

solutions through collaboration



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solutions through collaboration



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n this 2009-2010 Annual Report, the American National Standards Institute recognizes the power of collaboration in developing solutions for economic growth, innovation, and global priorities.

As the voice of the U.S. standards and conformity assessment community, ANSI is a leader in bringing together the private and public sectors to assess and address the standardization needs that can help solve our nation's greatest challenges and foster future success. As in the thoughtful approach to a complex puzzle, ANSI empowers its members and constituents to work together to develop the strongest, most effective solutions.

From cybersecurity and global supply chain reliability to alternative energy resources and a robust, skilled workforce, ANSI's activities over the past year have further built upon the Institute's long history of leadership in facilitating critical initiatives for a healthier economy, nation, and world. We invite you to explore our latest successes in the pages that follow, and enjoy a fun little challenge of your own in the back pocket – you may find that collaboration is the best way to achieve a solution!



letter from the chairman

Arthur E. Cote, PE 🔳 Chairman of the Board



Since I first became involved with standardization work in the 1970s, the way that we think about standards development has changed. While standards developing organizations (SDOs) used to create highly industry-specific guidelines, today's standards frequently cross industries, applications, and borders.

One look at the issues we discuss in this 2009-2010 annual report – cybersecurity, workforce development, and anti-counterfeiting, among others – and it's easy to see that we have made a shift from standards that are driven by just one industry to issues and guidelines that are relevant across sectors.

When so many stakeholder groups are affected, it's more important than ever to focus on collaboration and cooperation in the development of standards and conformity assessment solutions. And in order to help us all keep track of the top strategic issues and priorities facing our community, ANSI has created a new Top Issues tracking system (www.ansi.org/topissues). This unique service aids ANSI members as they identify and track domestic and international activities that impact their industry, their organization, and their stakeholders. With ANSI's role as coordinator of the U.S. standardization system, it is only natural that the Institute should provide this information as a way to keep us all on the same page and working toward the same goals.

Another goal we all share is to increase participation in standards development. Although many feel that the worst aspects of the economic downturn are behind us, even some of the largest organizations have made cutbacks that have resulted in reduced funding and manpower for standardization activities. With the launch of the Standards Boost Business campaign, our community now has a new tool to build understanding and recognition of the strategic value of standards and conformity assessment. This campaign is a call to action for corporate America to devote resources – time, money, and manpower – to the U.S. standardization system and its activities.

But executives won't make a business decision like this just because we tell them that it's the right thing to do. This community needs to show them, in concrete, easy-to-understand terms, just how important standards and conformance are to their business success. I hope you will take a look at www.standardsboostbusiness.org and fill out the support form or submit a case study from your own professional experience. By doing so, you will demonstrate your recognition that standardization is a vital component of the U.S. economy and your support of the robust system and the many entities that make our success possible.

It's important to underscore that this is not solely an ANSI program; it is a system-wide campaign. The Institute is coordinating the effort, but its success will benefit all of us: companies, SDOs, and government agencies large and small.

One of the main responsibilities of an ANSI chairman is to guide and strategically position the Institute for long-term success. ANSI will continue to identify opportunities where we can support the standards and conformance activities that are needed in this country and around the world, and we will do so in close partnership with our members. By working together, we can develop the strongest possible solutions.



report from the president and ceo



S. Joe Bhatia President and Chief Executive Officer

The American National Standards Institute works in close cooperation with our members, stakeholders, and partners to meet top national and global priorities. By working together in a consensus-based process, we find the most successful and dynamic results – the best solutions are achieved through collaboration.

That is why ANSI's role as a neutral forum is so key to the continued strength of our national standardization system. Over the past year, we have been focused on strengthening the public-private partnership and ensuring that the role and contributions of the private sector are well understood by decision makers nationwide, whether those decision makers sit in a corner office or on Capitol Hill.

Earlier this year, ANSI brought the standardization community together with the leaders of the newly formed National Science and Technology Council Subcommittee on Standards – a unique opportunity for meaningful dialogue about the critical role that standards and conformance play in the global marketplace. Aneesh Chopra, U.S. Chief Technology Officer, demonstrated his understanding when he said, "The American economy has benefited greatly from our model for standards. This voluntary, open, bottom up, consensus-driven, private sector–led, and performance-based system has been absolutely critical to ensuring our success in addressing national priorities." I look forward to being personally engaged in further dialogue with the Subcommittee leaders and would welcome further feedback from any ANSI member on our continued partnership with this group.

