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 black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning and ending

B Check if applicable: [ ] Address change [ ] Name change [ ] Initial return [ ] Terminated [ ] Amended return [ ] Application pending

C Name of organization
THE FAMILY YOUNG MEN'S CHRISTIAN ASSOCIATION OF MARION AND POLK COUNTIES

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
685 COURT ST NE

City or town, state or country, and ZIP + 4
SALEM, OR 97301

D Employer identification number 93-0386982

E Telephone number 503-399-2757

G Gross receipts $ 4,851,486.

F Name and address of principal officer: PAUL MANNING
SAME AS C ABOVE

H(a) Is this a group return for affiliates? [ ] Yes [X] No

H(b) Are all affiliates included? [ ] Yes [ ] No
If "No," attach a list. (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status: [X] 501(c)(3) [ ] 501(c) ( )◀ (insert no) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ WWW.YOURY.ORG

K Form of organization [X] Corporation [ ] Trust [ ] Association [ ] Other ▶

L Year of formation 1892 **M** State of legal domicile OR

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: THE Y IS COMMITTED TO STRENGTHENING COMMUNITIES; WE HAVE BEEN DOING THIS FOR 160 YEARS AND

2 Check this box ▶ [ ] 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)	3	22
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	22
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	421
6	Total number of volunteers (estimate if necessary)	6	120
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	513,902.	595,904.
	9	Program service revenue (Part VIII, line 2g)	3,875,305.	4,058,172.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	13,786.	7,464.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	222,803.	181,550.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,625,796.	4,843,090.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	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)	3,143,750.	3,439,583.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 18,395.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	1,627,491.	1,593,732.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	4,771,241.	5,033,315.
	19	Revenue less expenses. Subtract line 18 from line 12	<145,445.>	<190,225.>
			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	2,312,295.	2,123,190.
	21	Total liabilities (Part X, line 26)	1,810,595.	1,832,954.
	22	Net assets or fund balances. Subtract line 21 from line 20	501,700.	290,236.

RECEIVED
AUG 20 2012
OGDEN, UT

SCANNED SEP 07 2012

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

▶ Signature of officer — Date Aug 13, 2012

▶ PAUL MANNING, CHIEF EXECUTIVE OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check if self-employed	PTIN
CHARLES A. SWANK		7/30/12	[ ]	P00150622

Firm's name ▶ GROVE, MUELLER & SWANK, P.C. — Firm's EIN ▶ 93-0874157

Firm's address ▶ 475 COTTAGE STREET NE, SUITE 200
SALEM, OR 97301 — Phone no (503)581-7788

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

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

616
35 5

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III [X]

1 Briefly describe the organization's mission:
THE Y IS COMMITTED TO STRENGTHENING COMMUNITIES; WE HAVE BEEN DOING THIS FOR 160 YEARS AND HOPE TO DO IT FOR DECADES TO COME. THE Y WANTS TO HELP OUR COMMUNITIES LEARN MORE ABOUT OUR WORK SO WE CAN HELP MORE CHILDREN DEEPEN THEIR POSITIVE VALUES. WE WANT TO HELP MORE FAMILIES

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 [X] 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 program services? [ ] Yes [X] 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 and section 4947(a)(1) trusts 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 $ 1,446,456. including grants of $ ________) (Revenue $ 2,020,613.)
THE ASSOCIATION PROVIDES EARLY CHILDHOOD EDUCATION FOR KIDS AGE SIX WEEKS THROUGH KINDERGARTEN, INCLUDING OPPORTUNITIES TO EXPLORE AND LEARN THROUGH DEVELOPMENTALLY APPROPRIATE ACTIVITIES. THE ASSOCIATION'S SCHOOL AGE CHILD CARE PROGRAM PROVIDES A UNIQUE BALANCE OF FUN, LEARNING, AND PHYSICAL DEVELOPMENT THROUGH PLANNED, SAFE ACTIVITIES SET TO BI-WEEKLY THEMES.

4b (Code ________) (Expenses $ 864,399. including grants of $ ________) (Revenue $ 1,234,816.)
THE ASSOCIATION PROVIDES MEMBERSHIP SERVICES TO IMPROVE THE HEALTH AND WELLNESS OF ITS MEMBERS THROUGH INDIVIDUAL WORKOUTS, GROUP FITNESS CLASSES, AQUATICS, MARTIAL ARTS AND MORE. DUES ARE BASED ON COMMUNITY AFFORDABILITY AND FINANCIAL ASSISTANCE IS AVAILABLE.

4c (Code ________) (Expenses $ 883,059. including grants of $ ________) (Revenue $ 928,795.)
YOUTH SPORT PROGRAMS INCLUDE: LEARN ABOUTS PROGRAM (DESIGNED TO INVOLVE PARENTS IN THE LEARNING PROCESS OF THE SPORT ALONG WITH THEIR CHILD), YOUTH BASKETBALL, GYMNASTICS & MOVEMENT, DANCE, AQUATICS, AND MUCH MORE. THE SUMMER DAY CAMP FOR KIDS IN GRADES 1 THROUGH 9 - LOCATED ON AN OVER 80-ACRE CAMP SITE - OFFERS BOATING, FIELD SPORTS, GROUP GAMES, ARCHERY, SWIMMING, CRAFTS, HIKING AND EXPLORING. THE ASSOCIATION'S RESIDENT CAMP IS LOCATED IN SILVER FALLS STATE PARK AND OFFERS TRADITIONAL CAMP PROGRAMS THAT BUILD A HEALTHY SPIRIT, MIND AND BODY.

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

4e **Total program service expenses ▶** 3,193,914.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
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*	3		X
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*	4		X
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*	5		X
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*	6		X
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*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21; 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*	9		X
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*	10	X	
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*	11a	X	
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*	11b		X
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*	11c	X	
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*	11d		X
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		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*	11f		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a	X	
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, XII, and XIII is optional*	12b		X
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
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*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
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*	17		X
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*	18		X
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*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		X
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21		X
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		X
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		X
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 25*	24a		X
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	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		X
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		X
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	26	X	
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		X
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):			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		X
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		X
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*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
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*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34		X
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		X
b	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*	35b		X
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
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*	37		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	0			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c		
2a	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	2a	421			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			3b		
4a	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)?			4a		X
b	If "Yes," enter the name of the foreign country: ▶					
	See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		X
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	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?			6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	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?			7a		X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter:					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter:					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state?			13a		
	Note. See the instructions for additional information the organization must report on Schedule O.					
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	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		X
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

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

Check if Schedule O contains a response to any question in this Part VI [X]

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year (1a) 22. 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 (1b) 22				
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?	2			X
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?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6			X
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?	7a			X
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
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*	9			X

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	X	
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?	10b	X	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X	
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*	12a	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	X	
13	Did the organization have a written whistleblower policy?	13	X	
14	Did the organization have a written document retention and destruction policy?	14	X	
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	15a	X	
b	Other officers or key employees of the organization	15b		X
	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?	16a		X
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?	16b		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶OR

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
[ ] Own website [ ] Another's website [X] Upon request

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, physical address, and telephone number of the person who possesses the books and records of the organization: ▶
THE ORGANIZATION - 503-399-2757
685 COURT ST NE, SALEM, OR 97301

