



The American Association for Laboratory Accreditation

2006 ANNUAL REPORT

May 31, 2007

5301 Buckeystown Pike,
Suite 350
Frederick, Maryland 21704

Telephone.....301 644 3248
Fax301 662 2974
Email info@A2LA.org
Home Page<http://www.A2LA.org>

TABLE OF CONTENTS

Cover Page.....	1
Table of Contents.....	2
Message from the President	3
Message from the Chair	5
Introduction	6
Description of A2LA Accreditation Programs	6
Laboratory Accreditation	6
Laboratory Accreditation Fields and Special Programs	7
Inspection Body Accreditation	8
Proficiency Testing Provider Accreditation	8
Reference Material Producers Accreditation	9
Product Certification Body Accreditation.....	9
Laboratory Accreditation Activity	10
Assessors	11
Training and Seminars	12
International Activities.....	12
National Activities.....	13
Recognition of A2LA Programs	14
Board of Directors.....	18
Staff	19
Accreditation Council.....	20
Criteria Council	21
Membership in the Association	22
Financial Summary.....	23
Appendix A: Mutual Recognition.....	24
APLAC	24
EA.....	25
ILAC	26
IAAC.....	27
Appendix B: A2LA 2006 Financial Audit Report	28

MESSAGE FROM THE PRESIDENT

ONE ACCREDITATION – ACCEPTED EVERYWHERE AND BY ANYONE

The ideal of “one accreditation – accepted everywhere and by anyone” is a worthwhile and achievable aim. The A2LA Board of Directors has adopted it as the Association’s vision. While A2LA was established to provide a one-stop accreditation service, we recognize that there are others providing similar accreditations. The way to achieve this vision is through credible Mutual Recognition Arrangements (MRAs) among the accreditation bodies themselves.

Efforts to realize this ideal have a long history, both nationally and internationally. The International Laboratory Accreditation Cooperation (ILAC) was established 30 years ago to develop accreditation as a trade facilitation tool. If the global accreditation community were to accept the outcomes of each other’s accreditations, it would need to operate with equivalent criteria and processes. Internationally accepted standards of practice for laboratory accreditation were needed. As a result, we now have a set of nationally adopted international standards:

ISO/IEC 17025:2005, General requirements for the competence of testing and calibration laboratories; and

ISO/IEC 17011:2004, General requirements for accreditation bodies accrediting conformity assessment bodies.

NIST, ANSI and several federal agencies use these standards.

ILAC also agreed to the rules for peer evaluation of accreditation bodies for Mutual Recognition Arrangements (MRAs). The foundation for realizing “one test, one accreditation – accepted everywhere” was thereby laid. Acceptance would begin with the accreditation bodies themselves. The whole purpose of an MRA is to provide a mechanism where reports from accredited laboratories can be accepted everywhere. MRAs, as agreed internationally, oblige each signatory accreditation body to recognize and promote the equivalence of the accreditations of the other signatories.

The ILAC MRA was established in October 2000. ILAC works through recognized regions so that signatories to the MRAs of the European cooperation for Accreditation (EA), the Asia Pacific Laboratory Accreditation Cooperation (APLAC) and the Inter-American Accreditation Cooperation (IAAC) automatically become eligible for recognition under the ILAC MRA.

Laboratory accreditation has developed in many U.S. market sectors at different times and under different circumstances. As accreditations overlapped and became duplicative, ways for consolidating them have been explored. Laboratories are understandably frustrated by the need to obtain duplicate accreditations for similar types of tests, measurements and calibrations. The proliferation of accreditation bodies, each with users only accepting their preferred accreditation body tends to increase the duplication. There are numerous examples where this is the case.

After over ten years to solve the problem through the efforts of the National Cooperation for Laboratory Accreditation (NACLA), the problem has persisted, if not worsened. NACLA has abandoned its MRA which has negated any value it once had to reduce duplication of accreditation. Unfortunately, it has chosen a path that reinforces the need for duplication by abandoning the principles of the national and international standards of accreditation practice and choosing to support special regulatory/specifier needs, which in many cases depart from these national standards for laboratory accreditation practice.

Just as laboratories do not want duplicative assessments, accreditation bodies do not want duplicative evaluations. Separate evaluation schemes are costly and if they are based on different standards, they are even more costly. Such costs are inevitably passed through to the accredited laboratories. If an accreditation body can get an evaluation to serve both national and international recognition, costs would be reduced.

Notwithstanding growing discontent in some quarters, globalization is here to stay. This is even more valid for accreditation and mutual recognition processes and the standards by which they operate. The global MRA processes are growing in coverage, effectiveness and acceptability. Trade agreements are beginning to include references to the

ILAC MRA. Recognition and acceptance of the ILAC MRA will continue to grow in the marketplace and with federal agencies. NIST, the Navy and the Nuclear Regulatory Commission are users of the ILAC MRA. Regulators will follow, albeit more slowly.

The U.S. with its multiplicity of accreditation bodies does not make it unique in the world, which some suggest requires a separate national system. There are at least 10 other countries with more than one accreditation body, many of which are members of ILAC. It is in the self-interest of U.S. laboratory accreditation bodies and U.S. laboratories to follow the international (national) rules no differently than other countries. Doing our own thing would be duplicative, wasteful and ultimately counterproductive.

A handwritten signature in black ink, reading "Peter S. Unger", written over a horizontal line.

Peter S. Unger, President

MESSAGE FROM THE CHAIR

We are proud to provide you with the 2006 annual report.

A2LA significantly grew in 2006, a recognition of the premier status that we have in this country. A2LA has, by the end of 2006:

1877 accreditations, and
119 applicants in the process of achieving accreditation.

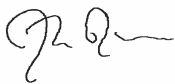
We take pride in providing value-adding services to our customers and continually improving our day-to-day activities. The governance strategy employed by our Board of Directors continues to undergo review and fine-tuning to ensure that the governance and management of A2LA continues to be a benchmark for efficient and effective compliance with international standards and MRA obligations .

Ends policies are also being fine-tuned to ensure they are an accurate reflection of our goals related to global acceptance, accreditation programs, business development, processes, customer relationships & satisfaction, human resources, and fiscal integrity – all of which lay the foundation for establishing measurable strategies and tactics for A2LA's continued growth and ability to provide value-added service to our customers and the world community well into the future. We continually strive to provide the best in customer service as we know and respect the fact that this is often what sets an organization apart, and rightfully so.

Although we remain the largest multi-discipline accreditation body in the United States, we continue our proactive marketing efforts to enhance the value of and acceptance of our programs and internationally recognized accreditations. These efforts ultimately benefit the organizations that choose to seek accreditation from A2LA.

We salute our Association members, accredited and applicant organizations, stakeholders, and assessors for the significant contributions made to our organization in 2006. As always, we count on your support and participation. Finally, we salute our many Association volunteers for their efforts and countless hours spent participating on our Accreditation Council, Criteria Council and technical advisory committees. Their work and devotion form the foundation for our many accreditation programs and are, in many respects, responsible for the premier status that A2LA enjoys.

For the A2LA Board of Directors,



Trevor Boyce, Chair

INTRODUCTION

The AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION (A2LA) is a nonprofit, nongovernmental, public service membership society dedicated to the formal recognition of competent laboratories and related activities.

During 2006, A2LA operated the following different types of voluntary accreditation programs to recognize competency in support of assuring the quality of data used in decision-making:

- Accreditation of testing and calibration laboratories (regardless of ownership); the essential requirements are technical competence and compliance with ISO/IEC 17025:2005;
- Accreditation of inspection bodies to ISO/IEC 17020:1998 and ILAC/IAF A4:2004;
- Accreditation of proficiency testing providers to ILAC G-13:2000;
- Accreditation of reference material producers to ISO Guide 34:2000 in combination with ISO/IEC 17025;
- Accreditation of product certification bodies to ISO/IEC Guide 65:1996.

During 2006, A2LA maintained a membership of 425 individuals and organizations. Membership in A2LA is separate and distinct from accreditation. Members elect the Board of Directors and receive discounts on training and accreditation fees.

Recognition of A2LA accreditation programs comes from organizations around the world with which A2LA has mutual recognition arrangements or other forms of recognition.

A2LA's accreditation programs are described in the paragraphs that follow.

DESCRIPTION OF A2LA ACCREDITATION PROGRAMS

LABORATORY ACCREDITATION

Laboratory accreditation is that part of the conformity assessment process that recognizes the technical competence of laboratories providing calibration or test data. A2LA accredits all types of laboratories and thus provides one place where a laboratory can achieve accreditation for all of its testing and calibration activities.

A2LA uses ISO/IEC 17025:2005 as the general requirements for accreditation of laboratories. The conditions for accreditation (the laboratory's commitment) and a description of the accreditation process are maintained in A2LA's document General Requirements for Accreditation of Laboratories.

Because of the needs of users (users of accredited laboratories) and specifiers (organizations that require accreditation, including government and private sector), specific technical criteria have been developed to amplify the requirements of the general criteria (ISO/IEC 17025) for several of the programs and fields of testing and calibration.

