

WOMEN OF REFORM JUDAISM
FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

WOMEN OF REFORM JUDAISM

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INDEPENDENT AUDITORS' REPORT

To The Board of Directors
Women of Reform Judaism
New York, New York

Opinion

We have audited the accompanying financial statements of Women of Reform Judaism, which comprise the statements of financial position at June 30, 2022 and 2021, and the related statements of activities, functional expenses 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 Women of Reform Judaism at June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Women of Reform Judaism and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Women of Reform Judaism's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibility 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 auditors' 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 Women of Reform Judaism'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 Women of Reform Judaism'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.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

New York, New York
January 11, 2023

WOMEN OF REFORM JUDAISM
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Cash and cash equivalents - WRJ	\$ 390,264	\$ 409,910
Cash and cash equivalents - Districts	646,983	622,264
Investments - WRJ	7,888,209	7,508,012
Investments - Districts	109,159	97,047
Accounts receivable	31,478	24,571
Pledges receivable, net	124,899	582,550
Inventory	15,912	40,322
Prepaid expenses and other assets	53,975	46,119
	<hr/>	<hr/>
TOTAL ASSETS	<u>\$ 9,260,879</u>	<u>\$ 9,330,795</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 48,182	\$ 61,024
Due to Union for Reform Judaism	253,573	77,654
Deferred revenue	41,516	17,269
	<hr/>	<hr/>
TOTAL LIABILITIES	<u>343,271</u>	<u>155,947</u>
 COMMITMENTS AND CONTINGENCIES		
NET ASSETS:		
Without donor restrictions:		
Operating	1,282,195	1,100,511
Board designated	550,389	557,479
Total without donor restrictions	<u>1,832,584</u>	<u>1,657,990</u>
 With donor restrictions:		
Purpose restricted	1,968,513	2,384,731
Endowments	5,116,511	5,132,127
Total with donor restrictions	<u>7,085,024</u>	<u>7,516,858</u>
	<hr/>	<hr/>
TOTAL NET ASSETS	<u>8,917,608</u>	<u>9,174,848</u>
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 9,260,879</u>	<u>\$ 9,330,795</u>

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

WOMEN OF REFORM JUDAISM
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE:						
WRJ:						
Contributions	\$ 399,314	\$ 204,573	\$ 603,887	\$ 244,038	\$ 1,137,839	\$ 1,381,877
Membership dues	418,007	-	418,007	526,717	-	526,717
Sales of uniongrams and other items, net	8,487	-	8,487	6,280	26,080	32,360
Convention and program fees	156,891	-	156,891	44,815	-	44,815
Investment income, net	26,078	280,795	306,873	105,212	1,090,584	1,195,796
Other revenue	1,612	-	1,612	26,482	-	26,482
Districts' Public Support and Revenue (Note 11)	97,520	9,798	107,318	174,146	33,423	207,569
Total public support and revenue before net assets released from restrictions	1,107,909	495,166	1,603,075	1,127,690	2,287,926	3,415,616
Net assets released from restrictions	927,000	(927,000)	-	992,484	(992,484)	-
TOTAL PUBLIC SUPPORT AND REVENUE	2,034,909	(431,834)	1,603,075	2,120,174	1,295,442	3,415,616
EXPENSES:						
WRJ:						
Program Services	1,189,747	-	1,189,747	1,162,441	-	1,162,441
Supporting Services:						
Management and general	380,530	-	380,530	255,845	-	255,845
Fundraising	219,551	-	219,551	225,544	-	225,544
Total Supporting Services	600,081	-	600,081	481,389	-	481,389
Districts' Program Expenses (Note 11)	70,487	-	70,487	92,182	-	92,182
TOTAL EXPENSES	1,860,315	-	1,860,315	1,736,012	-	1,736,012
Change in net assets	174,594	(431,834)	(257,240)	384,162	1,295,442	1,679,604
NET ASSETS:						
Beginning of year	1,657,990	7,516,858	9,174,848	1,273,828	6,221,416	7,495,244
End of year	\$ 1,832,584	\$ 7,085,024	\$ 8,917,608	\$ 1,657,990	\$ 7,516,858	\$ 9,174,848

