

JEWISH FAMILY SERVICE OF STAMFORD, INC.

Financial Statements

**Year Ended August 31, 2021
(with comparative totals for 2020)**

JEWISH FAMILY SERVICE OF STAMFORD, INC.

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The Board of Directors
Jewish Family Service of Stamford, Inc.
Stamford, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of Jewish Family Service of Stamford, Inc. (Agency) which comprise the statement of financial position as of August 31, 2021, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The Board of Directors
Jewish Family Service of Stamford, Inc.
Stamford, Connecticut

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jewish Family Service of Stamford, Inc. as of August 31, 2021 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Agency's financial statements as of and for the year ended August 31, 2020, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 22, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2020 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Emphasis of Matter

As discussed in Note 2 to the financial statements, the Agency restated the prior year financial statements. Our opinion is not modified with respect to this matter.

Cirone Friedberg, LLP

Shelton, Connecticut
February 18, 2022

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2021
(with comparative totals for 2020)

	<u>2021</u>	<u>2020</u> <u>(Restated)</u>
ASSETS		
Cash and Cash Equivalents	\$ 444,001	\$ 689,051
Fees Receivable, Net of Allowance for Uncollectible Accounts of \$16,000 in 2021 and \$9,000 in 2020	108,096	116,771
Allocations Receivable	134,676	117,734
Contributions Receivable	149,143	217,044
Miscellaneous Receivables and Prepaid Expenses	15,885	13,287
Pooled Investment Funds Held by a Community Foundation	3,027,631	1,321,067
Investments Held for Deferred Compensation Plan	588,049	472,450
Building, Improvements, Furniture and Equipment, Net	1,087,710	1,023,427
Assets Restricted for Long-Term Investment Purposes	<u>2,914,975</u>	<u>2,911,408</u>
Total Assets	<u>\$ 8,470,166</u>	<u>\$ 6,882,239</u>
LIABILITIES AND NET ASSETS		
<u>Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 70,090	\$ 111,809
Refundable Advances on Grants	4,851	3,398
Loan Payable - PPP	-	258,430
Mortgage Payable, Net of Deferred Mortgage Costs of \$25,196 in 2021 and \$26,115 in 2020	566,579	579,435
Deferred Compensation Obligation	588,049	472,450
Total Liabilities	<u>1,229,569</u>	<u>1,425,522</u>
<u>Net Assets</u>		
Without Donor Restriction:		
Net Investment in Building, Improvements, Furniture and Equipment	597,165	547,579
Undesignated - Available for Operations	1,835,214	705,857
Total Net Assets Without Donor Restriction	<u>2,432,379</u>	<u>1,253,436</u>
With Donor Restriction	<u>4,808,218</u>	<u>4,203,281</u>
Total Net Assets	<u>7,240,597</u>	<u>5,456,717</u>
Total Liabilities and Net Assets	<u>\$ 8,470,166</u>	<u>\$ 6,882,239</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2021
(with comparative totals for 2020)

	2021		2020	
	Without Donor Restriction	With Donor Restriction	Total	Total
Revenues, Gains and Other Support				
Allocations	\$ 22,424	\$ 202,176	\$ 224,600	\$ 256,453
Bequests	6,829	3,567	10,396	2,125,456
Other Contributions, Including Non-cash				
Donations of \$5,000 in 2020	829,574	253,951	1,083,525	1,035,107
Grants	54,556	-	54,556	98,572
Fund-raising Events	246,271	-	246,271	2,830
Counseling Fees, Net of Contractual Adjustments of \$103,729 in 2021 and \$121,499 in 2020	124,162	-	124,162	144,276
Other Program Fees	520,275	-	520,275	471,187
Investment Income	2,480	-	2,480	7,952
Unrealized Appreciation on Pooled Investment Funds				
Held by a Community Foundation, Net	537,039	127,575	664,614	146,523
Realized Gain on Sale of Investments	-	-	-	312
In-kind Contributions	2,400	-	2,400	2,400
Total	<u>2,346,010</u>	<u>587,269</u>	<u>2,933,279</u>	<u>4,291,068</u>
Net Assets Released from Restrictions:				
Expiration of Time Restrictions	288,119	(288,119)	-	-
Satisfaction of Purpose Restrictions	168,429	(168,429)	-	-
Satisfaction of Time and Purpose Restrictions	117,734	(117,734)	-	-
Total Net Assets Released from Restrictions	<u>574,282</u>	<u>(574,282)</u>	<u>-</u>	<u>-</u>
Total Revenues, Gains and Other Support	<u>2,920,292</u>	<u>12,987</u>	<u>2,933,279</u>	<u>4,291,068</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2021
(with comparative totals for 2020)