Throughout 2010, ANSI has continued to diversify our revenue streams, attract new members, and seek new opportunities. In particular, the Institute's accreditation services offerings continue to grow in both scope and recognition. Our Certificate Accreditation Program, launched in 2009 to enhance strength and confidence in the American workforce and facilitate economic recovery, has already accredited seven certificate-issuing organizations. Couple this effort with our established Personnel Certification Accreditation Program, which has accredited more than 70 different workforce credentials, and it is clear that the Institute is working hard to make possible what the President has called the "Re-Skilling of America."

Another serious issue facing the global marketplace is the sale of counterfeit goods, services, and credentials. ANSI hosted a workshop in April on the need for greater cross-sector cooperation, so that the best practices and lessons learned by one industry can be shared with others, from consumer products and components to pharmaceuticals. During that workshop, one of our speakers shared a story of a raid on a store that was selling counterfeit chili pepper light strings. A woman rushing to finish preparations for her party was reluctant to leave the lights behind. When warned of the dangers, she replied, "They aren't going to burn down my house *tonight*, are they?" Clearly awareness and education on the dangers of counterfeit goods are needed, and ANSI is proud to play a key part in moving this initiative forward. A second full-day conference will be held during World Standards Week 2010 to develop an anti-counterfeiting action guide of concrete best practices that can cross industry sectors.

The diversity of the initiatives outlined in this annual report demonstrates ANSI's dedication to enabling solutions that meet our nation's most pressing challenges. But we could not have done any of this without the participation of our members. I thank you for your support and look forward to a continued partnership with each of you.

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solutions through collaboration

A brief summary of actions on top priorities during the past year

Proactively address national, regional, and global priorities and emerging technologies

From cybersecurity and workforce development to emerging technologies and energy efficiency, over the past year ANSI has built on its extensive record of facilitating collaborative standards and conformance-based solutions for vital national and global needs. ANSI and the Internet Security Alliance (ISA) teamed once more to issue *The Financial Management of Cyber Risk: An Implementation Framework for CFOs*, an action guide for business executives in mitigating the financial risk related to a cyber attack. Authored in direct response to President Obama's request for a pragmatic program to help assign monetary value to cyber risks and consequences, the ANSI-ISA document is now in the hands of thousands of corporate leaders around the country.

In an effort to promote private sector-led, consensus-based solutions to policy issues, ANSI and the National Association of Manufacturers co-hosted an event for Congressional staff on the latest innovations, standards, and conformance activities that support next generation batteries, a vital technology for U.S. competitiveness and economic growth in every industry.

In total, over 5.2 million professionals currently hold certifications from ANSI-accredited personnel credentialing bodies, directly addressing the President's stated goal of furthering the development of a well-educated and qualified workforce. Finally, as part of its growing Greenhouse Gas Accreditation Program for enhancing the credibility of certain environmental claims, ANSI has just accredited the first certification body under the Institute's pilot program for Superior Energy Performance, a voluntary certification program designed in partnership with the Department of Energy and industry that provides a transparent, globally accepted system for improving energy performance at industrial plants.

Support and promote the United States trade agenda

Through dedicated regional initiatives, ANSI has worked over the past year to facilitate commerce, increase transparency, and help U.S. industry maintain and increase marketplace acceptance for its products, services, and personnel. The U.S.-India Standards and Conformance Cooperation Program continues to boost cooperation through an ongoing series of sectorspecific workshops on fire safety in tall buildings, the safe storage of liquefied natural gas, aerospace, and biometrics. To further strengthen Indo-U.S. ties, ANSI signed a cooperation agreement with the National Accreditation Board for Education and Training to promote and facilitate the development of skill standards, personnel credentialing, and an accreditation system in India and provide opportunities for American certification bodies to offer their services to a new marketplace.

The China Conformity Assessment Project, an initiative of the U.S. Department of Commerce supported by ANSI and the U.S.-China Business Council, held its first roundtable with U.S. and Chinese industry, government, and conformity assessment practitioners. Coupled with the ANSI Manufacturer Member Roundtable in China, which has grown to twenty-two participating companies from a broad range of industry sectors, these activities are firmly establishing the Institute as the go-to solutions provider for organizations doing business in and with China.