A separate Scope of Accreditation is given for each field. It lists specific tests, types of tests, or calibrations for which the laboratory has been found competent. For calibration laboratories, scopes of accreditation also include a description of the laboratory's capabilities in terms of measurement parameter, range, best measurement capability expressed as an uncertainty, and technique and/or equipment.

The application for accreditation describes the many technical fields and programs for which a laboratory may apply. These include the programs listed in Table 1.

Table 1. LABORATORY ACCREDITATION FIELDS AND SPECIAL PROGRAMS

* *Fields and special programs with additional requirements beyond ISO/IEC 17025*

Acoustics & Vibration Tests involving the measurement of noise emission, noise exposure, sound transmission, sound absorption, and vibration.

Biological Biological, microbiological and biochemical testing and measurement, including examination of foods and pharmaceuticals.

- Food Microbiology *
- Veterinary Diagnostics*

Calibration * Measurements typically conducted by standards and calibration laboratories for a variety of measurement quantities.

Chemical Chemical analyses and detection including instrumental and automated methods, and associated physical tests on materials and products.

- Animal Drug Testing *
- Coal
- Fertilizers
- Fasteners and Metals
- Paint
- Food Chemistry *
- Veterinary Diagnostics*
- Aerospace*

Construction Materials * Tests to determine the engineering properties of materials and products used in construction.

Electrical Tests of an electrical and electronic nature performed on instruments, equipment, appliances, components, and materials. Includes EMC, CTIA, Specific Absorption Rate (SAR) and Bluetooth testing.

- Automotive EMC *

Environmental. * Tests for constituents in various EPA environmental media.

- Air
- Water
- Radon
- Asbestos
- Bioassay
- Solid/Hazardous Wastes
- Environmental Lead (Pb) *
- Underground Storage Tanks (KY & WY) *
- TX Department of Health Indoor Air Quality*

Geotechnical * Tests of soil and rock to provide engineering data.

- Putting Green Materials *

Mechanical Tests, measurements, and evaluation of physical properties of materials, components, and assemblies.

- Fasteners and Metals
- Paint
- Paper
- Plastics
- Rubber
- Windows and Doors
- Aerospace*

Nondestructive* Examination of materials, components, and assemblies to detect discontinuities without damaging the material, component or assembly.

Thermal Tests involving the measurement of fire, heat, flow, temperature, and humidity.

- Fire Testing
- Insulation Performance

INSPECTION BODY ACCREDITATION

For the purpose of accreditation, inspection is defined as the examination of a product, design, service, process, plant, material, component, or assembly to determine conformity with specific requirements or, on the basis of professional judgment, general requirements. Inspection of processes includes personnel, facilities, technology and methodology that make up the process. The results of inspection may be used to support certification.

A2LA recognizes the close relationship between inspection, sampling, testing and measurement, yet understands that inspection includes a variety of activities not covered in testing laboratory accreditation. Different but related requirements are needed. A2LA is committed to using the latest international standards and so uses as the general requirements for this program ISO/IEC 17020: 1998, *General Criteria for the Operation of Various Types of Bodies Performing Inspection*. A2LA interpretations of this Standard are taken from the IAF/ILAC-A4: 2004 – *Guidance on the Application of ISO/IEC 17020*. Added requirements deemed necessary to clarify issues related to the use of the A2LA-Accredited symbol on inspection reports and the relationship of inspections versus tests and measurements that may be involved as part of the inspection process are also included.

Accreditation is based on the assessment of the performance of an inspection body including procedures, staff competence and reporting. It is available to all types of inspection bodies including in-house services. A2LA acknowledges that some user organizations may choose to accept only inspections conducted by third party (independent) bodies. It is up to such organizations to decide which accredited inspection bodies they will accept.

An inspection body can be an organization, or part of an organization, but must be discretely identifiable in order to be accredited. An inspection body engaged in testing, measurement or sampling work may apply for accreditation for its work as a laboratory concurrently with its application for accreditation for inspection or add some simple tests to its inspection scope.

A2LA welcomes applications for the accreditation of all types of inspection work. The following are examples of work for which accreditation may be sought:

Agricultural products	Bulk cargoes (e.g. coal, iron ore, petroleum)
Cargoes in containers and packages	Cast products
Cranes	Electrical equipment
Foods	Forged products
Mechanical equipment	Pipelines
Protective coatings	Rolled products
Structures (e.g., concrete, steel, timber)	Textiles
Welding	

The Asia-Pacific Laboratory Accreditation Cooperation (APLAC) approved A2LA to be a signatory to the APLAC Mutual Recognition Arrangement (MRA) for Inspection Body accreditation in September 2006.

PROFICIENCY TESTING PROVIDER ACCREDITATION

Proficiency testing (PT) programs are used by A2LA as part of the laboratory accreditation assessment process to determine the ability of laboratories to perform competently tests or calibrations for which accreditation is held. Proficiency testing programs are also used to monitor accredited laboratories' continuing performance.

The A2LA Accreditation Program for Providers of Proficiency Testing Programs is designed for proficiency testing providers who wish to demonstrate their competence by formal compliance with a set of internationally acceptable requirements for the planning and implementation of proficiency testing programs. The program also provides users of proficiency testing programs (laboratories, accreditation bodies such as A2LA, technical assessors, etc.) increased confidence that the PT programs being relied upon are being operated competently in accordance with specified technical and management system requirements.

The specific assessment requirements for this program are based on the requirements contained in ILAC G-13: 2000, *Requirements for the Competence of Providers of Proficiency Testing*. These requirements are based upon ISO Guide

43-1(1997) and on the relevant elements of ISO/IEC 17025:1999 applicable to characterization, homogeneity, and stability testing of proficiency testing materials.

A2LA has also been recognized by the National Environmental Laboratory Accreditation Program (NELAP) as a proficiency testing oversight body/proficiency testing provider accreditor (PTOB/PTPA). By virtue of this recognition, A2LA is able to conduct assessments to the stringent NELAC requirements and offer accreditation that covers all of the NELAC fields of proficiency testing. The A2LA NELAC PTOB/PTPA Program is based on the following requirements: ISO Guide 34:2000, ISO Guide 43:1997, ISO/IEC 17025:2005, NELAC Chapter 2: 2003, the relevant sections of NELAC Chapter 5: 2003, and the EPA National Standards for Water Proficiency Testing Studies, Criteria Document 1998.

A2LA recommends that wherever possible, A2LA-accredited testing and calibration laboratories use accredited proficiency testing (PT) providers to meet the accreditation requirements for participation in proficiency testing.

REFERENCE MATERIAL PRODUCER ACCREDITATION

The A2LA Accreditation Program for Reference Material Producers is designed for producers of reference materials who wish to demonstrate their competence by formal compliance with a set of internationally recognized criteria. The program will provide users of reference materials, such as testing and calibration laboratories, with increased confidence that the reference materials being relied upon are being produced in accordance with specified technical and management system requirements and are of appropriate quality.

The requirements for this program are based on those contained in ISO Guide 34, *General Requirements for the Competence of Reference Material Producers*, in combination with ISO/IEC 17025. ISO Guide 34 sets out the general requirements that a reference material producer has to demonstrate that it operates in compliance with, if it is to be recognized as competent to carry out the production of reference materials. It is recognized that each reference material needs to be characterized mainly to the level of accuracy required for its intended purpose (i.e. appropriate measurement uncertainty.)

In 2006, A2LA was evaluated by APLAC for recognition of our Reference Materials Producers accreditation program. Recognition is pending APLAC acceptance of three additional accreditation bodies before the MRA will be signed.

PRODUCT CERTIFICATION BODY ACCREDITATION

A2LA recognizes the very close relationship between certification and testing yet understands that certification includes a variety of activities not covered in testing laboratory accreditation. Certification includes the examination of test reports for compliance with specified criteria – both domestic and international. As such, A2LA introduced an accreditation program for product certification bodies in December 2005. A certification body may apply for accreditation separately or, if they are also engaged in testing, measurement or sampling work, they may apply for accreditation for this work concurrent with their application for accreditation of their certification activities.

The general criteria for A2LA accreditation of product certification bodies are contained in ISO/IEC Guide 65:1996, *General Requirements for Bodies Operating Product Certification Systems*. Additional criteria may be needed depending on particular user needs (e.g. FCC).

A2LA accreditation attests that a product certification body has demonstrated:

- that it is competent to perform specific product certifications or specific types of product certifications;
- that its quality system is documented, is fully operational, and addresses and conforms to all elements of ISO/IEC Guide 65:1996;
- that it is operating in accordance with the required quality system; and
- that it conforms to any additional requirements established by A2LA.

Accreditation is based on A2LA's assessment of a product certification body's performance including procedures, staff competence and reporting. It is available to all certification bodies including in-house services.

