

**DELTA KAPPA GAMMA SOCIETY**  
**OHIO STATE ORGANIZATION**

Compiled Financial Statements

For the Fiscal Year Ended

June 30, 2020

DELTA KAPPA GAMMA SOCIETY  
OHIO STATE ORGANIZATION

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**VANESSA L. BLEVINS, CPA & COMPANY, LLC**



**GOING BEYOND THE NUMBERS**

**INDEPENDENT ACCOUNTANT'S COMPILATION REPORT**

To the Executive Board  
Delta Kappa Gamma Society  
Ohio State Organization  
Cincinnati, Ohio

Management is responsible for the accompanying financial statements of Delta Kappa Gamma Society Ohio State Organization (a nonprofit organization, the "Organization"), which comprise the statement of assets, liabilities and net assets as of June 30, 2020, and the related statement of revenues, expenses and changes in net assets and statement of cash flows for the year then ended, and the related notes to the financial statements, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework.

We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did no audit or review the financial statements nor were required to perform and procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note 3 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The supplementary information contained in the statement of functional expenses and statement of program expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Vanessa L. Blevins, CPA & Company, LLC  
Washington Courthouse, OH  
October 17, 2020

**DELTA KAPPA GAMMA SOCIETY**  
**OHIO STATE ORGANIZATION**  
**STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS**  
**MODIFIED CASH BASIS**  
**As of June 30, 2020**

	<u>Assets without donor restrictions</u>	<u>Assets with donor restrictions</u>	<u>Total</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 141,843	\$ -	\$ 141,843
Certificates of deposit	-	11,584	11,584
<b>TOTAL CURRENT ASSETS</b>	141,843	11,584	153,427
<b>OTHER ASSETS</b>			
Investments	46,139	-	46,139
Prepaid expenses	1,221	-	1,221
<b>TOTAL OTHER ASSETS</b>	47,360	-	47,360
<b>TOTAL ASSETS</b>	<u>\$ 189,203</u>	<u>\$ 11,584</u>	<u>\$ 200,787</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Credit card	\$ 125	\$ -	\$ 125
Deferred membership dues	358	-	358
<b>TOTAL CURRENT LIABILITIES</b>	483	-	483
<b>NET ASSETS</b>			
Net Assets without donor restrictions	188,720	-	188,720
Net Assets with board restrictions	-	11,584	11,584
Net Assets with donor restrictions	-	-	-
<b>TOTAL NET ASSETS</b>	188,720	11,584	200,304
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 189,203</u>	<u>\$ 11,584</u>	<u>\$ 200,787</u>

See accompanying notes and independent accountant's report.

**DELTA KAPPA GAMMA SOCIETY**  
**OHIO STATE ORGANIZATION**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**MODIFIED CASH BASIS**

For the year ended June 30, 2020

	<u>Without donor restrictions</u>	<u>With board restrictions</u>	<u>Totals</u>
<b>REVENUE</b>			
Membership Dues	\$ 42,118	\$ -	\$ 42,118
Fees	215	-	215
Interest/dividends	5,171	-	5,171
Gain/(Loss) on investments	(4,233)	-	(4,233)
Miscellaneous	809	-	809
Release from Restriction	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL REVENUE AND SUPPORT	44,079	-	44,079
<b>EXPENSES</b>			
Program	15,059	-	15,059
Administrative and general	10,753	-	10,753
	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	25,811	-	25,811
CHANGE IN TOTAL NET ASSETS	18,267	-	18,267
NET ASSETS- BEGINNING OF YEAR	<hr/> 170,452	<hr/> 11,584	<hr/> 182,036
NET ASSETS- END OF YEAR	<u>\$ 188,720</u>	<u>\$ 11,584</u>	<u>\$ 200,304</u>

See accompanying notes and accountant's report.

**DELTA KAPPA GAMMA SOCIETY**  
**OHIO STATE ORGANIZATION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**MODIFIED CASH BASIS**  
For the year ended June 30, 2020

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	<u>Program Services</u>	<u>General &amp; Management</u>	<u>Totals</u>
International dues and fees	-	-	-
Committees	869	-	869
International & regional meetings	3,524	-	3,524
Executive & advisory board meetings	4,242	-	4,242
Leadership development	2,619	-	2,619
President office expenses	-	36	36
Treasurer office expenses	-	495	495
Salaries and payroll taxes	-	7,482	7,482
Accounting fees	-	2,000	2,000
State convention	309	-	309
Contributions	1,150	-	1,150
Publications	2,346	-	2,346
Other administrative expenses	-	740	740
	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENSES</b>	<b>15,059</b>	<b>10,753</b>	<b>25,811</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See accompanying notes and accountant's report.

