

**UNITED JEWISH FEDERATION OF GREATER STAMFORD  
NEW CANAAN, AND DARIEN, INC.**



FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020

**UNITED JEWISH FEDERATION OF GREATER STAMFORD,  
NEW CANAAN, AND, DARIEN, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

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# **Bregman & Company, P.C.**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors

United Jewish Federation of Greater Stamford, New Canaan, and Darien

### **Opinion**

We have audited the accompanying financial statements of United Jewish Federation of Greater Stamford, New Canaan, and Darien, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years 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 United Jewish Federation of Greater Stamford, New Canaan, and Darien, Inc. as of December 31, 2021 and 2020, 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.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Jewish Federation of Greater Stamford, New Canaan, and Darien, 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Jewish Federation of Greater Stamford, New Canaan, and Darien, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Jewish Federation of Greater Stamford, New Canaan, and Darien, 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 United Jewish Federation of Greater Stamford, New Canaan, and Darien, 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.



*Certified Public Accountants*  
Stamford, CT  
September 20, 2022

**UNITED JEWISH FEDERATION  
OF GREATER STAMFORD NEW CANAAN, AND DARIEN, INC.  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2021 AND 2020**

	<b>2021</b>	<b>2020</b>
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 1,600,374	\$ 1,343,187
Investments	530,929	449,382
Current portion of pledges receivable, net of discount and allowance for uncollectible pledges of \$20,100 and \$20,100 in 2021 and 2020	244,470	140,490
Prepaid expenses and other assets	5,090	7,540
<b>Total Current Assets</b>	<b>2,380,863</b>	<b>1,940,599</b>
Cash surrender value of life insurance policies	55,818	54,526
Charitable Gift Annuity, Charitable Remainder Annuity Trust, and Unitrust Receivables	7,837	7,837
Pledges receivable, net of current portion, discount and allowance for uncollectible pledges of \$16,974 and \$8,794 in 2021 and 2020	163,026	291,206
Property and equipment, net	1,414	-
<b>Total Assets</b>	<b>\$ 2,608,958</b>	<b>\$ 2,294,168</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities:</b>		
Accounts payable and accrued expenses	\$ 40,585	\$ 43,379
Allocations payable	398,543	429,781
Agency liabilities	11,316	5,863
Payroll Protection Program Loan	-	71,305
<b>Total Current Liabilities</b>	<b>450,444</b>	<b>550,328</b>
<b>Net Assets:</b>		
Without donor restrictions	1,333,133	948,147
With donor restrictions	825,381	795,693
<b>Total Net Assets</b>	<b>2,158,514</b>	<b>1,743,840</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 2,608,958</b>	<b>\$ 2,294,168</b>

**UNITED JEWISH FEDERATION  
OF GREATER STAMFORD NEW CANAAN, AND DARIEN, INC.  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>						
Campaign contributions						
Total amounts raised in campaign	\$ 1,585,131	\$ 44,013	\$ 1,629,144	\$ 1,483,443	\$ 22,339	\$ 1,505,782
Contributions - other	170,954	-	170,954	101,667	-	101,667
Program fees	26,192	-	26,192	17,404	-	17,404
Campaign special events revenue	7,593	-	7,593	-	-	-
Campaign special events expense	-	-	-	(1,041)	-	(1,041)
Investment return	-	60,277	60,277	-	36,594	36,594
Net assets released from restrictions	74,602	(74,602)	-	198,562	(198,562)	-
Forgiveness on Paycheck Protection Program loan	71,305	-	71,305	-	-	-
Miscellaneous income	1,310	-	1,310	99,678	-	99,678
	<u>351,956</u>	<u>(14,325)</u>	<u>337,631</u>	<u>416,270</u>	<u>(161,968)</u>	<u>254,302</u>
<b>Total Revenue and Other Support</b>	<u>1,937,087</u>	<u>29,688</u>	<u>1,966,775</u>	<u>1,899,713</u>	<u>(139,629)</u>	<u>1,760,084</u>
<b>Functional Expenses:</b>						
Community development programs	1,363,741	-	1,363,741	1,122,587	-	1,122,587
Total Program Services	<u>1,363,741</u>	<u>-</u>	<u>1,363,741</u>	<u>1,122,587</u>	<u>-</u>	<u>1,122,587</u>
Management and general	67,808	-	67,808	141,680	-	141,680
Fund development	120,552	-	120,552	92,094	-	92,094
Total Supporting Services	<u>188,360</u>	<u>-</u>	<u>188,360</u>	<u>233,774</u>	<u>-</u>	<u>233,774</u>
<b>Total Functional Expenses</b>	<u>1,552,101</u>	<u>-</u>	<u>1,552,101</u>	<u>1,356,361</u>	<u>-</u>	<u>1,356,361</u>
<b>Change in Net Assets</b>	384,986	29,688	414,674	543,352	(139,629)	403,723
<b>Net assets, Beginning of Year</b>	<u>948,147</u>	<u>795,693</u>	<u>1,743,840</u>	<u>404,795</u>	<u>935,322</u>	<u>1,340,117</u>
<b>Net assets, End of Year</b>	<u>\$ 1,333,133</u>	<u>\$ 825,381</u>	<u>\$ 2,158,514</u>	<u>\$ 948,147</u>	<u>\$ 795,693</u>	<u>\$ 1,743,840</u>