Assert U.S. leadership role in international standardization community

As the U.S. member body to international and regional standardization organizations, ANSI enables the participation of American technical experts in standards-setting activities the world over. Recently, the U.S. has assumed leadership of a number of international technical activities that are of particular strategic importance in terms of our nation's priorities and goals. These include International Organization for Standardization (ISO)/ International Electrotechnical Commission (IEC) Joint Technical Committee 1, Subcommittee (SC) 38 on *Distributed application platforms and services*, more commonly referred to as cloud computing; ISO Technical Committee (TC) 247, *Fraud countermeasures and controls*; and ISO Project Committee 242, *Energy management*, which is working to develop a new energy management system standard for industrial plants, commercial facilities, and entire organizations.



In October 2010, the USNC will host the largest-ever IEC General Meeting in Seattle, Washington, with more than 90 invited technical committees and subcommittees and more than 2,000 delegates slated to attend. And earlier this year, ANSI announced that San Diego, California, will play host to the ISO 2012 General Assembly. Hosting these events reaffirms our nation's commitment to international standardization; raises awareness of ISO and IEC within U.S. government and industry; and contributes to the spirit of international cooperation that drives the standardization community.

Facilitate solutions through standards coordination activities

From transit security and explosives detection to preparedness for persons with disabilities, the ANSI Homeland Security Standards Panel has had an active year of workshops that are driving security standardization forward in these priority areas. Two new workshop reports from the Identity Theft Prevention and Identity Management Standards Panel offer best practices on the measurement of identity theft and call for the development of an American National Standard on identity verification as a tool to help combat terrorism and identity theft. The joint Nuclear Energy Standards Coordination Collaborative, launched in 2009 by ANSI and the National Institute for Standards and Technology, has begun work on a standards database for the nuclear industry, examined requirements for concrete in nuclear power plants, and offered a free industry webinar to introduce conformity assessment practices and principles. Finally, the ANSI-accredited U.S. Technical Advisory Group to ISO Technical Committee 229, *Nanotechnologies*, released a workshop report on standardized nanomedicine terminology and hosted a webinar on an ISO Technical Specification on nano-labeling that will have broad implications for a number of U.S. industry sectors, including food, cosmetics, and chemicals.

Build consumer trust and confidence

Strengthening Americans' confidence in the safety of global supply chains is vital to economic growth and marketplace expansion, but the growing problem of counterfeiting threatens nearly all industries. To help define and address the need for cross-sector anti-counterfeiting solutions, ANSI hosted the Workshop on Anti-Counterfeiting Standards and Conformance Measures: Developing a public-private partnership for addressing gaps in the global supply chain. More than 80 experts from government, industry, business, consumer groups, and academia shared their perspectives on the state of the problem and current strategies in use.

Enhance conformity assessment portfolio

ANSI's accreditation services offerings continued to grow in scope and recognition in 2010. In the latest examples of how governmental agencies rely upon ANSI accreditation, the Institute was named the approved accreditor of certification bodies by the Department of Defense for its Information Assurance Workforce Improvement Program, and the Occupational Safety and Health Administration named ANSI as a nationally recognized accreditor for crane operator certification bodies.

The Department of Homeland Security named the ANSI-ASQ National Accreditation Board (ANAB) as the accreditation body for the Voluntary Private Sector Preparedness Accreditation and Certification program. And the Federal Communications Commission approved ANAB/ACLASS to accredit laboratories that perform testing of telecommunication equipment subject to FCC rules, allowing ACLASS and ANSI to serve telecommunications customers as a one stop-shop and augmenting the confidence and credibility associated with ANSI accreditation. And when it comes to the cross-border trade of telecommunications products, ANSI expanded its accreditation program for Telecommunications Certification Bodies to include recognition of requirements issued by Japan's Ministry of Internal Affairs and Communications. Finally, ANSI and ANAB/ACLASS launched a pilot accreditation program based on the requirements of the ISASecure Embedded Device Security Assurance certification program, an effort that promotes cyber-secure products and practices for industrial automation suppliers and operational sites.

solutions through collaboration

continued

Strengthen impact in government

As the facilitator of the U.S. public-private partnership for standards and conformance, ANSI continues to meet with agency representatives and legislators to promote federal, state, and local government understanding of and reliance upon our nation's robust standardization system. ANSI hosted a meeting with federal agency standards executives to address topics of strategic importance including the government's involvement in the voluntary consensus standardization process, access to and availability of standards, and the impact of the economic downturn on effective U.S. participation and leadership in the activities of IEC and ISO. The Institute was invited to attend a number of White House fora on key national priorities, including Smart Grid, clean energy manufacturing, and cloud computing. And the newly formed National Science and Technology Council Subcommittee on Standards affirmed its continued support for the nation's current standardization system as a critical element to achieving the President's goal of growing U.S. leadership and innovation on the global stage.