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

**WOMEN OF REFORM JUDAISM
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2022**

	Program Services				Supporting Services			Total
	Youth Education and Special Projects	Education Training and Programs	Affiliate Programs and Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	
EXPENSES:								
WRJ:								
Personnel Costs	\$ 185,341	\$ 355,300	\$ 97,620	\$ 638,261	\$ 277,100	\$ 152,859	\$ 429,959	\$ 1,068,220
Other Expenses:								
Charitable grant making	193,500	61,660	-	255,160	-	-	-	255,160
Professional services	37,192	71,297	19,589	128,078	55,605	30,674	86,279	214,357
Printing and products	-	95	-	95	-	-	-	95
Meetings and conventions	14,576	27,940	7,678	50,194	625	346	971	51,165
Marketing and communications	2,573	4,933	1,356	8,862	3,846	2,122	5,968	14,830
Occupancy cost	4,636	8,886	2,442	15,964	6,930	3,823	10,753	26,717
Information technology	19,305	37,008	10,168	66,481	28,863	15,922	44,785	111,266
Outreach and advocacy	2,871	5,504	1,512	9,887	-	-	-	9,887
Fundraising	-	-	-	-	-	9,789	9,789	9,789
Bank fees and administrative charges	3,058	5,861	1,610	10,529	4,854	2,522	7,376	17,905
Insurance	1,811	3,471	954	6,236	2,707	1,494	4,201	10,437
Total WRJ	464,863	581,955	142,929	1,189,747	380,530	219,551	600,081	1,789,828
Districts:								
Outreach and advocacy	-	29,219	-	29,219	-	-	-	29,219
Meetings and conventions	-	36,807	-	36,807	-	-	-	36,807
Fundraising	-	-	-	-	-	2,788	2,788	2,788
General office and operating costs	-	-	-	-	-	1,673	1,673	1,673
Total Districts	-	66,026	-	66,026	-	4,461	4,461	70,487
TOTAL EXPENSES	\$ 464,863	\$ 647,981	\$ 142,929	\$ 1,255,773	\$ 380,530	\$ 224,012	\$ 604,542	\$ 1,860,315

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

WOMEN OF REFORM JUDAISM
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2021

	Program Services				Supporting Services			
	Youth Education and Special Projects	Education Training and Programs	Affiliate Programs and Education	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
EXPENSES:								
WRJ:								
Personnel Costs	\$ 157,089	\$ 340,698	\$ 91,327	\$ 589,114	\$ 184,447	\$ 136,335	\$ 320,782	\$ 909,896
Other Expenses:								
Charitable grant making	193,500	106,487	-	299,987	-	-	-	299,987
Professional services	23,601	51,186	13,721	88,508	27,710	20,482	48,192	136,700
Printing and products	3,096	11,031	1,163	15,290	2,351	1,737	4,088	19,378
Meetings and conventions	10,623	23,038	6,177	39,838	487	362	849	40,687
Marketing and communications	3,546	7,691	2,063	13,300	4,162	3,077	7,239	20,539
Occupancy cost	14,517	31,484	8,440	54,441	17,044	12,598	29,642	84,083
Information technology	10,248	22,225	5,958	38,431	12,032	8,892	20,924	59,355
Outreach and advocacy	1,234	2,678	718	4,630	-	-	-	4,630
Fundraising	-	-	-	-	-	38,074	38,074	38,074
Bank fees and administrative charges	5,040	10,932	2,930	18,902	7,612	3,987	11,599	30,501
Total WRJ	<u>422,494</u>	<u>607,450</u>	<u>132,497</u>	<u>1,162,441</u>	<u>255,845</u>	<u>225,544</u>	<u>481,389</u>	<u>1,643,830</u>
Districts:								
Outreach and advocacy	-	66,458	-	66,458	-	-	-	66,458
Meetings and conventions	-	25,724	-	25,724	-	-	-	25,724
Total Districts	<u>-</u>	<u>92,182</u>	<u>-</u>	<u>92,182</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>92,182</u>
TOTAL EXPENSES	<u>\$ 422,494</u>	<u>\$ 699,632</u>	<u>\$ 132,497</u>	<u>\$ 1,254,623</u>	<u>\$ 255,845</u>	<u>\$ 225,544</u>	<u>\$ 481,389</u>	<u>\$ 1,736,012</u>