**UNITED JEWISH FEDERATION OF GREATER STAMFORD NEW CANAAN, AND DARIEN, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>PROGRAM SERVICES</u>		<u>SUPPORTING ACTIVITIES</u>		<u>Total Functional Expenses</u>
	<u>Community Development</u>	<u>Management and General</u>	<u>Fund Development</u>	<u>Total</u>	
<b>Functional Expenses</b>					
Salaries	\$ 227,910	\$ 27,349	\$ 48,621	\$ 75,970	\$ 303,880
Employee benefits and taxes	58,626	7,035	12,507	19,542	78,168
<b>Total Salaries and Related Benefits</b>	<u>286,536</u>	<u>34,384</u>	<u>61,128</u>	<u>95,512</u>	<u>382,048</u>
Employee travel and automobile	2,918	350	623	973	3,891
Occupancy	32,257	3,871	6,881	10,752	43,009
Printing and marketing	28,333	3,400	6,044	9,444	37,777
Credit card processing	8,504	1,020	1,814	2,834	11,338
Insurance	6,175	741	1,317	2,058	8,233
Professional fees	63,989	7,679	13,651	21,330	85,319
Dues and subscriptions	11,429	1,371	2,438	3,809	15,238
Conferences and meetings	5,664	679	1,208	1,887	7,551
Repairs and maintenance	10,902	1,308	2,326	3,634	14,536
Telephone	5,951	714	1,270	1,984	7,935
Miscellaneous	248	30	53	83	331
Postage	5,640	677	1,203	1,880	7,520
Program costs	80,067	9,608	17,081	26,689	106,756
Office supplies and other expenses	6,061	727	1,293	2,020	8,081
Provision for bad debts	10,379	1,245	2,214	3,459	13,838
Depreciation and amortization	37	4	8	12	49
<b>Total Expenses before Allocations</b>	<u>565,090</u>	<u>67,808</u>	<u>120,552</u>	<u>188,360</u>	<u>753,450</u>
Regular allocation to agencies	396,436	-	-	-	396,436
Special allocation to agencies	402,215	-	-	-	402,215
<b>Total allocation to agencies</b>	<u>798,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>798,651</u>
<b>Total Functional Expenses</b>	<u>\$ 1,363,741</u>	<u>\$ 67,808</u>	<u>\$ 120,552</u>	<u>\$ 188,360</u>	<u>\$ 1,552,101</u>

**UNITED JEWISH FEDERATION OF GREATER STAMFORD NEW CANAAN, AND DARIEN, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