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question 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, and 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 (describe hours for related organizations in Schedule O)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(1) RICHARD BERGER PRESIDENT	1.00	X		X				0.	0.	0.
(2) JACK CAYNON PRESIDENT ELECT	1.00	X		X				0.	0.	0.
(3) BRIAN BLISS VICE PRESIDENT	1.00	X		X				0.	0.	0.
(4) CORI FRAUENDIENER SECRETARY	1.00	X		X				0.	0.	0.
(5) DEB WILDING TREASURER	1.00	X		X				0.	0.	0.
(6) DENNY YOUNG PAST PRESIDENT	1.00	X						0.	0.	0.
(7) CHUCK ADAMS BOARD MEMBER	1.00	X						0.	0.	0.
(8) CASEY CAMPBELL BOARD MEMBER	1.00	X						0.	0.	0.
(9) PAUL CONNOLLY BOARD MEMBER	1.00	X						0.	0.	0.
(10) TOM HAMMER BOARD MEMBER	1.00	X						0.	0.	0.
(11) CHUCK HUDKINS BOARD MEMBER	1.00	X						0.	0.	0.
(12) ROBERT JACKMAN BOARD MEMBER	1.00	X						0.	0.	0.
(13) PHIL MCCORKLE BOARD MEMBER	1.00	X						0.	0.	0.
(14) SALAM NOOR BOARD MEMBER	1.00	X						0.	0.	0.
(15) FARIBORZ PAKSERESHT BOARD MEMBER	1.00	X						0.	0.	0.
(16) MIKE SMITH BOARD MEMBER	1.00	X						0.	0.	0.
(17) PHIL SCHRADLE BOARD MEMBER	1.00	X						0.	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 (describe hours for related organizations in Schedule O)	(C) Position: Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(18) KEVIN PALMER BOARD MEMBER	1.00	X						0.	0.	0.
(19) CHUCK WHITE BOARD MEMBER	1.00	X						0.	0.	0.
(20) DARIN SILBERNAGEL BOARD MEMBER	1.00	X						0.	0.	0.
(21) DON RUSSO BOARD MEMBER	1.00	X						0.	0.	0.
(22) STEVE HOFFERT BOARD MEMBER	1.00	X						0.	0.	0.
(23) PAUL MANNING CHIEF EXECUTIVE OFFICER	40.00			X				97,404.	0.	12,438.
(24) NICKY TIMM DIRECTOR OF FINANCE	40.00			X				49,300.	0.	7,877.
(25) FRED NAIMY ASSOCIATE EXEC DIRECTOR	40.00			X				63,000.	0.	8,835.

	(D)	(E)	(F)
1b Sub-total ▶	209,704.	0.	29,150.
c Total from continuation sheets to Part VII, Section A ▶	0.	0.	0.
d Total (add lines 1b and 1c) ▶	209,704.	0.	29,150.

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 ▶ 0

		Yes	No
3 Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3		X
4 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		X
5 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		X

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 NONE	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 0

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a	1,712.				
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	142,819.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	451,373.				
	g Noncash contributions included in lines 1a-1f $						
	h **Total.** Add lines 1a-1f		▶	595,904.			
Program Service Revenue		Business Code					
	2 a CHILD CARE AND FAMILY	624410		1,894,561.	1,894,561.		
	b MEMBERSHIP DUES	624100		1,234,816.	1,234,816.		
	c SPORTS FEES	624100		501,053.	501,053.		
	d CAMPS	624100		427,742.	427,742.		
	e						
	f All other program service revenue						
	g **Total.** Add lines 2a-2f		▶	4,058,172.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		▶	8,227.			8,227.
	4 Income from investment of tax-exempt bond proceeds		▶				
	5 Royalties		▶				
		(i) Real	(ii) Personal				
	6 a Gross rents	138,615.					
	b Less: rental expenses						
	c Rental income or (loss)	138,615.					
	d Net rental income or (loss)		▶	138,615.	83,117.		55,498.
		(i) Securities	(ii) Other				
	7 a Gross amount from sales of assets other than inventory						
	b Less: cost or other basis and sales expenses	763.					
	c Gain or (loss)	<763.>					
	d Net gain or (loss)		▶	<763.>			<763.>
	8 a Gross income from fundraising events (not including $ ____ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events		▶				
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities		▶				
	10 a Gross sales of inventory, less returns and allowances	a	15,046.				
	b Less: cost of goods sold	b	7,633.				
	c Net income or (loss) from sales of inventory		▶	7,413.	7,413.		
	Miscellaneous Revenue	Business Code					
	11 a OTHER REVENUE	624100		35,522.	35,522.		
	b						
	c						
	d All other revenue						
	e **Total.** Add lines 11a-11d		▶	35,522.			
	12 **Total revenue.** See instructions		▶	4,843,090.	4,184,224.	0.	62,962.

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) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question 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
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	238,854.	155,255.	73,255.	10,344.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,615,975.	1,928,356.	687,619.	
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	108,602.	63,404.	45,198.	
9 Other employee benefits	167,444.	111,952.	55,492.	
10 Payroll taxes	308,708.	225,312.	82,669.	727.
11 Fees for services (non-employees):				
a Management				
b Legal	975.		975.	
c Accounting	29,400.		29,400.	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	5,122.		5,122.	
g Other	179,705.	38,362.	141,343.	
12 Advertising and promotion	22,562.	6,376.	16,186.	
13 Office expenses	212,076.	24,090.	187,477.	509.
14 Information technology				
15 Royalties				
16 Occupancy	458,022.	102,876.	355,146.	
17 Travel	35,523.	12,578.	22,945.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	17,454.	10,333.	7,121.	
20 Interest	73,849.	48,002.	25,847.	
21 Payments to affiliates	74,973.	74,973.		
22 Depreciation, depletion, and amortization	132,407.	86,065.	46,342.	
23 Insurance	89,395.	58,107.	31,288.	
24 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)				
a SUPPLIES	228,181.	213,785.	7,581.	6,815.
b SPORTS PROGRAM SUPPLIES	28,354.	28,354.		
c ADMISSION FEES	5,734.	5,734.		
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	5,033,315.	3,193,914.	1,821,006.	18,395.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		127,092.	1	99,067.
	2	Savings and temporary cash investments		44,615.	2	44,677.
	3	Pledges and grants receivable, net		54,518.	3	33,611.
	4	Accounts receivable, net		16,889.	4	2,924.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			5	
	6	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)			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		23,998.	9	32,769.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 5,789,884.			
	b	Less: accumulated depreciation	10b 4,543,356.	1,366,122.	10c	1,246,528.
	11	Investments - publicly traded securities			11	
	12	Investments - other securities. See Part IV, line 11			12	
	13	Investments - program-related See Part IV, line 11		594,713.	13	561,644.
	14	Intangible assets		9,655.	14	8,582.
	15	Other assets. See Part IV, line 11		74,693.	15	93,388.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		2,312,295.	16	2,123,190.
Liabilities	17	Accounts payable and accrued expenses		415,690.	17	411,386.
	18	Grants payable			18	
	19	Deferred revenue		48,856.	19	42,509.
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		86,159.	21	109,672.
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		125,000.	22	125,000.
	23	Secured mortgages and notes payable to unrelated third parties		1,106,039.	23	1,095,614.
	24	Unsecured notes and loans payable to unrelated third parties		28,851.	24	48,773.
	25	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			25	
	26	**Total liabilities.** Add lines 17 through 25		1,810,595.	26	1,832,954.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		204,753.	27	<2,561.>
	28	Temporarily restricted net assets		271,947.	28	267,797.
	29	Permanently restricted net assets		25,000.	29	25,000.
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building, or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		501,700.	33	290,236.
	34	Total liabilities and net assets/fund balances		2,312,295.	34	2,123,190.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI [X]

1	Total revenue (must equal Part VIII, column (A), line 12)	1	4,843,090.
2	Total expenses (must equal Part IX, column (A), line 25)	2	5,033,315.
3	Revenue less expenses. Subtract line 2 from line 1	3	<190,225.>
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	501,700.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	<21,239.>
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	290,236.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII [ ]

			Yes	No
1	Accounting method used to prepare the Form 990: [ ] Cash [X] 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?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b	X	
c	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?	2c	X	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: [X] Separate basis [ ] Consolidated basis [ ] Both consolidated and separate basis			
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?	3a		X
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.	3b		

Form 990 (2011)

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization THE FAMILY YOUNG MEN'S CHRISTIAN ASSOCIATION OF MARION AND POLK COUNTIES

Employer identification number 93-0386982

Part I **Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ________
5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
9 ☐ An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	No	(v) Did you notify the organization in col (i) of your support? Yes	No	(vi) Is the organization in col (i) organized in the U S ? Yes	No	(vii) Amount of support
Total									

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	860,251.	949,118.	629,372.	513,902.	595,904.	3548547.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3	860,251.	949,118.	629,372.	513,902.	595,904.	3548547.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						3548547.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	860,251.	949,118.	629,372.	513,902.	595,904.	3548547.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	160,570.	165,505.	286,880.	143,838.	146,842.	903,635.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	7,040.	26,617.	43,998.	67,534.	35,522.	180,711.
11 **Total support.** Add lines 7 through 10						4632893.