Support and meet the needs of industry

ANSI members who are looking for an easier way to stay on top of strategic and emerging issues can turn to a new online resource, the Top Issues Tracking System. Divided into six main categories – energy, global supply chain, horizontal considerations, sustainability, technology, and workforce – the system provides a one-stop point of access for new and noteworthy activities, both domestic and international. Standards Boost Business, a new campaign administered by ANSI on behalf of the entire standardization community, aims to underscore the strategic value of standardization, showing corporate America just how important standards and conformance are through a series of industry-specific case studies ranging from medical devices to aerospace and defense.

Explore opportunities for growth and increased outreach

The Institute's focus for 2010 has been to maintain a balance between building revenue, managing expenses, and expanding activities and services, while serving the needs of our members and the broader community. Enormous progress has been made in ANSI's website redesign efforts, which will result in greater functionality, an improved end-user experience, and enhanced tools and capabilities for business growth. The standardization case studies series on www.StandardsLearn.org has been expanded, demonstrating the real-world implementation of several standards, ranging from fire safety to biodiesel fuel. Last year ANSI launched a special promotion offering Basic Members, Affiliates, and non-members a compelling value benefit for becoming Full ANSI Members. This program has resulted in more than 30 new Full memberships in 2010.

Membership (as of August 2010)

| Total Members | 823 |
|--------------------------|-----|
| Company Members | 450 |
| Organizational Members | 318 |
| Government Members | 26 |
| Educational Members | 12 |
| International Members | 17 |
| Affiliates (Individuals) | 750 |

ANSI-Accredited Standards Developers (SDOs) and American National Standards (ANS)

| Total Accredited SDOs | 224 |
|-----------------------|-------|
| Total Approved ANS | 9,627 |

ANSI/USNC Participation in the International Electrotechnical Commission (IEC)

| Participating "P" Memberships | 157 |
|---------------------------------|-----|
| Technical Advisory Groups | 157 |
| U.SAdministered TC Secretariats | 13 |
| U.SAdministered SC Secretariats | 11 |
| U.S. Held Chairmanships | 29 |

ANSI Participation in the International Organization for Standardization (ISO)

| Participating "P" Memberships | 562 |
|---------------------------------|-----|
| Technical Advisory Groups | 215 |
| U.SAdministered TC Secretariats | 32 |
| U.SAdministered SC Secretariats | 89 |
| U.S. Held Chairmanships | 118 |

ANSI Accreditations

| Product Certification Programs Personnel Certification Programs | 60 30 |
|--|----------|
| Greenhouse Gas Validation and Verification Programs | 17 |
| Certificate Programs | 7 |
| Cermicale rograms | |
| ANAB Accreditations | |
| Quality Management | 69 |
| Environmental Management | 48 |
| Other | 30 |
| ACLASS Accreditations | |
| Testing Labs | 190 |
| Calibration Labs | 230 |
| Reference Material Producers | 8 |
| Proficiency Testing Providers | 2 |
| Inspection Bodies | 3 |

financial overview





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description of organization

The American National Standards Institute (ANSI) is a 501(c)3, not-for-profit organization.

In fulfilling its mission, ANSI:

- Is recognized by both the public and private sectors as the policy and coordination forum for the U.S. standards and conformity assessment community.
- Approves standards as American National Standards (ANS) and safeguards the integrity and value of the ANS designation by requiring openness, balance, due process, consensus, and transparency to all directly and materially affected interests in the private and public sectors.
- Coordinates the efforts in the marketplace to make products and systems safe, efficient, and globally relevant.
- Provides a means for assessing the need for new standards and conformity assessment activities and promotes the resolution of identified needs.

- Is the U.S. national member body to ISO, IEC (via the U.S. National Committee), and other nontreaty, regional and international standards and conformity assessment organizations, facilitating access by U.S. parties and promoting U.S. interests.
- Interfaces with U.S. and other governments on standards and conformity assessment issues.
- Accredits standards developers, U.S. Technical Advisory Groups (TAGs) to ISO, and conformity assessment bodies.
- Provides a central resource, using the most modern means available, for timely, relevant, and easily accessible information and education on standards, conformity assessment programs, and related activities in the U.S. and abroad.