	2021		2020	
	Without Donor Restriction	With Donor Restriction	Total	Total
Expenses				
Program Services:				
Counseling and Family Life	634,486	-	634,486	545,414
Food Insecurity Programs	119,603	-	119,603	135,803
Case Management and Emergency Assistance	424,491	-	424,491	392,008
Elderly Services	410,159	-	410,159	409,578
Hebrew Free Loans	6,173	-	6,173	-
Volunteer Services	47,716	-	47,716	-
Senior Employment Programs	-	-	-	35,082
Total Program Services	<u>1,642,628</u>	<u>-</u>	<u>1,642,628</u>	<u>1,517,885</u>
Support Services:				
Management and General	96,181	-	96,181	123,423
Fund Raising	230,518	-	230,518	252,637
Total Support Services	<u>326,699</u>	<u>-</u>	<u>326,699</u>	<u>376,060</u>
Total Functional Expenses	1,969,327	-	1,969,327	1,893,945
Cost of Direct Benefits to Donors	<u>30,452</u>	<u>-</u>	<u>30,452</u>	<u>-</u>
Total Expenses	<u>1,999,779</u>	<u>-</u>	<u>1,999,779</u>	<u>1,893,945</u>
Excess of Revenues, Gains and Other Support Over Expenses from Operations	<u>920,513</u>	<u>12,987</u>	<u>933,500</u>	<u>2,397,123</u>
Other Income				
Gain on Forgiveness of PPP Loan	258,430	-	258,430	-
Unrealized Appreciation on Pooled Investment Funds Held by a Community Foundation, Net - Unappropriated	-	591,950	591,950	325,048
Total Other Income	<u>258,430</u>	<u>591,950</u>	<u>850,380</u>	<u>325,048</u>
Change in Net Assets	<u>1,178,943</u>	<u>604,937</u>	<u>1,783,880</u>	<u>2,722,171</u>
Net Assets at Beginning of Year, as Previously Stated	1,578,484	3,878,233	5,456,717	2,734,546
Restatement	<u>(325,048)</u>	<u>325,048</u>	<u>-</u>	<u>-</u>
Net Assets at Beginning of Year, as Restated	<u>1,253,436</u>	<u>4,203,281</u>	<u>5,456,717</u>	<u>2,734,546</u>
Net Assets at End of Year	<u>\$2,432,379</u>	<u>\$4,808,218</u>	<u>\$7,240,597</u>	<u>\$5,456,717</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2021
(with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 1,783,880	\$ 2,722,171
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Provision for Uncollectible Accounts	23,276	12,153
Depreciation	48,103	46,232
Amortization of Deferred Mortgage Costs	991	919
Gain on Forgiveness of PPP Loan	(258,430)	-
Unrealized Appreciation on Pooled Investment Funds Held by a Community Foundation	(1,256,564)	(471,571)
Realized Gain on Sale of Investments	-	(312)
Contributions Restricted for Endowment Purposes	(3,567)	(2,117,408)
Deferred Compensation Expense	16,401	14,531
Changes in:		
Fees Receivable	(14,601)	(31,675)
Allocations Receivable	(16,942)	40,223
Contributions Receivable	67,901	67,988
Grant Receivable	-	37,403
Miscellaneous Receivables and Prepaid Expenses	(2,598)	5,364
Accounts Payable and Accrued Expenses	(41,719)	16,088
Refundable Advances on Grants	1,453	(19,631)
Deferred Compensation Obligation	99,198	55,920
Total Adjustments	<u>(1,337,098)</u>	<u>(2,343,776)</u>
Net Cash Provided by Operating Activities	<u>446,782</u>	<u>378,395</u>
Cash Flows from Investing Activities		
Increase in Assets Restricted for Long-Term Investment Purposes	(3,567)	(2,117,408)
Proceeds from Sale of Investments	-	581
Increase in Pooled Investments Held by a Community Foundation	(492,804)	(500,266)
Proceeds from Sale of Pooled Investment Funds Held by a Community Foundation, Net	42,804	-
Purchase of Building, Improvements, Furniture and Equipment	(112,386)	(10,716)
Increase in Investments Held for Deferred Compensation Plan	<u>(115,599)</u>	<u>(70,451)</u>
Net Cash Used by Investing Activities	<u>(681,552)</u>	<u>(2,698,260)</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2021
(with comparative totals for 2020)

	<u>2021</u>	<u>2020</u>
Cash Flows from Financing Activities		
Contributions Restricted for Endowment Purposes	3,567	2,117,408
Proceeds from Loan Payable - PPP	-	258,430
Repayment of Mortgage Payable	<u>(13,847)</u>	<u>(13,013)</u>
Net Cash (Used) Provided by Financing Activities	<u>(10,280)</u>	<u>2,362,825</u>
Net (Decrease) Increase in Cash and Cash Equivalents	(245,050)	42,960
Cash and Cash Equivalents at Beginning of Year	<u>689,051</u>	<u>646,091</u>
Cash and Cash Equivalents at End of Year	<u>\$ 444,001</u>	<u>\$ 689,051</u>
 Supplemental Disclosures of Cash Flow Information		
Cash Paid During the Year for Interest	<u>\$ 31,301</u>	<u>\$ 32,061</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2021
(with comparative totals for 2020)