LABORATORY ACCREDITATION ACTIVITY

At the end of 2006, A2LA had 1,859 laboratories accredited in 48 states, Australia, Brazil, Canada, Cayman Islands, BWI, Ecuador, Egypt, France, Germany, Guatemala, Honduras, Hong Kong, Israel, Italy, Japan, Kazakhstan, Korea, Malaysia, Mexico, the Netherlands, Republic of China, Qatar, Singapore, Saudi Arabia, Taiwan, Thailand, Trinidad & Tobago and the United Kingdom, an increase of 4.7% over 2005. During this same period, 99 accreditations were withdrawn. A comparison of accredited laboratories in various fields of testing and calibration with previous years is shown in Table 2

The number of entities enrolled has shown a net increase of 69 (1927 at the end of 2005; 1996 at the end of 2006). For the year, a total of 163 new applications for accreditation were received and 119 entities were in the process of becoming accredited at year's end.

TABLE 2

Field of Testing	A&V	Bio	Cal	Chem	CMT	Ele	Env	Geo	Mech	NDT	Ther	Total
Dec 31, 2006	23	87	482	250	70	198	39	36	648	19	7	1859
Dec 31, 2005	21	70	453	235	70	189	40	36	652	19	8	1793
Dec 31, 2004	22	59	422	231	73	160	48	35	641	24	8	1723
Dec 31, 2003	22	44	379	216	74	157	50	34	646	23	6	1651
Dec 31, 2002	21	37	356	207	72	146	59	35	648	23	8	1612
Dec 31, 2001	23	35	292	211	83	124	72	34	669	19	11	1573
Dec 31, 2000	20	26	180	219	82	126	90	34	690	12	12	1491
Dec 31, 1999	17	23	91	212	80	102	93	35	667	16	12	1348
Dec 31, 1998	13	19	42	204	80	83	98	34	598	16	8	1195
Dec 31, 1997	11	7	12	185	75	63	122	32	457	15	8	987
Dec 31, 1996	7	5	9	184	74	25	120	32	407	15	4	882

Details about tests, types of tests, calibrations or specific activities included in an organization's accreditation are identified in a Scope of Accreditation and can be obtained by visiting our website or contacting A2LA.

An organization may be competent to perform activities other than those listed on its scope or may not perform them exactly as written for some customers. The laboratory and its customer must agree on the procedure to be used. If an organization presents data on a test report or calibration certificate carrying an A2LA Accredited symbol, however, that data must be as a result of using a method identified in the scope as stated. Data resulting from an unaccredited method and reported on an endorsed test report must be clearly identified as such.

ASSESSORS

Assessor selection is based on confirmation of the assessor's technical expertise, successful completion of the training process, and continued satisfactory performance of assessments. The key requirement is knowledge of the technology in the areas the assessors will be assessing. All assessors are required to pass the five-day A2LA assessor orientation course that includes instruction on ISO/IEC 17025 and on A2LA's policies and procedures for performing assessments.

A2LA lead assessors must be approved by the A2LA President on a yearly basis. The names of new lead assessors are submitted to the President once they have successfully passed the staff evaluation to conduct the technical and quality systems portions of the on-site assessment. Returning assessors must also be evaluated on a regular basis. There were more than 100 contracted assessors in 2006.

Thirteen additional new assessors were initiated into the assessor training program, ten of whom successfully completed the A2LA assessor evaluation process and were approved as lead assessors by the end of 2006. Over 100 names of additional testing and calibration experts are on file as potential assessors.

More than 100 assessors attended the annual Assessor Conclave in Columbia, Maryland to discuss issues affecting accreditation and to develop policies to further consistency and uniformity in assessments. Measurement uncertainty, traceability, and ISO/IEC 17025 interpretations were the main topics of discussion. Assessors also met with Accreditation Council members and participated in technical committee meetings. Training sessions to orient new assessors, to discuss updates to the automotive EMC program, and to provide routine training for Inspection Body assessors were held.

TRAINING AND SEMINARS

Training course enrollment was very strong in 2006. The following classes were offered publicly in 2006:

- ISO/IEC 17025 and Accreditation
- Introduction to Measurement Uncertainty
- Assessment of Laboratory Competence
- Quality Assurance Analysis Tools for Calibration and Testing Laboratories

In addition to the public offerings, A2LA sponsored many in-house courses to satisfy the needs of our larger laboratory clients.

INTERNATIONAL ACTIVITIES

Internationally, A2LA continues to participate in the activities of the International Laboratory Accreditation Cooperation (ILAC) and associated regional bodies.

In 2000, A2LA signed the International Laboratory Cooperation (ILAC) Mutual Recognition Arrangement (MRA) between 36 accreditation bodies from 28 economies worldwide. Since then, additional accreditation bodies from other economies joined the MRA. Established in 1977, ILAC is the premier international forum for the harmonization of laboratory accreditation procedures and policies as a means of reducing technical barriers to trade and the promotion of laboratory accreditation as a mechanism to enhance confidence in testing and calibration facilities, both domestically and internationally.

Other international cooperation arrangements in effect during 2006 included the MRA with the Asia Pacific Laboratory Accreditation Cooperation (APLAC), the bilateral agreement with the European Cooperation for Laboratory Accreditation (EA) MRA members and the multi-lateral agreement with the Inter-American Accreditation Cooperation (IAAC). Information about the international accreditation systems with whom A2LA has a valid agreement as of May 31, 2007 is presented in Appendix A of this Annual Report. Copies of the MRAs are available upon request. A2LA will testify to the competence of each accreditation system with whom it has an MRA and attest to the fact that they follow the recognized norm for operating such systems, ISO/IEC 17011, and use ISO/IEC 17025 as the basis for the accreditation of laboratories. Up-to-date information on cooperating laboratory accreditation systems can be obtained by visiting our website or contacting A2LA Headquarters.

Staff members from A2LA continue to hold key leadership positions in ILAC and APLAC. Peter Unger, A2LA President, was re-elected in October as ILAC Vice Chair for the 2007-2008 term. Mr. Unger continues to serve in a technical advisory role to the Executive Committee of the Inter-American Accreditation Cooperation (IAAC).

Roxanne Robinson, A2LA Vice President, has been appointed as one of the Evaluation managers for the ILAC arrangement and is recognized as a lead evaluator for ILAC, APLAC and IAAC. Ms. Robinson is co-chair of the ILAC/IAF joint working group on the A series documents and convenor of the ILAC working group on revision to the P series documents. She is also a member of the APLAC Board of Management.

NATIONAL ACTIVITIES

Standardization activities in accreditation and conformity assessment remain a high priority for the Association. In addition to its ISO standards activities, A2LA participates on ASTM Committee E36 on Conformity Assessment. The Committee is involved in accreditation and inspection standardization activities that A2LA considers important to support. Staff members are also involved in numerous ASTM, ANSI and NCSL International committees related to technical and accreditation issues.

A2LA staff's commitment to serving on these and numerous other committees enables the Association to provide insight on conformity assessment activities, as well as to garner knowledge from the given industry groups. This provides us with a better understanding of the needs of our stakeholders and accredited entities.

RECOGNITION OF A2LA PROGRAMS

Recognition of A2LA programs includes formal written agreements between A2LA and users of accredited laboratories, officially documented endorsements of A2LA programs, and informal acceptance between A2LA and various parties. Below are listed the Federal agencies, State agencies, and private sector parties with whom A2LA has some type of formal written agreement of recognition or documented endorsement in 2006.

- The Environmental Protection Agency's (EPA) Office of Pollution Prevention and Toxics (OPPT) formally recognizes A2LA as a laboratory accreditation body working in cooperation with the EPA National Lead (Pb) Laboratory Accreditation Program (NLLAP) to accredit lead (Pb) testing laboratories. Laboratories seeking to be listed on the NLLAP approved list must comply with the additional Environmental Lead (Pb) Program Requirements.

- The U.S Federal Aviation Administration recognizes A2LA as an "evaluation authority" as specified in ASTM C1077 "Standard Practice for Laboratories Testing Concrete and Concrete Aggregates for Use in Construction and Criteria for Laboratory Evaluation", Sections. 3.1.1.1 and 11, and as a "national authority" as specified in ASTM D3666, "Standard Specification for Minimum Requirements for Agencies Testing and Inspecting Road and Paving Materials", Section 8.1.5, Note 8.

- The U.S. Federal Communications Commission (FCC) requires that manufacturers and suppliers of personal computers and computer peripherals who intend to use a "Declaration of Conformity" on their products must have the products tested by an accredited Electromagnetic Compatibility (EMC) laboratory. A2LA is one of the approved accreditation bodies under this program. Laboratories seeking to be accepted by the FCC by virtue of their A2LA Electrical (EMC) accreditation must also meet the technical requirements contained in FCC Part 15 and 47 CFR parts 2 & 15.

- The Naval Sea Systems Command (NAVSEA) and A2LA have signed a formal Memorandum of Understanding (MOU) recognizing the equivalence of the A2LA and the Naval Shipyard Laboratory Accreditation Program (NSLAP) and agreeing to accept data from laboratories accredited in either system. This program is open only to government facilities accredited in the environmental field of testing.

- The National Institute of Standards and Technology (NIST) has formally recognized A2LA as competent to accredit testing laboratories to meet the technical requirements for acceptance by European Union Member State Governments under the EMC Annex of the U.S. - EU Mutual Recognition Agreement. NIST has also recognized A2LA as an authorized body under the provisions of Phase I of the Asia Pacific Economic Cooperation (APEC) MRA.

