October 2023

Y Buckeye Bulletin

A Newsletter for the Ohio Alliance of YMCAs

Inside this issue:

OHIO NEWS

Minimum Wage Increase

Ohio's minimum wage is scheduled to increase to $10.45 per hour for non-tipped employees and $5.25 per hour for tipped employees on Monday, Jan. 1, 2024, the Ohio Department of Commerce (DOC) announced last week.

The minimum wage will apply to employees of businesses with annual gross receipts of more than $385,000 per year, according to a news release from DOC.

The current 2023 minimum wage is $10.10 per hour for non-tipped employees and $5.05 per hour for tipped employees. The 2023 Ohio minimum wage applies to employees of businesses with annual gross receipts of more than $372,000.

Hannah

There is still time to register for the 2023 Ohio YMCAs Child Care Summit!

The summit will be on November 2nd and 3rd at the Renaissance Columbus Westerville-Polaris Hotel in Columbus.

CLICK HERE TO SEE THE AGENDA AND TO REGISTER

Unfortunately, the hotel does not have any more rooms available, but there are many other hotels in the area.

FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

EMPOWERING TEENS FOR A STRONGER DEMOCRACY

YMCA Ohio Youth & Government

PROGRAM IN BRIEF

It is more important than ever to teach civic engagement to young people in a meaningful and constructive way. YMCA Ohio Youth & Government builds leaders through real life experience. We center our program on the YMCA core values of Honesty, Caring, Respect, and Responsibility. At state conferences, teens from across Ohio converge on Columbus where they elect their own leaders, debate their own ideas and build a vision for a better tomorrow. Students participate as members of the legislative or executive branch, compete in Appellate Trials, become lobbyists or become members of the media team. In our program students legislate, debate and compromise with peers from all across the state. Through our hands-on model government program, you can ensure that democracy is learned by each generation. Get started today!

OHIO SOCIAL STUDIES CONTENT EXAMPLES

YMCA OHYG students debate, deliberate, research, write and about issues that are important to them. By voting, running for office and passing legislation, they take what they learn in the classroom and put it into action. Below are a few competencies addressed at OHYG. The whole list is available upon request.

AMG.9-12.1 - Civic engagement within the structures of government are made through political and public policy processes.

AMG.9-12.3 - Analysis of issues through critical use of credible sources.

AMG.9-12.4 - Processes of persuasion, compromise, consensus building and negotiation through the Democratic process.

AMG.9-12.13 - The political process creates a dynamic interaction amongst the three branches of government in addressing current issues.

COLLABORATE, DEBATE, ENGAGE

Every year teens from across Ohio come together to share their vision for building better communities. As senators, representatives, lobbyists, attorneys and members of the media; YMCA OHYG students learn first-hand how democracy works. During the conference, teens share their ideas, gain new perspectives and learn how policy affects our daily lives. Join YMCA OHYG and watch your students grow and thrive in our one-of-a kind, hands-on, democracy in action program. For more information, contact us today!

MIDDLE SCHOOL PROGRAM

Senators & Representatives

Research, present and debate bills in the House and Senate Chambers.

HIGH SCHOOL PROGRAM

Senators & Representatives

Research, present and debate bills in the House and Senate

Governor's Cabinet

Advocate for the Youth Governor's agenda and defend against veto overrides.

Media

Develop and produce daily print and video coverage of the hot topics across the conference.

Lobbyists

Influence passage of legislation through lobbying of peers, initiate citizen petitions.

Judicial

Compete in teams of two in Appellate trials. Or, hear testimony and decide on Constitutionality of bills in the Supreme Court.

Contact Us!
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BOARD GOVERNANCE

The Nonprofit Board Member's Go-To Glossary of Financial Terms

Navigating the complex world of non-profit finances can be a daunting task, whether you are a leadership staff person, or a volunteer. This glossary of terms will help you decipher the world of finances.

A

Accounts payable: The amount of money known to be owed (i.e., unpaid invoices that have been recorded) to vendors and suppliers that have provided goods or services to an organization.

Accounts receivable: Money owed to a nonprofit for services rendered or goods provided on credit.

Accrual accounting: Accounting method that recognizes transactions when they occur, rather than when cash is received or paid. (Contrast with Cash-basis accounting.)

Accrued liabilities: The amount estimated to be owed (i.e., invoices that have not yet been received and recorded) to vendors or suppliers that have provided goods or services to the organization.