	PROGRAM SERVICES						SUPPORT SERVICES					2021 Total	2020 Total
	Counseling and Family Life	Food Insecurity Programs	Case Manage- ment and Emergency Assistance	Elderly Services	Hebrew Free Loans	Volunteer Services	Total Program	Manage- ment and General	Fund Raising	Total Support			
Salaries	\$ 333,656	\$ 53,316	\$ 159,990	\$ 285,075	\$ 5,302	\$ 25,701	\$ 863,040	\$ 54,024	\$ 131,609	\$ 185,633	\$ 1,048,673	\$ 1,104,437	
Payroll Taxes	22,691	3,635	11,013	21,320	272	1,900	60,831	2,687	8,568	11,255	72,086	76,100	
Fringe Benefits	40,224	3,539	21,301	31,693	599	2,664	100,020	5,974	18,527	24,501	124,521	100,431	
Total Salaries and Related Costs	396,571	60,490	192,304	338,088	6,173	30,265	1,023,891	62,685	158,704	221,389	1,245,280	1,280,968	
Contracted Services	74,179	70	240	140	-	40	74,669	70	1,070	1,140	75,809	47,847	
Auto and Travel	-	-	-	57	-	-	57	-	67	67	124	2,069	
Conferences and Meetings	-	-	150	-	-	250	400	807	95	902	1,302	1,215	
Printing and Marketing	4,334	1,009	2,821	2,017	-	78	10,259	980	10,473	11,453	21,712	42,486	
Telephone	3,968	1,239	3,350	2,726	-	422	11,705	705	645	1,350	13,055	12,937	
Office	37,861	5,572	20,912	20,753	-	6,875	91,973	11,706	11,859	23,565	115,538	101,385	
Postage	3,269	809	2,342	1,945	-	345	8,710	578	3,702	4,280	12,990	19,008	
Occupancy	21,807	2,726	8,830	9,067	-	1,038	43,468	2,850	3,950	6,800	50,268	48,358	
Interest	14,423	1,359	4,212	6,090	-	301	26,385	2,310	2,606	4,916	31,301	32,061	
Insurance	11,514	1,487	4,972	4,655	-	358	22,986	3,189	2,412	5,601	28,587	37,512	
Professional Fees	9,658	1,932	6,318	3,863	-	1,408	23,179	1,783	1,783	3,566	26,745	22,504	
Dues and Subscriptions	5,764	1,010	3,539	2,697	-	561	13,571	1,063	1,151	2,214	15,785	11,623	
Direct Assistance to Clients	-	-	153,533	-	-	-	153,533	-	-	-	153,533	73,785	
Other Direct Program Expenses	28,755	29,166	13,526	350	-	964	72,761	2,461	6,748	9,209	81,970	92,584	
Fund-raising Event Expenses	-	-	-	-	-	-	-	-	20,442	20,442	20,442	-	
Provision for Uncollectible Accounts	10,607	-	-	12,669	-	-	23,276	-	-	-	23,276	12,153	
Miscellaneous	231	231	231	231	-	-	924	183	-	183	1,107	1,818	
Total Before Depreciation, In-Kind Rent and Non-cash Expenses	622,941	107,100	417,280	405,348	6,173	42,905	1,601,747	91,370	225,707	317,077	1,918,824	1,840,313	
Depreciation	11,545	12,503	4,811	4,811	-	4,811	38,481	4,811	4,811	9,622	48,103	46,232	
In-kind Rent and Non-cash Expenses	-	-	2,400	-	-	-	2,400	-	-	-	2,400	7,400	
Total Functional Expenses	\$ 634,486	\$ 119,603	\$ 424,491	\$ 410,159	\$ 6,173	\$ 47,716	\$ 1,642,628	\$ 96,181	\$ 230,518	\$ 326,699	\$ 1,969,327	\$ 1,893,945	

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2021

(with comparative totals for 2020)

NOTE 1 - NATURE OF OPERATIONS

Jewish Family Service of Stamford, Inc., doing business as Elayne and James Schoke Jewish Family Service of Fairfield County (Agency), was established to promote and enhance the well-being of the community by providing social services which reflect Jewish values. The Agency is dedicated to helping people manage their lives, improve the quality of family living, and enhance the social organization of the community. The Agency serves people in the following cities and towns in Connecticut: Stamford, New Canaan, Darien, Westport, Wilton, Weston, Norwalk, Ridgefield, Redding, Easton, Fairfield, Bridgeport, Stratford, Shelton, Trumbull and Monroe.

The Agency is a not-for-profit organization incorporated under the Nonstock Corporation Act of the State of Connecticut. The Agency is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code and is also exempt from state income taxes.

NOTE 2 - RESTATEMENT OF 2020 FINANCIAL STATEMENTS

The Agency has restated its previously issued financial statements as of and for the year ended August 31, 2020 to reclassify \$325,048 of appreciation on pooled investment funds held by a community foundation, for the endowment, from net assets without donor restriction to net assets with donor restriction.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of the Agency have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), which require the Agency to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restriction

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Agency. These net assets may be used at the discretion of the Agency's Board of Directors.

The net investment in building, improvements, furniture and equipment consists of the net book value of building, improvements, furniture and equipment acquired, less the portion of the amount due on the mortgage payable used to finance the acquisition of the building.

Net Assets With Donor Restriction

Net assets with donor restriction consist of net assets subject to stipulations by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Agency or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity and that only the income from investment thereof be expended either for general purposes or purposes specified by the donor.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021
(with comparative totals for 2020)**

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (continued)

Net Assets With Donor Restriction (continued)

Donor restricted contributions are reported as increases in net assets with donor restriction. When a restriction expires or the restricted purpose is satisfied, net assets are reclassified from net assets with donor restriction to net assets without donor restriction in the statement of activities. If a restriction is fulfilled in the same period in which the contribution is received, the Agency reflects the support as a contribution without donor restriction.

Revenue Recognition

The Agency recognizes contributions and sponsorships when cash, securities, unconditional promises to give, other assets, or a notification of a beneficial interest are received. Conditional contributions and promises to give, that is, those with measurable performance or other barriers and right of return, are not recognized until the conditions on which they depend have been met.

The Agency records special events revenue equal to the fair value of direct benefits to donors, and contribution income for the excess received when the event takes place.