- The National Environmental Laboratory Accreditation Program (NELAP) has recognized A2LA as a proficiency testing oversight body/proficiency testing provider accreditor (PTOB/PTPA). By virtue of this recognition, A2LA is able to conduct assessments to the stringent NELAC requirements and offer accreditation that covers all of the NELAC fields of proficiency testing.

- The Office of Nuclear Reactor Regulation, in a letter and attached safety evaluation report (SER) issued to the Arizona Public Service Company, approved a requested change to the quality assurance (QA) program of the Palo Verde Nuclear Generating Station Units 1, 2 and 3. The change provides for acceptance of A2LA accreditation to ISO/IEC 17025 as a means of qualifying calibration laboratories to provide commercial-grade calibration services to the Palo Verde Nuclear Generating Station. The accreditation process is accepted in lieu of a supplier audit, commercial-grade survey, or in-process surveillance.

Florida

The State of Florida Building Commission has formally recognized A2LA accredited laboratories as meeting the requirements for testing laboratories that conduct tests on products related to its system for product approval under Florida building code. The system is meant to ensure that safe products and technologies are used in building construction and also to encourage new products and technologies that can increase safety or meet safety requirements

through less expensive means. Criteria has been established for approval of public and private entities that test, evaluate and certify panel walls, exterior doors, roofing products, skylights, windows, shutters and structural components as well as new and innovative building products. This approval may be obtained through either local jurisdictions for local approvals or the Florida Building Commission for statewide approval.

Georgia

A formal Memorandum of Understanding (MOU) establishes an agreement between the Georgia Environmental Protection Division (EPD) and A2LA. The purpose of this MOU is to formally recognize A2LA as a laboratory-accrediting agency for commercial laboratories, accredited by A2LA for environmental tests, to be recognized as approved under the EPD's Rules for Commercial Environmental Laboratories.

Kentucky

Under Kentucky statute KRS 224.60-130(2)(a), the Office of the Petroleum Storage Tank Environmental Assurance Fund has established criteria to accredit laboratories that contract with owners or operators of underground storage tanks (UST) to perform analytical testing related to Kentucky's underground storage tank program. All UST owners and operators are required to have certain types of analytical testing performed at an A2LA accredited laboratory to be eligible for Fund participation, pursuant to statute 415 KAR 1:140. This program covers certain parameters and methods as noted in the specific program requirements and falls under A2LA's Environmental program. This program was initiated in 1999.

New Mexico

A formal Memorandum of Understanding (MOU) establishes an agreement between the New Mexico Environment Department and A2LA whereby the State of New Mexico will certify laboratories to perform compliance testing for drinking water samples based on the laboratories' A2LA accreditation.

Texas

The Texas Department of Health now recognizes accreditations granted by A2LA to laboratories performing preparation and analysis of mold associated with mold-related activities that affect indoor air quality.

Washington

The State of Washington Department of Ecology references A2LA in its Procedural Manual as an acceptable third party accreditation program for non-potable water testing laboratories.

Wyoming

Wyoming Department of Environmental Quality, Water Quality Division (WDEQ/WQD) Leaking Aboveground and Underground Storage Tank (LAUST) Program Policy Number 35 requires that laboratories performing work for the program must be A2LA accredited under the "Wyoming LAUST Remediation Program". The scope of the program covers specific EPA methods for laboratories that are registered with the State of Wyoming and authorized to do business in Wyoming. To be certified by the LAUST Remediation Program to perform analytical testing related to the program, laboratories must provide evidence of their current accreditation from A2LA to the WDEQ/WQD.

Automotive Industry

- A2LA is formally recognized by GM as an approved third party laboratory accreditation body that suppliers to GM may use in order to meet the requirements of General Motor's GP-10 accreditation program.

- A2LA has signed an MRA with the "Big Three" for administration of an Automotive EMC laboratory accreditation program. Laboratories seeking to be recognized under this program in the Electrical field of testing must meet the additional program requirements of the Automotive EMC Program Requirements.

- A2LA's Calibration Accreditation Program has been recognized within QS-9000:1998 Third Edition as one option that commercial and independent calibration facilities serving the automotive industry can select in order to satisfy the portion of Clause 4.11.2.b.1 which requires accreditation of calibration facilities serving the automotive industry.

United States Golf Association

A2LA's Putting Green Materials Testing Program for soils and turf is formally recognized by the United States Golf Association (USGA)

Safety Equipment Institute (SEI)

SEI administers third-party certification programs to test and certify a broad range of safety and protective products. Safety and protective products certified by SEI must periodically undergo compliance testing to specified standards at independent testing laboratories that have been evaluated and awarded contracts by the SEI Board of Directors. In an effort to minimize redundant assessments, SEI has agreed to rely on the laboratories' A2LA assessments in place of SEI evaluations. The agreement between A2LA and SEI was signed on May 7, 2002. SEI is accredited to ISO/IEC Guide 65: 1996 by the American National Standards Institute (ANSI) and the Standards Council of Canada (SCC).

Bluetooth

A2LA has signed an MOU with the Bluetooth Special Interest Group (SIG). Bluetooth has established a Qualification Program to test and qualify products using Bluetooth wireless technology to be certified as Bluetooth compliant pursuant to the specifications for such Products as determined by Bluetooth. As part of the Qualification Program and according to the Bluetooth Qualification Program Reference Document, the Bluetooth Qualification Review Board (BQRB) administers the recognition of facilities as Bluetooth Qualification Test Facilities (BQTF's), based on accreditation by A2LA. Laboratories seeking to be recognized under this program in the Electrical field of testing must meet the additional program requirements of the Bluetooth SIG.

Cellular Telephone and Internet Association (CTIA)

A2LA is recognized by the Cellular Telephone and Internet Association (CTIA) to provide laboratory accreditation services in support of CTIA's certification program to verify conformance of wireless products to established industry standards.

SBC

SBC has issued SBC-TP-76200 *Network Equipment Power, Grounding, Environmental and Physical Design Requirements*, Issue 5, which formally recognizes A2LA for the ISO/IEC 17025 accreditation of Network Equipment Building Systems (NEBS) testing laboratories.

Aerospace Industry

- Boeing: Boeing's document, D1-4226 (NADCAP Information Revision EJ) under the heading "Exceptions When NADCAP Accreditation is Not Required" states: "NADCAP accreditation for MTL is not required for companies holding ILAC recognized accreditations for the applicable test methods."
- General Electric (GE): With the incorporation of ISO 17025 in S-400, GE allows more flexibility in the approval process. Subsequent to initial approval by GE, a laboratory can get recertified for GE work by (1) a GE on site audit, (2) a SNECMA or AIRBUS audit, (3) an ISO 17025 performed per GE additional requirements by NADCAP recognized accreditors, e.g., A2LA, etc., or (4) a PRI-NADCAP audit.
- Hamilton Sundstrand: Has made a formal announcement to waive their NADCAP mandate for material test labs accredited by A2LA.
- Pratt & Whitney: Has made a formal announcement to waive their NADCAP mandate for material test labs accredited by A2LA.

- Sikorsky: Sikorsky's Approved Source List (ASL) contains a statement recognizing A2LA as an alternative to NADCAP. The A2LA accreditation covers eleven specific testing disciplines along with the general requirements of ISO/IEC 17025 for testing and calibration laboratories. Special Process Laboratory Suppliers designated by Approved Source List Note 7, may now use the A2LA accreditation as a direct substitute to NADCAP certification.

BOARD OF DIRECTORS

The Association is managed by its Board of Directors (BOD). The 2006 Officers and BOD included:

Executive Committee:

CHAIRMAN: J. Trevor Boyce, Microbac Laboratories, Inc.
PAST CHAIRMAN: William G. Kavanagh, SAIC
FIRST VICE CHAIRMAN: James Galipeau, Plastics Technology Labs, Inc.
SECOND VICE CHAIRMAN: Alex Klein, Inland Steel
SECRETARY: Nancy Foncannon, Quality Systems Consulting, Inc.
TREASURER: Frank Banda, Reznick Group
CHAIRMAN, CRITERIA COUNCIL: Kenneth Stoub, Group Seven Environmental Services, Inc.
CHAIRMAN, ACCREDITATION COUNCIL: Alex Klein, Inland Steel

Members:

Francis Azzarto, General Electric Aircraft Engines
Keith Bennett, Transcat
G. Robert Brammer, Brammer Standard Company, Inc.
Edward Colbert, Bayer Material Science
Carroll Davis, Alcoa Technical Center
Arlene Fox, AOAC International
William Hanrahan, Consultant
Michael Kesselmayr, Professional Service Industries, Inc.
Dilip Shah, E=MC3 Solutions
Joan Sterling, ITS/Intertek Services
Woodward Vogt, Paradigm Consultants, Inc.
Robert Whitehead, ChemWare, Inc.
Chuck Wibby, Wibby Environmental
Herbert Wilgis, Consultant

Liaison Members of the Board:

Lara Autry, USEPA
Drew Azzara, ASTM
Daniel Becker, Sikorsky Aircraft
Charles Pixley, USDA FSIS LQAD
George Salem, FDA

Counsel:

James Hostetler, Kirkland & Ellis

STAFF

(as of December 31, 2006)

Peter Unger, President	(301 644 3248, punger@A2LA.org)
Roxanne Robinson, Vice President	(301 644 3208, rrobinson@A2LA.org)
Teresa Barnett, Quality Manager	(301 644 3202, tbarnett@A2LA.org)
Lisa Drake, Financial Services Manager	(301 644 3209, ldrake@A2LA.org)
Trace McInturff, Operations Manager	(301 644 3223, tmcinturff@A2LA.org)
Daren Valentine, Communications Manager	(301 644 3213, dvalentine@A2LA.org)
Phil Smith, Public Affairs Manager	(301 644 3204, psmith@A2LA.org)
Roger Brauning, Senior Laboratory Services Officer	(301 644 3233, rbrauning@A2LA.org)
Elizabeth Carbonella, Laboratory Services Officer	(301 644 3219, ecarbonella@A2LA.org)
Brian Conner, Laboratory Services Officer	(301 644 3216, bconner@A2LA.org)
Samantha Dizor, Laboratory Services Officer	(301 644 3205, sdizor@A2LA.org)
Atefeh Fathi, Laboratory Services Officer	(301 644 3210, afathi@A2LA.org)
Adam Gouker, Laboratory Services Officer	(301 644 3217, agouker@A2LA.org)
Beth Hackett, Senior Laboratory Services Officer	(301 644 3227, bhackett@A2LA.org)
Mike Hart, Laboratory Services Officer	(301 644 3237, mhart@A2LA.org)
Ada Hensley, Senior Laboratory Services Officer	(301 644 3234, ahensley@A2LA.org)
Dana Leaman, Program Manager	(301 644 3238, dleaman@A2LA.org)
Teresa McCarthy, Accounting Officer	(301 644 3229, tmccarthy@A2LA.org)
Gina McInturff, Public Affairs Officer	(301 644 3248, gmccinturff@A2LA.org)
Steve Medellin, Program Manager	(301 644 3228, smedellin@A2LA.org)
Robert Miller, Senior Laboratory Services Officer	(301 644 3239, rmiller@A2LA.org)
Ray Minnick, Laboratory Services Officer	(301 644 3215, rminnick@A2LA.org)
Bradley Moore, Senior Laboratory Services Officer	(no longer with A2LA as of publication)
Randy Querry, Program Manager	(301 644 3221, rquerry@A2LA.org)
Brandy Rowe, Financial Services Associate	(301 644 3203, browe@A2LA.org)
Karen Rudd, Office Coordinator	(301 644 3206, krudd@A2LA.org)
Robert Saylor, Accounting Manager	(no longer with A2LA as of publication)
Elizabeth Smith, Laboratory Services Officer	(301 644 3207, esmith@A2LA.org)
Julie Stevens, Training Coordinator	(301 644 3235, jstevens@A2LA.org)
Matthew Torres, Laboratory Services Officer	(301 644 3225, mtorres@A2LA.org)
Wendy Wagner, Administrative Associate	(301 644 3222, wwagner@A2LA.org)
Sara Weitzel, Laboratory Services Officer	(301 644 3224, sweitzel@A2LA.org)
Tiffany White, Laboratory Services Officer	(no longer with A2LA as of publication)
Marie Wright, Accounting Officer	(301 644 3211, mwright@A2LA.org)
Pamela Wright, Laboratory Services Officer	(301 644 3201, pwright@A2LA.org)

ACCREDITATION COUNCIL

The Accreditation Council is appointed by the Board of Directors and, at the end of the year, consisted of 60 people. This Council reviews and takes final action, subject to the rights to appeal otherwise provided for in the Bylaws, on accreditation applications to the Association or to revoke accreditation once granted. All decisions relating to accreditation or revoking accreditation must be approved by 2/3 of those voting on the Accreditation Council. At the end of 2006, the Accreditation Council members included:

Chairman: Alex Klein, Inland Steel

Vice Chairman: Stephen L. Kaiser, Pro Mix Technologies

Members:

Doug Berg, Consultant;
Andrew Blackwood, Ph.D., Structure Probe, Inc.;
Chuck Blank, Consultant;
Peter Boers, Consultant;
H. Bruce Brummel, P.E., Ph.D., Consultant;
Shuya Chang, Ph.D., Paxon Polymer;
Henry Chernow, Consultant;
Doug Cowles, Consultant;
Thomas Dickten, Consultant;
Michael Deen, Consultant;
William Dingeldein, Consultant;
Kingsley Drake, Consultant;
Karen Dunning, RD2 Systems;
Frank Durham, Consultant;
Howard Elbaum, Consultant;
David Evanson, Consultant;
Fred Fetterolf, FETTCO NDE Services;
Nancy Foncannon, Quality Systems Consulting, Inc.;
Jesus Garcia, Consultant;
Mark Gerfin, Sherwood;
Gregory Gogates, Fasor Technical Services, Inc.;
Larry Gradin, Integrity Solutions Group, Inc.;
Anne Gray, Inergy Automotive Systems;
Frank Hagan, Consultant;
Carl Hayden, Quality System Management, Inc.;
Robert Holcombe, Safety Components Fabric;
Jason Holliday, Ph.D., ATEC Environmental;
James Ingram, Consultant;
William Johnson, Consultant;
Ray Kletke, Consultant;
Doug Lentz, Consultant;
John Lynch, Consultant;
Dennis McCully, Consultant;
Michael Masciantonio, Bayer Material Science;
Sean Mason, Consultant;
Dawn Mettler, Rockbridge Laboratory Services;
David Miller, Consultant;
Harry Moody, Consultant;
Leslie Murphy, Brown & Williamson Tobacco Corp.;
Marcus Nachman, Nachman Precision Systems, Inc.;
Benoit Nadeau, Consultant;
William Peverill, Consultant;
John Pio, Pio Enterprise;
Larry Presley, National Medical Services;

George Purvis, Consultant;
Gary Scalise, Consultant;
Werner Schaefer, Schaefer Associates;
Raymond Schiltz, Jr., PhD., Engineering Matters, Inc.;
James Scott, Scott Consulting Services;
Dan Sigouin, Consultant;
Thomas Smith, Consultant;
William Sorrells, Consultant;
Bradley Stawick, Consultant;
Steven Steiro, Consultant;
Phillip Stoll, P.A. Stoll Consulting;
Mike Suraci, Consultant;
Samual Tyson, Consultant;
Derek Walton, Consultant;
Susanne Wood, Consultant;
Gene Zerlaut, SC-International Inc.;
Niel Zuern, Consultant.

CRITERIA COUNCIL

The Criteria Council is appointed by the Board of Directors and includes at least one person having particular expertise or qualifications for each field of testing/calibration in which the Association is offering accreditation. The Council shall act to define the fields of testing/calibration in which the Association shall grant accreditation and approve general and specific criteria for each of the fields of testing. The 2006 Criteria Council members included:

Chairman: Kenneth Stoub, Group Seven Environmental Services, Inc.
Vice Chairman: David MacLean, Ph.D., Consultant

Daniel Becker, Sikorsky Aircraft;
Cathy Burns, Food and Drug Administration;
Gary Cornell, Consultant;
Howard Elbaum, Consultant;
Fred Fetterolf, FETTICO NDE Services;
Dean Flinchbaugh, Flinchbaugh Consulting;
Arlene Fox, AOAC International;
Charles Gortakowski, Consultant;
Larry Gradin, Integrity Solutions Group, Inc.;
Klaus Jaeger, Jaeger Enterprises;
Alex Klein, Inland Steel;
Albert Liabastre, Consultant;
John Lynch, Consultant;
Dawn Mettler, Rockbridge Laboratory Services;
Deborah Miller, Consultant;
Mitzi Miller, Environmental Quality Management;
Tim Osborne, Dynamic Technology, Inc.;
Charles Pixley, USDA FSIS LQAD;
Werner Schaefer, Schaefer Associates;
Tom Smith, Consultant;
John Wehrmeyer, Consultant;
Neal Zuern, Consultant.

MEMBERSHIP IN THE ASSOCIATION

As of December 31, 2006, the membership in the Association was as follows:

Honorary Members.....	12
AC Honorary Members	62
Individual Members	217
Individual Members of Commercial Accredited Labs.....	66
Institutional Members	10
Organizational Members	124
Organizational Members of Commercial Accredited Labs	76
TOTAL MEMBERS:.....	425

FINANCIAL SUMMARY

A comparison of the financial status (in \$1000s) for the years since 1996 is shown below.