Amortization: The process of allocating the original cost or fair value of a long-lived intangible asset over its estimated useful life. (See Depreciation.) Conceptually, depreciation and amortization are the same thing. In practice, depreciation is most often used with tangible assets, and amortization with intangible assets and liabilities.

Annuity gift (gift annuity): A contribution given on the condition that the recipient organization make periodic stipulated payments to the donor or other designated individual. After termination of the stipulated payments, the organization keeps the remaining principal of the gift.

Asset: Something of value owned or controlled by a person or organization.

Audit: The procedures performed by an independent certified public accountant (CPA) to be able to give an opinion that an organization's financial statements are fairly stated in all material (significant) respects.

Audit committee: A committee of the board whose primary function is to accept and review reports provided by external auditors and to select the firm that will provide the next year's audit.

Auditor: The Certified Public Accountant (CPA) who conducts an independent audit for a nonprofit.

Average payment period ratio: Measures the average time that elapses before an organization's current liabilities are paid.

B

Bad debts: Accounts receivable that are deemed uncollectible or of doubtful collection.

Bad-debt expense: A statement of activities account that includes credit sales that are written off as uncollectible.

Balance sheet: See Statement of Financial Activities.

Balanced scorecard: An integrated set of measurements assisting an organization in keeping track of its outcomes as compared to its goals. It utilizes four performance measures: financial perspective, customer perspective, internal perspective, and learning and growth: to help monitor and improve an organization's level of effectiveness.

Benchmarking: Compares ratios, trends, and analyses (both financial and nonfinancial) of a nonprofit with those of its peers, and measures an organization's results against its best-performing peers.

Bond: A certificate of debt issued by a government or corporation to raise money for an organization.

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Bonding: A type of insurance recommended to have in place covering all volunteers and employees who have access to the organization's cash or other valuable assets. If a covered individual misuses funds, the organization will recover its loss from the bonding company (up to the amount of the bond).

Budget: A detailed annual financial plan that anticipates and projects both revenues and expenses of an organization.

C

Capital expenditures: Funds that are used to acquire long-term assets, such as buildings, land, equipment, etc.

Capitalization: Converting an expense into an asset; it spreads the cost of an asset over the length of time of its usefulness. Capitalization of a fixed asset converts an expenditure into a fixed asset, based on the dollar value and useful life of the asset.

Cash: Assets in the form of currency, or cash equivalents that can be easily and quickly converted into currency.

Cash-basis accounting: Accounting method that recognizes transactions only when cash is received or disbursed. (Contrast with Accrual accounting.)

Cash/current: Generally includes cash in bank accounts, cash equivalents (anything easily convertible to cash within one day, such as money market accounts), and certificates of deposit (if less than 365 days to maturity).

Cash flow: The process in which cash is received and disbursed by an organization. Many nonprofits have a cyclical cash flow with a larger influx of cash based on year-end contributions or prior to the annual meeting, and significantly lower receipts at other times of the year. As a result, good managers of financially weaker nonprofits will be quite familiar with the cash flow pattern of their organization and plan expenditures accordingly.

Cash/noncurrent —Generally includes cash designated for capital replacement and acquisition that is invested in longer-term assets (such as Treasury bills or bonds) and trustees' investments (cash set aside from bond proceeds to be used in capital projects), with maturity expected to exceed 365 days.

Conditional promise to give: A promise to give that depends on the occurrence of a specified future and uncertain [qui vide] event to bind the promisor. (See Donor-imposed condition.)

Conflict-of-interest policy: A written document intended to ensure that decisions made about an organization's operations and the use of its assets are made solely with the best interest of the organization in mind, and that no private or personal benefit to any affiliated individual will result. All board members and key employees should be cognizant of the conflict-of-interest policy, and annually disclose whether they have any "interests that could give rise to conflicts" (IRS Form 990).

Consolidated financial statements: Financial statements that include added-together financial information for two or more related entities.

Contribution: An unconditional transfer of cash or other assets to a qualified tax-exempt organization (or a settlement or cancellation of its liabilities) in a voluntary nonreciprocal transfer by another person or entity. (Contrast with Exchange transaction.) Contributions include gifts of money, property, the use of property, and services of volunteers; unconditional promises to make gifts in the future; and bequests.

Current ratio: Measures an organization's liquidity, or how readily the organization is able to pay off all its current liabilities.

Custodian fund: Funds received and held by an organization as a fiscal agent for others.

D

Dashboard report: A report that communicates critical information in a concise, visual, more compelling way than traditional narratives or financial statements. This type of reporting allows leaders and

BOARD GOVERNANCE

managers to focus on key trends and relationships that are fundamental to the success of the organization.