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

WOMEN OF REFORM JUDAISM
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2022 AND 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (257,240)	\$ 1,679,604
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Recovery of bad debt expense	-	(14,201)
Net realized and unrealized gains on investments	(236,000)	(1,132,864)
Endowment contributions	(191,329)	(1,200)
(Increase) decrease in assets:		
Accounts receivable	(6,907)	1,155
Pledges receivable	457,651	(412,405)
Inventory	24,410	-
Prepaid expenses and other assets	(7,856)	(41,878)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(12,842)	23,980
Due to Union for Reform Judaism	175,919	(93,700)
Deferred revenue	24,247	15,527
	<hr/>	<hr/>
NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES	(29,947)	24,018
	<hr/>	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of investments	5,571,823	3,584,642
Purchase of investments	(5,728,132)	(3,475,614)
	<hr/>	<hr/>
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(156,309)	109,028
	<hr/>	<hr/>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Endowment contributions	191,329	1,200
	<hr/>	<hr/>
NET CASH PROVIDED BY FINANCING ACTIVITIES	191,329	1,200
	<hr/>	<hr/>
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,073	134,246
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,032,174	897,928
	<hr/>	<hr/>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,037,247</u>	<u>\$ 1,032,174</u>

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

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 1 - Nature of Operations

Women of Reform Judaism ("WRJ"), organized under the laws of Ohio, was established in 1913 and is located in New York City. WRJ is the women's affiliate of the Union for Reform Judaism ("URJ"), the central body of Reform Judaism in North America. Currently, WRJ has eight districts throughout the United States and Canada (the "Districts"). Each district, staffed entirely by volunteers, coordinates activities to support the programs of WRJ. WRJ represents tens of thousands of women in hundreds of women's groups in North America and around the world.

WRJ's mission is to ensure the future of Reform Judaism. WRJ works to educate and train future sisterhood and congregational leadership about membership, fundraising, leadership skills, advocacy for social justice, and innovative and spiritual programming. Through the YES Fund (Youth, Education, and Special Projects), WRJ provides financial support to rabbinical students at Hebrew Union College - Jewish Institute of Religion, to the youth programs of the Reform Movement, and to programs benefiting women and children in Israel and around the world.

WRJ is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and from state and local taxes under comparable laws when applicable.

WRJ is funded primarily by contributions and dues from congregational sisterhoods.

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

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 amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash equivalents include highly liquid investments with initial maturities when acquired of three months or less.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Investments

Investments are stated at fair value based on quoted market prices. Gains and losses on the sale of investments and investment income are recorded as operating activities and are recognized as increases and decreases in net assets without donor restrictions unless their use is restricted by donor stipulations. Interest and dividends from net assets with donor restrictions are recorded as additions to net assets with donor restrictions until the donors' restrictions are satisfied or those amounts are appropriated for expenditure by WRJ in a manner consistent with current laws.

Fair Value Measurement

Fair value is defined 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. To increase the comparability of fair value measurements, a framework for measuring fair value is used which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The three levels of the fair value hierarchy under the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement*, are described as follows:

Level 1 - Valuations based on quoted prices for identical assets and liabilities in active markets.