12 Gross receipts from related activities, etc. (see instructions) | 12 | 19,926,871.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f)) | 14 | 76.59 %

15 Public support percentage from 2010 Schedule A, Part II, line 14 | 15 | 80.32 %

16a **33 1/3% support test - 2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ [X]

b **33 1/3% support test - 2010.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2011.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization: THE FAMILY YOUNG MEN'S CHRISTIAN ASSOCIATION OF MARION AND POLK COUNTIES

Employer identification number: 93-0386982

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate 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 ☐ No

6 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" to 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 Tax Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

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 ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ ______

7 Amount of expenses incurred in monitoring, inspecting, 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 XIV, 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" to 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 XIV, 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) Revenues included in 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 Revenues included in 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
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

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

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" to 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 XIV and complete the following table:

			Amount
c	Beginning balance	1c	
d	Additions during the year	1d	
e	Distributions during the year	1e	
f	Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☒ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

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

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	594,713.	544,381.	507,223.	460,905.	
b	Contributions	10,000.	0.	78,275.	213,662.	
c	Net investment earnings, gains, and losses	<13,838.>	67,134.	137,520.	<146,008.>	
d	Grants or scholarships	24,108.	12,405.	0.	17,294.	
e	Other expenditures for facilities and programs		0.	173,768.	0.	
f	Administrative expenses	5,123.	4,397.	4,869.	4,042.	
g	End of year balance	561,644.	594,713.	544,381.	507,223.	

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 ▶ 4.45 %

c Temporarily restricted endowment ▶ 95.55 %

The percentages in 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:

			Yes	No
(i)	unrelated organizations	3a(i)	X	
(ii)	related organizations	3a(ii)		X
b	If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

	Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a	Land		531,734.		531,734.
b	Buildings		4,107,455.	3,457,534.	649,921.
c	Leasehold improvements				
d	Equipment		947,155.	882,782.	64,373.
e	Other		203,540.	203,040.	500.
	Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				1,246,528.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) OREGON COMMUNITY		
(2) FOUNDATION ENDOWMENT	561,644.	END-OF-YEAR MARKET VALUE
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶	561,644.	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 15.)* ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25.)* ▶	

2. FIN 48 (ASC 740) Footnote. In Part XIV, 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)

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	4,843,090.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	5,033,315.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	<190,225.>
4	Net unrealized gains (losses) on investments	4	<21,239.>
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	<21,239.>
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	<211,464.>

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	4,829,667.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:				
a	Net unrealized gains on investments	2a	<21,239.>		
b	Donated services and use of facilities	2b	3,747.		
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV.)	2d	7,633.		
e	Add lines **2a** through **2d**			2e	<9,859.>
3	Subtract line **2e** from line **1**			3	4,839,526.
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b	3,564.		
c	Add lines **4a** and **4b**			4c	3,564.
5	Total revenue. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)*			5	4,843,090.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	5,041,131.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:				
a	Donated services and use of facilities	2a	3,747.		
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV.)	2d	7,633.		
e	Add lines **2a** through **2d**			2e	11,380.
3	Subtract line **2e** from line **1**			3	5,029,751.
4	Amounts included on Form 990, Part IX, line 25, but not on line **1**:				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV.)	4b	3,564.		
c	Add lines **4a** and **4b**			4c	3,564.
5	Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)*			5	5,033,315.

Part XIV Supplemental Information

Complete this part to 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

PART IV, LINE 2B: THE ASSOCIATION MAINTAINS CUSTODY ACCOUNTS CONTAINING CONTRIBUTIONS AVAILABLE FOR VARIOUS PARENTING CLUB PROGRAMS OFFERED BY THE ASSOCIATION.

PART V, LINE 4: THE ASSOCIATION'S ENDOWMENT FUNDS ARE INTENDED FOR THE DESIGNATED PROGRAMS OR TO ENHANCE THE OPERATION OF THE ASSOCIATION AS DESIGNATED BY THE BOARD.

Part XIV Supplemental Information *(continued)*

PART XII, LINE 2D - OTHER ADJUSTMENTS:

RESALE ITEMS	7,633.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

RECOVERY OF BAD DEBT	3,506.
RECLASS OF EXPENSE	58.
TOTAL TO SCHEDULE D, PART XII, LINE 4B	3,564.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

RESALE ITEMS	7,633.

PART XIII, LINE 4B - OTHER ADJUSTMENTS:

RECOVERY OF BAD DEBT	3,506.
RECLASS OF EXPENSE	58.
TOTAL TO SCHEDULE D, PART XIII, LINE 4B	3,564.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 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. ▶ See separate instructions.

OMB No 1545-0047
2011
Open To Public Inspection

Name of the organization: THE FAMILY YOUNG MEN'S CHRISTIAN ASSOCIATION OF MARION AND POLK COUNTIES

Employer identification number: 93-0386982

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) 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.

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
CHARLES HUDKINS J	X		15,000.	15,000.		X	X		X	
GUY GREIDER - REN	X		15,000.	15,000.		X	X		X	
GERARD AND VICTOR	X		15,000.	15,000.		X	X		X	
MIKE AND GLENDA S	X		15,000.	15,000.	X		X		X	
RANDY AND MELANIE	X		10,000.	10,000.		X	X		X	
CAROLYN CALKINS -	X		15,000.	15,000.		X	X		X	
A-F INVESTMENTS I	X		15,000.	15,000.	X		X		X	
GARTH AND JOAN BR	X		15,000.	15,000.		X	X		X	
THE PHILLIPPAY LI	X		10,000.	10,000.		X	X		X	
Total			▶ $	125,000.						

Part III Grants or Assistance Benefiting Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance

SEE PART V FOR CONTINUATIONS

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

Part V **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

SCHEDULE L, PART II, LOANS TO AND FROM INTERESTED PERSONS:

(A) NAME OF PERSON: CHARLES HUDKINS JR

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: GUY GREIDER

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: GERARD AND VICTORIA BERGER

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: MIKE AND GLENDA SMITH

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: RANDY AND MELANIE CURTIS

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: CAROLYN CALKINS

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: A-F INVESTMENTS INC

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: GARTH AND JOAN BRANDAW

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

(A) NAME OF PERSON: THE PHILLIPPAY LIVING TRUST

(A) PURPOSE OF LOAN: RENOVATING THE TEEN CENTER

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.

OMB No 1545-0047
2011
Open to Public Inspection

Name of the organization	Employer identification number
THE FAMILY YOUNG MEN'S CHRISTIAN ASSOCIATION OF MARION AND POLK COUNTIES	93-0386982

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:
HOPE TO DO IT FOR DECADES TO COME. THE Y WANTS TO HELP OUR COMMUNITIES LEARN MORE ABOUT OUR WORK SO WE CAN HELP MORE CHILDREN DEEPEN THEIR POSITIVE VALUES. WE WANT TO HELP MORE FAMILIES BUILD STRONGER BONDS, ACHIEVING GREATER WORK LIFE BALANCE AND BECOMING MORE ENGAGED IN THEIR COMMUNITIES. WE WANT TO HELP MORE INDIVIDUALS IMPROVE THEIR WELL-BEING AND CONNECT WITH PEOPLE WHO CARE.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:
BUILD STRONGER BONDS, ACHIEVING GREATER WORK LIFE BALANCE AND BECOMING MORE ENGAGED IN THEIR COMMUNITIES. WE WANT TO HELP MORE INDIVIDUALS IMPROVE THEIR WELL-BEING AND CONNECT WITH PEOPLE WHO CARE.

FORM 990, PART VI, SECTION B, LINE 11: THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER AND THE BUSINESS FINANCE DIRECTOR REVIEW FORM 990 PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: ALL OFFICERS, DIRECTORS/TRUSTEES AND KEY EMPLOYEES ARE REQUIRED TO READ THE ORGANIZATION'S CONFLICT OF INTEREST POLICY AND COMPLETE THE CONFIDENTIAL DISCLOSURE QUESTIONNAIRE ANNUALLY.

FORM 990, PART VI, SECTION B, LINE 15A: THE CEO'S COMPENSATION IS DETERMINED BY THE YUSA SALARY COMPARISONS OF REGIONAL AND NATIONAL YMCA OF LIKE SIZE AND POPULATION. OTHER FACTORS ATTRIBUTABLE TO THE CANDIDATE'S COMPENSATION INCLUDE YEARS OF EXPERIENCE, PAST PERFORMANCE, ETC. THE SEARCH COMMITTEE THEN RECOMMENDS THE CANDIDATE TO THE BOARD OF DIRECTORS

Name of the organization THE FAMILY YOUNG MEN'S CHRISTIAN ASSOCIATION OF MARION AND POLK COUNTIES

Employer identification number 93-0386982

FOR APPROVAL.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS AVAILABLE UPON REQUEST.

