

JEWISH FAMILY SERVICE OF STAMFORD, INC.

Financial Statements

**Year Ended August 31, 2022
(with comparative totals for 2021)**

JEWISH FAMILY SERVICE OF STAMFORD, INC.

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Independent Auditor's Report

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

Opinion

We have audited the accompanying financial statements of Jewish Family Service of Stamford, Inc. which comprise the statement of financial position as of August 31, 2022, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

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, 2022, 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 (U.S. GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Jewish Family Service of Stamford, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Jewish Family Service of Stamford, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with U.S. GAAS, we:

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

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

Report on Summarized Comparative Information

We have previously audited Jewish Family Service of Stamford, Inc.'s financial statements as of and for the year ended August 31, 2021, and we expressed an unmodified audit opinion on those financial statements dated February 18, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.



Shelton, Connecticut
January 12, 2023

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF FINANCIAL POSITION
AUGUST 31, 2022
(with comparative totals for 2021)

ASSETS	<u>2022</u>	<u>2021</u>
Cash and Cash Equivalents	\$ 758,250	\$ 444,001
Fees Receivable, Net of Allowance for Uncollectible Accounts of \$16,000 in 2022 and 2021	99,515	108,096
Allocations Receivable	108,011	134,676
Contributions Receivable	114,088	149,143
Miscellaneous Receivables and Prepaid Expenses	23,186	15,885
Pooled Investment Funds Held by a Community Foundation	2,216,668	3,027,631
Investments Held for Deferred Compensation Plan	501,434	588,049
Building, Improvements, Furniture and Equipment, Net	1,044,257	1,087,710
Assets Restricted for Long-Term Investment Purposes	<u>2,914,975</u>	<u>2,914,975</u>
Total Assets	<u>\$ 7,780,384</u>	<u>\$ 8,470,166</u>
LIABILITIES AND NET ASSETS		
<u>Liabilities</u>		
Accounts Payable and Accrued Expenses	\$ 129,007	\$ 70,090
Refundable Advances on Grants	-	4,851
Mortgage Payable, Net of Deferred Mortgage Costs of \$24,277 in 2022 and \$25,196 in 2021	553,008	566,579
Deferred Compensation Obligation	<u>501,434</u>	<u>588,049</u>
Total Liabilities	<u>1,183,449</u>	<u>1,229,569</u>
<u>Net Assets</u>		
Without Donor Restriction:		
Net Investment in Building, Improvements, Furniture and Equipment	565,724	597,165
Undesignated - Available for Operations	<u>1,699,598</u>	<u>1,835,214</u>
Total Net Assets Without Donor Restriction	<u>2,265,322</u>	<u>2,432,379</u>
With Donor Restriction	<u>4,331,613</u>	<u>4,808,218</u>
Total Net Assets	<u>6,596,935</u>	<u>7,240,597</u>
Total Liabilities and Net Assets	<u>\$ 7,780,384</u>	<u>\$ 8,470,166</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2022
(with comparative totals for 2021)

	2022			2021
	Without Donor Restriction	With Donor Restriction	Total	Total
Revenues, Gains and Other Support				
Allocations	\$ 142,331	\$ 71,165	\$ 213,496	\$ 224,600
Bequests	140,956	-	140,956	10,396
Contributions	501,205	402,964	904,169	1,083,525
Grants	169,037	50,000	219,037	54,556
Fund-raising Events	310,535	-	310,535	246,271
Counseling Fees, Net of Contractual Adjustments of \$115,609 in 2022 and \$103,729 in 2021	180,761	-	180,761	124,162
Program Fees	509,753	-	509,753	520,275
Investment Income	1,538	-	1,538	2,480
Unrealized (Depreciation) Appreciation on Pooled Investment Funds Held by a Community Foundation, Net	(384,038)	-	(384,038)	537,039
Contributed Nonfinancial Assets	24,985	-	24,985	2,400
Total	<u>1,597,063</u>	<u>524,129</u>	<u>2,121,192</u>	<u>2,805,704</u>
Net Assets Released from Restrictions:				
Expiration of Time Restrictions	217,580	(217,580)	-	-
Satisfaction of Purpose Restrictions	221,553	(221,553)	-	-
Satisfaction of Time and Purpose Restrictions	134,676	(134,676)	-	-
Total Net Assets Released from Restrictions	<u>573,809</u>	<u>(573,809)</u>	<u>-</u>	<u>-</u>
Total Revenues, Gains and Other Support	<u>2,170,872</u>	<u>(49,680)</u>	<u>2,121,192</u>	<u>2,805,704</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED AUGUST 31, 2022
(with comparative totals for 2021)