Level 2 - Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs reflecting WRJ's own assumptions, consistent with reasonably available assumptions made by other market participants. These valuations require significant judgment.

Refer to Note 4 for assets measured at fair value at June 30, 2022 and 2021.

Revenue Recognition and Accounts Receivable

Membership dues are charged for annual membership and are recognized as revenue is earned over time, in the membership year. Membership dues received that relate to future periods are contract liabilities and recorded as deferred revenue until the subsequent period when they are earned.

Convention and program fees are recognized as revenue on the date of the event, which is the date that WRJ expects to be entitled to consideration in exchange for attending the convention or program.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Revenue Recognition and Accounts Receivable (cont'd.)

Amounts related to services provided to customers which have not been billed and that do not meet the conditions of an unconditional right to payment at the end of the reporting period are contract assets.

At June 30, 2022 and 2021, accounts receivable consisted of unpaid membership dues, amounts due from sales of inventory, and accrued interest receivable. Amounts are expected to be received within one year.

The opening and closing balances of accounts receivable, contract assets, and contract liabilities are as follows:

	<u>Accounts Receivable</u>	<u>Contract Assets</u>	<u>Contract Liabilities</u>
Balance, July 1, 2020	\$ 25,726	\$ -	\$ 1,742
Balance, June 30, 2021	\$ 24,571	\$ -	\$ 17,269
Balance, June 30, 2022	\$ 31,478	\$ -	\$ 41,516

Contributions

Contributions are provided to WRJ either with or without donor restrictions. Revenues and net assets are separately reported to reflect the nature of those gifts - with or without donor restrictions. The value recorded for each contribution is recognized as follows:

<u>Nature of the Gift</u>	<u>Value Recognized</u>
<i>Conditional gifts and grants, with or without restrictions</i>	
Gifts and grants that depend on WRJ overcoming a donor-imposed barrier to be entitled to the funds	Not recognized until the gift becomes unconditional, i.e., the donor-imposed barrier is met
<i>Unconditional gifts and grants, with or without donor restrictions</i>	
Received at date of gift - cash and other assets	Fair value
Received at date of gift - property, equipment and long-lived assets	Estimated fair value
Expected to be collected within one year	Net realizable value
Collected in future years	Initially reported at fair value determined using the discounted present value of estimated future cash flows technique

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Contributions (cont'd.)

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level yield method.

When a donor-stipulated time restriction ends or 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. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment and other long-lived assets are reported when those assets are placed in service.

Allowance for Doubtful Accounts

WRJ determines whether an allowance for doubtful accounts should be provided for accounts and pledges receivable. Such estimates are based on management's assessment of the aged basis of the receivables, current economic conditions and historical information. Receivables are written off against the allowance for doubtful accounts when all reasonable collection efforts have been exhausted. Interest is not charged on outstanding receivables. Management will charge bad debt expense as it either increases or decreases the allowance in its determination of the estimated future uncollectible receivables and the adequacy of the allowance to absorb them. For the years ended June 30, 2022 and 2021, WRJ realized a recovery of bad debt of \$1,611 and \$14,201, respectively, and has included it within other revenues on the statements of activities. WRJ has recorded an allowance for doubtful accounts of \$6,628 and \$30,002 at June 30, 2022 and 2021, respectively, for pledges receivable.

Inventory

Inventory consists of greeting cards and pamphlets that are valued at the lower of cost or market value, using the first-in, first-out method. WRJ estimates the lower of cost or market value of inventory by adjusting the unit cost instead of maintaining an overall reserve for obsolescence.