	<u>PROGRAM SERVICES</u>		<u>SUPPORTING ACTIVITIES</u>		<u>Total Functional Expenses</u>
	<u>Community Development</u>	<u>Management and General</u>	<u>Fund Development</u>	<u>Total</u>	
<b>Functional Expenses</b>					
Salaries	\$ 193,898	\$ 21,713	\$ 40,030	\$ 61,743	\$ 255,641
Employee benefits and taxes	38,585	18,805	18,521	37,326	75,911
<b>Total Salaries and Related Benefits</b>	<u>232,483</u>	<u>40,518</u>	<u>58,551</u>	<u>99,069</u>	<u>331,552</u>
Employee travel and automobile	3,270	100	450	550	3,820
Occupancy	28,361	5,562	7,550	13,112	41,473
Printing and marketing	17,437	495	3,814	4,309	21,746
Credit card processing	14,322	1,707	118	1,825	16,147
Insurance	1,591	3,627	2,190	5,817	7,408
Professional fees	21,828	44,593	1,131	45,724	67,552
Dues and subscriptions	2,553	10,066	1,121	11,187	13,740
Conferences and meetings	10,842	-	2,688	2,688	13,530
Repairs and maintenance	315	18,169	-	18,169	18,484
Data processing	26,981	634	-	634	27,615
Telephone	1,667	334	1,339	1,673	3,340
Miscellaneous	188	10,479	-	10,479	10,667
Postage	3,304	1,051	1,681	2,732	6,036
Program costs	34,429	-	11,309	11,309	45,738
Office supplies and other expenses	387	3,971	152	4,123	4,510
Provision for bad debts	25,969	-	-	-	25,969
Depreciation and amortization	-	374	-	374	374
<b>Total Expenses before Allocations</b>	<u>425,927</u>	<u>141,680</u>	<u>92,094</u>	<u>233,774</u>	<u>659,701</u>
Regular allocation to agencies	402,086	-	-	-	402,086
Special allocation to agencies	294,574	-	-	-	294,574
<b>Total allocation to agencies</b>	<u>696,660</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>696,660</u>
<b>Total Functional Expenses</b>	<u>\$ 1,122,587</u>	<u>\$ 141,680</u>	<u>\$ 92,094</u>	<u>\$ 233,774</u>	<u>\$ 1,356,361</u>

**UNITED JEWISH FEDERATION  
OF GREATER STAMFORD NEW CANAAN, AND DARIEN, INC.  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<b>Cash Flows from Operating Activities:</b>		
Change in net assets	\$ 414,674	\$ 403,723
Adjustments to reconcile change in net assets to to net cash provided by operating activities:		
Depreciation and amortization	49	374
Unrealized and realized (gain) on investments	(60,277)	(36,594)
Changed in Operating Assets and Liabilities:		
Pledges receivable	24,199	198,696
Prepaid expenses and other assets	2,450	2,577
Accounts payable and accrued expenses	(2,794)	20,768
Allocations payable	(31,238)	(32,918)
Agency liabilities	5,453	(100,909)
Total Adjustments	<u>(62,158)</u>	<u>51,994</u>
Net Cash Provided by Operating Activities	<u>352,516</u>	<u>455,717</u>
<b>Cash Flows from Investing Activities</b>		
Change in cash surrender value of life insurance	(1,291)	(3,026)
Purchases of property and equipment	(1,463)	-
Change in cash charitable trust, charitable remainder annuity trust	-	(40)
Proceeds from sale of investments, net	<u>(21,270)</u>	<u>35,239</u>
Net Cash Provided by/(used in) Investing Activities	<u>(24,024)</u>	<u>32,173</u>
<b>Cash Flows from Financing Activities</b>		
Proceeds (Forgiveness) from Paycheck Protection Program Loan	<u>(71,305)</u>	<u>71,305</u>
Net Cash Provided by/(used in) Financing Activities	<u>(71,305)</u>	<u>71,305</u>
<b>Net Increase in Cash and Cash Equivalents</b>	257,187	559,195
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>1,343,187</u>	<u>783,992</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 1,600,374</u>	<u>\$ 1,343,187</u>

**UNITED JEWISH FEDERATION OF GREATER STAMFORD,  
NEW CANAAN, AND, DARIEN, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

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**NOTE 1**    ORGANIZATION ACTIVITY

United Jewish Federation of Greater Stamford, New Canaan, and Darien, Inc. (“Federation”) is a nonprofit organization that was organized:

To promote and maintain the welfare and unity of the Jewish people, to provide financial and other assistance to agencies, federations, and programs which engage in or promote rescue and resettlement, religious, welfare, health, philanthropic, community relations, educational, cultural and social service activities and projects for the benefits of Jews in Israel, the greater Stamford, Connecticut area, and the United States.