	2022			2021
	Without Donor Restriction	With Donor Restriction	Total	Total
Expenses				
Program Services:				
Counseling and Family Life	690,727	-	690,727	634,486
Food Insecurity Programs	125,452	-	125,452	119,603
Case Management and Emergency Assistance	619,715	-	619,715	424,491
Elderly Services	397,775	-	397,775	410,159
Hebrew Free Loans	6,789	-	6,789	6,173
Volunteer Services	73,545	-	73,545	47,716
Total Program Services	<u>1,914,003</u>	<u>-</u>	<u>1,914,003</u>	<u>1,642,628</u>
Support Services:				
Management and General	99,439	-	99,439	96,181
Fund Raising	<u>281,614</u>	<u>-</u>	<u>281,614</u>	<u>230,518</u>
Total Support Services	<u>381,053</u>	<u>-</u>	<u>381,053</u>	<u>326,699</u>
Total Functional Expenses	2,295,056	-	2,295,056	1,969,327
Cost of Direct Benefits to Donors	<u>42,873</u>	<u>-</u>	<u>42,873</u>	<u>30,452</u>
Total Expenses	<u>2,337,929</u>	<u>-</u>	<u>2,337,929</u>	<u>1,999,779</u>
(Deficiency) Excess of Revenues, Gains and Other Support Over Expenses from Operations	<u>(167,057)</u>	<u>(49,680)</u>	<u>(216,737)</u>	<u>805,925</u>
Other (Loss) Income				
Gain on Forgiveness of PPP Loan	-	-	-	258,430
Unrealized (Depreciation) Appreciation on Pooled Investment Funds Held by a Community Foundation, Net - Unappropriated	<u>-</u>	<u>(426,925)</u>	<u>(426,925)</u>	<u>719,525</u>
Total Other (Loss) Income	<u>-</u>	<u>(426,925)</u>	<u>(426,925)</u>	<u>977,955</u>
Change in Net Assets	<u>(167,057)</u>	<u>(476,605)</u>	<u>(643,662)</u>	<u>1,783,880</u>
Net Assets at Beginning of Year	<u>2,432,379</u>	<u>4,808,218</u>	<u>7,240,597</u>	<u>5,456,717</u>
Net Assets at End of Year	<u>\$ 2,265,322</u>	<u>\$ 4,331,613</u>	<u>\$ 6,596,935</u>	<u>\$ 7,240,597</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2022
(with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ (643,662)	\$ 1,783,880
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by Operating Activities:		
Provision for Uncollectible Accounts	18,425	23,276
Depreciation	49,952	48,103
Amortization of Deferred Mortgage Costs	919	919
Gain on Forgiveness of PPP Loan	-	(258,430)
Unrealized Depreciation (Appreciation) on Pooled Investment		
Funds Held by a Community Foundation	810,963	(1,256,564)
Contributions Restricted for Endowment Purposes	-	(3,567)
Decrease (Increase) in Investments Held for Deferred		
Compensation Plan	86,615	(115,599)
Deferred Compensation Expense	17,400	16,401
Changes in:		
Fees Receivable	(9,844)	(14,601)
Allocations Receivable	26,665	(16,942)
Contributions Receivable	35,055	67,901
Miscellaneous Receivables and Prepaid Expenses	(7,301)	(2,598)
Accounts Payable and Accrued Expenses	58,917	(41,719)
Refundable Advances on Grants	(4,851)	1,453
Deferred Compensation Obligation	(104,015)	99,198
Total Adjustments	<u>978,900</u>	<u>(1,452,769)</u>
Net Cash Provided by Operating Activities	<u>335,238</u>	<u>331,111</u>
Cash Flows from Investing Activities		
Increase in Assets Restricted for Long-Term Investment		
Purposes	-	(3,567)
Increase in Pooled Investments Held by a Community Foundation	-	(492,804)
Proceeds from Sale of Pooled Investment Funds Held by a		
Community Foundation, Net	-	42,804
Purchase of Building, Improvements, Furniture and Equipment	<u>(6,499)</u>	<u>(112,386)</u>
Net Cash Used by Investing Activities	<u>(6,499)</u>	<u>(565,953)</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF CASH FLOWS
YEAR ENDED AUGUST 31, 2022
(with comparative totals for 2021)

