions for the open tax years ended December 31, 2011 through 2013 for federal purposes and NSHMBA Foundation December 31, 2010 through December 31, 2013 for California tax purposes. The Organization has determined that there are no other material uncertain tax positions that require recognition, disclosure in the financial statements, which may have an effect on its tax exempt status or is material change to uncertain tax positions anticipated during the twelve months following December 31, 2013.

NOTE 8 - EMPLOYEE BENEFIT PLAN

The Organization sponsors a safe harbor 401(k) plan (the “Plan”) covering employees with a minimum of six months of employment. The Plan requires the Organization to contribute the participants’ salary deferrals each Plan Year. The Plan stipulates a match of 100% for employees deferring up to 3% of compensation. Deferrals of between 3% and 5% are matched at a 50% rate. Organization matching contributions totaled $34,127 and $19,133 for the years ended December 31, 2013 and 2012, respectively.
NOTE 9 - RELATED PARTY TRANSACTIONS

During the year ended December 31, 2012, the Organization entered into a transaction with a national board director and their related organization for a contract for professional services totaling $106,544. In 2013, the Organization did not enter into similar transactions. As of December 31, 2013 and 2012, there were no accounts payable to these related parties.

NOTE 10 - COMMITMENTS

Office Facility and Office Equipment Operating Leases

The Organization leases all office facilities and certain equipment, which includes office copiers, postage machine, GEMS, and phone system, under non-cancellable operating leases that expire at various dates. Certain operating leases provide the Organization with the option to renew for additional periods. Where operating leases contain escalation clauses, rent abatements, and/or concessions, such as rent holidays and landlord or tenant incentives or allowances, the Organization applies them in the determination of straight-line rent expense over the lease term. Leasehold improvements made at the inception or during the lease term are amortized over the shorter of the asset life or the lease term, which may include renewal periods where the renewal is reasonably assured and is included in the determination of straight-line rent expense. Certain operating leases require the payment of real estate taxes or other occupancy costs, which may be subject to escalation. Office facility rent expense for the years ended December 31, 2013 and 2012 was $139,389 and $143,900, respectively. Office equipment rent expense for the years ended December 31, 2013 and 2012 was $15,705 and $35,575, respectively.

The following is a schedule, by years, of minimum future rentals on non-cancellable operating leases as of December 31, 2013:

<table>
<thead>
<tr>
<th>Year ending December 31,</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>Thereafter</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>155,408</td>
<td>147,093</td>
<td>123,640</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$426,141</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

National Conference & Career Expo and Related Services

The Organization hosts large special events, such as the Annual Conference & Career Expo, typically held at a convention center and/or hotel facilities in the United States. Such events require the organization to enter into binding contractual agreements to use the convention center and/or hotel facilities and professional event planners, marketing and logistics consultants, and audio visual equipment rentals. Contractual agreements generally contain non-refundable deposits, guaranteed minimums, material attrition rates, and/or cancellation fees.

During the years ended December 31, 2013 and 2012, the Organization entered into contractual agreements relating to the 2014 Annual Conference & Career Expo with a Convention Center, hotels, and a professional event planning company, among other parties. The following is a schedule of minimum future non-cancellable contractual obligations as of December 31, 2013:

<table>
<thead>
<tr>
<th>Year ending December 31,</th>
<th>2014</th>
<th>Thereafter</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,225,525</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>$1,225,525</td>
<td></td>
</tr>
</tbody>
</table>
Threatened Litigation
The Organization is periodically subject to legal complaints and/or lawsuits in the ordinary course of operations. The Organization is not presently a party to any litigation that it believes might have a material adverse effect on its business operations.

NOTE 11- FAIR VALUE MEASUREMENTS

Fair value accounting provides that the measurement of fair value requires the use of techniques based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Organization’s market assumptions. The inputs create the following fair value hierarchy:

- Level 1 — Quoted prices for identical instruments in active markets.
- Level 2 — Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations where inputs are observable or where significant value drivers are observable.
- Level 3 — Instruments where significant value drivers are unobservable to third parties.