Revenue from counseling is generated from contracts with clients, and is recognized at a point in time, when the session takes place. Clients are billed several days after the services are performed and the contracts generally include standard payment terms.

Revenue from the home companion program is recognized at a point in time when the Agency performs an initial intake and as services or meals are provided to clients. Clients are billed monthly for services performed and the contracts generally include standard payment terms.

Contributions

Contributions without donor-imposed restrictions are reflected as net assets without donor restriction, while those with donor-imposed restrictions are reflected as net assets with donor restriction in the accompanying financial statements. Contributions with donor-imposed conditions are not recognized as contributions in the accompanying financial statements until the period when the conditions are met.

Contributions receivable expected to be received within one year of the financial statement date are reflected at their net realizable value (the gross amount of the contribution receivable, net of an allowance for uncollectible amounts). Contributions receivable expected to be collected more than one year after the financial statement date are reflected at the present value of their estimated future cash flows using a discount rate commensurate with the risks involved. Periodic amortization of any discount relating to contributions receivable is included as a component of contributions revenue in the accompanying financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021
(with comparative totals for 2020)**

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocations

The Agency is a recipient agency of the United Jewish Federation of Greater Stamford, New Canaan and Darien, Inc. and the Federation for Jewish Philanthropy of Upper Fairfield County. Allocations are recognized upon notification by the donors. If the donor's allocation year extends beyond the August 31, fiscal year, that portion of the allocation intended to be received and expended beyond August 31 is reflected as allocations receivable and net assets with donor restriction in the accompanying financial statements.

Grants

Grants awarded to the Agency are recorded at the earlier of the date the grant funds are received, or the time that the grant expenditures are incurred.

The amounts of the grants that are received but unearned are reflected as refundable advances on grants and are reflected in the accompanying statement of activities during the period to which they apply, as funds are expended.

Cash Equivalents

The Agency considers highly liquid investments with original maturities of three months or less to be cash equivalents.

Contributions and Fees Receivable

Contributions and fees receivable are periodically evaluated for collectibility based upon management's evaluation of past loss experience, known and inherent risks in its accounts, plus other factors which could affect collectibility. In the opinion of management, all accounts for which the collectibility is doubtful have been provided for in the allowance for uncollectible accounts, and the remaining accounts are deemed to be collectible.

Contractual adjustments consist substantially of the difference between therapist billing rates for counseling and the allowable payments from insurance companies (such amount of allowable payments is what the Agency expects to collect and includes in its budget for fee revenues).

Pooled Investment Funds Held by a Community Foundation

Investments are stated at net asset value, which approximates fair value. Realized gains or losses and unrealized appreciation or depreciation on all investments are reflected in the accompanying statement of activities as increases or decreases in net assets without donor restriction unless their use is temporarily restricted by donor stipulation until spent.

Building, Improvements, Furniture and Equipment

Purchased building, improvements, furniture and equipment are reflected at cost. Donated assets are reflected at the estimated fair market value as of the date of the gift. Depreciation is provided over the estimated useful lives of the assets ranging from three to thirty years using the straight-line method.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2021
(with comparative totals for 2020)**

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Mortgage Costs

Deferred mortgage costs are presented on the statement of financial position as a reduction of the mortgage payable. The amortization of deferred mortgage costs is reflected as interest expense on the statement of functional expenses.

Compensated Absences

Employees of the Agency are entitled to paid vacation based upon length of service. It is the Agency's policy to accrue vacation pay based upon the earned amount as of the financial statement date.

In-Kind Contributions

Contributed Goods and Services

Goods and services have been provided by various organizations, and a number of unpaid volunteers have contributed their time to the Agency. Contributions are recognized if the goods or services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed goods or services that do not meet the above criteria are not recognized.

In-kind Rent

During the years ended August 31, 2021 and 2020, the Agency utilized office space rent free in the Fairfield County area to provide counseling services to patients. The estimated value of this office space was \$2,400 and has been reflected as in-kind revenue and expense in the accompanying financial statements in each of the years ended August 31, 2021 and 2020.

Functional Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying statement of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by the Agency on an equitable basis. Salaries, payroll taxes and fringe benefits are allocated based on level of effort. Shared costs are allocated based on salaries and related cost allocations and include telephone, office, occupancy, interest, insurance, professional fees, depreciation and miscellaneous.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2021

(with comparative totals for 2020)

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

Management has evaluated subsequent events through February 18, 2022, the date the financial statements were available to be issued. Through that date, there were no material events that would require recognition or additional disclosure in the financial statements, except as reported in Note 20.

NOTE 4 - CONCENTRATION OF CREDIT RISK

Cash and Cash Equivalents and Investments

The Agency maintains cash and money market accounts at two Connecticut banks, investment accounts at one local brokerage firm, and a pooled investment fund administered by a not-for-profit organization. Cash accounts are insured up to \$250,000 per bank, by the Federal Deposit Insurance Corporation. The investment accounts and pooled investment fund are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000. At times during the year, the cash and cash equivalents and investments balances exceeded the insured limits. The Agency believes it is not exposed to any significant credit risk on cash and cash equivalents and investments.

Receivables, Revenues and Support

Receivables of the Agency arise from donors, clients, and federated fund-raising organizations primarily located in Fairfield County, Connecticut.