	<u>2022</u>	<u>2021</u>
Cash Flows from Financing Activities		
Contributions Restricted for Endowment Purposes	-	3,567
Repayment of Mortgage Payable	<u>(14,490)</u>	<u>(13,775)</u>
Net Cash Used by Financing Activities	<u>(14,490)</u>	<u>(10,208)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	314,249	(245,050)
Cash and Cash Equivalents at Beginning of Year	<u>444,001</u>	<u>689,051</u>
Cash and Cash Equivalents at End of Year	<u>\$ 758,250</u>	<u>\$ 444,001</u>
 Supplemental Disclosures of Cash Flow Information		
Cash Paid During the Year for Interest	<u>\$ 29,666</u>	<u>\$ 30,382</u>

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED AUGUST 31, 2022
(with comparative totals for 2021)

	PROGRAM SERVICES							SUPPORT SERVICES			2022 Total	2021 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	\$ 372,175	\$ 55,005	\$ 280,801	\$ 262,585	\$ 5,812	\$ 41,721	\$ 1,018,099	\$ 48,506	\$ 170,681	\$ 219,187	\$ 1,237,286	\$ 1,048,673
Payroll Taxes	28,103	3,656	16,810	19,944	333	2,701	71,547	2,653	11,820	14,473	86,020	72,086
Fringe Benefits	34,810	5,286	34,014	36,797	644	4,918	116,469	5,939	24,642	30,581	147,050	124,521
Total Salaries and Related Costs	435,088	63,947	331,625	319,326	6,789	49,340	1,206,115	57,098	207,143	264,241	1,470,356	1,245,280
Contracted Services	73,347	242	726	484	-	242	75,041	242	482	724	75,765	75,809
Auto and Travel	67	-	404	4	-	-	475	53	111	164	639	124
Conferences and Meetings	1,705	341	2,046	682	-	30	4,804	749	341	1,090	5,894	1,302
Printing and Marketing	8,820	1,623	6,375	4,059	-	1,060	21,937	1,576	17,766	19,342	41,279	27,604
Telephone	3,293	1,163	3,044	2,429	-	572	10,501	506	506	1,012	11,513	13,055
Office	42,906	5,267	20,340	23,121	-	6,255	97,889	18,435	9,468	27,903	125,792	115,538
Postage	4,216	1,542	2,513	2,384	-	719	11,374	698	4,419	5,117	16,491	12,990
Occupancy	21,842	2,288	9,584	10,195	-	3,690	47,599	2,262	4,037	6,299	53,898	52,668
Interest	14,145	899	4,031	6,580	-	597	26,252	1,809	2,524	4,333	30,585	31,301
Insurance	11,109	1,373	4,921	3,817	-	1,202	22,422	4,602	2,560	7,162	29,584	28,587
Professional Fees	13,385	2,118	13,248	4,655	-	2,053	35,459	1,998	1,998	3,996	39,455	50,768
Dues and Subscriptions	6,368	830	3,644	2,454	-	806	14,102	834	1,043	1,877	15,979	15,984
Food	8,079	29,422	35,999	-	-	-	73,500	-	-	-	73,500	44,596
Program Supplies	22,362	199	2,332	129	-	1,984	27,006	-	-	-	27,006	4,086
Direct Assistance to Clients	1,088	-	161,698	-	-	-	162,786	-	-	-	162,786	153,843
Fund-raising Event Expenses	-	-	-	-	-	-	-	-	24,221	24,221	24,221	20,442
Provision for Uncollectible Accounts	7,474	-	-	10,951	-	-	18,425	-	-	-	18,425	23,276
Miscellaneous	3,445	1,209	12,190	1,510	-	-	18,354	3,582	-	3,582	21,936	3,971
Total Before Depreciation	678,739	112,463	614,720	392,780	6,789	68,550	1,874,041	94,444	276,619	371,063	2,245,104	1,921,224
Depreciation	11,988	12,989	4,995	4,995	-	4,995	39,962	4,995	4,995	9,990	49,952	48,103
Total Functional Expenses	\$ 690,727	\$ 125,452	\$ 619,715	\$ 397,775	\$ 6,789	\$ 73,545	\$ 1,914,003	\$ 99,439	\$ 281,614	\$ 381,053	\$ 2,295,056	\$ 1,969,327

