



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



2015

Open to Public Inspection

Form 990

Department of the Treasury  
Internal Revenue Service

## Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- Do not enter social security numbers on this form as it may be made public
- Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990)

A For the 2015 calendar year, or tax year beginning 01-01-2015, and ending 12-31-2015

B Check if applicable

- Address change
- Name change
- Initial return
- Final return/terminated
- Amended return
- Application pending

C Name of organization

SCRUM ALLIANCE INC

Doing business as

Number and street (or P O box if mail is not delivered to street address) Room/suite  
7401 CHURCH RANCH BLVD NO 210City or town, state or province, country, and ZIP or foreign postal code  
WESTMINSTER, CO 80021

D Employer identification number

20-5825034

E Telephone number

(305) 431-8784

G Gross receipts \$ 11,499,617

F Name and address of principal officer

MANUEL GONZALEZ  
7401 CHURCH RANCH BLVD NO 210  
WESTMINSTER, CO 80021H(a) Is this a group return for  
subordinates?  Yes  NoH(b) Are all subordinates  
Included?  Yes  No

If "No," attach a list (see instructions)

H(c) Group exemption number ►

I Tax-exempt status

 501(c)(3)  501(c) ( 6 )  (insert no)  4947(a)(1) or  527J Website: ► [WWW SCRUMALLIANCE.ORG](http://WWW SCRUMALLIANCE.ORG)K Form of organization  Corporation  Trust  Association  Other ►

L Year of formation 2006

M State of legal domicile CO

## Part I Summary

1 Briefly describe the organization's mission or most significant activities

SCRUM ALLIANCE'S MISSION IS TO GUIDE AND INSPIRE INDIVIDUALS, LEADERS, AND ORGANIZATIONS WITH PRACTICES, PRINCIPLES, AND VALUES THAT CREATE WORKPLACES THAT ARE JOYFUL, PROSPEROUS, AND SUSTAINABLE

2 Check this box ► <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets	
3 Number of voting members of the governing body (Part VI, line 1a) . . . . .	<b>3</b> 10
4 Number of independent voting members of the governing body (Part VI, line 1b) . . . . .	<b>4</b> 5
5 Total number of individuals employed in calendar year 2015 (Part V, line 2a) . . . . .	<b>5</b> 29
6 Total number of volunteers (estimate if necessary) . . . . .	<b>6</b> 0
7a Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .	<b>7a</b> 0
b Net unrelated business taxable income from Form 990-T, line 34 . . . . .	<b>7b</b> 0

		Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h) . . . . .	129,659	157,163	
9 Program service revenue (Part VIII, line 2g) . . . . .	8,273,388	9,516,008	
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	57,249	58,293	
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	3,750	3,773	
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	8,464,046	9,735,237	

		Prior Year	Current Year
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) . . . . .	323,087	328,305	
14 Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	0	0	
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	1,979,364	2,458,109	
16a Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	0	0	
b Total fundraising expenses (Part IX, column (D), line 25) ► 0			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) . . . . .	4,339,105	5,416,708	
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	6,641,556	8,203,122	
19 Revenue less expenses Subtract line 18 from line 12 . . . . .	1,822,490	1,532,115	

		Beginning of Current Year	End of Year
20 Total assets (Part X, line 16) . . . . .	11,886,778	14,896,969	
21 Total liabilities (Part X, line 26) . . . . .	3,502,046	9,161,399	
22 Net assets or fund balances Subtract line 21 from line 20 . . . . .	8,384,732	5,735,570	

## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here	*****	2016-11-10
	Signature of officer	Date
	MANUEL GONZALEZ CHIEF EXECUTIVE OFFICER	

Paid Preparer Use Only	Print/Type preparer's name SHAWN ANTELL CPA	Preparer's signature SHAWN ANTELL CPA	Date 2016-11-09	Check <input type="checkbox"/> if self-employed	PTIN P00365876
	Firm's name ► SHERCK HUSSEY JOHNSON & MCNAUGHTON LLC			Firm's EIN ► 35-1140303	
	Firm's address ► 1402 N CAPITOL AVE SUITE 150 INDIANAPOLIS, IN 462022316			Phone no (317) 236-0888	

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2015)

### **Part III Statement of Program Service Accomplishments**

**1** Briefly describe the organization's mission

SCRUM ALLIANCE'S MISSION IS TO GUIDE AND INSPIRE INDIVIDUALS, LEADERS, AND ORGANIZATIONS WITH PRACTICES, PRINCIPLES, AND VALUES THAT CREATE WORKPLACES THAT ARE JOYFUL, PROSPEROUS, AND SUSTAINABLE

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . .

Yes  No

If "Yes," describe these new services on Schedule O

**3** Did the organization cease conducting, or make significant changes in how it conducts, any programs or services? . . . . .

Yes  No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

**4a** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

SCRUM ALLIANCE IS ORGANIZED AND OPERATED EXCLUSIVELY FOR PURPOSES OF FURTHERING THE ADVANCEMENT OF THE "SCRUM" FRAMEWORK. ACTIVITIES OF THE ORGANIZATION INCLUDE CLASSES, A CERTIFICATION PROGRAM AND GATHERINGS.

**4b** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4c** (Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4d** Other program services (Describe in Schedule O )  
(Expenses \$ including grants of \$

) (Revenue \$ )

---

#### 4e Total program service expenses ►

**Part IV Checklist of Required Schedules**

**1** Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A . . . . .

**2** Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)? . . . . .

**3** Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .

**4 Section 501(c)(3) organizations.**  
Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .

**5** Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III . . . . .

**6** Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I . . . . .

**7** Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II . . . . .

**8** Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III . . . . .

**9** Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV . . . . .

**10** Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V . . . . .

**11** If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable

**a** Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI . . . . .

**b** Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII . . . . .

**c** Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII . . . . .

**d** Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX . . . . .

**e** Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X . . . . .

**f** Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X . . . . .

**12a** Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII . . . . .

**b** Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional . . . . .

**13** Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E . . . . .

**14a** Did the organization maintain an office, employees, or agents outside of the United States? . . . . .

**b** Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV . . . . .

**15** Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV . . . . .

**16** Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV . . . . .

**17** Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .

**18** Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .

**19** Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .

**20a** Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .

**b** If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .

	<b>Yes</b>	<b>No</b>
<b>1</b>		No
<b>2</b>	Yes	
<b>3</b>		No
<b>4</b>		
<b>5</b>		No
<b>6</b>		No
<b>7</b>		No
<b>8</b>		No
<b>9</b>		No
<b>10</b>		No
<b>11a</b>	Yes	
<b>11b</b>		No
<b>11c</b>		No
<b>11d</b>		No
<b>11e</b>		No
<b>11f</b>	Yes	
<b>12a</b>		No
<b>12b</b>		No
<b>13</b>		No
<b>14a</b>		No
<b>14b</b>	Yes	
<b>15</b>	Yes	
<b>16</b>		No
<b>17</b>		No
<b>18</b>		No
<b>19</b>		No
<b>20a</b>		No
<b>20b</b>		

**Part IV Checklist of Required Schedules (continued)**

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .	22	No	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K If "No," go to line 25a . . . . .	24a	No	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	24d		
25a	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .	25b		
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II . . . . .	26	No	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III . . . . .	27	No	
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)	28a	Yes	
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .	28b	No	
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .	28c	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV . . . . .	29	No	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .	30	No	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .	31	No	
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .	32	No	
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .	33	No	
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .	34	No	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .	35a	No	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35b		
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 . . . . .	36		
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .	37	No	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI . . . . .	38	Yes	
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .			

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response or note to any line in this Part V . . . . .

		Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . . . . .	<b>1a</b>	45	
<b>b</b> Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	<b>1b</b>	0	
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	<b>1c</b>		
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return . . . . .	<b>2a</b>	29	
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<b>2b</b>	Yes	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .	<b>3a</b>	No	
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O . . . . .	<b>3b</b>		
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .	<b>4a</b>	No	
<b>b</b> If "Yes," enter the name of the foreign country ► See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)			
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>	No	
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>	No	
<b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T? . . . . .	<b>5c</b>		
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . . . .	<b>6a</b>	No	
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>	<b>7a</b>		
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	<b>7b</b>		
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7c</b>		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	<b>7d</b>		
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	<b>7e</b>		
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .	<b>7f</b>		
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<b>7g</b>		
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? . . . . .	<b>7h</b>		
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? . . . . .	<b>8</b>		
<b>8 Sponsoring organizations maintaining donor advised funds.</b>	<b>9a</b>		
Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year? . . . . .	<b>9b</b>		
<b>9a</b> Did the sponsoring organization make any taxable distributions under section 4966? . . . . .			
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person? . . . . .			
<b>10 Section 501(c)(7) organizations.</b> Enter	<b>10a</b>		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	<b>10b</b>		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
<b>11 Section 501(c)(12) organizations.</b> Enter	<b>11a</b>		
<b>a</b> Gross income from members or shareholders . . . . .	<b>11b</b>		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .			
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041? . . . . .	<b>12a</b>		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>		
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>	<b>13a</b>		
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O	<b>13b</b>		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . .	<b>13c</b>		
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year? . . . . .	<b>14a</b>	No	
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . . . .	<b>14b</b>		

**Part VI Governance, Management, and Disclosure**

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI . . . . .

**Section A. Governing Body and Management**

**1a** Enter the number of voting members of the governing body at the end of the tax year

<b>1a</b>	10

If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O

**b** Enter the number of voting members included in line 1a, above, who are independent

<b>1b</b>	5

**2** Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .

**3** Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .

**4** Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .

**5** Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .

**6** Did the organization have members or stockholders? . . . . .

**7a** Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .

**b** Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .

**8** Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following

**a** The governing body? . . . . .

**b** Each committee with authority to act on behalf of the governing body? . . . . .

**9** Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .

	Yes	No
<b>2</b>	Yes	
<b>3</b>	No	
<b>4</b>	Yes	
<b>5</b>	Yes	
<b>6</b>	No	
<b>7a</b>	No	
<b>7b</b>	No	
<b>8a</b>	Yes	
<b>8b</b>	No	
<b>9</b>	No	

**Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)**

**10a** Did the organization have local chapters, branches, or affiliates?

**b** If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?

**11a** Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?

**b** Describe in Schedule O the process, if any, used by the organization to review this Form 990

**12a** Did the organization have a written conflict of interest policy? If "No," go to line 13

**b** Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?

**c** Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done

**13** Did the organization have a written whistleblower policy?

**14** Did the organization have a written document retention and destruction policy?

**15** Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?

**a** The organization's CEO, Executive Director, or top management official

**b** Other officers or key employees of the organization

If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)

**16a** Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?

**b** If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

	Yes	No
<b>10a</b>	No	
<b>10b</b>		
<b>11a</b>	Yes	
<b>12a</b>	Yes	
<b>12b</b>	Yes	
<b>12c</b>	Yes	
<b>13</b>	Yes	
<b>14</b>	Yes	
<b>15a</b>	Yes	
<b>15b</b>	Yes	
<b>16a</b>		No
<b>16b</b>		

**Section C. Disclosure**

**17** List the States with which a copy of this Form 990 is required to be filed ► IN

**18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply

Own website  Another's website  Upon request  Other (explain in Schedule O)

**19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

**20** State the name, address, and telephone number of the person who possesses the organization's books and records  
► SCRUM ALLIANCE 7401 CHURCH RANCH BLVD STE 210 WESTMINSTER, CO 80021 (855) 467-2786

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response or note to any line in this Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099- MISC)	(E) Reportable compensation from related organizations (W-2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Director	Individual trustee	Institutional trustee	Officer	Key employee	Highest compensated			
(1) PAUL DEEMER ..... SECRETARY	1 00 .....	X		X				250	0	0
(2) HARVEY WHEATON ..... CHAIRMAN OF THE BOARD	2 50 .....	X		X				11,100	0	0
(3) STEPHEN FORTE ..... BOARD MEMBER	1 00 .....	X						0	0	0
(4) CHRISTOPHER GUZIKOWSKI ..... BOARD MEMBER	1 00 .....	X						0	0	0
(5) CAROL MCEWAN ..... MANAGING DIRECTOR (UNTIL APRIL 2015)	40 00 .....	X		X				111,282	0	14,478
(6) ROBERT HARTMAN ..... ASSISTANT BOARD CHAIRMAN	1 00 .....	X		X				0	0	0
(7) STEPHEN DENNING ..... BOARD MEMBER	1 00 .....	X						0	0	0
(8) EUGENE BOUNDS ..... TREASURER	2 50 .....	X		X				0	0	0
(9) RAFAEL SABBAGH ..... BOARD MEMBER	1 00 .....	X						0	0	0
(10) LISA HERSHMAN ..... BOARD MEMBER	1 00 .....	X						0	0	0
(11) MANUEL GONZALEZ ..... CEO (STARTING MAY 2015)	40 00 .....	X		X				223,970	0	17,188
(12) ROBERT NEDBAL ..... KEY EMPLOYEE	40 00 .....				X			153,542	0	15,453
(13) LISA REEDER ..... HIGHEST COMPENSATED EMPLOY	40 00 .....					X		124,000	0	0
(14) ANGELA STECOVICH ..... HIGHEST COMPENSATED EMPLOY	40 00 .....					X		113,352	0	0

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)**

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)					(D) Reportable compensation from the organization (W-2/1099- MISC)	(E) Reportable compensation from related organizations (W-2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Officer	Independent Trustee	Other	Key Employee	Employee Beneficiary			
(15) DEBRA RENEE MZYK	40 00				X		140,000	0	0
<b>HIGHEST COMPENSATED EMPLOYEE</b>									
(16) JILL PAUL	40 00				X		129,963	0	23,488
<b>HIGHEST COMPENSATED EMPLOYEE</b>									
<b>1b Sub-Total . . . . .</b>									
<b>c Total from continuation sheets to Part VII, Section A . . . . .</b>									
<b>d Total (add lines 1b and 1c) . . . . .</b>							1,007,459	0	70,607

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ► 7

	Yes	No
<b>3</b> Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual . . . . .	3	No
<b>4</b> For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual . . . . .	4	Yes
<b>5</b> Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person . . . . .	5	No

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
BLANK ROME LLP PO BOX 8500 PHILADELPHIA, PA 19178	ATTORNEY	493,098
BRAND MENTORING LLC 4643 SOUTH ULMER STREET SUITE 800 DENVER, CO 80237	MARKETING	201,149
AGILE CONSULTING LLC 3276 SHADYLAKE DRIVE LOVELAND, OH 45140	CONSULTING	188,125
<b>2</b> Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ► 3		

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII . . . . .

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>					
	<b>b</b> Membership dues . . . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . . . .	<b>1c</b>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	157,163				
	<b>g</b> Noncash contributions included in lines 1a-1f \$						
	<b>h</b> <b>Total.</b> Add lines 1a-1f . . . . .		157,163				
<b>Program Service Revenue</b>	<b>2a</b> EDUCATION REVENUE	Business Code					
		900099	7,910,751	7,910,751			
	<b>b</b> GATHERINGS	900099	1,491,257	1,491,257			
	<b>c</b> MEMBERSHIP REVENUE	900099	114,000	114,000			
	<b>d</b>						
	<b>e</b>						
	<b>f</b> All other program service revenue						
	<b>g</b> <b>Total.</b> Add lines 2a-2f . . . . .		9,516,008				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . .		164,869			164,869	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .						
	<b>5</b> Royalties . . . . .						
	<b>6a</b> Gross rents	(i) Real	(ii) Personal				
	<b>b</b> Less rental expenses						
	<b>c</b> Rental income or (loss)						
	<b>d</b> Net rental income or (loss) . . . . .						
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	1,657,804						
<b>b</b> Less cost or other basis and sales expenses	1,764,380						
<b>c</b> Gain or (loss)	-106,576						
<b>d</b> Net gain or (loss) . . . . .			-106,576			-106,576	
<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	a						
<b>b</b> Less direct expenses . . . . .	b						
<b>c</b> Net income or (loss) from fundraising events . . . . .							
<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . .	a						
<b>b</b> Less direct expenses . . . . .	b						
<b>c</b> Net income or (loss) from gaming activities . . . . .							
<b>10a</b> Gross sales of inventory, less returns and allowances .	a						
<b>b</b> Less cost of goods sold . . . . .	b						
<b>c</b> Net income or (loss) from sales of inventory . . . . .							
<b>Miscellaneous Revenue</b>	Business Code						
<b>11a</b> MISCELLANEOUS	900099	3,773	3,773				
<b>b</b>							
<b>c</b>							
<b>d</b> All other revenue . . . . .							
<b>e</b> <b>Total.</b> Add lines 11a-11d . . . . .		3,773					
<b>12</b> <b>Total revenue.</b> See Instructions . . . . .		9,735,237	9,519,781	0	58,293		

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX 

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21 . . . . .	94,957			
<b>2</b> Grants and other assistance to domestic individuals See Part IV, line 22 . . . . .				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16 . . . . .	233,348			
<b>4</b> Benefits paid to or for members . . . . .	547,263			
<b>5</b> Compensation of current officers, directors, trustees, and key employees . . . . .				
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
<b>7</b> Other salaries and wages . . . . .	1,566,881			
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) . . . . .	48,306			
<b>9</b> Other employee benefits . . . . .	140,300			
<b>10</b> Payroll taxes . . . . .	155,359			
<b>11</b> Fees for services (non-employees)				
<b>a</b> Management . . . . .				
<b>b</b> Legal . . . . .	493,928			
<b>c</b> Accounting . . . . .	39,727			
<b>d</b> Lobbying . . . . .				
<b>e</b> Professional fundraising services See Part IV, line 17				
<b>f</b> Investment management fees . . . . .	57,127			
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O) . . . . .	80,290			
<b>12</b> Advertising and promotion . . . . .	763,228			
<b>13</b> Office expenses . . . . .	93,140			
<b>14</b> Information technology . . . . .	749,988			
<b>15</b> Royalties . . . . .				
<b>16</b> Occupancy . . . . .	153,848			
<b>17</b> Travel . . . . .	480,743			
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
<b>19</b> Conferences, conventions, and meetings . . . . .	23,260			
<b>20</b> Interest . . . . .				
<b>21</b> Payments to affiliates . . . . .				
<b>22</b> Depreciation, depletion, and amortization . . . . .	46,148			
<b>23</b> Insurance . . . . .	31,871			
<b>24</b> Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O )				
<b>a</b> MEETING EXPENSE FOR GAT	1,852,025			
<b>b</b> BANK AND CREDIT CARD FE	370,910			
<b>c</b> OTHER PROGRAM SUPPORT	160,109			
<b>d</b> ALL OTHER EXPENSES	20,366			
<b>e</b> All other expenses				
<b>25</b> <b>Total functional expenses.</b> Add lines 1 through 24e	8,203,122			
<b>26</b> <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ► <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part X 

		<b>(A)</b> Beginning of year	<b>(B)</b> End of year
Assets	<b>1</b> Cash—non-interest-bearing	4,739,923	<b>1</b> 5,764,189
	<b>2</b> Savings and temporary cash investments	3,035,988	<b>2</b> 1,518,516
	<b>3</b> Pledges and grants receivable, net	3	
	<b>4</b> Accounts receivable, net	706,538	<b>4</b> 721,350
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		
			<b>5</b>
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		
			<b>6</b>
	<b>7</b> Notes and loans receivable, net	7	
	<b>8</b> Inventories for sale or use	5,658	<b>8</b> 4,897
	<b>9</b> Prepaid expenses and deferred charges	318,598	<b>9</b> 517,075
	<b>10a</b> Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	<b>10a</b> 316,075	
	<b>b</b> Less accumulated depreciation	<b>10b</b> 74,852	<b>10c</b> 33,096 241,223
	<b>11</b> Investments—publicly traded securities	3,010,086	<b>11</b> 6,095,588
	<b>12</b> Investments—other securities See Part IV, line 11		<b>12</b>
	<b>13</b> Investments—program-related See Part IV, line 11		<b>13</b>
	<b>14</b> Intangible assets		<b>14</b>
	<b>15</b> Other assets See Part IV, line 11	36,891	<b>15</b> 34,131
	<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	11,886,778	<b>16</b> 14,896,969
Liabilities	<b>17</b> Accounts payable and accrued expenses	204,053	<b>17</b> 181,728
	<b>18</b> Grants payable		<b>18</b>
	<b>19</b> Deferred revenue	3,297,993	<b>19</b> 8,979,671
	<b>20</b> Tax-exempt bond liabilities		<b>20</b>
	<b>21</b> Escrow or custodial account liability Complete Part IV of Schedule D		<b>21</b>
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		<b>22</b>
	<b>23</b> Secured mortgages and notes payable to unrelated third parties		<b>23</b>
	<b>24</b> Unsecured notes and loans payable to unrelated third parties		<b>24</b>
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		<b>25</b>
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25	3,502,046	<b>26</b> 9,161,399
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117 (ASC 958), check here ► <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>		
	<b>27</b> Unrestricted net assets	8,384,732	<b>27</b> 5,735,570
	<b>28</b> Temporarily restricted net assets		<b>28</b>
	<b>29</b> Permanently restricted net assets		<b>29</b>
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here ► <input type="checkbox"/> and complete lines 30 through 34.</b>		
	<b>30</b> Capital stock or trust principal, or current funds		<b>30</b>
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund		<b>31</b>
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>
	<b>33</b> Total net assets or fund balances	8,384,732	<b>33</b> 5,735,570
	<b>34</b> Total liabilities and net assets/fund balances	11,886,778	<b>34</b> 14,896,969

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI 

1 Total revenue (must equal Part VIII, column (A), line 12) . . . . .	1	9,735,237
2 Total expenses (must equal Part IX, column (A), line 25) . . . . .	2	8,203,122
3 Revenue less expenses Subtract line 2 from line 1 . . . . .	3	1,532,115
4 Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	4	8,384,732
5 Net unrealized gains (losses) on investments . . . . .	5	-331,619
6 Donated services and use of facilities . . . . .	6	
7 Investment expenses . . . . .	7	
8 Prior period adjustments . . . . .	8	-3,849,658
9 Other changes in net assets or fund balances (explain in Schedule O) . . . . .	9	0
10 Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	5,735,570

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII  

1 Accounting method used to prepare the Form 990  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both

Separate basis  Consolidated basis  Both consolidated and separate basis

2b Were the organization's financial statements audited by an independent accountant?