support and revenue \$31.1 M

expenses \$31.0 M

financial position

as of December 31, 2009 and 2008

| | 2009 | 2008 |
|---|---------------|---------------|
| Assets | | |
| Cash and cash equivalents | \$ 3,886,859 | \$ 4,633,618 |
| Investments | 6,220,558 | 4,778,186 |
| Net accounts receivable: | | |
| Publications and royalties | 2,610,471 | 2,269,242 |
| Program support, accreditation, dues, and other | 3,096,543 | 2,386,490 |
| Prepaid expenses and other assets | 657,429 | 649,501 |
| Prepaid pension costs | 686,902 | - |
| Investment in ANAB | 423,406 | 413,392 |
| Net property and equipment | 974,271 | 1,416,108 |
| Total assets | \$ 18,556,439 | \$ 16,546,537 |
| | | |
| Liabilities | | |
| Accounts payable and accrued expenses | \$ 5,426,674 | \$ 5,715,090 |
| Deferred dues and fee income | 4,656,073 | 4,140,963 |
| Deferred rent | 87,223 | 370,236 |
| Total liabilities | \$ 10,169,970 | \$ 10,226,289 |
| Net assets | | |
| Unrestricted: | | |
| Operating fund | \$ 1,359,679 | (691,214) |
| Board-designated permanent reserve | 5,600,832 | 5,600,832 |
| Specific-purpose funds | 1,218,725 | 1,152,500 |
| Total unrestricted | 8,179,236 | 6,062,118 |
| Temporarily restricted | 207,233 | 258,130 |
| Total net assets | \$ 8,386,469 | \$ 6,320,248 |
| Total liabilities and net assets | \$ 18,556,439 | \$ 16,546,537 |

statement of activities

as of December 31, 2009 and 2008

| Summarized Information 2009 | % | Summarized Information 2008 | % |
|-----------------------------------|---|---|---|
| | | | |
| \$ 4,850,063 | 1 6 % | \$ 4,951,177 | 16% |
| 16,992,114 | 55% | 16,764,766 | 55% |
| 5,032,328 | 16% | 4,388,710 | 14% |
| 1,089,266 | 3% | 952,570 | 3% |
| 3,111,959 | 10% | 3,492,255 | 12% |
| \$ 31,075,730 | 100% | \$ 30,549,478 | 100% |
| | | | |
| | | | |
| \$ 9,697,338 | 31% | \$ 9,528,343 | 31% |
| 4,671,597 | 15% | 4,108,732 | 14% |
| 3,826,996 | 1 2 % | 3,515,918 | 12% |
| 2,342,771 | 8 % | 2,177,103 | 7% |
| 1,235,088 | 4% | 1,400,103 | 5% |
| 2,857,694 | 9 % | 3,112,775 | 10% |
| 505,082 | 2 % | 589,289 | 2% |
| 465,846 | 2 % | 569,625 | 2% |
| \$ 25,602,412 | | \$ 25,001,888 | |
| | | | |
| 610,294 | 2 % | 679,580 | 2% |
| 4,767,744 | 15% | 4,664,712 | 15% |
| \$ 5,378,038 | | \$ 5,344,292 | |
| \$ 30,980,450 | 100% | \$ 30,346,180 | 100% |
| 95,280 | | 203,298 | |
| | | | |
| \$ 1,182,133 | | \$ (2,448,077) | |
| | | | |
| 788,808 | | (3,039,313) | |
| \$ 1,970,941 | | \$ (5,487,390) | |
| 2,066,221 | | (5,284,092) | |
| 6,320,248 | | 11,604,340 | |
| \$ 8,386,469 | | \$ 6,320,248 | |
| | Information 2009 \$ 4,850,063 16,992,114 5,032,328 1,089,266 3,111,959 \$ 31,075,730 \$ 9,697,338 4,671,597 3,826,996 2,342,771 1,235,088 2,857,694 505,082 465,846 \$ 25,602,412 610,294 4,767,744 \$ 5,378,038 \$ 30,980,450 \$ 30,980,450 \$ 5,378,038 \$ 1,182,133 788,808 \$ 1,970,941 2,066,221 6,320,248 | Information 2009 % \$ 4,850,063 16% 16,992,114 55% 5,032,328 16% 1,089,266 3% 3,111,959 10% \$ 31,075,730 100% \$ 9,697,338 31% 4,671,597 15% 3,826,996 12% 2,342,771 8% 1,235,088 4% 2,857,694 9% 505,082 2% 465,846 2% 465,846 2% 5< 5,378,038 | Information 2009 % Information 2008 \$ 4,850,063 16% \$ 4,951,177 16,992,114 55% 16,764,766 5,032,328 16% 4,388,710 1,089,266 3% 952,570 3,111,959 10% 3,0,549,478 \$ 9,697,338 31% \$ 9,528,343 4,671,597 15% 4,108,732 3,826,996 12% 3,515,918 2,342,771 8% 2,177,103 1,235,088 4% 1,400,103 2,857,694 9% 3,112,775 505,082 2% 589,289 465,846 2% 569,625 \$ 25,602,412 \$ 25,001,888 610,294 2% 679,580 4,767,744 15% 4,664,712 \$ 5,378,038 \$ 5,344,292 \$ 30,980,450 100% \$ 30,346,180 95,280 203,298 \$ 5,344,292 \$ 30,980,450 100% \$ 30,346,180 95,280 203,298 \$ 5,344,292< |