See notes to financial statements.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

(with comparative totals for 2021)

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 - 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, whereby 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.

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.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

(with comparative totals for 2021)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 in the accompanying financial statements 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 services are provided to clients. Revenue from the meal delivery program is recognized at a point in time when meals are delivered 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 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.

Allocations

The Agency is a recipient agency of the United Jewish Federation of Greater Stamford, New Canaan and Darien, Inc. and the Jewish Federation of Greater 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.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

(with comparative totals for 2021)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Contributed Nonfinancial Assets

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.

The following contributed goods and services and corresponding non-cash expenses were recognized in the accompanying financial statements during the years ended August 31:

	<u>2022</u>	<u>2021</u>
In-kind and Non-Cash Contributions:		
Client Assistance:		
Furniture and Accessories	\$12,605	\$ -
Gift Cards and Certificates	6,090	-
Food Supplies and Personal Care Items	5,090	-
Office Space	<u>1,200</u>	<u>2,400</u>
Total	<u>\$24,985</u>	<u>\$2,400</u>

The Agency has recognized contributed nonfinancial assets within revenue, gains and other support. Contributed nonfinancial assets did not have donor-imposed restrictions for the years ended August 31, 2022 and 2021.

Contributed furniture and accessories, gift cards and certificates, food supplies and personal care items were utilized as part the Agency's food insecurity and case management and emergency assistance programs and are included in other direct program expenses in the accompanying statement of functional expenses. These assets were distributed to the Agency's food pantry and case management clients. The Agency estimated the fair value of these assets based on wholesale values for similar products in the United States.

Contributed office space was utilized by the Agency to provide counseling services to patients in the Fairfield County area. These expenses are included in occupancy in the accompanying statement of functional expenses. The Agency estimated the fair value of the office space based on current rates for similar space in the surrounding geographical area.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

(with comparative totals for 2021)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. Fees receivable at August 31, 2020 were \$116,771.

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. It is the Agency's policy to capitalize building, improvements, furniture and equipment whose cost is \$1,000 or greater.

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.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

(with comparative totals for 2021)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

Reclassifications

Certain reclassifications have been made to the 2021 financial statements to conform to the 2022 presentation.

Subsequent Events

Management has evaluated subsequent events through January 12, 2023, 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 19.

NOTE 3 - 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 account and pooled investment funds are insured by the Securities Investor Protection Corporation (SIPC) up to \$500,000 each. 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.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2022
(with comparative totals for 2021)**

NOTE 3 - CONCENTRATION OF CREDIT RISK (CONTINUED)

Receivables, Revenues and Support (continued)

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.