If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both

Separate basis  Consolidated basis  Both consolidated and separate basis

2c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a	Yes	
2b		No
2c	Yes	
3a		No
3b		

2015

Open to Public  
Inspection**SCHEDULE D**  
(Form 990)**Supplemental Financial Statements**

► Complete if the organization answered "Yes," on Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
► Attach to Form 990.

Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).Department of the  
Treasury  
Internal Revenue ServiceName of the organization  
SCRUM ALLIANCE INC

Employer identification number

20-5825034

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?  Yes  No6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?  Yes  No**Part II Conservation Easements.** Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e.g., recreation or education)  
 Protection of natural habitat  
 Preservation of open space

Preservation of an historically important land area  
 Preservation of a certified historic structure

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
2a	
2b	
2c	
2d	

a Total number of conservation easements

b Total acreage restricted by conservation easements

c Number of conservation easements on a certified historic structure included in (a)

d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year  
► \_\_\_\_\_7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year  
► \$ \_\_\_\_\_8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenue included on Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenue included on Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets**  
*(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a  Public exhibition

d  Loan or exchange programs

b  Scholarly research

e  Other

c  Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If "Yes," explain the arrangement in Part XIII and complete the following table

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance . . . . .					
b Contributions . . . . .					
c Net investment earnings, gains, and losses . . . . .					
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .					
f Administrative expenses . . . . .					
g End of year balance . . . . .					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ►

b Permanent endowment ►

c Temporarily restricted endowment ►

The percentages on lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations . . . . .

Yes

(ii) related organizations . . . . .

Yes

b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

Yes

4 Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

	Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	Accumulated (c) depreciation	(d) Book value
1a Land . . . . .					
b Buildings . . . . .					
c Leasehold improvements . . . . .		66,962		7,900	59,062
d Equipment . . . . .		249,113		66,952	182,161
e Other . . . . .					

**Total.** Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . . . ►

241,223

**Part VII Investments—Other Securities.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

<b>(a)</b> Description of security or category (including name of security)	<b>(b)</b> Book value	<b>(c)</b> Method of valuation Cost or end-of-year market value
<b>(1)</b> Financial derivatives		
<b>(2)</b> Closely-held equity interests		
<b>(3)</b> Other		

**Total.** (Column (b) must equal Form 990, Part X, col (B) line 12)

## **Part VIII Investments—Program Related.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

**Total.** (Column (b) must equal Form 990, Part X, col (B) line 13 )

**Part IX Other Assets.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11d See Form 990, Part X, line 15

**Total.** (Column (b) must equal Form 990, Part X, col (B) line 15 )

**Part X Other Liabilities.** Complete if the organization answered 'Yes' on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

**Total.** (Column (b) must equal Form 990, Part X, col (B) line 25 )

**2. Liability for uncertain tax positions** In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII.

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
<b>a</b>	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>	
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII) . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b>		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	
<b>5</b>	Total revenue Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12 ) . . . . .	<b>5</b>	

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements . . . . .	<b>1</b>	
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25		
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>	
<b>c</b>	Other losses . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII) . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	
<b>5</b>	Total expenses Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18 ) . . . . .	<b>5</b>	

**Part XIII Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
PART X, LINE 2	THE FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) HAS ISSUED AN INTERPRETATION ON ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. THIS INTERPRETATION ADDRESSES THE ACCOUNTING FOR UNCERTAINTIES IN INCOME TAXES RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS AND PRESCRIBES A THRESHOLD OF MORE-LIKELY-THAN-NOT FOR RECOGNITION AND DE-RECOGNITION OF TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. THE DETERMINATION OF TAX EXEMPT STATUS IS CONSIDERED TO BE A TAX POSITION TAKEN WITH RESPECT TO THE PROVISIONS OF THE INTERPRETATION. SCRUM'S POLICY IS TO EVALUATE THE LIKELIHOOD THAT ITS UNCERTAIN TAX POSITIONS WILL PREVAIL UPON EXAMINATION BASED ON THE EXTENT TO WHICH THOSE POSITIONS HAVE SUBSTANTIAL SUPPORT WITHIN THE INTERNAL REVENUE CODE AND REGULATIONS, REVENUE RULINGS, COURT DECISIONS AND OTHER EVIDENCE. IT IS THE OPINION OF MANAGEMENT THAT SCRUM HAS NO UNCERTAIN TAX POSITIONS. SCRUM WOULD RECOGNIZE INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS IN INTEREST EXPENSE SHOULD THEY OCCUR. THERE WERE NO INTEREST OR PENALTIES RELATED TO INCOME TAXES IN 2015. WITH FEW EXCEPTIONS, SCRUM IS NO LONGER SUBJECT TO EXAMINATIONS BY FEDERAL OR STATE TAX AUTHORITIES FOR YEARS BEFORE 2013.

## **Part XIII      Supplemental Information (continued)**

Return Reference	Explanation

SCHEDULE F  
(Form 990)

## Statement of Activities Outside the United States

2015

► Complete if the organization answered "Yes" to Form 990,

Part IV, line 14b, 15, or 16.

► Attach to Form 990.

► Information about Schedule F (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).Open to Public  
InspectionDepartment of the Treasury  
Internal Revenue ServiceName of the organization  
SCRUM ALLIANCE INC

Employer identification number

20-5825034

**Part I General Information on Activities Outside the United States.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

 Yes  No

- 1 **For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?  Yes  No
- 2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States
- 3 Activities per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) See Add'l Data					
(2)					
(3)					
(4)					
(5)					
3a Sub-total	0	0			378,347
b Total from continuation sheets to Part I	0	0			0
c Totals (add lines 3a and 3b)	0	0			378,347

**Part II Grants and Other Assistance to Organizations or Entities Outside the United States.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
( 1)	See Add'l Data								
( 2)									
( 3)									
( 4)									
( 5)									
( 6)									
( 7)									
( 8)									
( 9)									
( 10)									
( 11)									
( 12)									
( 13)									
( 14)									
( 15)									
( 16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . ►

3 Enter total number of other organizations or entities . . . . . ►

**Part III Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

<b>(a)</b> Type of grant or assistance	<b>(b)</b> Region	<b>(c)</b> Number of recipients	<b>(d)</b> Amount of cash grant	<b>(e)</b> Manner of cash disbursement	<b>(f)</b> Amount of non-cash assistance	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Method of valuation (book, FMV, appraisal, other)
( 1)							
( 2)							
( 3)							
( 4)							
( 5)							
( 6)							
( 7)							
( 8)							
( 9)							
( 10)							
( 11)							
( 12)							
( 13)							
( 14)							
( 15)							
( 16)							
( 17)							
( 18)							

**Part IV Foreign Forms**

1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*  Yes  No

2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A, do not file with Form 990)*  Yes  No

3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)*  Yes  No

4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)*  Yes  No

5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)*  Yes  No

6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713, do not file with Form 990)*  Yes  No

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 20-5825034

**Name:** SCRUM ALLIANCE INC

**Part V**

**Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
UKRAINE	0	0	PROGRAM SERVICES	SPONSORSHIPS OF OTHER ORGANIZATION'S GATHERING EVENTS	3,000
CHINA,JAPAN,MALAYSIA,SINGAPORE,VIETNAM,	0	0	PROGRAM SERVICES	GATHERING FOR MEMBERS AND SPONSORSHIPS OF OTHER ORGANIZATION'S GATHERING EVENTS	50,500
BELGIUM,CROATIA,CZECH REPUBLIC,UNITED KINGDOM,ITALY,LATVIA	0	0	PROGRAM SERVICES	SPONSORSHIPS OF OTHER ORGANIZATION'S GATHERING EVENTS	141,247