When available, management used quoted market prices to determine fair value and classify items in Level 1. The following table presents the carrying amounts and fair values of the Organization’s financial instruments as follows:

<table>
<thead>
<tr>
<th>Carrying Amount/Fair Value</th>
<th>Level 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investments, at market, December 31, 2013</td>
<td>$7,194,551</td>
</tr>
<tr>
<td>Investments, at market, December 31, 2012</td>
<td>$6,413,849</td>
</tr>
</tbody>
</table>

Investments include marketable securities, including exchange traded funds and bonds. The fair value of these instruments was determined by reference to quoted market prices.
NOTE 12- NET ASSETS

Temporarily restricted net assets consist of use and time restricted donations, released from restrictions, and available for future periods as follows:

<table>
<thead>
<tr>
<th></th>
<th>Beginning Balance</th>
<th>Restricted Donations</th>
<th>Restricted Release</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>YEAR ENDED DECEMBER 31, 2012</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Stepping Stone (NSH MBA Foundation)</td>
<td>$46,850</td>
<td>-</td>
<td>$(46,850)</td>
<td>-</td>
</tr>
<tr>
<td>Scholarships (NSH MBA Foundation)</td>
<td>164,012</td>
<td>212,260</td>
<td>$(164,012)</td>
<td>212,260</td>
</tr>
<tr>
<td></td>
<td>$210,862</td>
<td>$212,260</td>
<td>$(210,862)</td>
<td>$212,260</td>
</tr>
<tr>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>YEAR ENDED DECEMBER 31, 2013</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scholarships (NSH MBA Foundation)</td>
<td>$212,260</td>
<td>$260,404</td>
<td>$(212,260)</td>
<td>$260,404</td>
</tr>
<tr>
<td></td>
<td>$212,260</td>
<td>$260,404</td>
<td>$(212,260)</td>
<td>$260,404</td>
</tr>
<tr>
<td><strong>RESTRICTIONS CONSIST OF: 2013</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use</td>
<td>$260,404</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$260,404</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

NOTE 13 – SUBSEQUENT EVENTS

Subsequent to the year ended June 30, 2012, the Organization entered into contractual agreements relating to the 2014 and 2015 Annual Conference & Career Expos with a Convention Center, hotels, a professional event planning company, among other parties. These contractual agreements generally contain non-refundable deposits, guaranteed minimums, material attrition rates, and/or cancellation fees. The minimum future non-cancellable contractual obligations totaled over $483,338.

The Organization has evaluated events and transactions occurring subsequent to the statement of financial position date of December 31, 2013 for items that should potentially be recognized or disclosed in these financial statements. The evaluation was conducted through April 11, 2014, the date these financial statements were available to be issued. No such material events or transactions were noted to have occurred except as disclosed herein.
# National Society of Hispanic MBA’s, Inc. and NSHMBA Foundation
## Consolidating Schedule of Financial Position
### Years Ended December 31, 2013 and 2012

### As of December 31, 2013

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$654,119</td>
<td>$280,833</td>
<td>-</td>
<td>$934,952</td>
</tr>
<tr>
<td>Investments, at market</td>
<td>-</td>
<td>7,194,551</td>
<td>-</td>
<td>7,194,551</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>173,072</td>
<td>29,800</td>
<td>-</td>
<td>202,872</td>
</tr>
<tr>
<td>Allowance for doubtful accounts receivables</td>
<td>(20,000)</td>
<td>(4,000)</td>
<td>-</td>
<td>(24,000)</td>
</tr>
<tr>
<td>Due from NSHMBA Foundation</td>
<td>106,435</td>
<td>-</td>
<td>(106,435)</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>94,881</td>
<td>1,283</td>
<td>-</td>
<td>96,164</td>
</tr>
<tr>
<td>Other current assets</td>
<td>27,395</td>
<td>516</td>
<td>-</td>
<td>27,911</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>1,035,902</td>
<td>7,502,983</td>
<td>(106,435)</td>
<td>8,432,450</td>
</tr>
<tr>
<td><strong>DEPOSITS</strong></td>
<td>11,888</td>
<td>0</td>
<td>0</td>
<td>11,888</td>
</tr>
<tr>
<td><strong>PROPERTY AND EQUIP</strong></td>
<td>95,210</td>
<td>0</td>
<td>0</td>
<td>95,210</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$1,143,000</td>
<td>$7,502,983</td>
<td>$(106,435)</td>
<td>$8,539,548</td>
</tr>
</tbody>
</table>

### Liabilities and Net Assets

<table>
<thead>
<tr>
<th>CURRENT LIABILITIES:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$71,094</td>
<td>$22,230</td>
<td>-</td>
<td>$93,324</td>
</tr>
<tr>
<td>Due to NSHMBA Inc.</td>
<td>-</td>
<td>106,435</td>
<td>(106,435)</td>
<td>-</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>34,245</td>
<td>4,792</td>
<td>-</td>
<td>39,037</td>
</tr>
<tr>
<td>Accrued compensation and vacation</td>
<td>52,769</td>
<td>-</td>
<td>-</td>
<td>52,769</td>
</tr>
<tr>
<td>Capital lease, current portion</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>459,717</td>
<td>-</td>
<td>-</td>
<td>459,717</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>617,825</td>
<td>133,457</td>
<td>(106,435)</td>
<td>644,847</td>
</tr>
<tr>
<td>DEFERRED RENT</td>
<td>33,404</td>
<td>-</td>
<td>-</td>
<td>33,404</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>651,229</td>
<td>133,457</td>
<td>(106,435)</td>
<td>678,251</td>
</tr>
</tbody>
</table>