Days cash on hand ratio: Measures the number of days of average cash expenses that an organization maintains. The ratio can be expressed in terms of either days cash on hand in short-term sources or in all sources.

Days in accounts receivable ratio: Measures the average time that accounts receivable are outstanding (also known as the average collection period).

Debt service coverage ratio: Measures the ability of an organization to pay back its long-term debt by comparing its bottom line cash with its annual debt service payments (principal + interest expense).

Deferred gift: A gift whose benefit to the nonprofit recipient is delayed until a later time. (See Split-interest gift.)

Deferred revenue: Revenue received in one accounting period that, because it has not yet been earned (by the provision of goods or services to the payor), is recognized in a later accounting period when the goods or services are furnished. Example: A theater subscriber pays for season tickets in June for the season starting the following September. As of June 30, the theater records the revenue as deferred until the season when the plays will be performed opens.

Depreciation: The process of allocating the original cost of a long-lived tangible asset over its estimated useful life. (See Amortization.) Conceptually, depreciation and amortization are the same thing. In practice, depreciation is most often used with tangible assets, and amortization with intangible assets and liabilities.

Depreciation expense: An expense on the statement of activities arrived at by allocating (amortizing) a defined part of a long-term asset over its estimated useful life.

Designated fund(s): Refers to unrestricted resources that the board has voted to set aside for a period of time or for a specific use. While the board may use the term “endowment fund,” because the restriction was set internally, the funds can be made available by the board for any use at any time. Hence, board-designated funds are correctly classed with unrestricted net assets.

Directors’ and Officers’ Insurance: A policy that protects the board and officers if they are acting responsibly by covering a variety of potential vulnerabilities, including libel and slander, acts beyond granted authority, wrongful termination and/or discrimination, inefficient administration or waste of assets, and the like.

Disclaimed opinion letter: See Opinion letter.

Donor-imposed condition: A donor stipulation that specifies a future and uncertain event whose failure to occur releases the promisor from the obligation to transfer assets (or gives the promisor a right of return of any assets it has already transferred).

Donor-imposed restriction (related to temporary restriction): A donor stipulation that specifies a use for a contributed asset that is more specific than broad. A restriction on an organization’s use of the asset contributed may be temporary or permanent.

Donor-restricted endowment fund: An endowment fund created by a donor stipulation that requires investment of the gift in perpetuity or for a specified term. (See Endowment fund.)

E

Efficiency ratio: Measures the proportion that a nonprofit is spending on programs to achieve its mission by comparing spending on management and general plus fundraising to its spending on programs.

Endowment fund: An established fund of cash, securities, or other assets to provide income for a nonprofit organization. The use of the assets of the fund may be permanently restricted, temporarily restricted, or unrestricted. Restricted endowment funds are established by donor-restricted gifts and

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bequests to provide a permanent endowment (a permanent source of income) or a term endowment (income for a specified period).

Exchange transaction: A revenue transaction related to the provision by an organization of goods or services to customers in exchange for payment of approximately commensurate value. (Contrast with Contribution.)

Expenses: What an organization spends to conduct its activities (for example, salary, office supplies, rent).

F

Fair value: The amount at which an asset could be bought or sold in a current transaction between willing parties: that is, other than in a forced or liquidation sale; usually equivalent to market value.

FASB (Financial Accounting Standards Board): The private sector body primarily responsible for setting generally accepted accounting principles (GAAP) for all nonprofit and for-profit entities other than governments.

Fixed assets: Tangible property with a long-term useful life, such as land, land improvements, buildings, building equipment, movable equipment, furniture, leasehold improvements, or capitalized leases.

Footnotes/Notes to financial statements: Addenda to the financial statements. Some are required by GAAP, such as the first footnote on all financial statements, which is a summary of significant accounting policies used in the creation of a nonprofit's accounting books and records. Additional notes may be used to describe the nonprofit's programs, investments and investment policies, affiliated organization investments, property and equipment, lease commitments, contingent liabilities, long-term debts and leases, joint cost allocations, related party transactions, pension plans, temporarily and permanently restricted assets, and any significant subsequent events.

Form 990: The Internal Revenue Service (IRS) form used to report annually to the IRS (and to many states) on the financial and other activities of a tax-exempt organization.

Functional expenses: A method of grouping expenses according to the purpose for which costs are incurred. The primary functional classifications are program expenses, fundraising expenses, management, and general expenses. (Contrast with Natural expenses.)