Year	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
Total Revenue & Support	\$8,780	\$7,939	\$7,795	\$7,056	\$6,980	\$6,542	\$6,685	\$5,349	\$4,340	\$3,854	\$2,745
Total Expense	\$8,486	\$7,678	\$7,218	\$6,713	\$6,814	\$6,370	\$6,232	\$5,109	\$4,431	\$3,568	\$2,656
Excess	\$294	\$261	\$577	\$343	\$166	\$172	\$453	\$240	\$(91)	\$286	\$89

APPENDIX A, A2LA 2006 ANNUAL REPORT

INTERNATIONAL MUTUAL RECOGNITION (APLAC)

The Asia Pacific Laboratory Accreditation Cooperation (APLAC) Mutual Recognition Arrangement (MRA)

On November 19, 1997, A2LA signed the Asia Pacific Laboratory Accreditation Cooperation (APLAC) mutual recognition arrangement.

The arrangement is intended to facilitate the acceptance of test and calibration data with a number of Asia-Pacific countries whose national accreditation bodies have signed the APLAC arrangement. APLAC promotes the recognition and acceptance in all the signatory countries of certificates and reports issued by organizations accredited by national accreditation bodies that have signed the arrangement.

By signing the arrangement, the signatory accreditation bodies commit to promoting acceptance of the test reports/calibration reports issued by the laboratories accredited by the signatory accreditation bodies. However, accreditation bodies cannot guarantee acceptance by their stakeholders. As such, one of A2LA's primary functions is to assist A2LA-accredited laboratories in gaining acceptance of their data in the countries of the APLAC arrangement signatories. Likewise, A2LA is committed to helping laboratories accredited by the APLAC arrangement signatories obtain acceptance in the United States.

Through the APLAC MRA evaluation process, a uniform level of competence of the accredited bodies is assured, and the need for multiple assessments is diminished or eliminated. Ideally, a supplier would only need one certificate or report to satisfy the entire Asia-Pacific market and all governments.

In addition to A2LA, signatories to the APLAC MRA as of May 31, 2007 include:

NATA (Australia)	SAC (Singapore)
SCC (Canada)	TAF (Taipei)
CAEAL (Canada)	TLAS (Thailand)
CNAS (PRC)	DMSc (Thailand)
HKAS (Hong Kong)	DSS (Thailand)
NABL (India)	ema (Mexico)
KAN (Indonesia)	IAS (USA)
JAB (Japan)	NVLAP (USA)
IAJapan (Japan)	BOA (Vietnam)
VLAC (Japan)	PAO (Philippines)
KOLAS (Korea)	JASANZ (Australasia)
Standards Malaysia (Malaysia)	ACCLASS (USA)
IANZ (New Zealand)	

A2LA staff is able to provide specific details regarding the names and contact information for the accreditation body in a specific country/economy listed above.

INTERNATIONAL MUTUAL RECOGNITION (EA)

The European cooperation for Accreditation (EA)
Mutual Recognition Agreement (MRA)

On September 21, 1999 A2LA signed a bilateral mutual recognition agreement with the European cooperation for Accreditation (EA).

The agreement is intended to facilitate the acceptance of test and calibration data with a number of European countries whose national accreditation bodies have signed the EA Agreement. EA promotes the recognition and acceptance in all the signatory countries of certificates and reports issued by organizations accredited by national accreditation bodies who have signed the agreement.

By signing the agreement, the signatory accreditation bodies commit to promoting acceptance of the test reports/calibration reports issued by the laboratories accredited by the signatory accreditation bodies. However, accreditation bodies cannot guarantee acceptance by their stakeholders. As such, one of A2LA's primary functions is to assist A2LA-accredited laboratories in gaining acceptance of their data in the countries of the EA agreement signatories. Likewise, A2LA is committed to helping laboratories accredited by the EA agreement signatories obtain acceptance in the United States.

Through the EA MRA evaluation process, a uniform level of competence of the accredited bodies is assured, and the need for multiple assessments is diminished or eliminated. Ideally, a supplier would only need one certificate or report to satisfy the entire European market and all governments.

There are a number of different areas within the EA agreement, including testing laboratories, calibration laboratories, certification bodies (products, quality systems, personnel, environmental management systems) and inspection bodies. The bilateral agreement signed between A2LA and EA Multi-Lateral Agreement (MLA) signatories is for testing and calibration laboratories as outlined below (as of May 31, 2007):

EA MLA SIGNATORIES (For Testing)

BMWA (Austria)	SINAL (Italy)
BELAC (Belgium)	LA (Lithuania)
CAI (Czech Republic)	RvA (Netherlands)
DANAK (Denmark)	NA (Norway)
FINAS (Finland)	PCA (Poland)
COFRAC (France)	SNAS (Slovakia)
DACH (Germany)	ENAC (Spain)
DAP (Germany)	SWEDAC (Sweden)
DATech (Germany)	SAS (Switzerland)
IPAC (Portugal)	UKAS (U.K)
INAB (Ireland)	LATAK (Latvia)
EAK (Estonia)	ESYD (Greece)
RENAR (Romania)	SA (Slovenia)
TURKAK (Turkey)	

EA MLA SIGNATORIES (For Calibration)

BMWA (Austria)	LA (Lithuania)
BELAC (Belgium)	RvA (Netherlands)
CAI (Czech Republic)	NA (Norway)
DANAK (Denmark)	PCA (Poland)
FINAS (Finland)	SNAS (Slovakia)
COFRAC (France)	ENAC (Spain)
DKD (Germany)	SWEDAC (Sweden)
SIT (Italy)	SAS (Switzerland)
INAB (Ireland)	UKAS (U.K)
LATAK (Latvia)	EAK (Estonia)
ESYD (Greece)	IPAC (Portugal)
SA (Slovenia)	TURKAK (Turkey)

EA has also established Bi-Lateral Agreements for testing and calibration with (in addition to A2LA):

NATA (Australia)	IANZ (New Zealand)
SANAS (South Africa)	SAC/SPRING (Singapore)
HKAS (China)	INMETRO (Brazil)
ISRAC (Israel)	

A2LA staff is able to provide specific details regarding the names and contact information for the accreditation body in a specific country/economy listed above.

INTERNATIONAL MUTUAL RECOGNITION (ILAC)

The International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Agreement (MRA)

On November 2, 2000, A2LA signed the mutual recognition arrangement with the International Laboratory Accreditation Cooperation (ILAC). The Arrangement was signed in Washington, D.C. at the General Assembly of the International Laboratory Accreditation Cooperation (ILAC) and entered into force on January 31, 2001. More than 30 accreditation bodies from 26 economies signed the arrangements. Since then, additional accreditation bodies have become signatories.

A cornerstone of the ILAC MRA is the utilization of existing or developing regional arrangements established in the Americas (IAAC), the Asia-Pacific region (APLAC), Europe (EA) and Southern Africa. The bodies participating in these regional arrangements are responsible for maintaining the necessary confidence in the competence of their member accreditation bodies that are signatories to the new ILAC Arrangement.

By signing the ILAC MRA, the signatory accreditation bodies commit to promoting acceptance of the test reports/calibration reports issued by the laboratories accredited by the signatory accreditation bodies.

As of May 31, 2007, the following accreditation bodies were signatories to the ILAC MRA:

OAA (Argentina)
NATA (Australia)
BMWA (Austria)
BELAC (Belgium)
CGCRE/INMETRO (Brazil)
SCC (Canada)
CAEAL (Canada) – testing only
CNAS (PRC)
ECA (Costa Rica) – testing only
ONARC (Cuba)
CAI (Czech. Rep.)
DANAK (Denmark)
NLAB (Egypt)
FINAS (Finland)
COFRAC (France)
DAP (Germany) – testing only
DACH (Germany) – testing only
DKD (Germany) – calibration only
DATech (Germany) – testing only
ESYD (Greece)
HKAS (Hong Kong)
NABL (India)
KAN (Indonesia)
INAB (Ireland)
SINAL (Italy) – testing only
SIT (Italy) – calibration only
ISRAC (Israel)
JAB (Japan)
IAJapan (Japan)
VLAC (Japan) – testing only
KOLAS (Rep. of Korea)
DSM (Malaysia)
EMA (Mexico)
RvA (The Netherlands)
IANZ (New Zealand)
NA (Norway)
PAO (Phillipines)
PCA (Poland)

IPAC (Portugal)
RENAR (Romania) – testing only
SAC (Singapore)
SNAS (Slovakia)
SA (Slovenia)
SANAS (South Africa)
ENAC (Spain)
SWEDAC (Sweden)
SAS (Switzerland)
TAF (Chinese Taipei)
TISI (Thailand)
BLQS-DMSc (Thailand) – testing only
BLA-DSS (Thailand) – testing only
TURKAK (Turkey)
UKAS (United Kingdom)
A2LA (USA)
IAS (USA)
NVLAP (USA)
ACCLASS (USA)
BoA (Vietnam)

A2LA staff is able to provide specific details regarding the names and contact information for the accreditation body in a specific country/economy listed above.

INTERNATIONAL MUTUAL RECOGNITION (IAAC)

The Inter-American Accreditation Cooperation (IAAC)
Multi-Lateral Arrangement (MLA)

On October 24, 2002, A2LA, INMETRO (Brazil) and SCC (Canada) signed the Inter-American Accreditation Cooperation (IAAC) multi-lateral arrangement.