NOTE 4 - 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, 2022, and 2021, the following financial assets are available to meet annual operating needs of the following years:

	<u>2022</u>	<u>2021</u>
Financial Assets at Year End:		
Cash and Cash Equivalents	\$ 758,250	\$ 444,001
Fees Receivable, Net	99,515	108,096
Allocations Receivable	108,011	134,676
Contributions Receivable	114,088	149,143
Miscellaneous Receivables	15,127	8,514
Pooled Investment Funds Held by a Community Foundation	2,216,668	3,027,631
Total	<u>3,311,659</u>	<u>3,872,061</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	375,480	939,643
Net Assets with Donor Restriction (Purpose Restricted)		
Not Expected to be Satisfied Within One Year	<u>574,146</u>	<u>494,204</u>
Financial Assets Available to Meet General Expenditures over the Next Year	<u>\$ 2,362,033</u>	<u>\$ 2,438,214</u>

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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NOTE 5 - 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.

The Agency has reflected in the statement of activities their share of depreciation and appreciation on the pooled investment funds held by a community foundation of (\$810,963) and \$1,256,564 for the years ended August 31, 2022 and 2021, respectively.

Distributions to the Agency from the Fund amounted to \$42,804 for the year ended August 31, 2021. There were no distributions to the Agency from the Fund during the year ended August 31, 2022.

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

	<u>2022</u>	<u>2021</u>
Beginning Balance	\$5,942,606	\$4,232,475
Amount Invested in Fund	-	496,371
Share of (Depreciation) Appreciation of Fund	(810,963)	1,256,564
Distributions Received	<u>-</u>	<u>(42,804)</u>
Ending Balance	<u>\$5,131,643</u>	<u>\$5,942,606</u>

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

	<u>2022</u>	<u>2021</u>
Pooled Investment Funds Held by a Community Foundation	\$2,216,668	\$3,027,631
Assets Restricted for Long-Term Investment Purposes	<u>2,914,975</u>	<u>2,914,975</u>
	<u>\$5,131,643</u>	<u>\$5,942,606</u>

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS
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(with comparative totals for 2021)

NOTE 5 - POOLED INVESTMENT FUNDS HELD BY A COMMUNITY FOUNDATION (CONTINUED)

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 liabilities.

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, 2022 is as follows:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
<u>2022</u>				
Pooled Investment Funds Held by a Community Foundation	<u>\$ 5,131,643</u>	<u>\$ -</u>	N/A	0 - 90 days
<u>2021</u>				
Pooled Investment Funds Held by a Community Foundation	<u>\$ 5,942,606</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 35% domestic equities, 19% foreign equities, 15% fixed income funds, and 31% alternative investments and cash.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS
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(with comparative totals for 2021)

NOTE 6 - 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:

	2022		
	<u>Receivables</u>	<u>Refundable Advances</u>	<u>Support</u>
<u>Allocations</u>			
United Jewish Federation of Greater Stamford, et al	\$ -	\$ -	\$ 105,147
Jewish Federation of Greater Fairfield County	108,011	-	108,349
Total	<u>\$ 108,011</u>	<u>\$ -</u>	<u>\$ 213,496</u>
<u>Grants</u>			
Federal	\$ -	\$ -	\$ 178,595
State	-	-	40,442
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 219,037</u>
	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
Jewish Federation of Greater Fairfield County	67,761	-	101,810
Total	<u>\$ 134,676</u>	<u>\$ -</u>	<u>\$ 224,600</u>
<u>Grants</u>			
Federal	\$ -	\$ 4,851	\$ 53,306
State	-	-	1,250
Total	<u>\$ -</u>	<u>\$ 4,851</u>	<u>\$ 54,556</u>

As of August 31, 2022, the Agency had remaining uncollected and unearned award balances on grants of \$100,000. These award balances are not recognized as assets and will be recognized as revenue as the grants progress and conditions are met, generally as expenses are incurred.