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
LEBANON,ISRAEL	0	0	PROGRAM SERVICES	SPONSORSHIPS OF OTHER ORGANIZATION'S GATHERING EVENTS	8,500
CANADA,MEXICO	0	0	PROGRAM SERVICES	SPONSORSHIPS OF OTHER ORGANIZATION'S GATHERING EVENTS	11,158
BRAZIL,CHILE,ECUADOR	0	0	PROGRAM SERVICES	GATHERING FOR MEMBERS AND SPONSORSHIPS OF OTHER ORGANIZATION'S GATHERING EVENTS	71,700

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
INDIA, PAKISTAN	0	0	PROGRAM SERVICES	GATHERING FOR MEMBERS AND SPONSORSHIPS OF OTHER ORGANIZATION'S GATHERING EVENTS	67,242
SOUTH AFRICA	0	0	PROGRAM SERVICES	GATHERING FOR MEMBERS	25,000

**Form 990 Schedule F Part II - Grants or Entities Outside The United States**

(a) Name of organization	(b) IRS code section	(c) Region and EIN (if applicable)	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		FRANCE		10,000		0		
		UNITED KINGDOM		8,814		0		
		GERMANY		11,171		0		
		UNITED KINGDOM		9,715				

**Form 990 Schedule F Part II - Grants or Entities Outside The United States**

(a) Name of organization	(b) IRS code section	(c) Region and EIN (if applicable)	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
		AUSTRIA		38,227				
		INDIA		5,618		0		
		INDIA		6,000		0		
		CHINA		10,000		0		

# Form 990 Schedule F Part II - Grants or Entities Outside The United States

(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of valuation (book, FMV, appraisal, other)	(i) Method of valuation (book, FMV, appraisal, other)
	CZECH REPUBLIC			6,000	0			

## Schedule I (Form 990)

## **Grants and Other Assistance to Organizations, Governments and Individuals in the United States**

**Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.**

► **Attach to Form 990.**

► **Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**Open to Public  
Inspection**

Department of the  
Treasury  
Internal Revenue Service

Name of the organization  
**SCRUM ALLIANCE INC**

**Employer identification number**

20-5825034

## **Part I General Information on Grants and Assistance**

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Yes  No

**Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
See Additional Data Table							

**2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . .  
**3** Enter total number of other organizations listed in the line 1 table . . . . .

**Part III Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed

**Part IV** **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

## Return Reference

## Additional Data

**Software ID:**

**Software Version:**

**EIN:** 20-5825034

**Name:** SCRUM ALLIANCE INC

### Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
BLUEPRINT EDUCATION 5651 W TALAVI BLVD 170 GLENDALE, AZ 85306			20,000	0			PROVIDE RESOURCES TO ORGANIZATIONS USING SCRUM
AGILE ALLIANCE INC 1425 CARIBOU LANE KNOXVILLE, TN 37931			30,000	0			PROVIDE RESOURCES TO ORGANIZATIONS USING SCRUM

2015

Open to Public  
Inspection**Schedule J**  
(Form 990)**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

► Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

► Attach to Form 990.

► Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).Department of the  
Treasury  
Internal Revenue ServiceName of the organization  
SCRUM ALLIANCE INC

Employer identification number

20-5825034

**Part I Questions Regarding Compensation****1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III

<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee

**4** During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization**a** Receive a severance payment or change-of-control payment?

4a No

**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?

4b No

**c** Participate in, or receive payment from, an equity-based compensation arrangement?

4c No

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

**Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.****5** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

5a

**a** The organization?

5b

**b** Any related organization?

If "Yes," on line 5a or 5b, describe in Part III

6a

**6** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

6b

**a** The organization?

7

**b** Any related organization?

If "Yes," on line 6a or 6b, describe in Part III

8

**7** For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

9

**8** Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III**9** If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 MANUEL GONZALEZ CEO (STARTING MAY 2015)	(i) 187,564	36,406	0	0	0	223,970	0
	(ii) 0	0	0	0	0	0	0
2 ROBERT NEDBAL KEY EMPLOYEE	(i) 143,542	10,000	0	0	0	153,542	0
	(ii) 0	0	0	0	0	0	0

**Part III Supplemental Information**

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Return Reference

Explanation

**Schedule L**  
(Form 990 or 990-EZ)

## **Transactions with Interested Persons**

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
  - ▶ Attach to Form 990 or Form 990-EZ

►Information about Schedule L (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2015

**Open to Public  
Inspection**

Department of the  
Treasury  
Internal Revenue Service

Name of the organization  
SCRUM ALLIANCE INC

**Employer identification number**

20-5825034

**Part I Excess Benefit Transactions** (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . . ► \$

## **Part II      Loans to and/or From Interested Persons.**

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

**Part III Grants or Assistance Benefiting Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) MITCH LACEY	BOARD MEMBER & CST, OWNER MITCH LACEY & ASSOCIATES, INC	24,950	MITCH LACEY & ASSOCIATES, INC PAID SCRUM FOR STUDENT CLASS REGISTRATIONS CST'S PAY \$50 PER STUDENT FOR CLASS REVENUES THIS INDIVIDUAL WAS A BOARD MEMBER AS WELL AS A CST		No
(2) PAUL DEEMER	BOARD MEMBER & CST, OWNER GOOD AGILE	91,200	GOOD AGILE PAID SCRUM FOR STUDENT CLASS REGISTRATIONS CST'S PAY \$50 PER STUDENT FOR CLASS REVENUES THIS INDIVIDUAL WAS A BOARD MEMBER AS WELL AS A CST		No
(3) ROBERT HARTMAN	BOARD MEMBER & CST, PARTNER AGILE FOR ALL	67,400	AGILE FOR ALL PAID SCRUM FOR STUDENT CLASS REGISTRATIONS CST'S PAY \$50 PER STUDENT FOR CLASS REVENUES THIS INDIVIDUAL WAS A BOARD MEMBER AS WELL AS A CST		No
(4) HARVEY WHEATON	BOARD MEMBER	11,100	SCRUM PAID BOARD MEMBER FOR CONTRACT WORK		No
(5) ROBERT HARTMAN	BOARD MEMBER & CST, PARTNER AGILE FOR ALL	1,395	SCRUM PAID AGILE FOR ALL FOR CSP0 & CSM CLASSES ATTENDED BY STAFF		No
(6) PAUL DEEMER	BOARD MEMBER & CST, OWNER GOOD AGILE	250	SCRUM PAID BOARD MEMBER FOR TAC COMPENSATION		No
(7) RAFAEL SABBAGH	BOARD MEMBER & CST, OWNER KNOWLEDGE21	43,800	KNOWLEDGE21 PAID SCRUM FOR STUDENT CLASS REGISTRATIONS CST'S PAY \$50 PER STUDENT FOR CLASS REVENUES THIS INDIVIDUAL WAS A BOARD MEMBER AS WELL AS A CST		No
(8) SD LEARNING CONSORTIUM	SEE "FURTHER EXPLANATION OF THE FOLLOWING" ON SCHEDULE O	10,000	SEE "FURTHER EXPLANATION OF THE FOLLOWING" ON SCHEDULE O		No

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation

**SCHEDULE O**  
**(Form 990 or**  
**990-EZ)**

Department of the  
Treasury  
Internal Revenue  
Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

- ▶ Attach to Form 990 or 990-EZ.
- ▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at  
[www.irs.gov/form990](http://www.irs.gov/form990).