Net Assets

Net assets without donor restrictions include funds having no restrictions as to use or purpose imposed by donors. Board-designated funds are amounts designated by the board of directors to serve as an endowment of WRJ to provide reserves for programs and operations. Net assets with donor restrictions are those whose use has been restricted by donors for a specific time period or purpose. Net assets with donor restrictions include endowment funds whose principal may or may not be expended, the income from which is expendable to support general operations.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Functional Allocation of Expenses

The costs of providing WRJ's various programs and supporting services have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated by management using appropriate measurement and methodologies among the program services, management and general, and fundraising.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Personnel costs	Time and effort
Charitable grant making	Direct costs
Printing and products	Time and effort
Meetings and conventions	Direct costs, Time and effort
Marketing and communications	Direct costs, Time and effort
Occupancy costs	Time and effort
Information technology	Time and effort
Outreach and advocacy	Time and effort
Fundraising	Direct costs
Bank fees and administrative charges	Direct costs
Bad debt expense	Direct costs

Reclassifications

Certain prior year amounts have been reclassified to conform with the current year's presentation. The reclassifications had no effect on the opening net assets.

Accounting for Uncertainty in Income Taxes

WRJ has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements. WRJ believes it is no longer subject to income tax examinations for years prior to 2019.

New Accounting Pronouncement

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board ("IASB") to increase transparency and the comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements for U.S. GAAP and International Financial Reporting Standards ("IFRS"). The guidance in this ASU affects any entity that enters into a lease (as that term is defined in this ASU), with some specified scope exemptions. The guidance in this ASU will supersede FASB ASC Topic 840, *Leases*.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

New Accounting Pronouncement (cont'd.)

ASU No. 2016-02 (cont'd.)

The ASU provides that lessees should recognize lease assets and lease liabilities on the balance sheet for leases previously classified as operating leases that exceed 12 months, including leases existing prior to the effective date of this ASU. It also calls for enhanced leasing arrangement disclosures.

For nonpublic entities, the amendments of ASU No. 2016-02 are effective for annual reporting periods beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022, based on the decision in ASU No. 2020-05 to defer the implementation dates. Early application is permitted for all entities.

WRJ has not yet determined if these ASUs will have a material effect on its financial statements.

Note 3 - Concentration of Credit Risk

WRJ maintains cash balances in several financial institutions. Such balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000 per institution. At June 30, 2022 and from time to time during the years ended June 30, 2022 and 2021, WRJ's balances exceeded these limits.

Note 4 - Investments and Fair Value Measurement

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at June 30, 2022 and 2021.

U.S. government bonds, treasury bills, exchange traded funds, equity securities and fixed income mutual funds are stated at fair value using Level 1 inputs based on quoted market prices of identical securities in active markets.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 4 - Investments and Fair Value Measurement (cont'd.)

The following table presents WRJ's assets that are measured at fair value on a recurring basis at June 30, 2022 and 2021:

	June 30, 2022			Total
	Level 1	Level 2	Level 3	
Cash	\$ 200,840	\$ -	\$ -	\$ 200,840
U.S. government bonds and Treasury bills	2,949,871	-	-	2,949,871
Exchange traded funds	993,350	-	-	993,350
Equity securities	3,766,005	-	-	3,766,005
Mutual funds	87,302	-	-	87,302
Total	<u>\$ 7,997,368</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,997,368</u>

	June 30, 2021			Total
	Level 1	Level 2	Level 3	
Cash	\$ 65,090	\$ -	\$ -	\$ 65,090
U.S. government bonds and Treasury bills	2,060,695	-	-	2,060,695
Exchange traded funds	1,086,200	-	-	1,086,200
Equity securities	4,296,027	-	-	4,296,027
Mutual funds	97,047	-	-	97,047
Total	<u>\$ 7,605,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,605,059</u>

Future maturities of the bonds at June 30, 2022, at face value, are as follows:

Less than one year	<u>\$ 2,950,000</u>
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Investment returns for the years ended June 30, 2022 and 2021 are calculated as follows:

	<u>2022</u>	<u>2021</u>
WRJ:		
Interest and dividends from investments	\$ 91,668	\$ 80,859
Investment advisory fees	(20,795)	(17,927)
Realized gains on sale of investments	1,229,181	194,401
Unrealized gains (losses) on investments	(993,181)	938,463
	<u>\$ 306,873</u>	<u>\$ 1,195,796</u>
Districts:		
Investment (loss) income	<u>\$ (5,411)</u>	<u>\$ 4,225</u>