To serve as a central fundraising and allocation agency in the greater Stamford, New Canaan, and Darien area and to approve, sponsor, conduct, clear, and coordinate the raising and allocation of funds for the benefit of Jewish activities and the general purposes of the Federation.

To cooperate with, provide leadership development for, and otherwise assist local, national, and international agencies and federations and local congregations, and to establish and implement proper programs in order to plan, coordinate, promote, and advance Jewish activities on a local, national, and international level.

To promote and nurture harmony, understanding, consensus, and good relations among the members of the Jewish community and between the Jewish Community and the larger communities.

To represent and serve as spokesperson for the Jewish community in the greater Stamford, New Canaan, and Darien area in all matters of general Jewish interest and concern.

**NOTE 2**    SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The Federation’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America on an accrual basis. Consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**UNITED JEWISH FEDERATION OF GREATER STAMFORD,  
NEW CANAAN, AND, DARIEN, INC.  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

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**NOTE 2**      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FINANCIAL STATEMENT PRESENTATION

The financial statements are presented in accordance with the requirements of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Section 958-205, *Presentation of Financial Statements of Not-for-Profit Entities*. Accordingly, the Organization is required to report net assets and changes therein as follows:

- Net Assets Without Donor Restrictions – Net assets without donor restrictions represents net assets not subject to donor-imposed restrictions. These resources may be expended at the discretion of the Board of Directors, including board designated funds functioning as an endowment.
- Net Assets With Donor Restrictions – Net assets with donor restrictions represent contributions that are restricted by the donor as to purpose or time of expenditure. The restrictions may include, net assets maintained permanently by the Federation, or net assets from endowments not yet appropriated for spending.

When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as “net assets released from restrictions”.

CASH AND CASH EQUIVALENTS

For the purpose of the statement of cash flows, the Federation considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents.

PLEDGE RECEIVABLES

Unconditional pledge receivables are measured at fair value and are recognized as revenue in the period received and recorded as assets, decreases in liabilities, or expenses, depending on the form of the benefits received as a result of the gift. Conditional pledge receivables are recognized when the conditions on which they depend are substantially met. Pledge receivables that are expected to be collected in more than one year are recorded as a non-current asset on the Statement of Financial Position and are amortized to present value.

Pledge receivables are stated at the amount management expects to collect from outstanding balances. The estimate is based on historical collection experience, a review of the status of the receivables, and judgement.

**UNITED JEWISH FEDERATION OF GREATER STAMFORD,  
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NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

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**NOTE 2**      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

PLEDGE RECEIVABLES (CONTINUED)

Management provides for probable uncollectible amounts through an allowance based on its assessment of the status of individual receivables. As of December 31, 2021 and 2020, Management has taken an allowance for uncollectible pledge receivables of \$20,100 and \$20,100, respectively.

INVESTMENTS

Investments are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Unrealized gains and losses include the Federation's gains and losses on investments held during the year. Investment income/loss are recorded as increases or decreases in net assets without donor restrictions in the statement of activities and changes in net assets unless a donor or law restricts their use.

PROPERTY AND EQUIPMENT

Property and equipment are carried at cost, if purchased or at estimated fair value on the date of gift, if donated. Assets with a cost of \$1,000 or more and a useful life of three years or more are capitalized as property and equipment. The Federation reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used are reported as support with donor restrictions. Absent explicit donor stipulations about how long those donated assets must be maintained, the Federation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Repair and maintenance of existing facilities are charged as expenses as incurred. Depreciation is determined using the straight-line method over the estimated useful lives of the assets, generally three to thirty years.

ALLOCATIONS TO AGENCIES

The Federation makes allocations to agencies in the current year from the current year campaign revenues.

**UNITED JEWISH FEDERATION OF GREATER STAMFORD,  
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NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

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**NOTE 2**      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CONTRIBUTIONS

The Federation reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets.

When a donor restriction expires, that is when a stipulated time restriction ends or purpose restrictions is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as assets released from restrictions. Contributions with donor restrictions that are received and expended within the same fiscal year are reported as contributions without donor restrictions.