### Commitments

<table>
<thead>
<tr>
<th>NET ASSETS</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>491,771</td>
<td>7,109,122</td>
<td>-</td>
<td>7,600,893</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>-</td>
<td>260,404</td>
<td>-</td>
<td>260,404</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>491,771</td>
<td>7,369,526</td>
<td>-</td>
<td>7,861,297</td>
</tr>
</tbody>
</table>

### Total Liabilities and Net Assets

<table>
<thead>
<tr>
<th></th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td>$1,143,000</td>
<td>$7,502,983</td>
<td>$(106,435)</td>
<td>$8,539,548</td>
</tr>
</tbody>
</table>
# National Society of Hispanic MBA’s, Inc. and NSHMBA Foundation Combining Schedule of Financial Position

## Years Ended December 31, 2013 and 2012

### AS OF DECEMBER 31, 2012

#### Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$979,144</td>
<td>$579,263</td>
<td>-</td>
<td>$1,558,407</td>
</tr>
<tr>
<td>Investments, at market</td>
<td>-</td>
<td>6,413,849</td>
<td>-</td>
<td>6,413,849</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>309,298</td>
<td>10,050</td>
<td>-</td>
<td>319,348</td>
</tr>
<tr>
<td>Allowance for doubtful accounts receivables</td>
<td>(36,880)</td>
<td>(4,000)</td>
<td>-</td>
<td>(40,880)</td>
</tr>
<tr>
<td>Due from NSHMBA Foundation</td>
<td>64,924</td>
<td>-</td>
<td>(64,924)</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>50,709</td>
<td>1,354</td>
<td>-</td>
<td>52,063</td>
</tr>
<tr>
<td>Other current assets</td>
<td>3,955</td>
<td>8,540</td>
<td>-</td>
<td>12,495</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>1,371,150</td>
<td>7,009,056</td>
<td>(64,924)</td>
<td>8,315,282</td>
</tr>
<tr>
<td><strong>Deposits</strong></td>
<td>13,153</td>
<td>-</td>
<td>-</td>
<td>13,153</td>
</tr>
<tr>
<td><strong>Property and Equipment, Net</strong></td>
<td>62,622</td>
<td>-</td>
<td>-</td>
<td>62,622</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$1,446,925</td>
<td>$7,009,056</td>
<td>$(64,924)</td>
<td>$8,391,057</td>
</tr>
</tbody>
</table>

#### Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$63,046</td>
<td>$22,779</td>
<td>-</td>
<td>$85,825</td>
</tr>
<tr>
<td>Due to NSHMBA Inc.</td>
<td>-</td>
<td>64,924</td>
<td>(64,924)</td>
<td>-</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>144,817</td>
<td>12,433</td>
<td>-</td>
<td>157,250</td>
</tr>
<tr>
<td>Accrued compensation and vacation</td>
<td>61,180</td>
<td>-</td>
<td>-</td>
<td>61,180</td>
</tr>
<tr>
<td>Capital lease, current portion</td>
<td>493</td>
<td>-</td>
<td>-</td>
<td>493</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>542,518</td>
<td>1,500</td>
<td>-</td>
<td>544,018</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>812,054</td>
<td>101,636</td>
<td>(64,924)</td>
<td>848,766</td>
</tr>
<tr>
<td><strong>Deferred Rent</strong></td>
<td>40,416</td>
<td>-</td>
<td>-</td>
<td>40,416</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>852,470</td>
<td>101,636</td>
<td>(64,924)</td>
<td>889,182</td>
</tr>
</tbody>
</table>

#### Commitments

#### Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted</td>
<td>594,455</td>
<td>6,695,160</td>
<td>-</td>
<td>7,289,615</td>
</tr>
<tr>
<td>Temporarily restricted</td>
<td>-</td>
<td>212,260</td>
<td>-</td>
<td>212,260</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>594,455</td>
<td>6,907,420</td>
<td>-</td>
<td>7,501,875</td>
</tr>
</tbody>
</table>