WOMEN OF REFORM JUDAISM
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JUNE 30, 2022 AND 2021

Note 5 - Pledges Receivable

Pledges receivable have been discounted over the payment period using a discount rate of 6% and 4% for the years ended June 30, 2022 and 2021, respectively. Pledges receivable at June 30, 2022 and 2021 are due as follows:

	<u>2022</u>	<u>2021</u>
Amounts due within one year	\$ 66,861	\$ 492,498
Amounts due within one to five years	71,099	126,970
	137,960	619,468
Less: Allowance for uncollectible pledges	6,628	30,002
Less: Discount to present value	6,433	6,916
	\$ 124,899	\$ 582,550

Note 6 - Purpose Restricted Net Assets with Donor Restrictions

Purpose restricted net assets at June 30, 2022 and 2021 are available for the following purposes:

	<u>2022</u>	<u>2021</u>
Women's Torah Commentary Fund	\$ 288,061	\$ 376,019
Social Justice Fund	14,449	12,871
NCEJ Grant	595	5,550
Wilkenfeld Leadership Seminar	124,195	123,622
Jane Oppenheimer Scholarship Fund	6,140	6,114
Global Connection Fund	14,066	14,059
Global Connection Fund - Israel	16,189	16,111
Blair Marks Leadership Fund	64,283	61,750
Joanne Fried Leadership Fund	960,560	956,852
Small Sisterhoods Resource Fund	6,063	6,035
Eleanor R. Schwartz Fund	20,389	19,204
District Funds	35,751	45,243
Pay Equity Initiative	17,967	24,217
JBF Social Justice Program	40,841	82,357
Engagement Initiative Fund	358,964	634,727
	\$ 1,968,513	\$ 2,384,731

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NOTES TO FINANCIAL STATEMENTS
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Note 6 - Purpose Restricted Net Assets with Donor Restrictions (cont'd.)

Purpose Restricted Net Assets Released from Restrictions

Purpose restricted net assets with donor restrictions were released from restrictions by incurring expenses satisfying the following during the years ended June 30, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Youth, Education, and Special Projects	\$ 372,667	\$ 428,910
NCEJ Grant	4,955	4,905
Women's Torah Commentary Fund	84,985	50,352
WRJ Participation in URJ Programs/Events	-	16,031
Social Justice Fund	14,960	65,000
Pay Equity Initiative	6,250	28,750
JBF Social Justice Program	38,050	80,186
Joanne Fried Leadership Fund	-	38,689
Engagement Initiative Fund	266,540	132,587
District Funds	19,873	32,062
Spending rate	118,720	115,012
	<u>\$ 927,000</u>	<u>\$ 992,484</u>

Note 7 - Endowment Funds

General

WRJ's endowment consists of various individual donor-restricted endowment funds established for the variety of purposes and funds designated by the board of directors to function as an endowment. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

WRJ interprets New York State law, the New York Prudent Management of Institutional Funds Act ("NYPMIFA"), 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, WRJ classifies as net assets with donor restrictions (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 in endowments is classified as purpose restricted net assets until those amounts are appropriated for expenditure by WRJ in a manner consistent with the standard of prudence prescribed by NYPMIFA.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 7 - Endowment Funds (cont'd.)

Interpretation of Relevant Law (cont'd.)