AGENCY TRANSACTIONS

Contributions and pledges designated by the donors to be paid to specific agencies are considered agency transactions. Such contributions and pledges raised on behalf of others are reflected in the accompanying statement of activities as part of total amounts raised in campaigns, but are not considered to be part of the campaign revenue of the Federation and are deducted to reflect the Federation's campaign revenue.

PROGRAM AND OTHER FEES

Program and other fees are recognized in the period the services are performed in accordance with the terms of the contract or agreement.

CONTRIBUTED SERVICES

The Federation receives a substantial amount of volunteer services in carrying out its programs and activities. Volunteers perform various administrative and fundraising functions. However, only certain amounts have been reflected in the financial statements for those services meeting the criteria for recognition. Contributed services are not recognized unless the donated services create or enhance non-financial assets or require specialized skills that would typically be purchased if not donated. In-kind contributions are measured at the fair value of the assets transferred to the Federation or the liabilities cancelled or settled.

INCOME TAXES

The Federation is a nonprofit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Federation is classified by the Internal Revenue Service as a public charity. Contributions made to the Federation are qualified for the maximum tax deductions allowable under the United States Internal Revenue Code.

**UNITED JEWISH FEDERATION OF GREATER STAMFORD,  
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NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2021 AND 2020**

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**NOTE 2**      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAXES (CONTINUED)

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Federation and recognize a tax liability if the Federation has taken an uncertain position that more likely than not will not be sustained upon examination by the Internal Revenue Service. Management has analyzed tax positions taken by the Federation, and has concluded that as of December 31, 2021 and 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements.

The Federation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax period in progress. The Federation's informational tax filings are generally subject to examination by the Internal Revenue Service ("IRS") and relevant state agencies for three years from the later of the due date of the return or the date the return is actually filed.

Currently, the Federation's tax filings for the years ended December 31, 2021, 2020, 2019, and 2018 are subject to examination.

ADVERTISING COSTS

The Federation expenses the cost of advertising when the advertising takes place. Printing and marketing costs for the year ended December 31, 2021 and 2020 were \$37,777 and \$21,746, respectively.

CAMPAIGN MATERIALS

The costs of campaign materials are expensed as incurred.

ALLOCATION OF EXPENSES AMONG PROGRAM AND SUPPORTING SERVICES

The financial statements report certain categories of expenses that are attributable to one or more program or supporting services of the Federation. Accordingly, these expenses have been allocated among the programs and supporting activities benefited based on an estimate of time and effort. Management and general expenses include those expenses that are not directly identifiable with a specific function but provide for the overall support and direction of the Federation.

**UNITED JEWISH FEDERATION OF GREATER STAMFORD,  
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DECEMBER 31, 2021 AND 2020**

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**NOTE 2**      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* (“ASU 2016-02”) to increase transparency and comparability among organizations by recognizing its right to use the underlying asset for the lease term (lease assets) and the liability to make lease payments (lease liabilities) on the balance sheet and disclosing key information about leasing arrangements. The main difference between previous guidance and ASU 2016-02 is the recognition of the assets and liabilities arising from those leases classified as operating leases under the previous lease guidance. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class or underlying asset not to recognize lease assets and lease liabilities. If a lessee makes this election, it should recognize the lease expense for such leases generally on a straight-line basis over the lease term. ASU 2016-02 does not change the differentiation between finance leases and operating leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2019 and permits early application. The effective date for ASU 2016-02 has been delayed until December 15, 2021.

In June 2018, the FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)* (“ASU 2018-08”), which aims to assist entities in evaluating whether contributions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. For non-profit organizations that receive contributions, ASU 2018-08 is effective for fiscal years beginning after December 15, 2018. For non-profit organizations that make contributions, ASU 2018-08 is effective for fiscal years beginning after December 15, 2019.

The Federation adopted the provisions of ASU 2018-08 on contributions made during the year ended December 31, 2020. There is no effect on the financial statements as of December 31, 2020 and for the year then ended as a result of adopting the accounting principle.