notes to financial statements



organization and nature of activities

Founded in 1918, the American National Standards Institute, Incorporated (the "Institute"), is a private, not-for-profit organization that administers and coordinates the U.S. voluntary standardization and conformity assessment system. The Institute is exempt from federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code, and from state and local taxes under comparable laws.

summary of significant accounting policies

The Institute's financial statements have been prepared on the accrual basis of accounting. The Institute adheres to accounting principles generally accepted in the United States. The Institute maintains its net assets under the following classes:

Unrestricted: represents those resources that have no donor restrictions as to their use. In 1969, the Institute's Board of Directors designated a permanent reserve fund for the establishment of new standards programs and to fund future operating deficits. The permanent reserve is funded by the operating fund and invested subject to approval by the Board's finance committee. In 1973, the Board of Directors established a specific-purpose, international fund to assist the Institute in its international standardization and related activities. Expenditures from the income of the fund must be authorized by the governing board of the international fund. In 2002, the Board established four additional specific-purposes funds to facilitate international-related meetings, consumer-interest participation in standards-related activities, and special research projects and/ or educational initiatives. Expenditures from each of these special-purpose funds must be authorized by the governing board of each respective fund.

Temporarily restricted: consists of resources, the use of which has been restricted by donors to specific purposes. Net assets released from restrictions represent the satisfaction of the restricted purposes specified by the donor, of which there were none during 2009 or 2008. The Peralta Charitable Remainder Unitrust was established in 1993. Upon the death of the Unitrust beneficiaries, the principal and income of the trust will be distributed to the Institute for educational purposes.

cash and cash equivalents

The Institute considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents, with the exception of certificates of deposit that are managed as part of the Institute's long-term investment strategy. The carrying amount approximates the fair value because of the short maturity of these instruments. Certain of these certificates of deposit are pledged as collateral for a letter of credit.

investments

Investments in equity securities with readily determinable fair values and all debt securities are reported at their fair values, with realized and unrealized gains and losses included in the statements of activities. Net investment income is recorded as either unrestricted or restricted, in accordance with donor intent.

property and equipment

Property and equipment are stated at their costs at the dates of acquisition. Leasehold improvements are also capitalized as assets, whereas the costs of repairs and maintenance are expensed as incurred. Depreciation of furniture and equipment is provided using the straight-line method, over the estimated useful lives of the respective assets, ranging from three to ten years. Depreciation of leased assets is computed using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the estimated useful life of the specific asset or the remaining term of the applicable lease.

revenue recognition

Revenue from publication sales is recognized when the customer purchases an electronic copy of the publication through the Institute's e-commerce website or when the order is fulfilled by third-party resellers. Membership dues, assessment fees, and fee-based programs are recognized over the period to which they apply. Recognition of revenue from membership dues, assessment fees, and fee-based programs relating to a future year is deferred until that year.

debt losses

As of December 31, 2009 and 2008, the Institute has determined that an allowance of \$575,000 and \$500,000, respectively, is necessary for accounts receivables. Such estimate is based on historical loss experience of the aging of receivables. Accounts receivables are written off when all reasonable collection efforts have been exhausted.

deferred rent liability

Rent expense is recognized using the straight-line method over the terms of the lease. The difference between rent expense incurred and the amount paid, which is attributable to scheduled rent increases, is reported as a deferred rent liability in the statement of financial position.

summarization of costs

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of activities. Certain costs have been allocated among the programs and supporting services in reasonable ratios determined by management. The Institute has not incurred any fund-raising costs.

use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual results could differ from those estimates.