Fund: An accounting entity established to track the resources of a specified subpart of an organization, such as a project, donor-restricted gift, board-designated pool of assets, activities in a certain geographic area, fixed assets, or other defined unit.

Fund balance: The excess of assets over liabilities of a particular fund of an organization. (See Net assets.)

Fundraising expenses: Expenses incurred to induce donors, foundations, and others to make contributions to an organization.

Fundraising ratio: Measures the efficiency of a nonprofit's fundraising programs by comparing the amount spent on fundraising to how much it receives in contribution and grant revenue.

G

GAAP (Generally Accepted Accounting Principles): The rules for recording and reporting transactions in financial statements. In the United States, these are promulgated primarily by the Financial Accounting Standards Board and secondarily by the American Institute of Certified Public Accountants (AICPA).

GAAS (Generally Accepted Auditing Standards): The procedures undertaken by an independent certified public accountant to issue an opinion on the fairness of the presentation of financial statements. In the United States, these standards are promulgated by the AICPA.

Gift-in-kind: A contribution other than cash or marketable securities. Includes property, supplies, equipment, use of property (free rent), and qualified donated services of volunteers.

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Grant: Properly used to refer to an award by a foundation, company, nonprofit organization, or government agency to an organization or individual. The word does not have a precise meaning in accounting and is often used interchangeably with contribution; however, not all grants are contributions: some are exchange transactions.

I

Income Statement: See Statement of Activities.

In-kind donation: See Gift-in-kind.

Interest expense ratio: Measures the overall average percentage interest rate being paid by the organization to finance its debt.

Interest income ratio: Measures the overall average percentage earnings on all of the organization's assets that have the potential to be invested.

Internal controls: Those processes and procedures that protect the assets of an organization and promote its efficient operation thus helping to ensure its long-term stability and continuation of programs. Good controls act as both a deterrent to, and detective of, improper behavior by staff and volunteers. The key to good internal controls is segregation of duties. The general rule is that no one person should be in a position to completely control all aspects of a transaction from its initiation through approval, handling of assets, and recording.

Intermediate sanctions: Penalties that may be imposed by the IRS when it finds any evidence of inappropriate personal gain (termed private inurement) in a nonprofit that it is auditing. In these cases, not only must the recipient return the excessive financial benefit and pay penalties, but the IRS may impose financial penalties on board members and managers who knowingly approved the transaction or contract.

Investment committee: Drafts and oversees the organization's investment policies, including liaison with outside investment advisors. Because this committee monitors investment performance, it needs members who are familiar with investing. In most cases, the committee does not become involved in the details of individual investment purchase and sale decisions but hires outside advisors to do so. The committee should monitor the activities of the outside advisor to ensure that the organization's investment policies are being adhered to.

Investment policy: A board-approved document that delineates a specific philosophy of investment management and establishes parameters for investment risk and return. Some policies, especially those for organizations with smaller reserves, indicate which specific investments are allowed. For example, a very conservative investment policy might allow only FDIC-insured bank accounts with balances under the $100,000 limit and short-term U.S. Treasuries. The policy should assist and protect designated investment managers by setting up practical guidelines and clear performance objectives. It should also establish a process for regularly reviewing investment objectives and strategies and reviewing the manager's performance.

J

Joint costs of multipurpose activities: Costs incurred in an activity that includes at least two different types of functional expenses (most often, program and fundraising components). Organizations mailing requests for contributions that also educate potential donors must take exceeding care in appropriately splitting the costs of such mailings between the two functions.

L

Liabilities: Everything an organization owes, the sum of its debts and obligations. Current liabilities are those that are due to be paid within 365 days; long-term liabilities have a due date beyond 365 days.

M

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Support: Income derived by a nonprofit from contributions and grants.

Supporting expense: Expenses other than program expenses. Supporting expenses include management and general, fundraising, and, for a membership organization, membership development expenses.

T

Tax exempt: Literally, statutorily exempt from tax. Often erroneously used interchangeably with not-for-profit/ nonprofit; the two terms have completely different meanings, although in practice they overlap considerably.

Temporarily restricted net assets: The part of the net assets of a nonprofit organization resulting from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the organization pursuant to those stipulations.

Temporary restriction: A donor-imposed restriction that permits the donee to use up or expend the donated assets as specified and is satisfied either by the passage of time or by actions of the organization.

Term endowment: Temporarily restricted endowment. (See Endowment fund.)

