

**Ohio State Chapter P.E.O. Sisterhood**

**FINANCIAL REPORT**

**March 31, 2022 and 2021**

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## INDEPENDENT AUDITOR'S REPORT

Executive Board  
Ohio State Chapter P.E.O. Sisterhood

### Opinion

We have audited the accompanying financial statements of Ohio State Chapter P.E.O. Sisterhood, which comprise the statements of cash receipts and disbursements for the years ended March 31, 2022 and 2021, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements of Ohio State Chapter P.E.O. Sisterhood for the years ended March 31, 2022 and 2021 in accordance with the cash basis of accounting as described in Note 1.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ohio State Chapter P.E.O. Sisterhood and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1, including determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Ohio State Chapter P.E.O. Sisterhood's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ohio State Chapter P.E.O. Sisterhood's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Ohio State Chapter P.E.O. Sisterhood's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

### **Basis of Accounting**

We draw attention to Note 1 of the financial statements which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Also, as described in Note 1, the aforementioned financial statements do not include the accounts and transactions of state convention funds. Our opinion is not modified with respect to these matters.

### **Other**

The accompanying financial statements are that of Ohio State Chapter P.E.O. Sisterhood, only, and are not that of the primary reporting entity. The financial statements of The International Chapter of the P.E.O. Sisterhood have been issued to its Executive Board as the financial statements of the primary reporting entity.

This report is intended solely for the use of the Executive Board and management of each of Ohio State Chapter P.E.O. Sisterhood and The International Chapter of the P.E.O. Sisterhood and is not intended to be and should not be used by anyone other than these specified parties.



**DENMAN & COMPANY, LLP**

West Des Moines, Iowa  
May 27, 2022

**Ohio State Chapter P.E.O. Sisterhood  
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS**

	<b>Year ended March 31</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH RECEIPTS</b>		
Annual dues and registrations		
State	\$ 70,276	\$ 60,425
International	130,180	134,325
Contributions		
State		
Ohio Scholarships Fund	63,514	58,244
Cotley Care and Travel Fund	1,507	1,174
Cotley Ohio Suite Fund	2,645	12,779
International		
Cotley College	37,569	29,790
P.E.O. Educational Loan Fund	35,352	33,480
P.E.O. International Peace Scholarship Fund	37,444	35,648
P.E.O. Program for Continuing Education	47,701	41,178
P.E.O. Scholar Awards	34,434	32,623
P.E.O. STAR Scholarship Program	44,519	36,213
P.E.O. Foundation	22,600	22,640
Other		
Interest income	6	25
Miscellaneous income	225	168
Total cash receipts	527,972	498,712
<b>CASH DISBURSEMENTS</b>		
State		
Ohio Scholarships Fund	63,514	58,244
Cotley Care and Travel Fund	194	250
Cotley Ohio Suite Fund	15,424	-
International		
Annual dues	130,180	134,325
Contributions	259,619	231,571
State convention	31,314	5,313
International convention	403	-
Administration and general	28,076	21,542
Total cash disbursements	528,724	451,245
<b>INCREASE (DECREASE) IN CASH</b>	(752)	47,467
<b>CASH</b>		
Beginning	205,933	158,466
Ending	\$ 205,181	\$ 205,933

**Ohio State Chapter P.E.O. Sisterhood  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Ohio State Chapter P.E.O. Sisterhood is organized under The International Chapter of the P.E.O. Sisterhood, a nonprofit corporation established as a philanthropic and educational organization interested in bringing to women increased opportunities for higher education.

**Basis of Presentation**

The accompanying financial statements have been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from accounting principles generally accepted in the United States of America primarily due to the effects of outstanding dues and obligations for assessments unpaid at the date of the financial statements are not included in the financial statements.

Cash, which represents the net assets of the State Chapter, is not classified as either with or without donor restrictions. In addition, the financial statements of the State Chapter do not include the accounts and transactions of state convention funds.

**Contributions**

**Ohio Scholarships Fund**

The State Chapter has an Ohio Scholarships Fund. The fund is established for the purpose of funding scholarships for women who are Ohio residents and pursuing post high school study at an accredited college or university in an undergraduate or master's degree program, Cottey College or an accredited vocational school. The fund is administered by the Ohio Scholarships Committee and consists of monies received from gifts and bequests. Scholarship applicants are recommended by a local chapter and award payments are made to recipients following ratification by the Ohio State Chapter Executive Board, approval by the Board of Trustees of the P.E.O. Foundation and confirmation of educational registration.

**Cottey Ohio Suite Fund**

The Cottey Ohio Suite Fund consists of contributions received which are to be used for refurbishing of the Ohio Suite at Cottey College.

**Ohio State Chapter P.E.O. Sisterhood  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Contributions (continued)**

**Other**

Cotley College contributions represent amounts received in support of the College's mission.

P.E.O. Educational Loan Fund contributions represent amounts received to be used for loans to qualified women students from the United States or Canada to assist them in securing higher education and for expenses of administering the fund.

P.E.O. International Peace Scholarship Fund contributions represent amounts received to be used to provide scholarships for international women students to pursue graduate study in the United States or Canada and for expenses of administering the fund.

P.E.O. Program for Continuing Education contributions represent amounts received to be used to provide grants for qualified women students from the United States or Canada who have a definite need for financial assistance to continue their education and for expenses of administering the fund.

P.E.O. Scholar Awards contributions represent amounts received to be used to provide scholarship awards for qualified women from the United States or Canada to pursue advanced degrees or engage in advanced study and research and for expenses of administering the fund.

P.E.O. STAR Scholarship Program contributions represent amounts received to be used to provide scholarship awards to high school seniors who are pursuing post-secondary education at accredited institutions and for expenses of administering the fund.

P.E.O. Foundation contributions represent amounts received to be remitted to the P.E.O. Foundation. Gifts may be designated for specific purposes or undesignated in which case they would be available to benefit all P.E.O. International programs.

**Income Taxes**

The State Chapter is exempt from federal income taxes under applicable provisions of the Internal Revenue Code.

The State Chapter has evaluated their material tax positions and determined no income tax effects with respect to the financial statements. The State Chapter's tax returns are subject to tax examinations by tax authorities for a period of three years from the date the return was filed. The State Chapter has not been notified of any impending examinations by tax authorities, and no examinations are in process.

**Subsequent Events**

The State Chapter has evaluated subsequent events through May 27, 2022, the date which the financial statements were available to be issued. There were no subsequent events required to be accrued or disclosed.



**Ohio State Chapter P.E.O. Sisterhood  
SUPPLEMENTARY INFORMATION**

**SCHEDULES OF NET ASSETS**

	<b>March 31</b>	
	<b><u>2022</u></b>	<b><u>2021</u></b>
General Operating Fund	\$ 23,255	\$ 16,091
State Reserve Fund	56,729	56,723
State Convention Fund	16,403	29,038
International Convention Fund	23,039	15,987
Cotley Care and Travel Fund	13,034	11,722
Cotley Ohio Suite Fund	-	12,779
Technology Fund	2,528	3,168
Annual Reports Fund	<u>70,193</u>	<u>60,425</u>
Totals	<u>\$ 205,181</u>	<u>\$ 205,933</u>