**NOTE 3**      CASH AND CASH EQUIVALENTS

Cash and cash equivalents consists of the following at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash in deposit accounts	\$ 1,600,374	\$ 1,343,187

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**NOTE 4**      PLEDGES RECEIVABLE

The Federation raised funds for various projects and endowments. Pledges receivable represent unconditional promises to give payable over periods up to ten years. The Federation regularly evaluates the collectability of its outstanding pledges.

The unconditional promises to give that are expected to be collected in more than one year are measured at fair value using the present value technique at a 1.00% effective interest rate.

The following table sets forth the annual campaign receivable at fair value as of December 31, 2021.

	<u>Receivable less than one year</u>	<u>Receivable one to five years</u>
Annual campaign pledge receivable	\$ 264,570	\$ 180,000
Less: allowance for doubtful accounts	(20,100)	(-)
Less: unamortized discount	(-)	(16,974)
Pledge receivable, net	<u>\$ 244,470</u>	<u>\$ 163,026</u>

The following table sets forth the annual campaign receivable at fair value as of December 31, 2020.

	<u>Receivable less than one year</u>	<u>Receivable one to five years</u>
Annual campaign pledge receivable	\$ 160,590	\$ 300,000
Less: allowance for doubtful accounts	(20,100)	(-)
Less: unamortized discount	(-)	(8,794)
Pledge receivable, net	<u>\$ 140,490</u>	<u>\$ 291,206</u>

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**NOTE 5**      FAIR VALUE MEASUREMENTS

The Federation measures investments at fair value in accordance with FASB ASC Section 820, Fair Value Measurements and Disclosures. FASB ASC Section 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FASB ASC Section 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Federation. Unobservable inputs are inputs that reflect the Federation’s assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 Inputs – Unadjusted quoted prices in active markets that are accessible at the measurement date.
- Level 2 Inputs – Inputs other than quoted prices in active markets that are observable either directly or indirectly.
- Level 3 Inputs – Unobservable inputs in which there is little or no market data, which requires management to develop their assumptions.

The Federation values investments using Level 3 inputs.

The following is a description of the valuation methodologies used for financial instruments measured at fair value:

Limited Partnership – valued at the amount invested in the partnership adjusted for its shares of realized and unrealized earnings.

The following table sets forth, by level within the fair value hierarchy, the investments at fair value as of December 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Limited Partnership Interests	\$ -	\$ -	\$ 530,929	\$ 530,929
Total Investments, at December 31, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 530,929</u>	<u>\$ 530,929</u>

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**NOTE 5**      FAIR VALUE MEASUREMENTS (CONTINUED)

The following table sets forth, by level within the fair value hierarchy, the investments at fair value as of December 31, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Limited Partnership Interests	\$ -	\$ -	\$ 449,382	\$ 449,382
Total Investments, at December 31, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 449,382</u>	<u>\$ 449,382</u>

The following table presents a reconciliation of all Level 3 assets measured at fair value for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Beginning Balance	\$ 449,382	\$ 448,027
Additions to endowment	40,000	-
Net unrealized gain	15,137	14,549
Net realized gain	43,900	17,583
Interest and dividends reinvested	2,888	3,118
Purchases	-	-
Sales	(16,500)	(31,000)
Investment fees	<u>(3,878)</u>	<u>(2,895)</u>
Total Investment Return	<u>\$ 530,929</u>	<u>\$ 449,382</u>

The components of investment return for the year ended December 31, 2021 and 2020, are summarized as follows:

	<u>2021</u>	<u>2020</u>
Interest and dividend income	\$ 5,118	\$ 7,357
Net realized and unrealized gain	59,037	32,132
Investment fees	<u>(3,878)</u>	<u>(2,895)</u>
Total Investment Return	<u>\$ 60,277</u>	<u>\$ 36,594</u>

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**NOTE 6**      PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
Furnishings and equipment	\$ 54,932	\$ 53,470
Leasehold improvements	2,600	2,600
	57,532	56,070
Less: accumulated depreciation	(56,118)	(56,070)
Property & equipment, net	\$ 1,414	\$ -

Depreciation expense for the year ended December 31, 2021 and 2020 was \$49 and \$374, respectively.