The Agency is exposed to credit losses in the event of non-collection of its receivables. Concentrations of credit risk arise due to the solicitation of charitable contributions and fee income from individuals residing within the Fairfield County, Connecticut area. The Agency does not obtain collateral for its receivables, but monitors the status of any large past due receivables and provides allowances for uncollectible accounts when deemed appropriate.

Pooled Investment Funds Held by a Community Foundation

The Agency's pooled investment funds held by a community foundation are held at the Jewish Community Foundation of Greater Hartford, Inc. (Foundation).

The Foundation maintains accounts with several brokerage firms. The accounts contain cash and marketable securities, which are insured by the SIPC, and non-marketable securities not insured by SIPC. The Foundation's investments include a diversified portfolio of marketable and non-marketable securities managed by professional investment advisors, designed to minimize market concentration risks.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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(with comparative totals for 2020)**

NOTE 5 - LIQUIDITY

The Agency monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. As of August 31, 2021, and 2020, the following financial assets are available to meet annual operating needs of the following years:

	<u>2021</u>	<u>2020</u>
Financial Assets at Year End:		
Cash and Cash Equivalents	\$ 444,001	\$ 689,051
Fees Receivable, Net	108,096	116,771
Allocations Receivable	134,676	117,734
Contributions Receivable	149,143	217,044
Miscellaneous Receivables	8,514	6,996
Pooled Investment Funds Held by a Community Foundation	<u>3,027,631</u>	<u>1,321,067</u>
Total	<u>3,872,061</u>	<u>2,468,663</u>
Less: Amounts Not Available to be Used Within One Year:		
Net Assets with Donor Restriction (Time Restricted)		
Not Expected to be Satisfied Within One Year	939,643	347,693
Net Assets with Donor Restriction (Purpose Restricted)		
Not Expected to be Satisfied Within One Year	<u>494,204</u>	<u>394,504</u>
Financial Assets Available to Meet General Expenditures over the Next Year	<u>\$2,438,214</u>	<u>\$1,726,466</u>

NOTE 6 - POOLED INVESTMENT FUNDS HELD BY A COMMUNITY FOUNDATION

The Agency transferred assets to the Foundation, which is holding them as an endowed component fund (Fund) for the benefit of the Agency. The Agency has granted to the Foundation sole investment authority over the Fund. The Foundation is authorized to invest any asset of the Fund, and to sell, exchange or otherwise dispose of any such asset and reinvest the proceeds of such disposition in every kind of property and type of investment permissible under the applicable laws of the State of Connecticut. The Foundation can distribute funds to the Agency, either in cash or in-kind, upon request by the Agency. Any requests for distributions in excess of 25% of the Fund's value must be made in writing to the Foundation with 90 days' advance notice. The Foundation's long-term investment objective is to earn a return at least equal to the Consumer Price Index plus a spending rate of 5% of the average value of funds over the previous sixteen quarters, subject to a ceiling and floor.

The Agency records the fair value of the Fund as pooled investment funds held by a community foundation in the accompanying statement of financial position. Management has elected to treat these funds as an alternative investment fund in accordance with ASU 2015-07.

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NOTE 6 - POOLED INVESTMENT FUNDS HELD BY A COMMUNITY FOUNDATION (CONTINUED)

The Agency has reflected in the statement of activities their share of appreciation on the pooled investment funds held by a community foundation of \$1,256,564 and \$471,571 for the years ended August 31, 2021 and 2020, respectively.

Distributions to the Agency from the Fund amounted to \$42,804 and \$-0- for the years ended August 31, 2021 and 2020, respectively.

Changes in the Fund for the year ended August 31, were as follows:

	<u>2021</u>	<u>2020</u>
Beginning Balance	\$4,232,475	\$1,143,230
Amount Invested in Fund	496,371	2,617,674
Share of Appreciation of Fund	1,256,564	471,571
Distributions Received	<u>(42,804)</u>	<u>-</u>
Ending Balance	<u>\$5,942,606</u>	<u>\$4,232,475</u>

The Agency's balance in the Fund as of August 31, is presented in the statement of financial position as follows:

	<u>2021</u>	<u>2020</u>
Pooled Investment Funds Held by a Community Foundation	\$3,027,631	\$1,321,067
Assets Restricted for Long-Term Investment Purposes	<u>2,914,975</u>	<u>2,911,408</u>
	<u>\$5,942,606</u>	<u>\$4,232,475</u>

U.S. GAAP has established a definition and framework for measuring fair value, and disclosure about fair value measurements. Fair value is the exchange price that would be received for an asset or liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the inputs used to measure fair value, requiring entities to maximize the use of markets or observable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs generally require significant management judgment.

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted in active markets for identical assets or liabilities.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, such as quoted prices for similar assets or liabilities.
- Level 3 inputs are unobservable inputs for the assets or liability.

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NOTE 6 - POOLED INVESTMENT FUNDS HELD BY A COMMUNITY FOUNDATION (CONTINUED)

U.S. GAAP guidance provides for the use of Net Asset Value (NAV) as a practical expedient for estimating fair value of alternative investments.

During 2021, the Agency adopted ASU 2015-07 which removed the requirements to categorize within the fair value hierarchy alternative investments where fair value is measured using NAV. Adoption of this guidance was applied retrospectively and had no effect on the carrying value of such investments.