WRJ has considered the following factors in making a determination to appropriate or calculate donor-restricted endowment funds:

1. Duration of the fund
2. General purposes of WRJ and the donor-restricted endowment funds
3. General economic conditions
4. Possible effect of inflation or deflation
5. Expected total return from income and appreciation of investments
6. Other resources of WRJ
7. Investment policy of WRJ

Return Objectives, Strategies Employed and Spending Policy

The objective of WRJ is to maintain the principal endowment funds at the original amount designated by the donor and to generate investment income for the specified purpose. The investments are summarized in Note 4. Income is distributed on a total return basis to either non-donor designated funds or donor designated funds as designated by the donor. Certain donors have specified that investment income and losses, net of investment fees, be added to the corpus of the endowment funds and have established criteria different from WRJ's spending rate formula of 4% of the prior three-year average balance as measured on an annual basis at June 30.

Funds With Deficiencies

WRJ does not have any funds with deficiencies.

Endowment Net Asset Composition by Type of Fund at June 30, 2022

	Without Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 5,116,511	\$ 5,116,511
Board-designated funds	550,389	-	550,389
Total endowment funds	<u>\$ 550,389</u>	<u>\$ 5,116,511</u>	<u>\$ 5,666,900</u>

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 7 - Endowment Funds (cont'd.)

Endowment Net Asset Composition by Type of Fund at June 30, 2021

	Without Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 5,132,127	\$ 5,132,127
Board-designated funds	557,479	-	557,479
Total endowment funds	<u>\$ 557,479</u>	<u>\$ 5,132,127</u>	<u>\$ 5,689,606</u>

Changes in Endowment Net Assets for the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Unspent Earnings	Original Donor Gifts	
Balance, July 1, 2021	\$ 557,479	\$ 1,067,032	\$ 4,065,095	\$ 5,689,606
Investment income, net	23,336	206,597	-	229,933
Contributions	4,118	-	191,329	195,447
Appropriations	(50,570)	(413,542)	-	(464,112)
Transfers	16,026	-	-	16,026
Balance, June 30, 2022	<u>\$ 550,389</u>	<u>\$ 860,087</u>	<u>\$ 4,256,424</u>	<u>\$ 5,666,900</u>

Changes in Endowment Net Assets for the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Unspent Earnings	Original Donor Gifts	
Balance, July 1, 2020	\$ 510,959	\$ 482,571	\$ 3,999,410	\$ 4,992,940
Investment income, net	87,600	795,444	-	883,044
Contributions	11,791	369,174	1,200	382,165
Appropriations	(52,871)	(580,157)	-	(633,028)
Transfers, net	-	-	64,485	64,485
Balance, June 30, 2021	<u>\$ 557,479</u>	<u>\$ 1,067,032</u>	<u>\$ 4,065,095</u>	<u>\$ 5,689,606</u>

For the year ended June 30, 2021, there was \$132,196 of transfers into endowments and \$67,711 of transfers out of endowments to other restricted funds because of changes in donor intent.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 7 - Endowment Funds (cont'd.)

As of June 30, 2022 and 2021, original donor gift endowment assets were restricted to support the following:

	<u>2022</u>	<u>2021</u>
Circle of Service Lifeline Endowment Fund	\$ 3,233,482	\$ 3,042,153
Jane Evans Endowment Fund	375,477	375,477
Founders Endowment Fund	351,318	351,318
Other	296,147	296,147
	<u>\$ 4,256,424</u>	<u>\$ 4,065,095</u>

Note 8 - Retirement Benefits - Pension Plan

Employees of WRJ are covered under URJ's contributory 403(b) retirement plan as part of WRJ's affiliation with URJ or under the Reform Pension Plan Trust, which is supervised by the Reform Pension Board. For the year ended June 30, 2022, WRJ made contributions of \$14,389 to the 403(b) retirement plan and \$28,988 to the Reform Pension Plan Trust. For the year ended June 30, 2021, WRJ made contributions of \$7,625 to the 403(b) retirement plan and \$28,850 to the Reform Pension Plan Trust.