**NOTE 7**      RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions as of December 31, 2021 and 2020 consist of amounts restricted for the following purposes or periods:

	<b>2021</b>	<b>2020</b>
<b>Subject to expenditure for specified purpose:</b>		
Endowment – Donor lifetime annuities	\$ 96,777	\$ 85,706
Net assets to be held in perpetuity	20,612	20,612
Time-restricted net assets	168,542	180,632
Time and purpose – restricted net assets	125,909	165,681
Unappropriated endowment assets	138,123	67,951
Endowment – Time and purpose	140,418	130,111
Endowment – Term endowed assets	135,000	145,000
Total Net Assets With Donor Restrictions	\$ 825,381	\$ 795,693

For the years ended December 31, 2021 and 2020, net assets were released from restrictions by incurring expenses satisfying the purpose specified by the donors or the passage of time as follows:

	<b>2021</b>	<b>2020</b>
Purpose Restriction Accomplished	\$ 74,602	\$ 198,562
Net Assets Released from Restrictions	\$ 74,602	\$ 198,562

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**NOTE 8**      LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Federation’s financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Amounts not available include support revenue received with donor restrictions and receivables from donors scheduled to be collected in more than one year.

	<b>2021</b>	<b>2020</b>
Cash and cash equivalents	\$ 1,600,374	\$ 1,343,187
Pledges receivable, net	244,470	140,490
Investments	530,929	449,382
Financial assets, at year-end	2,375,773	1,933,059
Contractual or donor-imposed restrictions:		
Restricted by donor with time or purpose restrictions	(294,452)	(346,311)
Endowment assets with donor restrictions	(530,929)	(449,382)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,550,392	\$ 1,137,366

As part of the Federation’s liquidity management, it holds cash in excess of daily requirements in a money market accounts (Note 3). In addition to financial assets available to meet general expenditures within one year, the Federation anticipates collecting sufficient revenue from its campaigns and other fundraising efforts to cover general expenditures not covered by donor-restricted resources.

**NOTE 9**      PAYCHECK PROTECTION PROGRAM LOAN

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) was signed into law. The CARES Act includes a small business loan program under which the Small Business Administration (“SBA”) and its network of lending financial institutions may provide 100% federally-backed loans up to an aggregate amount of \$659 billion to eligible businesses to assist with payroll and certain operating costs (“PPP Loan”). PPP Loans are forgivable if: 1) the loan proceeds are used to cover payroll costs, and most interest, rent, and utility costs over either an 8-week period or 24-week period beginning on the PPP loan disbursement date; and 2) Employee and compensation levels are within the established limits. The PPP loans will mature in two to five years as stated in the promissory agreement, if not forgiven. The Federation received a PPP loan on April 23, 2020 for \$71,305. During 2021, the PPP loan was completely forgiven.

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**NOTE 10**    ENDOWMENT

The Federation's endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as an endowment.

As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of the Federation has interpreted the Connecticut Prudent Management of Institutional Funds Act (CTPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Federation classifies investments held in perpetuity as (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as investment in perpetuity is classified as accumulated gains and income on donor-restricted endowment until those amounts are appropriated for expenditure by the Federation in a manner consistent with the standard of prudence prescribed by CTPMIFA. In accordance with CTPMIFA, the Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments.
- Other resources of the organization
- The investment policies of the organization

Funds with Deficiencies

From time to time, the fair value of investments associated with donor-restricted endowment funds may fall below the level that the donor or CTPMIFA requires the Federation to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States of America, deficiencies of this nature are reported in net assets with donor restrictions. As of December 31, 2021 and 2020, donor-restricted endowments were not deficient.

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**NOTE 10**     ENDOWMENT (CONTINUED)

Return Objectives and Risk Parameters

The Federation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include donor-restricted assets that the Federation must hold in perpetuity as well as board-designated funds. Under this policy, as approved by the Board of Directors, endowment assets are invested in a manner that is intended to meet the Federation's primary objective of preservation of capital and secondary objectives of long-term capital appreciation and minimizing investment risk.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Federation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Federation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The Federation's spending policy limits spending to no more than 3% of the average balance over the last three years. This is consistent with the Federation's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return. The Board of Directors has established a committee to allocate income from the fund to organizations on an annual basis.