Information regarding alternative investments measured at NAV using the practical expedient at August 31, 2021 is as follows:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
<u>2021</u>				
Pooled Investment Funds Held by a Community Foundation	<u>\$ 5,942,606</u>	<u>\$ -</u>	N/A	0 - 90 days
<u>2020</u>				
Pooled Investment Funds Held by a Community Foundation	<u>\$ 4,232,475</u>	<u>\$ -</u>	N/A	0 - 90 days

The Foundation values the securities and other financial instruments on a fair value basis of accounting using NAV. The estimated fair value of certain investments of the Foundation, which include multi-strategy hedge funds, private equity funds and commodities for which prices are not readily available, are determined by the management of the Foundation and may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. The Foundation's investments are comprised of approximately 38% domestic equities, 22% foreign equities, 20% fixed income funds, and 20% alternative investments and cash.

NOTE 7 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at August 31, 2021 consist of the following:

Due in One Year or Less	\$ 37,748
Due in Two to Four Years	<u>111,395</u>
Total Contributions Receivable	<u>\$149,143</u>

Contributions receivable at August 31, 2020 consist of the following:

Due in One Year or Less	\$ 32,953
Due in Two to Five Years	<u>184,091</u>
Total Contributions Receivable	<u>\$217,044</u>

JEWISH FAMILY SERVICE OF STAMFORD, INC.

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NOTE 8 - ALLOCATIONS AND GRANT INFORMATION

Allocations receivable and refundable advances on grants at August 31, and support for the years ended August 31, consisted of the following:

	2021		
	<u>Receivables</u>	<u>Refundable Advances</u>	<u>Support</u>
<u>Allocations</u>			
United Jewish Federation of Greater Stamford, et al	\$ 66,915	\$ -	\$ 122,790
Federation for Jewish Philanthropy of Upper Fairfield County, et al	67,761	-	101,810
Total	\$ 134,676	\$ -	\$ 224,600
<u>Grants</u>			
Federal	\$ -	\$ 4,851	\$ 53,306
State	-	-	1,250
Total	\$ -	\$ 4,851	\$ 54,556
	2020		
	<u>Receivables</u>	<u>Refundable Advances</u>	<u>Support</u>
<u>Allocations</u>			
United Jewish Federation of Greater Stamford, et al	\$ 53,234	\$ -	\$ 159,703
Federation for Jewish Philanthropy of Upper Fairfield County, et al	64,500	-	96,750
Total	\$ 117,734	\$ -	\$ 256,453
<u>Grants</u>			
Federal	\$ -	\$ 3,398	\$ 98,572

NOTE 9 - BUILDING, IMPROVEMENTS, FURNITURE AND EQUIPMENT, NET

Building, improvements, furniture and equipment, net, consists of the following at August 31:

	2021	2020
Building and Improvements	\$ 1,060,191	\$ 1,048,464
Furniture and Office Equipment	87,457	72,659
Vehicle	85,861	-
Gross Depreciable Assets	1,233,509	1,121,123
Less Accumulated Depreciation	(145,799)	(97,696)
	\$ 1,087,710	\$ 1,023,427

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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NOTE 10 - MORTGAGE PAYABLE

The Agency has a \$625,000 mortgage agreement with a bank for an office condominium located in Stamford, Connecticut. The mortgage has an initial term of five years, with the option to extend for two additional five-year periods. If extended for the two additional five-year periods, an additional ten-year extension is automatically granted. During the initial term, the mortgage will bear interest at a fixed interest rate of 215 basis points above the average weekly yield on United States Treasury securities adjusted to a constant maturity of five years (Index Rate), at the time of closing, with a floor of 5%. During the extended terms, if any, the mortgage will bear interest at 215 basis points above the Index Rate in effect thirty days prior to the extension period, with a floor equal to the initial term interest rate. For the initial term of five years, the interest rate is 5%. Principal and interest payments are based on a 25-year term, with a final payment of principal and interest due at the initial term maturity date, unless extended. The mortgage requires monthly payments of \$3,680, including interest, and is subject to certain covenants as defined. The Agency was in compliance with these covenants at August 31, 2021 and 2020. Mortgage interest amounted to \$30,382 and \$31,142 for the years ended August 31, 2021 and 2020, respectively.

Deferred mortgage costs in the amount of \$27,570 are being amortized on a straight-line basis over the life of the note. Amortization expense amounted to \$919 for both the years ended August 31, 2021 and 2020.

Maturities of the mortgage payable at August 31, 2021 are as follows:

<u>Years Ending August 31,</u>	<u>Amount</u>
2022	\$ 14,489
2023	15,241
2024	15,953
2025	16,860
2026	17,735
2027 and Subsequent	<u>511,497</u>
Total	591,775
Less Unamortized Mortgage Costs	<u>25,196</u>
Net Mortgage Payable	<u>\$566,579</u>

NOTE 11 - EMPLOYMENT CONTRACT AND DEFERRED COMPENSATION PLAN

The Agency has an employment contract (Contract) with its Chief Executive Officer (CEO) that provides for a base salary and various benefits. In the event of employment termination by the Agency without cause, the Agency will be liable for the equivalent of four months base salary, and certain benefits. The Contract expires in October 2022.

The Contract also provides for continuation of the CEO's existing deferred compensation plan (Plan), which provides for an annual contribution of 8% of salary. A provision of \$16,401 and \$14,531 was charged to salaries for the years ended August 31, 2021 and 2020, respectively. The Plan incurred unrealized appreciation of \$99,198 and \$55,920 for the years ended August 31, 2021 and 2020, respectively, with a corresponding increase in the deferred compensation obligation.