#### Total Liabilities and Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$1,446,925</td>
<td>$7,009,056</td>
<td>$(64,924)</td>
<td>$8,391,057</td>
</tr>
</tbody>
</table>
## National Society of Hispanic MBA’s, Inc. and NSHMBA Foundation
Combining Schedule of Financial Activities and Changes in Net Assets

**Years Ended December 31, 2013 and 2012**

<table>
<thead>
<tr>
<th>CHANGES IN NET ASSETS:</th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conference</td>
<td>$2,834,175</td>
<td>-</td>
<td>-</td>
<td>$2,834,175</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>260,404</td>
<td>-</td>
<td>260,404</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>157,606</td>
<td>-</td>
<td>-</td>
<td>157,606</td>
</tr>
<tr>
<td>Chapter events</td>
<td>709,790</td>
<td>86,830</td>
<td>-</td>
<td>796,620</td>
</tr>
<tr>
<td>Membership</td>
<td>80,979</td>
<td>80,979</td>
<td>-</td>
<td>80,979</td>
</tr>
<tr>
<td>Advertising</td>
<td>199,028</td>
<td>-</td>
<td>-</td>
<td>199,028</td>
</tr>
<tr>
<td>Career Center</td>
<td>366,916</td>
<td>-</td>
<td>-</td>
<td>366,916</td>
</tr>
<tr>
<td>National events</td>
<td>50,895</td>
<td>-</td>
<td>-</td>
<td>50,895</td>
</tr>
<tr>
<td>Interest income</td>
<td>-</td>
<td>163,627</td>
<td>-</td>
<td>163,627</td>
</tr>
<tr>
<td>Other</td>
<td>1,781</td>
<td>-</td>
<td>-</td>
<td>1,781</td>
</tr>
<tr>
<td>Net change in restricted assets</td>
<td>- (48,144)</td>
<td>-</td>
<td>(48,144)</td>
<td></td>
</tr>
<tr>
<td>Management fee, NSHMBA Foundation</td>
<td>173,892</td>
<td>- (173,892)</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL REVENUES</strong></td>
<td>4,575,062</td>
<td>462,717</td>
<td>(173,892)</td>
<td>4,863,887</td>
</tr>
<tr>
<td><strong>EXPENSES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program</td>
<td>3,202,280</td>
<td>490,438</td>
<td>-</td>
<td>3,692,718</td>
</tr>
<tr>
<td>Fundraising</td>
<td>123,835</td>
<td>37,590</td>
<td>-</td>
<td>161,425</td>
</tr>
<tr>
<td>General and administrative</td>
<td>1,351,634</td>
<td>215,441 (173,892)</td>
<td>-</td>
<td>1,393,183</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>4,677,749</td>
<td>743,469</td>
<td>(173,892)</td>
<td>5,247,326</td>
</tr>
<tr>
<td><strong>DECREASE IN UNRESTRICTED NET ASSETS</strong></td>
<td>(102,687)</td>
<td>(280,752)</td>
<td>-</td>
<td>(383,439)</td>
</tr>
<tr>
<td>Unrealized gain on investments</td>
<td>-</td>
<td>696,568</td>
<td>-</td>
<td>696,568</td>
</tr>
<tr>
<td>Realized loss on investments</td>
<td>-</td>
<td>(1,851)</td>
<td>-</td>
<td>(1,851)</td>
</tr>
<tr>
<td><strong>TOTAL (DECREASE) INCREASE IN UNRESTRICTED NET ASSETS</strong></td>
<td>(102,687)</td>
<td>413,965</td>
<td>-</td>
<td>311,278</td>
</tr>
<tr>
<td><strong>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>-</td>
<td>(212,260)</td>
<td>-</td>
<td>(212,260)</td>
</tr>
<tr>
<td>Net assets temporarily restricted</td>
<td>-</td>
<td>260,404</td>
<td>-</td>
<td>260,404</td>
</tr>
<tr>
<td><strong>NET INCREASE IN TEMPORARILY RESTRICTED NET ASSETS</strong></td>
<td>-</td>
<td>48,144</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>(DECREASE) INCREASE IN NET ASSETS</strong></td>
<td>(102,687)</td>
<td>(102,687)</td>
<td>-</td>
<td>359,422</td>
</tr>
<tr>
<td><strong>NET ASSETS AT BEGINNING OF YEAR</strong></td>
<td>594,458</td>
<td>6,907,417</td>
<td>-</td>
<td>7,501,875</td>
</tr>
<tr>
<td><strong>NET ASSETS AT END OF YEAR</strong></td>
<td>$491,771</td>
<td>$7,369,526</td>
<td>-</td>
<td>$7,861,297</td>
</tr>
</tbody>
</table>
### National Society of Hispanic MBA's, Inc. and NSHMBA Foundation

