

OHIO NURSES ASSOCIATION  
SCHEDULE OF FAIR SHARE FEE  
CHARGEABLE AND NON-CHARGEABLE EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2024

|                                   | Column A<br>Total<br>Expenses | Column B<br>Chargeable<br>Expenses | Column C<br>Non-chargeable<br>Expenses | Notes |
|-----------------------------------|-------------------------------|------------------------------------|--|-------|
| Salaries and benefits             | \$ 3,146,896                  | \$ 2,690,596                       | \$ 456,300                             | (3a)  |
| Professional fees                 | 315,586                       | 276,334                            | 39,252                                 | (3b)  |
| Information technology            | 119,760                       | 102,395                            | 17,365                                 | (3c)  |
| Depreciation                      | 61,431                        | 52,524                             | 8,907                                  | (3d)  |
| Travel                            | 165,621                       | 141,606                            | 24,015                                 | (3e)  |
| Utilities and maintenance         | 64,112                        | 54,816                             | 9,296                                  | (3f)  |
| Lobbying                          | 60,000                        | 60,000                             | -                                      | (3g)  |
| Publication of Ohio Nurses Review | 21,000                        | 16,523                             | 4,477                                  | (3h)  |
| Insurance and real estate taxes   | 44,993                        | 38,469                             | 6,524                                  | (3i)  |
| Continuing education and events   | 28,414                        | 28,414                             | -                                      | (3j)  |
| Communication and marketing       | 108,480                       | 59,989                             | 48,491                                 | (3k)  |
| Interest                          | 2,718                         | 2,324                              | 394                                    | (3l)  |
| Federation assessments            | 733,465                       | 475,933                            | 257,532                                | (3m)  |
| Convention                        | 179,326                       | 153,324                            | 26,002                                 | (3n)  |
| Other operating                   | 147,456                       | 126,075                            | 21,381                                 | (3o)  |
|                                   | <u>\$ 5,199,258</u>           | <u>\$ 4,279,322</u>                | <u>\$ 919,936</u>                      |       |
|                                   | <u>100.00%</u>                | <u>82.31%</u>                      | <u>17.69%</u>                          |       |

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Ohio Nurses Association (the Association), a not-for-profit organization, was incorporated in 1904 to provide and promote a means of improving the high standards and professional development of nursing.

Basis of Presentation

The accompanying Schedule of Fair Share Fee Chargeable and Non-Chargeable Expenditures (the Schedule) was prepared for the purpose of determining the fair share cost of services rendered by the Association and for employees represented by, but not members of the Association. The accompanying Schedule is not intended to be a complete presentation of the Association's assets, liabilities, or changes in net assets.

Basis of Accounting

The Schedule is presented using the accrual basis of accounting.

A summary of the differences between the audited financial statements and the Schedule is as follows:

|  |                     |
|--|---------------------|
| Expenses per audited financial statements<br>for the year ended June 30, 2024  | \$ 4,511,362        |
| Plus:  |                     |
| Federation assessments   | 733,465             |
| Less:  |                     |
| Expenses related to other entities included on<br>audited financial statements | <u>(45,569)</u>     |
| Total expenses per Schedule  | <u>\$ 5,199,258</u> |

Income Taxes

The Association is exempt from federal income taxes under Section 501 (c)(5) of the Internal Revenue Code.

As such, the Association is generally exempt from income taxes. However, the Association is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only. The Association is subject to routine audits by taxing jurisdictions. However, as of the date the financial statements were available to be issued, there were no audits for any tax periods in progress. As of June 30, 2024, the tax years that remain open subject to examination by taxing authorities begin with 2021.

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Depreciation

Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from three to thirty years.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Similarly, estimates are used in the accompanying Schedule. Management's significant factors and assumptions are disclosed in Note 3. Actual results could differ from those estimates.

Functional Classification of Expenses

Not for profit entities are required to disclose the functional classifications of expenses which include program services and general and administrative expenses.

Functional expense classification for 2024 is as follows:

|                                   | Program<br>Services | General and<br>Administration | 2024 Total          |
|-----------------------------------|---------------------|-------------------------------|---------------------|
| Salaries and benefits             | \$ 2,517,517        | \$ 629,379                    | \$ 3,146,896        |
| Professional fees                 | 252,469             | 63,117                        | 315,586             |
| Information technology            | 95,808              | 23,952                        | 119,760             |
| Depreciation                      | 49,145              | 12,286                        | 61,431              |
| Travel                            | 132,497             | 33,124                        | 165,621             |
| Utilities and maintenance         | 51,290              | 12,822                        | 64,112              |
| Lobbying                          | 60,000              | -                             | 60,000              |
| Publication of Ohio Nurses Review | 21,000              | -                             | 21,000              |
| Insurance and real estate taxes   | 35,994              | 8,999                         | 44,993              |
| Continuing education and events   | 22,731              | 5,683                         | 28,414              |
| Communication and marketing       | 86,784              | 21,696                        | 108,480             |
| Interest                          | 2,174               | 544                           | 2,718               |
| Federation assessments            | 475,933             | 257,532                       | 733,465             |
| Convention                        | 179,326             | -                             | 179,326             |
| Other operating                   | 117,965             | 29,491                        | 147,456             |
|                                   | <u>\$ 4,100,633</u> | <u>\$ 1,098,625</u>           | <u>\$ 5,199,258</u> |

The functional expense schedule reports certain categories of expenses that are attributable to one or more program or supporting functions of the Association. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages, employee benefits, depreciation, information technology, rent, insurance, and utilities, which are allocated based on estimates of time and effort.

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Operating Leases

The Association has non-cancelable operating leases for office equipment and office space with various maturities through 2028.

The minimum future lease payments are as follows:

|      |    |               |
|------|----|---------------|
| 2025 | \$ | 12,289        |
| 2026 |    | 7,229         |
| 2027 |    | 7,229         |
| 2028 |    | 3,614         |
|      | \$ | <u>30,361</u> |

Total operating lease cost for the year ended June 30, 2024, and 2023 are \$12,130 and \$12,137, respectively, which is included within other operating expenses.

Commitments and Contingencies

The Association is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. At the date of issuance, management is not aware of any pending lawsuits against the Association.

Subsequent Events

The Association has evaluated the subsequent events through December 9, 2024, which is the date the schedule was available to be issued.

**2. FAIR SHARE CHARGEABLE AND NON-CHARGEABLE**

The Association collects fair share fees from non-members of the Association. The non-members are referred to as "Fair Share Fee Payors." The Association is required by law to have procedures in effect to determine the amount of its expenditures that can be charged to Objecting Fair Share Fee Payors.