FORM 990, PART XI, LINE 5, CHANGES IN NET ASSETS:

NET UNREALIZED LOSSES ON INVESTMENTS: -21,239.

THE FAMILY YMCA OF MARION AND POLK COUNTIES
FINANCIAL STATEMENTS
Years Ended December 31, 2011 and 2010

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT

Board of Directors
The Family YMCA of Marion and Polk Counties
Salem, Oregon

We have audited the accompanying statement of financial position of The Family YMCA of Marion and Polk Counties (a nonprofit corporation), as of December 31, 2011, and the related statement of activities and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of The Family YMCA of Marion and Polk Counties' management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of The Family YMCA of Marion and Polk Counties were audited by other auditors whose report dated November 1, 2011, expressed no opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Family YMCA of Marion and Polk Counties, as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

CERTIFIED PUBLIC ACCOUNTANTS

July 17, 2012

THE FAMILY YMCA OF MARION AND POLK COUNTIES
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011 AND 2010

	Audited 2011	Unaudited 2010
ASSETS		
Current Assets		
Cash and cash equivalents - unrestricted	$ 83,275	$ 92,153
Cash and cash equivalents - restricted	109,181	109,631
Certificates of deposit	44,677	44,615
Receivables, net of allowance of $11,447 and $14,066 for 2011 and 2010, respectively	36,534	71,407
Prepaid expenses	32,769	23,998
Total Current Assets	306,436	341,804
Interest in funds held in trust	561,644	594,713
Land, Buildings and Equipment, net of accumulated depreciation	1,246,528	1,366,122
Loan Fees, net of accumulated amortization	8,582	9,655
Total Assets	$ 2,123,190	$ 2,312,294
LIABILITIES AND NET ASSETS		
Current Liabilities		
Operating line of credit	$ 97,933	$ 28,851
Current portion of long-term debt	47,521	1,041,092
Current portion of note payable to related parties	125,000	30,000
Custody account liabilities	109,672	86,159
Accounts payable	190,082	184,449
Accrued liabilities	221,304	231,241
Deferred revenue and support	42,509	48,856
Total Current Liabilities	834,021	1,650,648
Long-term Liabilities		
Long-term debt, net of current portion	998,933	64,946
Note payable to related parties, net of current portion	-	95,000
Total Long-term Liabilities	998,933	159,946
Total Liabilities	1,832,954	1,810,594

	Audited 2011	Unaudited 2010
LIABILITIES AND NET ASSETS (Continued)		
Net Assets		
Unrestricted		
Undesignated	$ (2,561)	$ 204,752
Restricted		
Temporarily	267,797	271,948
Permanently	25,000	25,000
	292,797	296,948
Total Net Assets	290,236	501,700
Total Liabilities and Net Assets	$ 2,123,190	$ 2,312,294

The accompanying notes are an integral part of the financial statements

THE FAMILY YMCA OF MARION AND POLK COUNTIES
STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2011 AND 2010

	Audited 2011			
	Unrestricted	*Temporarily Restricted*	*Permanently Restricted*	*Total*
REVENUE, PUBLIC SUPPORT AND INVESTMENT INCOME				
Revenue and public support				
Program service fees	$ 2,824,656	$ -	$ -	$ 2,824,656
Membership dues	1,222,533	-	-	1,222,533
Contributions	355,653	-	-	355,653
Grants	-	232,464	-	232,464
Rent, net	138,330	-	-	138,330
	1,712	-	-	1,712
In-kind donations	3,747	-	-	3,747
Special events and other	64,347	-	-	64,347
Total Revenue and Public Support	4,610,978	232,464	-	4,843,442
Investment income				
Interest and dividends	5,777	2,450	-	8,227
Gain on sale of funds held in trust	(534)	(229)	-	(763)
Unrealized gain (loss) on funds held in trust	(14,867)	(6,372)	-	(21,239)
Total Investment Income	(9,624)	(4,151)	-	(13,775)
NET ASSETS RELEASED FROM RESTRICTIONS	232,464	(232,464)	-	-
EXPENSES				
Program services				
Family services	1,446,456	-	-	1,446,456
Membership	864,399	-	-	864,399
Youth and Camping	429,576	-	-	429,576
Silver Falls	212,707	-	-	212,707
Monmouth/Independence	206,668	-	-	206,668
Santiam	119,145	-	-	119,145
Total Program Expenses	3,278,951	-	-	3,278,951
Supporting services				
Management and general	1,751,109	-	-	1,751,109
Fundraising	11,071	-	-	11,071
Total Supporting Services	1,762,180	-	-	1,762,180
Total Expenses	5,041,131	-	-	5,041,131
CHANGE IN NET ASSETS	(207,313)	(4,151)	-	(211,464)
NET ASSETS, *Beginning of year*	204,752	271,948	25,000	501,700
NET ASSETS, *End of year*	$ (2,561)	$ 267,797	$ 25,000	$ 290,236

Unaudited 2010			
Unrestricted	*Temporarily Restricted*	*Permanently Restricted*	*Total*
$ 2,786,059	$ -	$ -	$ 2,786,059
1,089,246	-	-	1,089,246
150,520	72,095	-	222,615
-	286,143	-	286,143
137,330	-	-	137,330
3,499	-	-	3,499
1,645	-	-	1,645
85,473	-	-	85,473
4,253,772	358,238	-	4,612,010
4,638	1,870	-	6,508
5,088	2,190	-	7,278
37,501	16,140	-	53,641
47,227	20,200	-	67,427
358,238	(358,238)	-	-
1,431,016	-	-	1,431,016
735,415	-	-	735,415
447,745	-	-	447,745
239,304	-	-	239,304
215,228	-	-	215,228
95,340	-	-	95,340
3,164,048	-	-	3,164,048
1,591,680	1,323	-	1,593,003
14,190	-	-	14,190
1,605,870	1,323	-	1,607,193
4,769,918	1,323	-	4,771,241
(110,681)	18,877	-	(91,804)
315,433	253,071	25,000	593,504
$ 204,752	$ 271,948	$ 25,000	$ 501,700

The accompanying notes are an integral part of the financial statements.

THE FAMILY YMCA OF MARION AND POLK COUNTIES
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2011 AND 2010

	Audited 2011	Unaudited 2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from program service fees	$ 2,818,509	$ 2,821,369
Cash received from membership dues	1,236,499	1,089,246
Cash received from public support	814,541	721,599
Cash paid to employees and suppliers	(4,822,018)	(4,427,828)
Interest and dividends received	8,165	6,280
Interest paid	(73,849)	(81,959)
Net Cash Provided by (Used in) Operating Activities	(18,153)	128,707
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of land, building, and equipment	(11,740)	(28,916)
Contributions to funds held in trust	(10,000)	-
Distributions from funds held in trust	24,108	12,405
Investment fees paid	(3,041)	(1,818)
Net Cash Used in Investing Activities	(673)	(18,329)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net advances (repayments) on line of credit	69,082	(71,149)
Proceeds from long-term borrowing	-	20,886
Principal payments on long-term debt	(59,584)	(50,682)
Loan fees, net	-	(10,728)
Net Cash Provided by (Used in) Financing Activities	9,498	(111,673)
NET CHANGE IN CASH	(9,328)	(1,295)
***CASH,** Beginning of year*	201,784	203,079
***CASH,** End of year*	$ 192,456	$ 201,784

		Audited 2011		Unaudited 2010
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Change in net assets	$	(211,464)	$	(91,804)
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation		131,334		132,556
Amortization		1,073		1,073
Unrealized gain (loss) on funds held in trust		21,239		(53,641)
Realized (gain) loss on sale of funds held in trust		763		(7,278)
Change in allowance for bad debts		(2,618)		8,300
Increase (decrease) in cash due to changes in assets and liabilities:				
Receivables		37,491		(20,139)
Prepaid expenses		(8,771)		12,621
Accounts payable		5,633		(9,533)
Custody accounts liabilities		23,513		71,803
Accrued liabilities		(9,937)		42,341
Deferred revenue and support		(6,347)		42,636
Certificates of deposit		(62)		(228)
Net Cash Provided by (Used in) Operating Activities	$	(18,153)	$	128,707

The accompanying notes are an integral part of the financial statements

THE ORGANIZATION

The Family YMCA of Marion and Polk Counties ("the Y") is an Oregon nonprofit corporation and was founded in 1892. The Y works every day to solve many of the issues Americans are most concerned about. For decades, the Y has offered programs that help kids reach their potential, that help families and individuals achieve better health outcomes and that encourage everyone to get involved and make their community a better place. The aim is to bring more services to more people in the key areas of Youth Development, Healthy Living and Social Responsibility. No other nonprofit is quite like the Y. With a footprint in more than 10,000 communities, the Y is best positioned to meet unique community needs and respond to chronic and emerging community issues, such as overall school readiness among youth and children; unprecedented lifestyle health crises among adults and children due to poor nutrition and inactivity; ongoing struggles of families to balance work, family and civic responsibilities and the betterment of communities by providing outlets for volunteerism and civic leadership.