NOTE 7 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at August 31, 2022 consist of the following:

Due in One Year or Less	\$ 38,443
Due in Two to Three Years	<u>75,645</u>
Total Contributions Receivable	<u>\$114,088</u>

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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NOTE 7 - CONTRIBUTIONS RECEIVABLE (CONTINUED)

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>

NOTE 8 - BUILDING, IMPROVEMENTS, FURNITURE AND EQUIPMENT, NET

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

	<u>2022</u>	<u>2021</u>
Building and Improvements	\$ 1,066,690	\$ 1,060,191
Furniture and Office Equipment	87,457	87,457
Vehicle	<u>85,861</u>	<u>85,861</u>
Gross Depreciable Assets	1,240,008	1,233,509
Less Accumulated Depreciation	<u>(195,751)</u>	<u>(145,799)</u>
	<u>\$ 1,044,257</u>	<u>\$ 1,087,710</u>

NOTE 9 - 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 not in compliance with certain covenants at August 31, 2022 and has obtained a waiver from the bank. Mortgage interest amounted to \$29,666 and \$30,382 for the years ended August 31, 2022 and 2021, 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, 2022 and 2021.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
AUGUST 31, 2022
(with comparative totals for 2021)**

NOTE 9 - MORTGAGE PAYABLE (CONTINUED)

Maturities of the mortgage payable at August 31, 2022 are as follows:

<u>Years Ending August 31,</u>	<u>Amount</u>
2023	\$ 15,241
2024	15,953
2025	16,860
2026	17,735
2027	18,655
2028 and Subsequent	<u>492,841</u>
Total	577,285
Less Unamortized Mortgage Costs	<u>24,277</u>
Net Mortgage Payable	<u>\$553,008</u>

NOTE 10 - 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 2025.

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 \$17,400 and \$16,401 was charged to salaries for the years ended August 31, 2022 and 2021, respectively. The Plan incurred unrealized (depreciation)/appreciation of (\$104,015) and \$99,198 for the years ended August 31, 2022 and 2021, respectively, with a corresponding (decrease)/increase in the deferred compensation obligation.

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.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS
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NOTE 10 - EMPLOYMENT CONTRACT AND DEFERRED COMPENSATION PLAN (CONTINUED)

Investments held for the deferred compensation plan at August 31, 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>2022</u>				
Cash and Sweep Balances	\$ 34,651	\$ -	\$ -	\$ 34,651
Stocks and Exchange Traded Funds	253,818	-	-	253,818
Mutual Funds	<u>212,965</u>	<u>-</u>	<u>-</u>	<u>212,965</u>
Total	<u>\$501,434</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$501,434</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>

NOTE 11 - NET ASSETS

Net Assets With Donor Restriction

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

	<u>2022</u>	<u>2021</u>
<u>Purpose Restricted</u>		
Mobile Food Pantry	\$ 220,398	\$ 42,692
Cohen Lecture Series	177,573	192,787
Summer Camp Scholarships	88,323	93,652
JTT Singles	79,278	71,079
Freedberg Family Kosher Food Pantry	75,542	78,402
Hebrew Free Loans	54,000	67,500
Kosher Meal Delivery Program	53,052	72,712
Gathering Table	34,980	-
Anachnu/Holocaust	28,000	4,170
Case Management/Emergency Assistance	20,496	-
Counseling	9,000	-
Family Life Education	1,500	-
Jewish Fund - Special Educational Opportunities	<u>1,500</u>	<u>1,500</u>
Total	<u>843,642</u>	<u>624,494</u>

JEWISH FAMILY SERVICE OF STAMFORD, INC.