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NOTE 11 - EMPLOYMENT CONTRACT AND DEFERRED COMPENSATION PLAN (CONTINUED)

The Plan is funded annually by contributions to a trust, which cannot be expended except for payment of benefits to the CEO, but is available for general creditors of the Agency in the event of insolvency. Income of the trust is reinvested as additional benefits. The assets of the trust are invested in mutual funds held at a major brokerage firm.

Investments held for the deferred compensation plan at June 30, categorized according to the fair value hierarchy for those investments subject to categorization in the fair value hierarchy are summarized as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2021</u>				
Cash and Sweep Balances	\$ 17,930	\$ -	\$ -	\$ 17,930
Stocks and Exchange Traded Funds	303,210	-	-	303,210
Mutual Funds	<u>266,909</u>	<u>-</u>	<u>-</u>	<u>266,909</u>
Total	<u>\$588,049</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$588,049</u>
<u>2020</u>				
Cash and Sweep Balances	\$ 42,720	\$ -	\$ -	\$ 42,720
Stocks and Exchange Traded Funds	189,645	-	-	189,645
Mutual Funds	<u>240,085</u>	<u>-</u>	<u>-</u>	<u>240,085</u>
Total	<u>\$472,450</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$472,450</u>

NOTE 12 - NET ASSETS

Net Assets With Donor Restriction

Net assets with donor restriction at August 31 are restricted for the following purposes or periods:

	<u>2021</u>	<u>2020</u>
<u>Purpose Restricted</u>		
Cohen Lecture Series	\$ 192,787	\$ 207,895
Summer Camp Scholarships	93,652	108,178
Freedberg Family Kosher Food Pantry	78,402	22,178
Kosher Meal Delivery Program	72,712	104,015
JTT Singles	71,079	58,416
Hebrew Free Loans	67,500	-
Mobile Food Pantry	42,692	-
Anachnu/Holocaust	4,170	14,577
Jewish Fund - Special Educational Opportunities	<u>1,500</u>	<u>1,500</u>
Total	<u>624,494</u>	<u>516,759</u>

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NOTE 12 - NET ASSETS (CONTINUED)

Net Assets With Donor Restriction (continued)

<u>Time Restricted</u>		
Contributions Receivable	194,430	309,687
Unappropriated Earnings on Donor Restricted Endowment Funds	<u>939,643</u>	<u>347,693</u>
Total	<u>1,134,073</u>	<u>657,380</u>
<u>Time and Purpose Restricted</u>		
United Jewish Federation of Greater Stamford, et al Allocation Restricted for the Subsequent Period September 1 to August 31	66,915	53,234
Federation for Jewish Philanthropy of Upper Fairfield County, et al Allocation Restricted for the Subsequent Period September 1 to August 31	<u>67,761</u>	<u>64,500</u>
Total	<u>134,676</u>	<u>117,734</u>
Total Time and Purpose Restricted	1,893,243	1,291,873
Perpetually Restricted	<u>2,914,975</u>	<u>2,911,408</u>
Total Net Assets With Donor Restriction	<u>\$4,808,218</u>	<u>\$4,203,281</u>

Net assets released from donor restrictions by passage of time, by incurring expenses satisfying the restricted purposes, or by occurrence of other events for the years ended August 31 were as follows:

	<u>2021</u>	<u>2020</u>
<u>Satisfaction of Time and Purpose Restrictions</u>		
United Jewish Federation of Greater Stamford, et al Allocation Restricted for the Subsequent Period September 1 to August 31 for Programs	\$ 53,234	\$ 58,000
Federation for Jewish Philanthropy of Upper Fairfield County, et al Allocation Restricted for the Subsequent Period September 1 to August 31 for Programs	<u>64,500</u>	<u>99,957</u>
Total Satisfaction of Time and Purpose Restrictions	<u>117,734</u>	<u>157,957</u>
<u>Expiration of Time Restrictions</u>		
Contributions Receivable	160,544	77,988
Approved Spending from Endowment Total Returns	<u>127,575</u>	-
Total Expiration of Time Restrictions	<u>288,119</u>	<u>77,988</u>
<u>Satisfaction of Purpose Restrictions</u>		
Expenditures of Various Purpose Restricted Funding	<u>168,429</u>	<u>55,640</u>
Total Net Assets Released from Donor Restrictions	<u>\$574,282</u>	<u>\$291,585</u>

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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NOTE 12 - NET ASSETS (CONTINUED)

Perpetually Restricted - Endowments

U.S. GAAP requires certain provisions relating to “Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institution Funds Act (UPMIFA), and Enhanced Disclosures for All Endowment Funds.” The provisions improve disclosures about an organization’s endowment funds to enable users of the financial statements to understand the net asset classifications, net asset composition, changes in net asset composition, spending policy and related investment policy of an organization’s endowment funds.

The Agency’s Board of Directors have established investing objectives, with respect to the perpetually restricted net assets, to safeguard and preserve the purchasing power of the assets while earning investment returns that are commensurate with the endowment risk tolerance.

Perpetually restricted - endowments consist of net assets whose use is limited by donor-imposed restrictions that neither expire with the passage of time nor can be fulfilled or otherwise removed by actions of the Agency. During the years ended August 31, 2021 and 2020, the Agency received perpetually restricted contributions of \$3,567 and \$2,117,408, respectively. For the years ended August 31, 2021 and 2020, the Agency had net assets to be maintained in perpetuity in the amount of \$2,914,975 and \$2,911,408, respectively.