The Y offers group fitness, aquatics, dance, martial arts, gymnastics, sports and leagues, camps, child development, early childhood and school age enrichment from tis main facility in Salem and its branch facilities in Silverton, Stayton, and Monmouth/Independence. In recent years, the Y has become the largest provider of childcare services in Marion and Polk Counties, serving children each day at 22 different sites while also meeting the health and fitness needs of its members. The Y gives scholarships and other financial assistance to those in need.

The Y owns a 16-unit apartment complex adjacent to its main facility in Salem that is occupied by tenants and employees (1 unit is used for storage). The complex is managed by a third party who charges 10% of rents collected each month.

Programs

The Y's primary programs are as follows:

Family Services

The Y provides early childhood education for kids age six weeks through kindergarten, including opportunities to explore and learn through developmentally appropriate activities. The School Age Child Care program provides a unique balance of fun, learning, and physical development through planned, safe activities set to bi-weekly themes.

Membership

Membership in the Y changes lives. By joining the Y, one is improving their health and wellness through individual workouts, group fitness classes, aquatics, martial arts and more. No person is denied a membership due to the inability to pay, as financial assistance is available for those who qualify.

Youth and Camping

Youth sports programs include Learn Abouts (designed to involve parents in the learning process of the sport along with their child), youth basketball, gymnastics and movement, dance, aquatics, and much more The summer day camp for kids in grades 1 – 9 is located on an 80+ acre camp site offering boating, field sports and group games, archery, swimming, crafts, hiking and exploring. The Y's resident camp is located in the largest state park in Oregon (Silver Falls State Park) and offers traditional camp programs that build a healthy spirit, mind, and body for all.

THE ORGANIZATION (Continued)

Programs (Continued)

Silver Falls

This branch manages the City of Silverton's pool and provides swimming lessons, several summer specialty camps, sports camps and day camps. Specialty camps include music, veterinary, tennis BMX and adventure camps for elementary age children. Youth sports programs include track, cheerleading, soccer and basketball.

Monmouth/Independence

This branch manages the City of Independence's outdoor pool during the summer months and provides summer swimming lesson and open family swims. Summer camps include specialty camps, adventure camps, sports camps and cheerleading camps. Youth sports are year round and include soccer and basketball.

Santiam

This branch serves Sublimity and Stayton with seasonal youth sports programs, including track and summer specialty camps, day camps and sports camps utilizing city, school district and other community facilities.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Net assets, as well as all balances and transactions, are presented based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Y, and changes therein, as classified and reported as follows:

Unrestricted net assets – Net assets not subject to donor-imposed restrictions.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Y and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that require the principal to be maintained permanently by the Y. Generally, the donors of these assets permit the Y to use all or part of the income earned on related investments for general or specific purposes.

Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is designated by the Board of Directors, restricted by explicit donor stipulations or by law. Expirations of temporary restrictions on net assets (i.e , the donor-stipulated purpose has been fulfilled and/or the stipulated time period has lapsed) are reported as assets released from donor restrictions.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Public Support

Revenue and public support are considered available for unrestricted use unless specifically restricted by the funding source. The Y's Board of Directors may designate the use of previously unrestricted funds in order to emphasize the intended use of those funds in the future. These funds may be released from such designations at any time.

The Y's primary sources of revenue are program service fees, membership dues, contributions and grants. Accounting principles generally accepted in the United States of America require revenue from these sources to be recognized when earned. In certain circumstances, however, the Y recognizes revenue when it is received rather than when it is earned. Management believes the effect of this departure on the Y's financial statements is immaterial.

Certain donated materials, supplies and services ("in-kind donations") are recorded by the Y when received if their fair market value can be reasonably estimated and if various other criteria are met in accordance with FASB ASC 958-605, *Revenue Recognition*. The Y reported contributed materials, supplies and services totaling $3,747 and $1,645 during the years ended December 31, 2011 and 2010, respectively.

Funds

The Y's accounts are maintained in accordance with the principles of fund accounting whereby resources are classified into funds established according to their nature and purpose.

General Fund

The General Fund accounts for the unrestricted and board designated activities of the Y. The General Fund also accounts for temporarily restricted contributions and grants whose restrictions have been met, certain fundraising activities and funds received from government agencies.

Property Fund

The Property Fund accounts for contributions which are either donor-restricted or board designated for use in the acquisition or replacement of the land, buildings and equipment used for the Y's activities. This fund accumulated the Y's investment in land, buildings and equipment, net of related debt and accumulated depreciation.

Investment Fund

The Investment Fund holds all assets not currently required for operating needs, as well as contributions which are donor-restricted as to principal (i.e., permanently restricted funds) but allow the Board of Directors discretion as to the use of investment earnings. The Board typically releases 4.5% of the prior three years' average balance of the unrestricted portion of the Investment Fund to the General Fund annually for general operations.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash Equivalents

The Y considers all short-term, highly liquid investments with original maturities of three months or less to be cash equivalents. The Y had no cash equivalents at December 31, 2011 or 2010.

Land, Buildings and Equipment

Land, buildings and equipment are stated at cost (if purchased) or their estimated fair value (if donated). Maintenance and repairs of a routine nature are charged to operations as incurred; additions and improvements are capitalized. Gains and losses from sales or retirements are included in the statement of activities.

Accounting principles generally accepted in the United States of America require the cost of depreciable assets to be charged to operations over their expected useful lives in a systematic and rational manner, with consideration given to salvage value. The Y records depreciation using the straight-line method over the estimated useful lives of the related assets, but does not assign salvage values to all assets. Management believes the effect of this departure on the Y's financial statements is immaterial.

The estimated useful lives of the Y's depreciable assets are as follows:

Buildings and improvements	5 to 39 years
Land improvements	20 years
Equipment	5 to 15 years
Vehicles	5 years
Furniture and fixtures	5 to 10 years

Amortization of exercise equipment under capital lease agreements is classified as depreciation expense for financial reporting.

Impairment of Long-Lived Assets

Long-lived assets (i.e., land, buildings and equipment) are evaluated for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be fully recoverable. Management evaluates the carrying amount of its long-lived assets using estimated future cash flows, operating income and property tax values. Management believes there was no impairment of long-lived assets during either of the years ended December 31, 2011 or 2010.

Concentrations of Risk

Cash (including restricted cash) and Certificates of Deposit

The Y's cash and certificates of deposit subject the Y to concentrations of potential credit risk. The Y limits its risk by depositing cash and certificates of deposit with established financial institutions as follows at December 31, 2011:

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Concentrations of Risk (Continued)

Cash (including restricted cash) and Certificates of Deposit (Continued)

		2011		*2010*
Demand deposits with financial institutuions	$	236,790	$	246,239
Petty cash		343		160
Total Cash and Cash Equivalents	$	237,133	$	246,399

All of the Y's non-interest bearing deposits are fully insured by the Federal Deposit Insurance Corporation ("FDIC"), whereas interest bearing deposits are insured up to $250,000.

Interest in Funds Held in Trust

The Y's interest in funds held in trust (i.e., funds owned by the Oregon Community Foundation, "OCF") consists of securities which are exposed to interest rate, market and credit risks. Due to the risk level associated with these investment securities, it is at least reasonably possible that valuation changes will occur in the near term and that such changes could materially affect the Y's interest in these funds and, therefore, the amounts reported in the statement of financial position.

Receivables

Receivables also subject the Y to concentrations of potential credit risk; however, the Y attempts to limit its exposure to losses on receivables by maintaining a broad membership and donor base.