**2015****Open to Public  
Inspection**

Name of the organization  
SCRUM ALLIANCE INC

**Employer identification number**  
20-5825034

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	THIS QUESTION IS ADDRESSED ON SCHEDULE O UNDER "FURTHER EXPLANATION OF THE FOLLOWING "

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION A, LINE 4	THIS QUESTION IS ADDRESSED ON SCHEDULE O UNDER "FURTHER EXPLANATION OF THE FOLLOWING "

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION A, LINE 5	THIS QUESTION IS ADDRESSED ON SCHEDULE O UNDER "FURTHER EXPLANATION OF THE FOLLOWING "

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 8B	THERE ARE NO COMMITTEES OTHER THAN THE BOARD OF DIRECTORS, WITH AUTHORITY TO ACT ON BEHALF OF THE GOVERNING BODY

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 11	A COPY OF THE DRAFT WAS SENT TO THE ORGANIZATION'S GOVERNING BODY FOR REVIEW. IT WAS REVIEWED AND APPROVED BY THE GOVERNING BODY.

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION B, LINE 12C	THIS QUESTION IS ADDRESSED ON SCHEDULE O UNDER "FURTHER EXPLANATION OF THE FOLLOWING "

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	THE ORGANIZATION USED A COMPENSATION CONSULTING FIRM TO PREPARE A SURVEY OF COMPARABLE COMPENSATION PACKAGES IN THE INDUSTRY IN ORDER TO DETERMINE THE APPROPRIATENESS OF MANAGEMENT FEES AND SALARIES. THE REPORT WAS REVIEWED BY THE BOARD OF DIRECTORS, AND BASED UPON THE FINDINGS IN THAT REPORT THE BOARD APPROVED THE COMPENSATION. THE BOARD OF DIRECTORS RETAINED LEGAL COUNSEL TO DEVELOP A WRITTEN POLICY TO ENSURE THAT ALL COMPENSATION ARRANGEMENTS WITH RELATED PARTIES ARE EVALUATED AND ENTERED AT ARMS' LENGTH AND THAT ANY COMPENSATION THAT IS PAID TO A RELATED PARTY IS REASONABLE AND REFLECTS FAIR MARKET VALUE. THE POLICY ENCOURAGES THE APPLICATION OF THE REBUTTABLE PRESUMPTION STANDARD OF CODE SECTION 4958 AND THE RELATED TREASURY REGULATIONS BY (A) EXCLUDING ANY INTERESTED PARTY FROM THE DECISIONMAKING PROCESS, (B) REQUIRING DISINTERESTED BOARD OR COMMITTEE MEMBERS TO OBTAIN AND RELY UPON COMPARABILITY DATA WHEN SETTING THE PROPOSED COMPENSATION TERMS, (C) REQUIRING APPROVAL OF THE TRANSACTION IN ADVANCE BY DISINTERESTED DIRECTORS OR COMMITTEE MEMBERS, AND (D) REQUIRING CONTEMPORANEOUS DOCUMENTATION (I E, MINUTES) REFLECTING THE DECISION AND THE PROCESS BY WHICH IT WAS MADE.

<b>Return Reference</b>	<b>Explanation</b>
FORM 990, PART VI, SECTION C, LINE 19	THE FORMS ARE AVAILABLE FOR DOWNLOAD ON SCRUM ALLIANCE'S WEBSITE <a href="http://WWW SCRUMALLIANCE.ORG">WWW SCRUMALLIANCE.ORG</a>

Return Reference	Explanation
FORM 990, PART XII, LINE 2C	THERE ARE NO COMMITTEES OTHER THAN THE BOARD OF DIRECTORS. THE BOARD OF DIRECTORS ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE REVIEWED FINANCIAL STATEMENTS AND SELECTION OF AN INDEPENDENT ACCOUNTANT. THERE HAS BEEN NO CHANGE DURING THE TAX YEAR OF THE OVERSIGHT OR SELECTION PROCESS

Return Reference	Explanation
FORM 990, PART XI, LINE 8	SCRUM HAS DETERMINED THAT STUDENT CLASS REVENUES SHOULD BE ACCOUNTED FOR AS DEFERRED REVENUE IN ORDER TO COMPLY WITH THE NEW FASB REVENUE RECOGNITION STANDARDS THAT WILL AFFECT SCRUM IN THE FIRST ANNUAL REPORTING PERIOD BEGINNING AFTER DECEMBER 15, 2018. THE EFFECT OF THE RESTATEMENT ON UNRESTRICTED NET ASSETS AS OF JANUARY 1, 2014 AND 2014 NET INCOME WAS \$2,607,770 AND \$1,241,888, RESPECTIVELY