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**NOTE 10**    ENDOWMENT (CONTINUED)

Endowment Net Assets

Changes in endowment net assets for the year December 31, 2021 were as follows:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, January 1, 2020	\$ -	\$ 449,382	\$ 449,382
Investment return:			
Additions to endowment	-	40,000	40,000
Investment income	-	2,888	2,888
Net appreciation on investments (realized and unrealized)	-	59,037	59,037
Total investment return	-	101,925	101,925
Investment expenses	-	(3,878)	(3,878)
Expenditure of endowment assets	-	(16,500)	(16,500)
Endowment Net Assets, December 31, 2021	<u>\$ -</u>	<u>\$ 530,929</u>	<u>\$ 530,929</u>

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**NOTE 10**     ENDOWMENT (CONTINUED)

Changes in endowment net assets for the year December 31, 2020 were as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, January 1, 2019	\$ -	\$ 448,027	\$ 448,027
Investment return:			
Investment income	-	3,118	3,118
Net appreciation on investments (realized and unrealized)	-	<u>32,132</u>	<u>32,132</u>
Total investment return	<u>-</u>	<u>35,250</u>	<u>35,250</u>
Investment expenses	-	(2,895)	(2,895)
Expenditure of endowment assets	<u>-</u>	<u>(31,000)</u>	<u>(31,000)</u>
Endowment Net Assets, December 31, 2020	<u>\$ -</u>	<u>\$ 449,382</u>	<u>\$ 449,382</u>

**NOTE 11**     RETIREMENT PLAN

The Federation maintains a 401K Plan (the “Plan”) to provide retirement benefits for all full-time employees. Employees may make contributions to the Plan up to the maximum allowed by the Internal Revenue Code. The Federation has elected to match the employees’ contributions up to 2.5% of each participating employee’s compensation. During the year ended December 31, 2021 and 2020, the Federation made contributions of \$6,257 and \$449 to the Plan.

**NOTE 12**     COMMITMENTS

The Federation has an operating lease agreement for office equipment. The rental expenses related to this lease were \$2,004 and \$1,670 for the year ended December 31, 2021 and 2020, respectively.

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**NOTE 12**     COMMITMENTS (CONTINUED)

The minimum payment requirements under all operating lease agreements for the next five years are as follows:

For the years ended December 31,

2022	\$	2,004
2023		2,004
2024		2,004
2025		334
		<hr/>
	\$	6,346
		<hr/>

The Federation reimbursed the Jewish Community Center of Stamford (the “JCC”) for its share of the maintenance and utilities for the facility it occupies in JCC’s building. The Federation’s agreement with the JCC is on a month-to-month basis. The Federation’s occupancy expense for the years ended December 31, 2021 and 2020 was \$43,009 and \$41,473, respectively.

**NOTE 13**     CONCENTRATION OF CREDIT RISK AND UNCERTAINTIES

Cash and Cash Equivalents

The Federation maintains its cash balances in bank accounts at several financial institutions. These balances, at times, may exceed the federally insured limits established by the Federal Deposit Insurance Corporation (“FDIC”). At December 31, 2021 and 2020, the Federation’s uninsured cash balance totaled \$960,389 and \$1,183,684, respectively. The Federation has not incurred losses related to these deposits and management does not believe the Federation’s deposits are exposed to any significant credit risk.

Uncertainties

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a “Public Health Emergency of International Concern” and on March 10, 2020, declared it to be a pandemic. The actions taken to mitigate it have had, and are expected to continue to have, an adverse impact on the economy, financial markets, and the geographical area in which the Organization operates. It is unknown how long these conditions will last and what the complete financial effect will be to the Organization. Additionally, it is reasonably possible that estimates made in the financial statements have been, or will be, materially and adversely impacted in the near term as a result of these conditions.

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**NOTE 14**    SUBSEQUENT EVENTS

MANAGEMENT REVIEW

In accordance with FASB ASC Section 855-10, *Subsequent Events*, management has evaluated subsequent events through September 20, 2022 which is the date the financial statements were available to be issued.

On May 4, 2022, the Federation entered into a two-year occupancy lease in Stamford, CT for new office space.