Note 9 - Related Party Transactions

WRJ reimburses URJ for various services that URJ provides, including payroll, employee benefits, IT, human resources, finance, and rent. As of June 30, 2022 and 2021, WRJ recorded a payable to URJ of \$253,573 and \$77,654, respectively. This amount is unsecured and interest-free. In addition, WRJ made donations of \$81,000 and \$98,000 to URJ during the years ended June 30, 2022 and 2021, respectively.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 10 - Available Resources and Liquidity

The following reflects WRJ's financial assets as of June 30, 2022 and 2021 reduced by amounts not available for general use within one year of the statements of financial position date because of contractual or donor-imposed restrictions or internal designations.

	<u>2022</u>	<u>2021</u>
Financial Assets:		
Cash and cash equivalents - WRJ	\$ 390,264	\$ 409,910
Cash and cash equivalents - Districts	646,983	622,264
Investments - WRJ	7,888,209	7,508,012
Investments - Districts	109,159	97,047
Accounts receivable	31,478	24,571
Pledges receivable	124,899	582,550
Financial assets at year-end	<u>9,190,992</u>	<u>9,244,354</u>
Less those unavailable for general expenditure within one year due to:		
Net assets with donor restrictions - purpose restricted	(1,968,513)	(2,384,731)
Net assets with donor restrictions - endowment	(5,116,511)	(5,132,127)
Net assets without donor restrictions - board-designated	<u>(550,389)</u>	<u>(557,479)</u>
Total financial assets available to management for general expenditures within one year	<u>\$ 1,555,579</u>	<u>\$ 1,170,017</u>

WRJ's endowment funds consist of donor-restricted endowments and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

The board-designated endowment is subject to an annual spending rate of 4% as described in Note 7. Although WRJ does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available, if necessary.

WRJ regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. WRJ has various sources of liquidity at its disposal, including cash and cash equivalents and marketable debt and equity securities.

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 11 - Districts

As discussed in Note 1, WRJ has eight districts throughout the United States and Canada. The Districts' assets, liabilities, revenues and expenses are all unrestricted and are included in WRJ's statements of financial position and statements of activities as follows:

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Net assets - beginning of year						
Cash and cash equivalents	\$ 611,617	\$ 10,647	\$ 622,264	\$ 519,339	\$ 10,369	\$ 529,708
Investments	62,451	34,596	97,047	40,703	50,781	91,484
Total net assets - beginning of year	674,068	45,243	719,311	560,042	61,150	621,192
Change in net assets:						
Public support and revenue:						
Contributions	30,318	15,687	46,005	56,803	30,063	86,866
Membership dues	49,846	-	49,846	48,987	-	48,987
Convention fees	15,771	-	15,771	52,329	-	52,329
Investment (loss) income	478	(5,889)	(5,411)	865	3,360	4,225
Released from restriction	19,873	(19,873)	-	32,062	(32,062)	-
Miscellaneous income	1,107	-	1,107	15,162	-	15,162
Total public support and revenue	117,393	(10,075)	107,318	206,208	1,361	207,569
Expenses:						
Program expenses	70,487	-	70,487	92,182	-	92,182
Total change in net assets	46,906	(10,075)	36,831	114,026	1,361	115,387
Net assets - end of year	\$ 720,974	\$ 35,168	\$ 756,142	\$ 674,068	\$ 62,511	\$ 736,579
Breakdown of net assets - end of year:						
Cash and cash equivalents	\$ 640,591	\$ 6,392	\$ 646,983	\$ 611,617	\$ 10,647	\$ 622,264
Investments	80,383	28,776	109,159	62,451	34,596	97,047
Net assets - end of year	\$ 720,974	\$ 35,168	\$ 756,142	\$ 674,068	\$ 45,243	\$ 719,311

WOMEN OF REFORM JUDAISM
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022 AND 2021

Note 12 - Contingencies

As a result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen which may impact the generation of contributions, attendance at special events, government grants and the collection of receivables. Other financial impact could occur, though such potential impact is unknown at this time.

Note 13 - Subsequent Events

WRJ has evaluated all events or transactions that occurred after June 30, 2022 through January 11, 2023, which is the date that the financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.