NOTES TO FINANCIAL STATEMENTS

AUGUST 31, 2022

(with comparative totals for 2021)

NOTE 11 - NET ASSETS (CONTINUED)

Net Assets With Donor Restriction (continued)

<u>Time Restricted</u>		
Contributions	126,351	194,430
Unappropriated Earnings on Donor Restricted Endowment Funds	<u>375,480</u>	<u>939,643</u>
Total	<u>501,831</u>	<u>1,134,073</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	35,049	66,915
Jewish Federation of Greater Fairfield County Allocation Restricted for the Subsequent Period September 1 to August 31	<u>36,116</u>	<u>67,761</u>
Total	<u>71,165</u>	<u>134,676</u>
Total Time and Purpose Restricted	1,416,638	1,893,243
Perpetually Restricted	<u>2,914,975</u>	<u>2,914,975</u>
Total Net Assets With Donor Restriction	<u>\$4,331,613</u>	<u>\$4,808,218</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>2022</u>	<u>2021</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	\$ 66,915	\$ 53,234
Jewish Federation of Greater Fairfield County Allocation Restricted for the Subsequent Period September 1 to August 31 for Programs	<u>67,761</u>	<u>64,500</u>
Total Satisfaction of Time and Purpose Restrictions	<u>134,676</u>	<u>117,734</u>
<u>Expiration of Time Restrictions</u>		
Contributions Receivable	80,342	160,544
Approved Spending from Endowment Total Returns	<u>137,238</u>	<u>127,575</u>
Total Expiration of Time Restrictions	<u>217,580</u>	<u>288,119</u>
<u>Satisfaction of Purpose Restrictions</u>		
Expenditures of Various Purpose Restricted Funding	<u>221,553</u>	<u>168,429</u>
Total Net Assets Released from Donor Restrictions	<u>\$573,809</u>	<u>\$574,282</u>

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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NOTE 11 - 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 year ended August 31, 2021, the Agency received perpetually restricted contributions of \$3,567. There were no perpetually restricted contributions received by the Agency during the year ended August 31, 2022. As of August 31, 2022 and 2021, the Agency had net assets to be maintained in perpetuity in the amount of \$2,914,975.

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.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

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NOTE 11 - NET ASSETS (CONTINUED)

Perpetually Restricted - Endowments (continued)

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

	2022		
	With Donor Restriction	With Donor Restriction - Endowments	Total
Balance - September 1, 2021	\$ 939,643	\$ 2,914,975	\$ 3,854,618
Depreciation on Investments	(426,925)	-	(426,925)
Approved Spending from Endowment Total Return	<u>(137,238)</u>	<u>-</u>	<u>(137,238)</u>
Balance - August 31, 2022	<u>\$ 375,480</u>	<u>\$ 2,914,975</u>	<u>\$ 3,290,455</u>
	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	<u>(127,575)</u>	<u>-</u>	<u>(127,575)</u>
Balance - August 31, 2021	<u>\$ 939,643</u>	<u>\$ 2,914,975</u>	<u>\$ 3,854,618</u>

NOTE 12 - REVENUES FROM CONTRACTS WITH CUSTOMERS

Disaggregated Revenues

For the years ended August 31, 2022 and 2021, counseling and program fees recognized under Topic 606, at a point in time, were \$690,514 and \$644,437, 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.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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NOTE 13 - 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 14 - FUND-RAISING ACTIVITIES

The Agency's fund-raising activities consist primarily of the JFS Evening, held each spring. A summary of fund-raising activities for the years ended August 31, is as follows:

	<u>2022</u>	<u>2021</u>
Revenue	<u>\$310,535</u>	<u>\$246,271</u>
Expenses:		
Event Expenses	24,221	20,442
Direct Benefit to Donors	<u>42,873</u>	<u>30,452</u>
Total Expenses	<u>67,094</u>	<u>50,894</u>
Net	<u>\$243,441</u>	<u>\$195,377</u>

NOTE 15 - 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 \$23,402 and \$15,437 in 2022 and 2021, respectively.

JEWISH FAMILY SERVICE OF STAMFORD, INC.

**NOTES TO FINANCIAL STATEMENTS
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NOTE 16 - 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.

NOTE 17 - 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, 2021 and for the year then ended, from which the summarized information was derived.

NOTE 18 - SUBSEQUENT EVENT

In September 2022, the Agency was approved for a \$150,000 nonprofit security grant from the United States Department of Homeland Security. These grant funds are restricted for physical security enhancements and other security related activities.