Return Reference	Explanation
FURTHER EXPLANATION OF THE FOLLOWING	<p>FORM 990, PART VI, SECTION A, LINE 2 FORM 990, PART VI, SECTION A, LINE 4 FORM 990, PART VI, SECTION A, LINE 5 FORM 990, PART VI, SECTION B, LINE 12C FORM 990, SCHEDULE L, PARTS IV AND V TAXPAYER, SCRUM ALLIANCE, INC , A COLORADO NON-PROFIT CORPORATION (THE ORGANIZATION"), SUBMITS THE FOLLOWING STATEMENT IN RESPONSE TO QUESTIONS (IDENTIFIED BELOW BY FOOTNOTE) RAISED IN PART VI, SECTIONS A AND B, OF FORM 990 THE GOVERNING BODY OF THE ORGANIZATION CONSISTS OF ITS BOARD OF DIRECTORS (THE "BOARD") DURING THE 2015 TAX YEAR, THERE WERE 10 BOARD MEMBERS UNDER THE CONFLICT OF INTEREST PROVISIONS IN THE BYLAWS IN EFFECT DURING THE 2015 TAX YEAR, ANY BOARD MEMBER WHO HAD A MATERIAL INTEREST AND COULD FINANCIALLY PROFIT BY OR FROM AN ISSUE BEING DECIDED BY THE BOARD WAS REQUIRED TO DISCLOSE SUCH AN INTEREST TO THE BOARD AND WAS NOT PERMITTED TO VOTE ON QUESTIONS RELATED TO THAT ISSUE IN ADDITION TO THE CONFLICT OF INTEREST PROVISIONS IN THE BYLAWS, EACH BOARD MEMBER SIGNED A CONFLICT OF INTEREST STATEMENT THAT STATED PERIODIC REVIEWS WOULD BE CONDUCTED TO ASSESS WHETHER COMPENSATION ARRANGEMENTS AND BENEFITS WERE REASONABLE AND WERE THE RESULT OF ARMS-LENGTH BARGAINING. GENERALLY, THE ORGANIZATION'S MISSION IS TO PROMOTE WIDESPREAD ADOPTION AND EFFECTIVE PRACTICE OF THE ORGANIZATION'S GOAL TO TRANSFORM THE WORLD OF WORK THROUGH INCREASED EMPLOYEE ENGAGEMENT AND IMPROVE BUSINESS RESULTS CONSISTENT WITH THE ORGANIZATION'S MISSION, IN LATE 2014, THE ORGANIZATION LAUNCHED A NEW INITIATIVE THAT BECAME KNOWN AS THE "LEARNING CONSORTIUM FOR THE CREATIVE ECONOMY" (THE "LC") THIS NEW INITIATIVE INVOLVED THE FORMATION OF A CONSORTIUM OF COMPANIES TO EXAMINE THE MANAGEMENT IMPLICATIONS OF THE EMERGING CREATIVE ECONOMY. THE LC DEFINED THE CREATIVE ECONOMY AS A SOFTWARE ECONOMY, DRIVEN BY KNOWLEDGE WORKERS WHO ARE INCREASINGLY HYPERCOMPETITIVE. FOR 2015, THE LC CONSISTED OF 11 MEMBERS. EACH MEMBER SIGNED A MEMORANDUM OF UNDERSTANDING ("MOU") WITH THE ORGANIZATION AND PAID A \$7,500 MEMBERSHIP FEE TO THE ORGANIZATION. IN NOVEMBER 2015, CERTAIN LC MEMBERS (THE "ACTIVE LC MEMBERS"), WHICH WERE FOR-PROFIT ENTERPRISES THAT HAD AN OUTSTANDING CLASS OF PUBLICLY TRADED SECURITIES, ADVISED THE ORGANIZATION THAT THEY WANTED THE LC TO BECOME PART OF A NEW INDEPENDENT ORGANIZATION LED BY THEM AND A THEN-BOARD MEMBER OF THE ORGANIZATION (THE "LC INVOLVED BOARD MEMBER"). THE ACTIVE LC MEMBERS WERE BUSINESS ENTERPRISES UNRELATED TO THE ORGANIZATION AND, UNDER THE MOU, THERE WAS NO BUSINESS RELATIONSHIP BETWEEN THE ACTIVE MEMBERS AND THE ORGANIZATION. THE LC INVOLVED BOARD MEMBER EXPRESSED CONCERN IN DECEMBER 2015 THAT HE WOULD BE POTENTIALLY FACING MULTIPLE CONFLICTS OF INTEREST AND THAT HE HAD FOUR SIMULTANEOUS ROLES (1) HIS ROLE AS LEADER OF THE LC ON BEHALF OF ITS MEMBERS, (2) HIS ROLE AS THE RESPONSIBLE DE FACTO STAFF MEMBER OF THE ORGANIZATION TASKED WITH WORKING OUT THE ARRANGEMENTS FOR THE ORGANIZATION'S PARTICIPATION IN THE LC, (3) HIS ROLE AS A MEMBER OF THE BOARD OF THE ORGANIZATION, AND (4) HIS ROLE AS AN INDEPENDENT AUTHOR AND CONSULTANT. A SUBCOMMITTEE OF THE BOARD WAS THEN FORMED TO OVERSEE THE LC (THE "LC SUBCOMMITTEE"). THE LC SUBCOMMITTEE CONSISTED OF THREE BOARD MEMBERS (1) THE LC INVOLVED BOARD MEMBER, (2) A DISINTERESTED BOARD MEMBER, AND (3) A THEN-BOARD MEMBER (THE "VC INVOLVED BOARD MEMBER") WHO HAD A POSSIBLE BUSINESS RELATIONSHIP WITH THE LC INVOLVED BOARD MEMBER (THE POSSIBLE BUSINESS RELATIONSHIP AMONG BOARD MEMBERS IS DISCUSSED IN FURTHER DETAIL BELOW). ON JANUARY 14, 2016, THE ACTIVE LC MEMBERS AND LC INVOLVED BOARD MEMBER FORMED A NEW INDEPENDENT VIRGINIA NON-PROFIT CORPORATION NAMED THE SD LEARNING CONSORTIUM (THE "SDLC"). THE INITIAL BOARD MEMBERS OF THE SDLC CONSISTED OF THE LC INVOLVED BOARD MEMBER AND REPRESENTATIVES OF THE ACTIVE LC MEMBERS. THERE WERE SOME QUESTIONS AND CONCERNS AMONG THE BOARD AND THE STAFF OF THE ORGANIZATION REGARDING THE FORMATION OF SDLC. EVEN THOUGH THERE WERE INITIAL CONCERNS, THE BOARD ULTIMATELY VOTED TO JOIN THE SDLC AT A BOARD MEETING IN FEBRUARY 18-19 2016. IN JUNE 2016, THE BOARD AUTHORIZED THE FOLLOWING ACTIONS (1) AN INTERNAL INVESTIGATION INTO THE EVENTS THAT TOOK PLACE IN 2015-2016 RELATED TO THE LC THAT RESULTED IN THE FORMATION OF SDLC AND THE REMOVAL OF THE LC FROM A PLACE WITHIN THE ORGANIZATION (THE "EVENTS"), (2) THE CREATION OF A SPECIAL COMMITTEE OF INDEPENDENT AND DISINTERESTED DIRECTORS TO OVERSEE AND DIRECT THE INTERNAL INVESTIGATION, AND (3) THE SUSPENSION OF ALL ACTIONS TAKEN BY THE ORGANIZATION RELATED TO THE EVENTS OR THE COMPOSITION OF THE BOARD UNTIL FURTHER NOTICE. IN JULY 2016, THE BOARD ELECTED TWO NEW INDEPENDENT AND UNAFFILIATED DIRECTORS, BOTH OF WHOM ARE WIDELY KNOWN AUTHORITIES ON CORPORATE GOVERNANCE. (I) DENNIS MCCUISTION, A PROFESSOR AND EXECUTIVE DIRECTOR OF THE INSTITUTE FOR EXCELLENCE IN CORPORATE GOVERNANCE AT THE UNIVERSITY OF TEXAS AT DALLAS, AND (II) RICHARD LEBLANC, INSTRUCTOR AT HARVARD UNIVERSITY AND AN ASSOCIATE PROFESSOR, LAW, GOVERNANCE &amp; ETHICS AT YORK UNIVERSITY IN TORONTO, ONTARIO, CANADA, TO SERVE ON THE BOARD UNTIL THE CONCLUSION OF THE INVESTIGATION, AND APPOINTED MR. MCCUISTION, DR. LEBLANC, AND ERIC ENGELMANN, AN EXISTING BOARD MEMBER, TO SERVE ON THE SPECIAL COMMITTEE. THE ORGANIZATION'S NEW OUTSIDE COUNSEL SERVED AS LEGAL COUNSEL TO THE SPECIAL COMMITTEE. PRIOR TO ELECTING THEM TO THE BOARD, THE ORGANIZATION AGREED TO COMPENSATE MR. MCCUISTION AND DR. LEBLANC FOR THEIR SERVICES AS FOLLOWS: 1 \$10,000 PER MONTH FROM JULY 2016 - AUGUST 2016 TO EACH OF MR. MCCUISTION AND DR. LEBLANC FOR DIRECTOR FEES, 2 \$10,000 PER MONTH FROM JULY 2016 - AUGUST 2016 TO EACH OF MR. MCCUISTION AND DR. LEBLANC FOR SPECIAL COMMITTEE FEES, 3 \$5,000 PER MONTH FROM SEPTEMBER - DECEMBER 2016 TO MR. MCCUISTION FOR DIRECTOR FEES, AND 4 \$10,000 PER MONTH FROM SEPTEMBER - OCTOBER 2016 TO DR. LEBLANC FOR GOVERNANCE ENHANCEMENT COMMITTEE FEES. 5 \$5,000 PER MONTH FROM NOVEMBER - DECEMBER 2016 TO DR. LEBLANC FOR DIRECTOR FEES. EFFECTIVE JULY 7, 2016, THE LC INVOLVED BOARD MEMBER AND VC INVOLVED BOARD MEMBER RESIGNED FROM THE BOARD. IN AUGUST 2016, THE SPECIAL COMMITTEE SUBMITTED ITS REPORT TO THE BOARD IN WHICH THE SPECIAL COMMITTEE FOUND THAT THERE WERE SOME POTENTIAL CONFLICTS OF INTEREST AND PROVIDED SOLUTIONS TO PREVENT SUCH CONFLICTS IN THE FUTURE. THE SPECIAL COMMITTEE FOUND THAT THE LC REPRESENTED A CORPORATE OPPORTUNITY FOR THE ORGANIZATION, BUT THE SPECIAL COMMITTEE WAS UNSURE OF ITS TRUE VALUE, IF ANY. FURTHER, THE SPECIAL COMMITTEE DID NOT FIND THAT ANY BOARD MEMBER RECEIVED ANY PERSONAL INJUREMENT FROM THE LC. FURTHER, IN AN EFFORT TO IMPROVE THE GOVERNANCE OF THE ORGANIZATION, THE SPECIAL COMMITTEE SUBMITTED RECOMMENDATIONS FOR IMPROVING THE ORGANIZATION'S GOVERNANCE IN THE FORM OF AMENDMENTS TO THE ORGANIZATION'S BYLAWS, POLICIES AND PRACTICES. THE SPECIAL COMMITTEE RECOMMENDED THAT THE ORGANIZATION'S BYLAWS BE REVISED AND UPDATED, CONSISTENT WITH BEST PRACTICE. FURTHER, THE SPECIAL COMMITTEE RECOMMENDED THE BYLAWS SHOULD CLEARLY DEFINE INDEPENDENCE FOR BOARD MEMBERS IN A MANNER THAT IS CONSISTENT WITH BEST PRACTICE AND CLEARLY DETERMINE THE NUMBER OF BOARD MEMBERS WHO MUST NOT BE AFFILIATED WITH THE ORGANIZATION. IN REGARD TO THE ORGANIZATION'S POLICIES, THE SPECIAL COMMITTEE RECOMMENDED THAT BOARD MEMBERS HAVE CLEAR GUIDELINES REGARDING PARTICIPATING IN THE ORGANIZATION OPPORTUNITIES, RECEIVING GOVERNANCE EDUCATION, ESTABLISHING AND DEFINING ROLES OF DIFFERENT SUB-COMMITTEES AND EXECUTING REVISED AND MORE DEFINED CODE OF CONDUCT AND CONFLICT OF INTEREST POLICIES. IN ADDITION, THE SPECIAL COMMITTEE RECOMMENDED CHANGES TO THE POLICIES INVOLVING BOARD MEMBER EXPENSE REIMBURSEMENTS AND THE CEO COMPENSATION REVIEW PROCEDURES. FINALLY, THE SPECIAL COMMITTEE PROVIDED SOME RECOMMENDATIONS REGARDING THE ORGANIZATION'S PRACTICES, INCLUDING THAT THE GUIDELINES AND POSITION DESCRIPTIONS OF THE BOARD AND CEO SHOULD BE STATED ON THE ORGANIZATION'S WEBSITE TO PROVIDE MORE TRANSPARENCY TO ITS MEMBERS.</p>