The IAAC is an association of accreditation bodies and other organizations interested in conformity assessment in the Americas. As of May 31, 2007 signatories to the IAAC MLA are:

A2LA (United States)	OAA (Argentina)
INMETRO (Brazil)	ema (Mexico)
SCC (Canada)	ACCLASS (USA)
ECA (Costa Rica) – testing only	ONARC (Cuba)

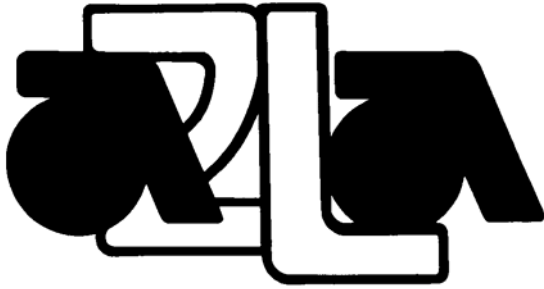
By signing the arrangement, all six organizations agree to formally recognize and promote the equivalency of each other's laboratory accreditations.

APPENDIX B, A2LA 2006 ANNUAL REPORT

A2LA 2006 FINANCIAL AUDIT REPORT

Financial Statements

For the Years Ended December 31, 2006 and 2005



**AMERICAN ASSOCIATION FOR
LABORATORY ACCREDITATION**

Financial Statements

For the Years Ended December 31, 2006 and 2005



**and
Report Thereon**





R A F F A

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
American Association for Laboratory Accreditation

CONSULTING

ACCOUNTING

TECHNOLOGY

*Certified Public
Accountants*

We have audited the accompanying statements of financial position of the American Association for Laboratory Accreditation (A2LA) as of December 31, 2006 and 2005 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of A2LA's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of A2LA as of December 31, 2006 and 2005, and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The schedules of functional expenses for the years ended December 31, 2006 and 2005 on pages 10 and 11 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



RAFFA, P.C.

Washington, DC
March 9, 2007

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

STATEMENTS OF FINANCIAL POSITION

December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
ASSETS		
Cash and cash equivalents	\$ 654,860	\$ 1,134,314
Accounts receivable, net	795,843	679,178
Prepaid expenses	120,972	66,994
Travel advances	4,870	-
Investments	2,731,467	2,261,417
Furniture and equipment, net	143,373	124,075
Cash surrender value of life insurance	47,282	36,554
Security deposits	12,123	12,123
Note receivable	816	8,544
	<u>816</u>	<u>8,544</u>
TOTAL ASSETS	<u>\$ 4,511,606</u>	<u>\$ 4,323,199</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 348,373	\$ 290,075
Accrued expenses	198,432	188,467
Deferred membership dues	26,790	25,820
Refundable advances	820,871	995,516
	<u>820,871</u>	<u>995,516</u>
TOTAL LIABILITIES	1,394,466	1,499,878
Net Assets		
Unrestricted	<u>3,117,140</u>	<u>2,823,321</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,511,606</u>	<u>\$ 4,323,199</u>

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

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
REVENUE AND SUPPORT		
Assessment income	\$ 5,804,902	\$ 4,946,817
Accreditation	2,332,352	2,219,100
A2LA public training	346,798	383,871
Membership	26,750	38,335
Agreements	18,152	152,483
Miscellaneous	<u>13,096</u>	<u>13,506</u>
 TOTAL REVENUE AND SUPPORT	 <u>8,542,050</u>	 <u>7,754,112</u>
 EXPENSES		
Program Services		
Accreditations and assessment costs	7,784,641	6,863,215
Training	273,057	285,296
Agreements	41,318	139,902
Membership	<u>30,433</u>	<u>47,245</u>
 Total Program Services	 8,129,449	 7,335,658
Support Services		
Management and general	<u>356,639</u>	<u>342,512</u>
 TOTAL EXPENSES	 <u>8,486,088</u>	 <u>7,678,170</u>
 Change in Unrestricted Net Assets from Operations	 55,962	 75,942
 Investment income, net of fees	 <u>237,857</u>	 <u>185,283</u>
 Change in Unrestricted Net Assets	 293,819	 261,225
 UNRESTRICTED NET ASSETS, BEGINNING OF YEAR	 <u>2,823,321</u>	 <u>2,562,096</u>
 UNRESTRICTED NET ASSETS, END OF YEAR	 <u><u>\$ 3,117,140</u></u>	 <u><u>\$ 2,823,321</u></u>

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

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2006 and 2005

Increase (Decrease) in Cash and Cash Equivalents

	<u>2006</u>	<u>2005</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 293,819	\$ 261,225
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	58,081	49,557
Allowance for doubtful accounts	(145)	1,759
Loss on disposal of furniture and equipment	(1,371)	2,911
Realized gains on investments	(40,490)	(46,171)
Unrealized gains on investments	(54,680)	(46,455)
Change in cash surrender value of life insurance	(10,728)	(4,860)
Changes in assets and liabilities		
Accounts receivable	(116,520)	(146,871)
Prepaid expenses	(53,978)	(18,796)
Travel advances	(4,870)	3,156
Accounts payable	58,298	99,249
Accrued expenses	9,965	28,183
Deferred membership dues	970	(2,790)
Refundable advances	(174,645)	330,265
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>(36,294)</u>	<u>510,362</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from note receivable	7,728	1,859
Proceeds from sales of investments	323,920	882,646
Purchase of investments	(698,800)	(910,720)
Acquisition of furniture and equipment	(77,508)	(68,714)
Proceeds from disposal of computer equipment	1,500	-
NET CASH USED IN INVESTING ACTIVITIES	<u>(443,160)</u>	<u>(94,929)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowings under line of credit agreement	-	20,000
Repayments on line of credit agreement	-	(20,000)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(479,454)	415,433
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,134,314</u>	<u>718,881</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 654,860</u>	<u>\$ 1,134,314</u>

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

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

NOTES TO FINANCIAL STATEMENTS **For the Years Ended December 31, 2006 and 2005**

1. Organization and Summary of Significant Accounting Policies

Organization

The American Association for Laboratory Accreditation (A2LA) is a nonprofit organization organized and operated under Section 501(c)(3) of the Internal Revenue Code. A2LA promotes scientific research and testing for public safety in all classes of technology by accrediting laboratories and otherwise furthering scientific research and testing for public interest and welfare. The activities of A2LA are funded primarily through program service revenue.

Cash and Cash Equivalents

For purposes of the statement of cash flows, A2LA considers all demand deposits and money market accounts to be cash equivalents.

Investments

Investments are comprised of equity and fixed income mutual funds and certificates of deposit and are carried at fair value based on quoted market prices.

Furniture, Equipment and Related Depreciation

Furniture and equipment are stated at cost. Depreciation is provided using the straight-line method over estimated useful lives of three to ten years, with no salvage value. Expenditures for major repairs and improvements are capitalized; expenditures for minor repairs and maintenance costs are expensed as incurred. Upon the retirement or disposal of assets, the resulting gain or loss is included in revenue or expense.

Classification of Net Assets

Unrestricted net assets represent the portion of expendable funds that are available for A2LA's operations.

Revenue Recognition

A2LA receives application fees to initiate the accreditation and reaccreditation process. It is A2LA's policy that in the event an applicant withdraws their application for accreditation or reaccreditation before the completion of the assessment process, they may apply for a refund of 50% of the annual fee, and all of the assessor deposits less all costs incurred to date in the assessment process. The application fee is nonrefundable. The annual fee and assessor deposits held are not to be used for any other purposes.

Continued

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

NOTES TO FINANCIAL STATEMENTS For the Years Ended December 31, 2006 and 2005

1. Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Therefore, half of the annual fee is recorded as revenue upon its receipt by A2LA while the remaining half is recorded as a refundable advance until the completion of the assessment process. Assessor deposits are deferred until the assessment is complete. At that time, the assessor deposit is recognized as revenue. When assessor expenses exceed the deposits received, the applicant is invoiced and this amount is included in accounts receivable in the accompanying statement of financial position. If the deposits received exceed assessor expenses, they are included in accounts payable in the accompanying statement of financial position until a refund is made to the applicant. Effective January 1, 2004, the application fee, first year annual fee and assessor deposits were reduced while the assessment daily rate was increased.

Membership dues are recorded as revenue on the day the membership period commences. Any membership dues received prior to the commencement are recorded as deferred membership dues.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

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. Accordingly, actual results could differ from those estimates.