FIN 48

Effective January 1, 2009, the Institute adopted the provisions of the Financial Accounting Standards Board (FASB) Interpretation No. 48 ("FIN 48"), Accounting for Uncertainties in Income Taxes – an interpretation of FASB Statement No. 109, now incorporated in FASB ASC 740, which provides standards for establishing and classifying any tax provisions for uncertain tax positions. The adoption of FIN 48 did not have an effect on the Institute's financial position as of January 1, 2009, or the Institute's results of operations and cash flows for the year ended December 31, 2009. The Institute is no longer subject to federal or state and local income tax examinations by tax authorities for years before 2006.

SFAS 158

In 2007, the Institute adopted the FASB Statement of Financial Accounting Standards (SFAS) No. 158, *Employers' Accounting for Defined Benefit Pension and Other Post-retirement Plans.* SFAS No. 158 requires an employer to: (a) recognize in its statement of financial position an asset for a plan's overfunded status or a liability for a plan's underfunded status; (b) measure a plan's assets and its obligations that determine its funded status at the end of the employer's fiscal year; and (c) recognize changes in the funded status of a defined benefit or post-retirement plan in the year in which the changes occur. The measurement date for the Institute's defined benefit and post-retirement plans corresponds to the calendar year end and therefore the Institute is in compliance with the measurement date provisions of SFAS No. 158.



board of directors

as of August 1, 2010



chairman

Mr. Arthur E. Cote, PE Executive Vice President and Chief Engineer, retired, National Fire

Protection Association



vice chair

Dr. Belinda L. Collins Director, Technology Services, National Institute of Standards and Technology



vice chair

Ms. Laura E. Hitchcock Corporate Project Manager, External Standards Management, The Boeing Company



vice chair

Mr. James T. Pauley Vice President, Industry and Government Relations, Square D Co./Schneider Electric, N. American Division



vice chair

Mr. James A. Thomas President, ASTM International



immediate past chairman

Mr. Robert W. Noth

Ms. Kathy Apple CEO, National Council of State Boards of Nursing

Mr. Dan Bart President and CEO, Valley View Corporation

Mr. GP Russ Chaney Executive Director, IAPMO

Mr. Colin B. Church Voluntary Standards and International Activities Coordinator, U.S. Consumer Product Safety Commission

Mr. Patrick B. Davis Twenty in Ten Coordinator, Energy Efficiency and Renewable Energy, U.S. Department of Energy

Dr. Donald R. Deutsch Vice President, Standards Strategy and Architecture, Oracle

Ms. Patricia A. Gleason President, Safety Equipment Institute Ms. Linda F. Golodner President Emeritus, National Consumers League

Ms. Judith Gorman Managing Director, **IEEE** Standards Association, IEEE

Mr. Bruce A. Harding Professor of Mechanical Engineering Technology, Purdue University

Mr. Fred Hayes Director, Technical Services, PMMI

Mr. Daryl R. Hunt Director, Standards Strategy, Eastman Kodak Company

Mr. Scott Klavon Director, Standards, Professional Development, and Aerospace Business, SAE International

Dr. William F. Koch Chief Standards Acquisition and Metrology Officer, U.S. Pharmacopeia

Mr. Kevan P. Lawlor President and CEO, NSF International

Ms. Amy A. Marasco General Manager, Standards Strategy, Microsoft Corporation

Mr. James E. Matthews, III Director, Technical Standards and Standards Policy, Corning Incorporated

Mr. Donald L. Mays Senior Director, Product Safety and Consumer Sciences, Consumers Union/ **Consumer Reports**

Mr. Joseph M. McGuire President, Association of Home Appliance Manufacturers

Dr. Mary C. McKiel EPA Standards Executive, U.S. Environmental Protection Agency

Mr. David L. Miller Director, Standards Program, American Petroleum Institute

Dr. Barbara L. Nichols Chief Executive Officer, CGFNS International

Mr. Stephen P. Oksala Vice President, Standards, Society of Cable **Telecommunications** Engineers

Dr. R. David Pittle Consumer Representative

Mr. William Raisch Director, International Center for Enterprise Preparedness, New York University

Ms. Claire Ramspeck Director of Technology, ASHRAE

Mr. Gregory E. Saunders Director, Defense Standardization Program Office, U.S. Department of Defense

Ms. Mary H. Saunders Deputy Assistant Secretary for Manufacturing and Services, U.S. Department of Commerce, International Trade Administration

Mr. August W. Schaefer Senior Vice President and Public Safety Officer, Underwriters Laboratories Inc.