**DELTA KAPPA GAMMA SOCIETY  
OHIO STATE ORGANIZATION  
STATEMENT OF CASH FLOWS  
MODIFIED CASH BASIS**

For the year ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$	18,267
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Cash released from restricted use and shown as short term investment		-
(Increase) decrease in operating assets		
Market value adjustment		4,233
Change in prepaid expenses		(9)
Change in liabilities		(1,076)
Change in deferred revenue		88
		21,503
NET CASH PROVIDED BY OPERATING ACTIVITIES		21,503

CASH FLOWS FROM INVESTING ACTIVITIES

Interest and dividend income		(5,112)
NET CASH PROVIDED BY INVESTING ACTIVITIES		(5,112)

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		16,391
BEGINNING CASH AND CASH EQUIVALENTS		125,451
ENDING CASH AND CASH EQUIVALENTS	\$	141,843

See accompanying notes and accountant's report.

DELTA KAPPA GAMMA SOCIETY  
OHIO STATE ORGANIZATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

1. Organization and Nature of Activities

Delta Kappa Gamma Society Ohio State Organization (the “Organization”) is a nonprofit professional organization of key women educators, which was formed to promote the purpose of Delta Kappa Gamma Society International, act as a liaison between its members and the international organization, and provide leadership training. Its membership consists of women educators in Ohio.

2. Date of Management’s Review

Management reviews events and transactions occurring subsequent to the date of the financial statements for matters requiring potential recognition or disclosure in the financial statements. The Organization has evaluated subsequent events through October 17, 2020, the date the financial statements were available to be issued and determined that no additional disclosures are required.

3. Summary of Significant Accounting Policies

This summary of significant accounting policies is presented to assist in understanding the Organization’s accounting principles and practices which are consistently applied in the preparation of these financial statements.

Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. Under this basis of accounting, revenues are recognized when received rather than when earned and certain expenses are recognized when paid rather than when incurred. Modification include recognition of prepaid expenses and credit card and deferred liabilities.



DELTA KAPPA GAMMA SOCIETY  
OHIO STATE ORGANIZATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of assets: net assets without donor restrictions and net assets with donor restrictions

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed or board designated restrictions. All expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by donor stipulations, board designations or laws.

Cash and Cash Equivalents

The Organization considers all highly liquid investment with maturities of three months or less when purchased to be cash equivalents. The Organization maintains its cash and cash equivalents with high credit quality financial institutions, which at times may exceed federally insured limits. The Federal Deposit Insurance Corporation (FDIC) provides insurance coverage up to \$ 250,000, per depositor at each insured financial institution. None of the Organizations' cash was in excess of federally insured limits for the year ended June 30, 2020. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Investments

Investments purchased by the Organization are initially recorded at cost, and donated investments are recorded at fair value on the date they are received as a donation. Subsequent to their acquisition, investments in marketable securities with readily determinable fair values and investments in debt securities are adjusted to their fair values based on quoted market prices as of the date of the statement of assets, liabilities, and net assets. Investment gains and losses are included in the statement of activities.

DELTA KAPPA GAMMA SOCIETY  
OHIO STATE ORGANIZATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

Income Taxes

The Organization is exempt from federal income taxes under Section 501 (c)(6) of the Internal Revenue Code. Therefore, no provision or liability for federal income taxes has been included in the financial statements.

The Organizations' management has evaluated the support for its tax positions taken and determined no material uncertainties exist that would require disclosure or provision for the effects of uncertain tax positions for the year ended June 30, 2019.

The Organization files tax returns in the U.S. federal and state jurisdictions. With few exceptions, the Organization is no longer subject to examinations by tax authorities for years before 2015. The Organizations' not currently under audit and has not been contacted by a tax authority.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing programs and other activities have been summarized on a natural basis in the statement of revenues and expenses and on a functional basis in the schedule of functional expenses. In the year ended June 30, 2019 approximately 97% of the Organization's total expenses related to program services, and 3% to supporting services.

4. Net Assets with donor restrictions

Net assets with donor restrictions result from funds raised to support specific activities of the Organization.

5. Net Assets with board restrictions

This fund is required to be maintained by the international organization.

DELTA KAPPA GAMMA SOCIETY  
OHIO STATE ORGANIZATION  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2020

Investments and Fair Value Measurement

Investments consist of the following:

Mutual Funds	
BNY Mellon Funds US Mtg Fund Class A	\$ 18,963
Hartford Funds Balanced Fund Class A	<u>27,176</u>
Total	<u>\$ 46,139</u>

U.S. GAAP establishes a framework for measuring fair value and provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to Level 1 inputs, unadjusted quoted prices in active markets for identical assets or liabilities. Level 2 inputs are other than quoted prices within the Level 1 that are observable either directly or indirectly. Level 3 includes unobservable inputs. The Organization's investments were valued with Level 1 inputs as of June 30, 2020.

The Organization invests in various investment securities through brokerage accounts. Investment securities are exposed to various risks such as interest rates, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect investment income and total net assets.

6. Related Party Transactions and Concentrations

The Organization has three trustees who are also board members of the Foundation however, neither entity controls the other.