2. Accounts Receivable

Accounts receivable as of December 31, 2006 and 2005, were comprised of the following:

	<u>2006</u>	<u>2005</u>
Accreditation	\$ 784,864	\$ 647,695
Agreements	823	35,881
Training	<u>18,183</u>	<u>3,774</u>
Total	803,870	687,350
Less: Allowance for doubtful accounts	<u>(8,027)</u>	<u>(8,172)</u>
Accounts receivable, net	<u>\$ 795,843</u>	<u>\$ 679,178</u>

Continued

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2006 and 2005

3. Investments

Investments as of December 31, 2006 and 2005 were comprised of the following:

	<u>2006</u>		<u>2005</u>	
	<u>Cost</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Fair Value</u>
Mutual funds	\$ 1,338,219	\$ 1,711,694	\$ 1,502,456	\$ 1,680,059
Certificates of deposit	542,000	528,311	597,000	581,358
Certificates of deposit	<u>598,203</u>	<u>491,462</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,478,422</u>	<u>\$ 2,731,467</u>	<u>\$ 2,099,456</u>	<u>\$ 2,261,417</u>

Investment income for the years ended December 31, 2006 and 2005 is summarized as follows:

	<u>2006</u>	<u>2005</u>
Unrealized gains	\$ 54,680	\$ 46,455
Interest and dividend income	156,607	101,536
Realized gains	<u>40,490</u>	<u>46,171</u>
Total	251,777	194,162
Investment management fees	<u>(13,920)</u>	<u>(8,879)</u>
Investment income, net of fees	<u>\$ 237,857</u>	<u>\$ 185,283</u>

Included in investment income is interest earned on cash equivalents for the years ended December 31, 2006 and 2005 of \$20,442 and \$17,862, respectively.

4. Furniture, Equipment and Accumulated Depreciation

A2LA held the following furniture and equipment as of December 31, 2006 and 2005:

	<u>2006</u>	<u>2005</u>
Furniture and fixtures	\$ 198,933	\$ 192,203
Computer equipment	<u>221,273</u>	<u>178,749</u>
Total furniture and equipment	420,206	370,952
Less: accumulated depreciation	<u>(276,833)</u>	<u>(246,877)</u>
Net furniture and equipment	<u>\$ 143,373</u>	<u>\$ 124,075</u>

Continued

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

NOTES TO FINANCIAL STATEMENTS For the Years Ended December 31, 2006 and 2005

5. Risks and Commitments

Operating Leases

A2LA leases its current office space under a ten year, non-cancelable operating lease that expires September 30, 2008. The lease provides for fixed annual increases of 3% and pass through of certain operating costs and taxes. Management of A2LA does not consider the fixed increases significant and records rent expense based on actual payments made each year, rather than on a straight-line basis as required by accounting principles generally accepted in the United States of America.

A2LA also leases office equipment under non-cancelable operating lease agreements expiring from September 2005 to November 2008.

Total expense under all operating leases for the years ended December 31, 2006 and 2005 was \$179,223 and \$192,256 respectively.

As of December 31, 2006, future minimum lease payments required under these operating leases are as follows:

For the Year Ending <u>December 31,</u>	
2007	\$ 186,122
2008	<u>126,539</u>
Total	<u>\$ 312,661</u>

Concentration of Risk

A2LA's cash is comprised of an amount held in one financial institution. While the amount at times exceeds the amount guaranteed by Federal agencies and therefore bears some risk, A2LA has not experienced nor does it anticipate any loss of funds. As of December 31, 2006 and 2005, the amount in excess of the Federal Deposit Insurance Corporation (FDIC) limit of \$100,000 was \$134,827 and \$113,645, respectively.

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION

NOTES TO FINANCIAL STATEMENTS For the Years Ended December 31, 2006 and 2005

5. Risks and Commitments (continued)

Line of Credit

A2LA has entered into an unsecured line of credit agreement with a bank for \$250,000 which expires May 30, 2008. Amounts drawn on this line accrue interest at the prime rate, which at December 31, 2006 and 2005 was 7.33% and 5.35%, respectively. There are no amounts outstanding under the line of credit as of December 31, 2006 and 2005.

6. Cash Surrender Value of Life Insurance

A2LA maintains a supplemental retirement program for a key executive, which is funded through a split-dollar life insurance policy that is owned by the executive and paid for by A2LA. Currently the cumulative premiums payments approximate the cash surrender value of the policy and will remain an asset of A2LA until the executive reaches the age of 65.

7. Pension Plan

A2LA has a defined contribution pension plan under Internal Revenue Code Section 403(b) covering substantially all of its employees. The plan is currently funded by both employer and employee contributions. All contributions are used to purchase tax-deferred annuities and are fully vested in the event of withdrawal from the plan. The employer contributes 10% of eligible employees' base salary to the plan annually. Total contributions made to the plan during the years ended December 31, 2006 and 2005 were \$186,072 and \$175,484, respectively.

8. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code, A2LA is a nonprofit scientific organization and is exempt from federal taxes on income other than net unrelated business income. No provision for federal or state income taxes is required as of December 31, 2006 and 2005 as A2LA had no taxable net unrelated business income.

SUPPLEMENTAL INFORMATION

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2006

	Program Services				Total Program Services	Management and General	2006 Total
	Accreditations and Assessment Costs	Training	Agreements	Membership			
Assessor and auditor expenses	\$ 4,210,487	\$ -	\$ 17,039	\$ -	\$ 4,227,526	\$ -	\$ 4,227,526
Salaries and benefits	1,308,793	29,961	160	13,250	1,352,164	1,364,195	2,716,359
A2LA public training expense	-	195,191	-	-	195,191	-	195,191
Rent	-	-	-	-	-	179,223	179,223
Marketing	206,938	-	-	-	206,938	-	206,938
Conclave expense	141,226	-	-	-	141,226	-	141,226
Travel	-	-	-	-	-	99,266	99,266
Technical support	91,888	-	6,252	-	98,140	-	98,140
Office expense	-	-	-	-	-	87,678	87,678
Legal	-	-	-	-	-	36,701	36,701
Depreciation	-	-	-	-	-	58,081	58,081
Postage	-	-	-	-	-	46,012	46,012
Printing and duplication	-	-	-	-	-	48,320	48,320
Recognition expense	70,270	-	3,894	-	74,164	-	74,164
Accounting	-	-	-	-	-	45,505	45,505
Credit card fees	37,815	5,189	-	276	43,280	-	43,280
Telecommunications	-	-	-	-	-	46,953	46,953
A2LA staff billable	7,878	4,656	13,764	-	26,298	-	26,298
Insurance	-	-	-	-	-	28,619	28,619
A2LA staff training expense	-	-	-	-	-	14,905	14,905
Board activities	-	-	-	-	-	25,654	25,654
Miscellaneous	-	-	-	-	-	11,970	11,970
Freight and delivery	-	-	-	-	-	13,670	13,670
Bad debt expense	-	-	-	-	-	9,838	9,838
Temporary help	-	-	-	-	-	3,254	3,254
Foreign Income Tax Withheld	1,317	-	-	-	1,317	-	1,317
Management and general allocation	1,708,029	38,060	209	16,907	1,763,205	(1,763,205)	-
TOTAL EXPENSES	\$ 7,784,641	\$ 273,057	\$ 41,318	\$ 30,433	\$ 8,129,449	\$ 356,639	\$ 8,486,088

AMERICAN ASSOCIATION FOR LABORATORY ACCREDITATION
SCHEDULE OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2005

	Program Services				Total Program Services	Management and General	Total
	Accreditations and Assessment Costs	Training	Agreements	Membership			
Assessor and auditor expenses	\$ 3,519,751	\$ -	\$ 98,639	\$ -	\$ 3,618,390	\$ -	\$ 3,618,390
Salaries and benefits	1,262,450	26,363	7,555	10,560	1,306,928	1,298,428	2,605,356
A2LA public training expense	-	215,302	-	-	215,302	-	215,302
Rent	-	-	-	-	-	192,256	192,256
Marketing	140,780	5,978	-	-	146,758	-	146,758
Conclave expense	106,574	-	-	3,036	109,610	-	109,610
Travel	-	-	-	-	-	93,184	93,184
Technical support	71,150	-	10,443	-	81,593	-	81,593
Office expense	-	-	-	-	-	81,142	81,142
Legal	-	-	-	-	-	58,407	58,407
Depreciation	-	-	-	-	-	49,557	49,557
Postage	-	-	-	-	-	48,793	48,793
Printing and duplication	-	-	-	-	-	46,129	46,129
Recognition expense	40,876	-	-	-	40,876	-	40,876
Accounting	-	-	-	-	-	40,255	40,255
Credit card fees	30,272	6,412	-	344	37,028	-	37,028
Telecommunications	-	-	-	-	-	34,620	34,620
A2LA staff billable	15,868	499	14,617	-	30,984	-	30,984
Insurance	-	-	-	-	-	22,122	22,122
NVCASE Evaluation Expense	22,000	-	-	-	22,000	-	22,000
A2LA staff training expense	-	-	-	-	-	21,974	21,974
Board activities	-	-	-	-	-	21,403	21,403
Miscellaneous	-	-	-	-	-	17,912	17,912
Membership Program Expense	-	-	-	17,121	17,121	-	17,121
Freight and delivery	-	-	-	-	-	11,841	11,841
Bad debt expense	-	-	-	-	-	7,307	7,307
Temporary help	-	-	-	-	-	5,386	5,386
Foreign Income Tax Withheld	864	-	-	-	864	-	864
Management and general allocation	1,652,630	30,742	8,648	16,184	1,708,204	(1,708,204)	-
TOTAL EXPENSES	\$ 6,863,215	\$ 285,296	\$ 139,902	\$ 47,245	\$ 7,335,658	\$ 342,512	\$ 7,678,170