Mr. Alvin Scolnik Vice President. Technical Services, National Electrical Manufacturers Association

Ms. Roberta **Nelson Shea** Consultant, Safety Compliance Services, LLC

Mr. Ronald F. Silletti Corporate Program Director of Standards, Intellectual Property and Licensing, retired, **IBM** Corporation

Ms. Sharon K. Stanford Director, Standards Administration. American Dental Association

Mr. Paris Stavrianidis General Manager, FM Approvals

Dr. W. Martin Strauss Vice President, Food Policy, retired, Monsanto Company

Ms. Kathleen A. Thuner National Association of Consumer Agency Administrators

Mr. James H. Turner, Jr. Senior Counsel and Director of Energy Programs, Association of Public and Land Grant Universities

Mr. Andrew Updegrove Partner, Gesmer Updegrove LLP

Mr. Jack Wells Vice President, Corporate Development, Pass & Seymour/Legrand

Dr. Cynthia D. Woodley Vice President and Lead Psychometrician, Professional Testing, Inc.

Mr. F. Donald Wright Director of Standards, Lexmark International, Inc.

Mr. Stephen R. Yurek President, Air-Conditioning, Heating and Refrigeration Institute

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Ms. Frances E. Schrotter Senior Vice President and Chief Operating Officer

Mr. Scott Cooper Vice President, Government Relations

headquarters

 1819 L Street, NW
 as of 11/15/2010:

 Washington, DC 20036
 1899 L Street, NW

 202.293.8020
 Washington, DC 20036

Primary functions in this office include:

- Office of the President and CEO
- Accreditation Services for Product and Personnel Certification Bodies, Greenhouse Gas Validation/Verification Bodies, and Certificate Issuers
- International and Regional Policy Programs
- Government Relations Program

Ms. Patricia A. Griffin Vice President and General Counsel

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Mr. Gary W. Kushnier Vice President, International Policy

Mr. Michael Petosa Vice President, Information Technology

operations

25 West 43rd Street, Fourth Floor New York, NY 10036 212.642.4900

Primary functions in this office include:

- Administrative Operations
- Domestic and International Standards Facilitation Programs
- Membership Services
- Publication Sales

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THE AMERICAN NATIONAL STANDARDS INSTITUTE

solutions through collaboration

ANSI

Most of the answers to the clues below can be found within the ANSI 2009-2010 Annual Report. The completed puzzle is posted at www.ansi.org/puzzle. Good luck!

ACROSS

- 1 ANSI coordinates _____-private partnerships
- 4 Free online presentation offered by NESCC
- **10** *The Financial Management* of ____ *Risk*
- 11 An FCC-approved testing-lab accreditor
- 12 Standards and conformance address _____ in the global supply chain
- 13 The U.S. leads Project Committee 242, *Energy management*

- **14** Originally AESC
- **18** StandardsLearn.org offers engaging _____ studies
- **19** Counterfeiting threatens a fair _____
- **20** Site of ANSI's monthly Manufacturer's Roundtable
- 21 224 are ANSI-accredited
 23 2012 ISO General _____ in San Diego
- **26** Accessibility for all is a _____ priority
- 27 Recognizer of ANSI accreditation for craneoperator certifiers

- 28 Unbiased, as ANSI
- **30** Partner with U.S. in Standards and Conformance Cooperation Program
- **32** One topic of the Top Issues Tracking System
- 34 Identity Theft Prevention and Identity Management Standards ____
- **35** ANSI's activities cross many of these

DOWN

2 U.S. member body to IEC3 ISO/ JTC 1

- 4 IDSP released two new _____ reports
- 5 "Standards _____ Business"
- 6 Gerald H. Ritterbusch Conformity Asessment ____
- 7 ISO TC 247, _____ countermeasures and controls
- 8 An energy initiative launched by ANSI and NIST
- ANSI-CAP strengthens the American _____
- 12 ANSI's international activities facilitate economic ____
- 14 An accreditor recognized by DHS
- 15 ANSI's partner in cyber risk publications
- 16 One high-flying industry
- 17 In 2011, ANSI will launch its new _____
- **20** Counterfeiting affects goods, services, and
- **21** $\overline{\text{USNC}}$ hosts IEC 2010 in
- **22** ANSI met with White House officials on computing
- 24 A webinar was presented on nano-____
- 25 ANSI Security Standards Panel
- **29** ANSI-____ accredits certificate issuers
- **31** Home agency of NIST
- **33** _____ Subcommittee on Standards



PUZZLE SOLUTION

THE AMERICAN NATIONAL STANDARDS INSTITUTE

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