Deferred Revenue

Deferred revenue is generally recorded when revenue and public support is received in advance of the related program services to be provided and totaled $42,509 and $48,856 at December 31, 2011 and 2010, respectively. However, when deferred revenue is not readily identifiable, it is recorded when received.

Fundraising Costs

The Y conducts fundraising activities which include appeals for contributions. These activities include the President's Roundtable and other special events. The Y allocated payroll and related costs totaling $11,071 and $10,983 to fundraising activities based on estimated time spent supporting these activities during the years ended December 31, 2011 and 2010, respectively.

Advertising Costs

Advertising costs are charged to operations as incurred and totaled $22,561 and $52,084 during the years ended December 31, 2011 and 2010, respectively

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Y is exempt from federal and state taxation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income tax provision is recorded.

The Y does not enter into transactions or take uncertain tax positions that would require adjustment to or disclosure in the financial statements under FASB ASC 740, *Income Taxes*. In addition, the Y's information returns are no longer subject to examination by taxing authorities for years prior to December 31, 2007.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications

Certain reclassifications have been made to the 2011 financial statement presentation to correspond to the current year's format. Total equity and net income are unchanged due to the reclassification.

RECEIVABLES

Receivables are partially pledged as collateral for the Y's operating lines of credit and consist of the following at December 31:

	2011	*2010*
Contribution pledges	$ 28,658	$ 28,127
Grants	4,953	26,391
Third party childcare fees	-	17,706
Employee childcare fees	-	1,892
Apartment rent	4,152	4,198
COBRA health insurance premium reimbursements	-	527
Other	10,219	6,632
	47,982	85,473
Less:		
Allowance for uncollectible general receivables	(7,060)	(10,566)
Allowance for uncollectible pledges	(4,388)	(3,500)
Total Accounts Receivable	$ 36,534	$ 71,407

Receivables are stated at cost and are unsecured. Management determines receivables are past due based on individual agreements and charges off accounts when they are determined uncollectible. Receivables more than 90 days past due totaled $15,723 and $15,460 at December 31, 2011 and 2010, respectively.

RECEIVABLES (Continued)

The Y determines its allowance for uncollectible receivables by considering a number of factors, including the length of time receivables are past due, the member or donor's ability to pay and previous collection history, as well as the economy as a whole.

INTEREST IN FUNDS HELD IN TRUST

The Y's interest in funds held in trust ($561,644 and $594,713 at December 31, 2011 and 2010, respectively) consists of investment owned by the Oregon Community Foundation ("OCF"). These funds are not held in a depository account but rather are in an "endowment fund" that is legally owned by the OCF. Under United States Treasury Regulations, all community foundation endowment fund agreements must include terms which grant the community foundation's Board of Directors the authority to modify restrictions and conditions of the fund agreement under certain circumstances (often referred to as "variance power"). As a result, all component funds are considered to be part of a single public charity, in this case the OCF.

The OCF variance power clause reads: "Whenever, in the sole judgment of the board of directors (without the necessity of the approval of any participating trustee, custodian or agent), any restriction or condition on the distribution of funds for any specified charitable, educational, or scientific purposes or to specified organizations or governmental units becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable, educational, and scientific needs of the state of Oregon, the board of directors may, by the affirmative vote of a majority of its members, order such modification of such restriction or condition and such application of the whole or any part of the principal or income of the funds as in its judgment is then necessary to serve more effectively the charitable, educational, and scientific purposes of the Corporation."

The OCF accounts for these funds in accordance with FASB ASC 958, *Not-for-Profit Entities*, which states that is a community foundation accepts a contribution from an agency and agrees to transfer those assets and/or the investment return on those assets back to the agency, then those contributions are presented as both an asset and a liability on the financial statements of the community foundation (i.e., the OCF), and as an asset on the financial statements of the agency (i.e., the Y). This treatment is for financial statement presentation purposes only as the legal ownership of these funds remains with the OCF.

The Y has designated its interest in funds held in trust at the OCF as follows at December 31:

	2011	*2010*
Undesignated	$ 266,025	$ 299,093
Temporarily Restricted:		
Camp Silver Creek Alumni Association	132,592	132,593
JM Scholarship	94,216	94,216
Campership	27,873	27,873
World Service	8,702	8,702
Youth Programs	4,540	4,540
Youth and Government	2,696	2,696
Permanently restricted	25,000	25,000
Total Interest in Funds Held in Trust	$ 561,644	$ 594,713

INTEREST IN FUNDS HELD IN TRUST (Continued)

The activity for the Y's interest in funds held in trust at the OCF is summarized as follows for the years ended December 31:

	2011	*2010*
Balance, beginning of year	$ 594,713	$ 544,381
Unrealized gains (losses)	(21,239)	53,641
Realized gains (losses)	(763)	7,278
Interest and dividend income	8,164	6,215
Third party contributions	10,000	-
Grants, scholarships, and distributions	(24,108)	(12,405)
Administrative expenses	(5,123)	(4,397)
Balance, end of year	$ 561,644	$ 594,713

Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA")

On June 22, 2007, the Uniform Prudent Management of Institutional Funds Act (UPMIFA) was signed into law in the state of Oregon and was implemented at the Y effective January 1, 2008. This new law revises the Uniform Management of Institutional Funds Act (UMIFA) which has governed Oregon charitable institutions with respect to the management, investment and expenditure of endowment funds since 1972.

The Y's investments consist of an individual fund held at the OCF (described above) established for a variety of purposes. The fund includes both donor-restricted funds and funds designated by the Y's Board of Directors to function as endowment funds.

Interpretation of Relevant Law

The Endowment Committee of the Y has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Y classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, if any. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified in temporarily restricted net assets until those amounts are appropriated for expenditure by the Board of Directors in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Y considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

INTEREST IN FUNDS HELD IN TRUST (Continued)

1. The duration and preservation of the fund
2. The purposes of the Y and the donor-restricted funds
3. General economic conditions
4. The possible effects of inflation and deflation
5. The expected total return from the income and/or appreciation of investments
6. Other resources of the Y
7. The investment policies of the Y

Return Objectives and Risk Parameters

The investment objective of the fund is to retain (at a minimum) and, when possible, increase the purchasing power of the funds, while at the same time providing a reasonable return for distribution to meet current Y needs. The funds are managed and invested in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances. The Y expected the funds to provide an average rate of return of approximately 8% annually. Actual returns in any given year may vary from this amount, however.

Uniform Prudent Management of Institutional Funds Act of 2006 ("UPMIFA")

Strategies Employed for Achieving Objectives

The OCF follows a total-return strategy in which investment decisions are made with the intent of maximizing the long-term total return of the portfolio, combining market value changes (realized and unrealized) and current yield (interest and dividends). The OCF invests in a mixture of equities, fixed-income investments, and alternative investment classes such as hedge funds, distressed debt, private investments and cash.

The OCF utilizes the services of investment managers with proven records of performance in domestic and international markets, equity management, fixed-income management, and/or mixed-asset management. OCF managers with responsibility for equity management have demonstrated skill managing assets within but not necessarily including all of the following styles: core (including index funds), growth, value, small capitalization and non U.S. equities.

Spending Policy and How Investment Objectives Relate to the Spending Policy

Each year the OCF board sets an annual payout rate for the coming year based on their Investment Committee's 10-year projection of investment return. Currently, if the projected 10-year return is 9% or above, the payout will be 5%; if the projected return is below 9%, the payout will be 4.5%. The payout is calculated using a 13-quarter trailing average of fund market value. New permanent funds are invested for a minimum of six months before being included in the valuation for distribution.

Fair Value Measurements

FASB ASC 820 establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

***INTEREST IN FUNDS HELD IN TRUST** (Continued)*

Fair Value Measurements (Continued)

Level 1

Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments which would generally be included in Level 1 include listed equities and listed derivatives. As required by FASB ASC 820, the OCF does not adjust the quoted price for these investments even in situations where the OCF holds a large position and a sale could reasonably impact the quoted price.

Level 2

Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not the same as those used in Level 1. Fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include corporate bonds and loans, less liquid and restricted equity securities and certain over-the-counter derivatives.

Level 3

Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgment or estimation. Investments that are included in this category generally include general and limited partnership interests in corporate private equity and real estate funds, debt funds, hedge funds, distressed debt and non-investment grade residual interests in securitizations and collateral debt obligations.

An asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques must maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used (by the OCF) for the Y's assets measured at fair value:

Investment accounts consisting of publicly traded equities and mutual funds are recorded at fair market value based on current quoted market prices provided primarily by custodians. Investments in fixed income accounts are recorded at fair value provided primarily by custodians and are based on pricing models that incorporate available trade, bid and other market information. Investments in co-mingled trusts and pooled funds are valued at the net asset value per unit as provided by the fund trustees or custodians. Net asset value is based on fair market value of the underlying assets of the funds using quoted market prices when available and alternative valuation methods as provided in the individual trust or pooled fund agreements when quoted market prices are not available.

Quoted market prices are not available for certain investments, including limited partnership investments and real property. These investments are recorded at their estimated fair market value; therefore the reported value may differ from the value that would have been used had a quoted market price existed. The valuations for limited partnership investments are based on the net asset value of the OCF's ownership interest in the partners' capital which includes assumptions and methods that were prepared by the General Partners of the limited partnerships and were reviewed by OCF management. The OCF believes that the reported amounts for these investments are reasonable estimates of their fair value at December 31, 2011 and 2010.

INTEREST IN FUNDS HELD IN TRUST (Continued)

Fair Value Measurements (Continued)

The methods described above could produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Y's management believes the OCF's valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement.

The fair value of the Y's interest in funds held in trust (Levels 1, 2 and 3) is based on their pro-rata share of the OCF's "total investments" as reported in their 2010 audited financial statements. The Y's assets that are stated at fair value within the fair value hierarchy are as follows:

	December 31, 2011			
	Level 1	*Level 2*	*Level 3*	*Carrying Value/ Fair Value*
Interest in funds held in trust at OCF	$ 164,959	$ 175,926	$ 220,759	$ 561,644

	December 31, 2010			
	Level 1	*Level 2*	*Level 3*	*Carrying Value/ Fair Value*
Interest in funds held in trust at OCF	$ 205,771	$ 173,656	$ 215,286	$ 594,713

Changes in the fair value of the Y's Level 3 assets were as follows for the years ended December 31:

	2011	*2010*
Balance, beginning of year	$ 215,286	$ 173,658
Purchases and issuances	14,747	34,586
Sales and settlements	(25,450)	(3,746)
Realized gains (losses)	4,305	(20)
Contributions	10,628	719
Unrealized gains (losses)	1,243	10,089
Transfers		
Balance, end of year	$ 220,759	$ 215,286

FASB ASC 820 requires additional disclosures for investments valued at net asset value to enable users of financial statements to understand the nature and risks of those investments; however, the Y's pro-rata values of these investments as reported by the OCF were insignificant at December 31, 2011.

LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment are pledged as collateral for the Y's operating lines of credit, long-term debt and notes payable to related parties and consist of the following at December 31:

	2011	*2010*
Land and land impovements	$ 531,734	$ 531,734
Building and building improvements	4,107,455	4,095,715
Equipment	567,603	588,490
Vehicles	203,540	203,540
Exercise equipment under lease	193,214	172,327
Furnitures and fixtures	165,452	165,452
Computer equipment under capital lease	20,886	20,886
	5,789,884	5,778,144
Less accumulated depreciation	(4,543,356)	(4,412,022)
	$ 1,246,528	$ 1,366,122

Depreciation expense charged to operations totaled $131,334 and $132,556 for the years ended December 31, 2011 and 2010, respectively.

The Y incurred extraordinary maintenance during the year totaling $18,800 for building painting.

The Y's exercise equipment under capital leases is fully depreciated. The computer equipment under capital lease has accumulated depreciation of $5,940 and a carrying value of $14,946.

Included in land, buildings and improvements is an apartment complex with an aggregate cost of $242,173 and accumulated depreciation totaling $187,773 at December 31, 2011. Future minimum rentals on non-cancelable leases are insignificant.

LOAN FEES

Capitalized loan fees consist of the following at December 31:

	2011	*2010*
Loan fees	$ 10,728	$ 10,728
Less accumulated amortization	(2,146)	(1,073)
	$ 8,582	$ 9,655

Amortization expense charged to operations totaled $1,073 and $1,073 for the years ended December 31, 2011 and 2010, respectively.

OPERATING LINES OF CREDIT

The Y maintains two operating lines of credit with MAPS Credit Union in which funds are available to a combined maximum of $100,000. Borrowings under these agreements bear interest at the Wall Street Journal prime rate plus 1% (4.25% at December 31, 2011).

The Y owed $97,933 and $28,851 under these agreements at December 31, 2011 and 2010, respectively.

Borrowings under these agreements are collateralized by subordinated trust deeds on the Y's Court Street and Cottage Street properties in Salem (including all personal property therein) and an assignment of rents from these properties

These agreements are subject to business loan agreements containing certain restrictive covenants relating primarily to the Y's operations. Management believes they are in compliance with all aspects of the business loan agreements at December 31, 2011.

LONG-TERM DEBT

Long-term debt consists of the following at December 31:

	2011	*2010*
Note payable to West Coast Bank in monthly installments of $7,355 including interest at 5.75% through December 2012 (at which time interest will be based on the FHLB Index plus 3.5% thereafter); balloon payment of approximately $600,000 is due in January 2020; secured by a first trust deed on real property and subject to a business loan agreement.	$ 980,425	$ 1,010,339
Note payable to the City of Salem in monthly installments of $555, including interest at 3.0%; matures in January 2020; unsecured.	48,773	53,861
Capital lease payable to Columbia Bank in monthly installments of $750, including imputed interest at 13.4%; matures in March 2012; secured by exercise equipment.	3,218	11,200
Capital lease payable to Columbia Bank in monthly installments of $615, including imputed interest at 13.4%; matured in November 2011; secured by exercise equipment.	-	7,625
Capital lease payable to Kitsap Bank in monthly installments of $370, including imputed interest at 18.8%; matures in March 2012; secured by exercise equipment.	1,077	5,226

LONG-TERM DEBT (Continued)

	2011	2010
Capital lease payable to Bank of the West in monthly installments of $543, including imputed interest at 11 3%; matures in February 2014; secured by computer equipment.	$ 12,961	$ 17,787
Less: current portion	(47,521)	(1,041,092)
	$ 998,933	$ 64,946

Scheduled principal payments on long-term debt, including payments on capital leases, are summarized below for the years ending December 31:

Year Ending December 31,	
2012	$ 47,521
2013	45,920
2014	43,736
2015	44,463
2016	46,922
Thereafter	817,892
	$ 1,046,454

Payments on capital leases included in the schedule above exclude imputed interest as these amounts are not significant.

Business Loan Agreement

The note payable to West Coast Bank is subject to a business loan agreement which contains a "Balanced Fiscal Year-End Financial Condition" requirement, which is defined as no deficit balance after all revenues and expenses are recorded (exclusive of extraordinary gains and losses). Expenses include all operating expenses, capital expenditures, interest expense and debt service, but exclude non-cash items (i.e., depreciation and amortization). The Y was not in compliance with this covenant for the year ended December 31, 2011. The Y received a letter from West Coast Bank waiving this financial covenant for the year ended December 31, 2011.

NOTES PAYABLE TO RELATED PARTIES

In May 2004 certain board members and other individuals ("the constituents") loaned the Y a total of $150,000 under 9 notes which are due and payable on the earliest of (1) the stated due dates of the individual loans or (2) the sale of the Teen Center, or commencement of improvements to the Teen Center as part of a plan under which the Y elects to remain in its current location

NOTES PAYABLE TO RELATED PARTIES (Continued)

These notes are secured by a subordinated trust deed on real property. Interest is paid quarterly at the Wall Street Journal prime rate plus 3% (6.25% at December 31, 2011) and totaled $7,813 and $7,813 for the years ended December 31, 2011 and 2010, respectively.

The Y owed the constituents $125,000 at both December 31, 2011 and 2010, and has not repaid two loans totaling $30,000 that were due in May 2010.