Return Reference	Explanation
AFTER REVIEW AND DISCUSSION OF THE SPECIAL COMMITTEE REPORT, THE BOARD	<p>ACCEPTED THE REPORT DURING A BOARD MEETING ON AUGUST 18-19, 2016 SHORTLY THEREAFTER, MR MCCUISTION CONTACTED A REPRESENTATIVE OF SDLC REGARDING HIS ATTENDANCE AT AN UPCOMING SDLC MEMBER MEETING THE SDLC REPRESENTATIVE RESPONDED THAT MR MCCUISTION WAS NOT INVITED TO THE SDLC MEMBER MEETING BECAUSE MR MCCUISTION HAD NOT ATTENDED ANY SDLC SITE VISITS DUE TO THE RESISTANCE BY SDLC, THE ORGANIZATION WITHDREW FROM THE SDLC AND REQUESTED A FULL REFUND OF ITS 2016 MEMBERSHIP DUES. THE ORGANIZATION AND SDLC ARE STILL NEGOTIATING THE TERMS OF THE WITHDRAWAL. A SIGNIFICANT CHANGES TO GOVERNING DOCUMENTS THE BOARD ADOPTED AN AMENDMENT TO THE BYLAWS CREATING A NOMINATING AND GOVERNANCE COMMITTEE B COMPENSATION POLICY. THE ORGANIZATION ENGAGED AN INDEPENDENT COMPENSATION CONSULTING FIRM TO PREPARE A SURVEY OF COMPARABLE COMPENSATION PACKAGES IN ORDER TO DETERMINE THE APPROPRIATENESS OF MANAGEMENT FEES AND SALARIES. THE REPORT WAS REVIEWED BY THE BOARD, AND BASED UPON THE FINDINGS IN THAT REPORT, THE BOARD APPROVED THE COMPENSATION. THE BOARD INSTRUCTED ITS NEW OUTSIDE LEGAL COUNSEL TO DEVELOP A WRITTEN POLICY TO ENSURE THAT ALL COMPENSATION ARRANGEMENTS WITH RELATED PARTIES ARE EVALUATED AND ENTERED AT ARM'S LENGTH AND THAT ANY COMPENSATION THAT IS PAID TO A RELATED PARTY IS REASONABLE AND REFLECTS FAIR MARKET VALUE. C BUSINESS RELATIONSHIP BETWEEN BOARD MEMBERS AS STATED ABOVE, THE BOARD CONSIDERED, BUT DID NOT APPROVE, A POSSIBLE BUSINESS RELATIONSHIP INVOLVING BOARD MEMBERS. THE VC INVOLVED BOARD MEMBER IS A MANAGING PARTNER OF A VENTURE CAPITAL FIRM (THE "VC FIRM") AND IS A FORMER MEMBER OF THE ORGANIZATION'S COMPENSATION COMMITTEE. TWO OTHER BOARD MEMBERS (THE LC INVOLVED BOARD MEMBER AND ONE CURRENT BOARD MEMBER) IDENTIFIED THEMSELVES AS "IMPACT PARTNERS" OF THE VC FIRM (I E, INDIVIDUALS WHO ACT AS CONSULTANTS TO THE VC FIRM, BUT DO NOT RECEIVE ECONOMIC BENEFITS FROM THE VC FIRM). IN THE SUMMER OF 2015, THE VC INVOLVED BOARD MEMBER INTRODUCED AN INVESTMENT PROPOSAL TO THE ORGANIZATION THAT WOULD HAVE RESULTED IN THE ORGANIZATION INVESTING \$3 MILLION IN THE VC FUND. THE EXECUTIVE COMMITTEE OF THE ORGANIZATION RECOMMENDED THAT THE ORGANIZATION REJECT THE INVESTMENT PROPOSAL FOR SEVERAL REASONS, INCLUDING THE INHERENT CONFLICT OF INTEREST. IN THE SPRING OF 2016, THE INVOLVED VC BOARD MEMBER REVISED THE VC FIRM'S INVESTMENT PROPOSAL FOR THE BOARD TO REVIEW DURING ITS MAY 2016 MEETING. THE ORGANIZATION'S EXTERNAL ACCOUNTANT REVIEWED THE INVESTMENT PROPOSAL AND ADVISED THAT, GIVEN THE NATURE OF THE INVESTMENT ITSELF AND THE RELATED PARTY INVOLVED, THE INVESTMENT SHOULD BE CLOSELY SCRUTINIZED BY THE BOARD ALONG WITH CAREFUL DOCUMENTATION OF THE BOARD'S EVALUATION PROCESS. THE ORGANIZATION DETERMINED THAT THERE WERE SIGNIFICANT CONFLICT OF INTEREST ISSUES WITH THE PROPOSED INVESTMENT AND DECIDED NOT TO UNDERTAKE THE INVESTMENT. END OF FURTHER EXPLANATION OF THE FOLLOWING FORM 990, PART VI, SECTION A, LINE 2 FORM 990, PART VI, SECTION A, LINE 4 FORM 990, PART VI, SECTION A, LINE 5 FORM 990, PART VI, SECTION B, LINE 12C FORM 990, SCHEDULE L, PARTS IV AND V</p>