#### Combining Schedule of Financial Activities and Changes in Net Assets

**Years Ended December 31, 2013 and 2012**

<table>
<thead>
<tr>
<th>Year Ended December 31, 2012</th>
<th>National Society of Hispanic MBAs, Inc.</th>
<th>NSHMBA Foundation</th>
<th>Combining Entries</th>
<th>Combined Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Changes in Net Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conference</td>
<td>$3,688,323</td>
<td>$56,000</td>
<td>-</td>
<td>$3,744,432</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>712,260</td>
<td>(500,000)</td>
<td>212,260</td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>121,847</td>
<td>980</td>
<td>-</td>
<td>122,827</td>
</tr>
<tr>
<td>Chapter events</td>
<td>692,545</td>
<td>98,006</td>
<td>-</td>
<td>790,551</td>
</tr>
<tr>
<td>Membership</td>
<td>69,986</td>
<td>-</td>
<td>-</td>
<td>69,986</td>
</tr>
<tr>
<td>Advertising</td>
<td>75,384</td>
<td>-</td>
<td>-</td>
<td>75,384</td>
</tr>
<tr>
<td>Career Center</td>
<td>121,421</td>
<td>-</td>
<td>-</td>
<td>121,421</td>
</tr>
<tr>
<td>National events</td>
<td>126,115</td>
<td>-</td>
<td>-</td>
<td>126,115</td>
</tr>
<tr>
<td>Interest income</td>
<td>-</td>
<td>224,178</td>
<td>-</td>
<td>224,178</td>
</tr>
<tr>
<td>Other</td>
<td>3,781</td>
<td>17</td>
<td>-</td>
<td>3,798</td>
</tr>
<tr>
<td>Net change in restricted assets</td>
<td>-</td>
<td>(1,398)</td>
<td>-</td>
<td>(1,398)</td>
</tr>
<tr>
<td>Management fee, NSHMBA Foundation</td>
<td>173,892</td>
<td>-</td>
<td>(173,892)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>5,073,294</td>
<td>1,090,043</td>
<td>(673,892)</td>
<td>5,489,445</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program</td>
<td>4,218,137</td>
<td>628,569</td>
<td>(500,000)</td>
<td>4,346,706</td>
</tr>
<tr>
<td>Fundraising</td>
<td>267,362</td>
<td>51,484</td>
<td>-</td>
<td>318,846</td>
</tr>
<tr>
<td>General and administrative</td>
<td>1,384,064</td>
<td>226,875</td>
<td>(173,892)</td>
<td>1,437,047</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>5,869,563</td>
<td>906,928</td>
<td>(673,892)</td>
<td>6,102,599</td>
</tr>
<tr>
<td><strong>Decrease in Unrestricted Net Assets</strong></td>
<td>(796,269)</td>
<td>183,115</td>
<td>-</td>
<td>(613,154)</td>
</tr>
<tr>
<td>Unrealized gain on investments</td>
<td>-</td>
<td>820,497</td>
<td>-</td>
<td>820,497</td>
</tr>
<tr>
<td>Realized loss on investments</td>
<td>-</td>
<td>(246,177)</td>
<td>-</td>
<td>(246,177)</td>
</tr>
<tr>
<td><strong>Total (Decrease) Increase in Unrestricted Net Assets</strong></td>
<td>(796,269)</td>
<td>757,435</td>
<td>-</td>
<td>(38,834)</td>
</tr>
<tr>
<td><strong>Change in Temporarily Restricted Net Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>-</td>
<td>(210,862)</td>
<td>-</td>
<td>(210,862)</td>
</tr>
<tr>
<td>Net assets temporarily restricted</td>
<td>-</td>
<td>212,260</td>
<td>-</td>
<td>212,260</td>
</tr>
<tr>
<td><strong>Net Increase in Temporarily Restricted Net Assets</strong></td>
<td></td>
<td>1,398</td>
<td>-</td>
<td>1,398</td>
</tr>
<tr>
<td><strong>(Decrease) Increase in Net Assets</strong></td>
<td>(796,269)</td>
<td>758,833</td>
<td>-</td>
<td>(37,436)</td>
</tr>
<tr>
<td><strong>Net Assets at Beginning of Year</strong></td>
<td>1,390,724</td>
<td>6,148,587</td>
<td>-</td>
<td>7,539,311</td>
</tr>
<tr>
<td><strong>Net Assets at End of Year</strong></td>
<td>$594,455</td>
<td>$6,907,420</td>
<td>-</td>
<td>$7,501,875</td>
</tr>
</tbody>
</table>