Perpetually restricted - endowments must be invested in perpetuity, with the investment income net of fees and realized gains and unrealized appreciation offset by realized losses and unrealized depreciation (total return) available for unrestricted use. The total return has been designated by the Board of Directors until disbursed to be used to provide current programs with a predictable, stable stream of revenue as possible. The Board of Directors has established a spending rate that shall not exceed 5% of a three year moving average of the total market value of the endowment fund based on quarterly values. During the year ended August 31, 2020, the Board of Directors did not approve any spending from the endowment total return.

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NOTE 12 - NET ASSETS (CONTINUED)

Activity in the Agency's endowment for the years ended August 31, was as follows:

	2021		
	With Donor Restriction	With Donor Restriction - Endowments	Total
Balance - September 1, 2020	\$ 347,693	\$ 2,911,408	\$ 3,259,101
Additions	-	3,567	3,567
Appreciation on Investments	719,525	-	719,525
Approved Spending from Endowment Total Return	(127,575)	-	(127,575)
Balance - August 31, 2021	\$ 939,643	\$ 2,914,975	\$ 3,854,618
	2020		
	With Donor Restriction	With Donor Restriction - Endowments	Total
Balance - September 1, 2019	\$ 22,645	\$ 794,000	\$ 816,645
Additions	-	2,117,408	2,117,408
Appreciation on Investments	325,048	-	325,048
Approved Spending from Endowment Total Return	-	-	-
Balance - August 31, 2020	\$ 347,693	\$ 2,911,408	\$ 3,259,101

NOTE 13 - REVENUES FROM CONTRACTS WITH CUSTOMERS

Disaggregated Revenues

For the years ended August 31, 2021 and 2020, counseling and other program fees recognized under Topic 606, at a point in time, were \$644,437 and \$615,463, respectively.

The Agency's revenue, results of operations, and cash flows are affected by a wide variety of factors, including general economic conditions, geographical regions of its customers, donors, type of contract and contract duration.

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NOTE 14 - SMALL BUSINESS ADMINISTRATION - PAYCHECK PROTECTION PROGRAM

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) was signed into law. The CARES Act created a new program administered by the Small Business Administration (SBA) called the Paycheck Protection Program (PPP). The PPP provides loans to qualifying businesses for up to 2.5 times the average monthly payroll expenses of the qualifying business. The loan and accrued interest will be forgivable after twenty-four weeks as long as the Agency uses the proceeds for eligible purposes, including payroll, benefits, rent and utilities and maintains payroll levels.

The amount of loan forgiveness will be reduced if the Agency terminates employees or reduces salaries during the twenty-four week period unless the Agency meets certain conditions. The unforgiven portion of the loan is payable over two years at an interest rate of 1%, with deferred payments for the first six months.

During the year ended August 31, 2020, the Agency received loan proceeds of \$258,430 under the PPP which were reflected as a loan payable at August 31, 2020. During the year ended August 31, 2021, the loan was forgiven and, accordingly, is reflected as a gain on forgiveness of PPP loan in the statement of activities.

NOTE 15 - FUND-RAISING ACTIVITIES

The Agency's fund-raising activities consist primarily of the JFS Evening, held each spring. During the year ended August 31, 2020, the event was not held due to COVID-19 (Note 18). A summary of fund-raising activities for the years ended August 31, is as follows:

	<u>2021</u>	<u>2020</u>
Revenue	\$ <u>246,271</u>	\$ <u>2,830</u>
Expenses:		
Event Expenses	20,442	-
Direct Benefit to Donors	<u>30,452</u>	<u>-</u>
Total Expenses	<u>50,894</u>	<u>-</u>
Net	\$ <u>195,377</u>	\$ <u>2,830</u>

NOTE 16 - LEASE OBLIGATIONS

Office Equipment

The Agency leases office equipment under several operating leases expiring in December 2025 at an aggregate monthly rental of approximately \$1,600.

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NOTE 17 - DEFINED CONTRIBUTION RETIREMENT PLAN

The Agency sponsors a qualified tax deferred compensation plan as defined under Section 403(b) of the Internal Revenue Code (the Plan) covering substantially all employees. The Agency may make discretionary matching contributions to the Plan up to certain Internal Revenue Service determined limits.

The Agency's contribution to the plan was \$9,768 and \$-0- in 2021 and 2020, respectively.

NOTE 18 - CONTINGENCIES

Grants

The Agency is the recipient of grants from governmental agencies. Under the terms and conditions of these grants, expenditures and compliance with the provisions of such grants are subject to audit by the agencies. Management of the Agency does not anticipate that there would be any material changes as a result of an audit.

COVID-19

The COVID-19 outbreak is continuing to disrupt supply chains and affect production and revenues across a range of industries and not-for-profit organizations. The extent of the impact of COVID-19 on the Agency's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on the Agency's donors, sponsors, employees and vendors, all of which are uncertain and cannot be predicted. The extent to which COVID-19 may continue to impact the Agency's financial condition or results of operations is uncertain as of the date of these financial statements.

NOTE 19 - PRIOR YEAR INFORMATION

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Agency's financial statements at August 31, 2020 and for the year then ended, from which the summarized information was derived.

NOTE 20 - SUBSEQUENT EVENT

In January 2022, the Agency was approved for a \$200,000 grant from the Jewish Federations of North America.