Scheduled principal payments on notes payable to related parties are summarized below for the years ending December 31:

Past Due	$	30,000
2012		95,000
	$	125,000

CUSTODY ACCOUNT LIABILITIES

The Y holds funds for small groups which raise money for their various programs. Funds held for these groups consist of the following at December 31:

		2011		2010
Funds held in segregated accounts:				
Camp Silver Creek Alumni Association	$	67,951	$	52,886
Manta Ray Swim Team		12,683		10,822
Y Service Club		11,501		10,012
Salem Budo Kai		1,253		973
		93,388		74,693
Funds included in the Y's general operating account				
School Age Club		395		395
World Service		699		699
Racquetball Club		648		-
Camp Silver Creek Alumni Association		15,033		10,146
Others		(491)		226
	$	109,672	$	86,159

ACCRUED LIABILITIES

Accrued liabilities consist of the following at December 31:

	2011	2010
Salaries and wages	$ 141,354	$ 148,123
Vacation reserve	34,374	35,212
Payroll taxes and benefits	25,410	21,411
Other	20,166	26,495
	$ 221,304	$ 231,241

DEFERRED REVENUE AND SUPPORT

Deferred revenue and support consists of the following at December 31:

	2011	2010
Program fees	$ 10,733	$ -
Childcare advance payments	25,140	21,306
Membership fees	6,636	-
Boating and Fishing Foundation grant	-	10,000
Camp Silvercreek Fees	-	9,240
Salem swim team	-	3,331
Rents	-	4,979
	$ 42,509	$ 48,856

PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets consist of investments in perpetuity, the income from which is expendable to support young adult scholarships, totaling $25,000 at both December 31, 2011 and 2010.

ASSETS RELEASED FROM DONOR RESTRICTIONS

Certain assets were released from donor restrictions by incurring expenses which satisfied the purposes specified by donors as follows during the year ended December 31:

	2011	*2010*
Donor restrictions accomplished:		
Silver Falls (including pool)	$ 75,252	$ 104,753
Family Services:		
Childcare	23,724	86,536
Pool	10,262	14,243
Youth sports	5,381	11,335
Health & Wellness	64,000	3,079
Dance	-	1,500
Youth and Camping	10,000	29,825
Monmouth/Independence	19,852	19,779
Santiam	-	16,396
Other:		
Roof repairs	-	65,642
Youth & Government	21,993	4,000
Peace Mural	2,000	1,150
	$ 232,464	$ 358,238

RETIREMENT PLANS

YMCA Retirement Fund

The Young Men's Christian Association Retirement Fund sponsors a defined contribution retirement plan under provisions of Internal Revenue Code Section 401(a) for local Y employees who have attained age 21, completed two years of employment and have been credited with 1,000 hours of employment within each of any two 12-month periods. Employer contributions are mandatory and are currently based on 8% of eligible compensation. Contributions charged to operations under this plan totaled $125,737 and $118,032 for years ended December 31, 2011 and 2010, respectively.

403(a) "Smart Account"

Although the Y does not contribute to this plan, the Y also offers a 403(b) "Smart Account" for all of its employees, regardless of age, length of service or hours worked. Under this plan, employees can elect to defer up to 25% of pre-tax wages; however, the contribution limit is reduced to 17% for those employees participating in the 401(a) plan noted above.

COMMITMENTS AND CONTINGENCIES

Operating Leases

The Y leases its facility in Santiam, Oregon under an agreement which expires in February 2013. Rent expense charged to operations under this lease totaled $8,100 and $8,050 for the years ended December 31, 2011 and 2010, respectively.

The Y leases 45 parking spaces for its members under an agreement with First Presbyterian Church of Salem which expires in June 2011 (including option years). Rent expense charged to operations under this lease totaled $17,280 for each of the years ended December 31, 2011 and 2010.

The Y leases a 4-H Center ("Camp Greider") under an agreement which expires in August 2031. Rent expense charged to operations under this lease totaled $7,822 for each of the years ended December 31, 2011 and 2010, respectively.

The Y leases the Silver Creek Falls State Park Camp under an agreement which requires payments based on $4 per occupant per day and expires in December 2017. Rent expense charged to operations under this agreement totaled $39,985 and $35,730 for the years ended December 31, 2011 and 2010, respectively.

The Y leases three copy machines and a mailing system under agreements expiring between March 2012 and September 2013. Rent expense charged to operations under these agreements totaled $17,081 for each of the years ended December 31, 2011 and 2010.

The Y also leases several facilities on a month-to-month basis. Rent expense charged to operations for these facilities is summarized below for the years ended December 31:

	2011	2010
Childcare facilities	$ 43,685	$ 38,820
Employee parking facility	8,850	7,020
Santiam facility	8,100	6,535
Camp Greider	8,225	2,328
	$ 68,860	$ 54,703

COMMITMENTS AND CONTINGENCIES (Continued)

The aggregate minimum lease commitment under all non-cancelable operating leases with terms of more than one year are estimated as follows for the years ending December 31:

Year Ending December 31,	
2012	$ 58,262
2013	45,984
2014	43,552
2015	43,552
	$ 191,350

Rent expense charged to operations under all operating leases totaled $139,252 and $140,666 for the years ended December 31, 2011 and 2010, respectively.

Software License Agreements

The Y leases various software modules from Daxko, LLC under agreements which expire between April 2012 and February 2013. License fees charged to operations under these agreements totaled $69,535 and $59,203 for the years ended December 31, 2011 and 2010, respectively.

The aggregate minimum license fee commitment under software license agreements with terms of more than one year are estimated as follows for the years ending December 31:

Year Ending December 31,	
2012	$ 41,734
2013	6,422
	$ 48,156

National Affiliation

The Y is a member of the Young Men's Christian Association under an agreement which requires the Y to pay annual membership dues (assessed at 2% of certain revenue). Payments charged to operations under this agreement totaled $74,973 and $62,685 for the years ended December 31, 2011 and 2010, respectively.

COMMITMENTS AND CONTINGENCIES (Continued)

Unemployment Insurance

The Y is self-insured for unemployment compensation which could result in higher annual expense fluctuations than a fully-insured plan; however, management believes that maintaining this type of plan is a reasonable and prudent risk

The liability for outstanding claims and claims incurred but not reported at December 31, 2011 cannot be reasonably estimated; however, the Y has established a restricted cash account ($15,296 at December 31, 2011) for future claims. The third party administrator (501(c) Agencies Trust) has recommended that the Y increase its restricted cash account to approximately $58,000 during 2011. The related liability has not been recorded in the accompanying financial statements.

Roof Damage

In April 2010 severe winds and rain damaged the roof of the Y's main facility, resulting in water damage to the women's health center locker room. The extreme weather also damaged the roof over the gym, causing water damage to the gym floor.

Costs incurred to repair the women's health center totaled $109,146 ($25,851 for the roof and $83,295 for the locker room), and was covered by insurance proceeds totaling $109,794. The excess insurance proceeds totaling $648 are included in special events and other in on the accompanying statement of activities for the year ended December 31, 2010.

The costs to repair the gym and its roof totaled $77,053 and in August 2010 the Y received a $61,642 Community Development Block Grant from the City of Salem (funded by the U.S. Department of Housing and Urban Development) plus a $4,000 donor contribution to fund the repairs. The $11,411 shortfall has been charged to operations in the accompanying statement of activities for the year ended December 31, 2010.

While the roof has been repaired to a functional condition, it has not been fully restored and management expects to make additional repairs as cash flow permits; however, the additional cost is unknown at this time and no additional insurance proceeds or grants are known to be available.

BENEFICIAL INTEREST

In February 2008 the Y was named a 20% beneficiary of the Washburn Family Fund held at the OCF (total fund balance of approximately $155,000). The Y expects to receive a 5% annual cash distribution from its 20% beneficial interest in the fund's market value ($1,228 was distributed to the Y in November 2010). The Washburn Family Fund has also made an additional $25,000 available to the Y for a future capital campaign; however, this "promise to give" has not been recorded in the accompanying financial statements.

INTERFUND DEBT

In April 2010 the Board forgave a $162,968 loan (including $9,468 accrued interest) from unrestricted assets held in the Endowment Fund to the General Fund. The funds were originally borrowed by the General Fund to finance general operations in 2001 and 2003.

SUBSEQUENT EVENTS

The Organization follows the provisions of Accounting Standards Codification (ASC) 855 "Subsequent Events". ASC 855 establishes accounting and disclosure requirements for subsequent events. Management has evaluated subsequent events through July 17, 2012, the date on which the financial statements were available to be issued. Management is not aware of any subsequent events that require recognition or disclosure in the financial statements.