Total return approach: A method of managing endowment assets in which a portion of capital gains is made available for current use under a formula approved by an organization's governing board.

Treasurer: The key volunteer financial role involving overseeing financial operations. Most nonprofits charge the treasurer with the legal responsibility for custody of the organization's funds and securities; keeping full and accurate account of all receipts and disbursements, the books, and financial records of the organization; and providing periodic reports to the full board. In smaller organizations, the treasurer may have hands-on responsibilities; in large organizations, the treasurer remains legally responsible for these functions, even though a staff member performs them.

Trending: The display and analysis of data or information over time.

U

Uncertain: Less than likely. Judgment is often required to assess whether the probability of an occurrence should be considered as uncertain versus likely.

Unconditional promise to give: A promise to give that depends only on passage of time or demand by the promisee for performance. (Contrast with Conditional promise to give.)

Unrelated business income (UBI): Income from a trade or business, conducted by a tax-exempt organization, that is not substantially related to the purposes for which the organization is exempt. Net income from such a business is taxable. (See Internal Revenue Code Sec. 512 and 513 for the precise definition.)

Unrestricted net assets: The part of net assets of a nonprofit organization that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

Unrestricted support: Revenues from contributions that are not restricted by donors. (Contrast with Restricted support.)

W

Whistleblower: An employee, former employee, volunteer, or member of an organization who makes a good faith effort to disclose improper activities to those who have the power to take corrective action. The misconduct may be a violation of state or federal law, rule, or regulation; theft or misuse of organization funds; gross misconduct or inefficiency; or any condition that may significantly threaten the health or safety of employees or the public.

FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Ohio Alliance of YMCAs
2023 Meeting Dates

Neighborhood CEO Meetings

	January (Virtual)	April (In Person)	August (Virtual)	December (In Person)
Northeast (Zoom Link)	1/10 10-11 AM	4/4 10 am – 12 pm	**8/8 10-11 am**	**12/5 10-11 am**
Northwest (Zoom Link)	1/10 11:30-12:30 pm	4/5 10 am – 12 pm	**8/8 11:30-12:30 pm**	**12/5 11:30-12:30 pm**
Southeast (Zoom Link)	1/11 10-11 am	4/11 10 am – 12 pm	**8/9 10-11 am**	**12/12 10-11 am**
Southwest (Zoom Link)	1/11 11:30 – 12:30 pm	4/12 10 am – 12 pm	**8/9 11:30 – 12:30 pm**	**12/13 11:30-12:30**

CEO Meetings

Statewide CEO Meeting	**July 13 via Zoom**
Statewide CEO Conference	**September 28-29**

Child Care Summit

November 2-3
Columbus

National Meetings

National Advocacy Days	February 13-15 Washington, DC
NAYDO	April 11-14 Houston
General Assembly	**July 17-19 Atlanta**
Mid-Major Ys CEO/CVO Meeting	**September 13-15 Milwaukee**
YNAN Ys CEO/CVO Meeting	**October 17-20 Dallas**

Statewide Peer Community Virtual Meetings (Click Meeting Title for Zoom Link)			
	March	May	November
Aquatic/Swim Team	3/21 10-11 am	5/16 10-11 am	**11/14 10-11 am**
Resident Camp	3/21 11 am-12 pm	5/16 11 am – 12 pm	**11/14 11 am - 12 pm**
Membership	3/21 1-2 pm	5/16 1-2 pm	**11/14 1-2 pm**
DEI	3/21 2-3 pm	5/12 (At Buckeye Valley YMCA) 2-3 pm	**11/14 2-3 pm**
Health/Wellness	3/21 3-4 pm	5/16 3-4 pm	**11/14 3-4 pm**
COOs	3/22 10-11 am	5/17 10-11 am	**11/17 10-11 am**
Property/Facility	3/22 11-12 am	5/17 11 am- 12 pm	**11/17 11 am – 12 pm**
Branch Executives	3/22 3-4 pm	5/17 3-4 pm	**11/17 3-4 pm**
HR	3/22 1-2 pm	5/17 1-2 pm	**11/17 1-2 pm**
Youth Sports	3/22 2-3 pm	5/17 2-3 pm	**11/17 2-3 pm**

Child Care All at 1 pm (Click Here for Zoom Link)	
January 18	**July 19**
February 15	**August 16**
March 15	**September 20**
April 19	**October 18**
May 17	**November 15**
June 21	**December 20**

Financial Development All at 2 pm (Click Here for Zoom Link)
February 15
April 19
June 21
August 16
October 18
December 20