

**Tanenbaum Center for  
Interreligious Understanding**

Audited Financial Statements

December 31, 2024

# **Tanenbaum Center for Interreligious Understanding**

## **Audited Financial Statements**

**December 31, 2024**

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## Independent Auditor's Report

Board of Directors  
Tanenbaum Center for Interreligious Understanding

### Opinion

We have audited the accompanying financial statements of Tanenbaum Center for Interreligious Understanding (the "Organization"), which comprise the statement of financial position as of December 31, 2024, and the related statement of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as of December 31, 2024, and the changes in 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 ("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 the Organization 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 the Organization'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 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 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 the Organization'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 the Organization'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 the Organization's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 17, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects with the audited financial statements from which it has been derived.

*Sax CPAs LLP*

New York, NY  
July 11, 2025

# Tanenbaum Center for Interreligious Understanding

## Statement of Financial Position

As of December 31, 2024  
(With comparative totals as of December 31, 2023)

	December 31,	
	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 301,290	\$ 441,827
Investments	3,452,128	3,178,577
Pledges receivable, net	198,336	322,584
Other receivables	164,750	83,398
Prepaid expenses and other assets, current portion	53,362	32,165
Total current assets	4,169,866	4,058,551
LONG TERM ASSETS		
Pledges receivable for future programs and time periods	335,000	-
Property and equipment	15,326	20,990
Pledges receivable restricted for endowment, net	389,506	373,626
Investments restricted for endowment	145,758	135,455
Total long term assets	885,590	530,071
<b>TOTAL ASSETS</b>	<b>\$ 5,055,456</b>	<b>\$ 4,588,622</b>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 90,838	\$ 90,252
Deferred revenue, current portion	24,583	53,542
Total current liabilities	115,421	143,794
LONG TERM LIABILITIES		
Deferred revenue, net of current portion	419,575	347,583
Total long term liabilities	419,575	347,583
Total liabilities	534,996	491,377
NET ASSETS		
Without donor restrictions	3,225,306	2,912,266
With donor restrictions		
For future programs and time periods	759,890	675,898
Donor restricted endowment	535,264	509,081
Total net assets with donor restrictions	1,295,154	1,184,979
Total net assets	4,520,460	4,097,245
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 5,055,456</b>	<b>\$ 4,588,622</b>

*The attached notes and auditor's report are an integral part of these financial statements.*

# Tanenbaum Center for Interreligious Understanding

## Statement of Activities

For the Year Ended of December 31, 2024  
(With comparative totals for the year ended December 31, 2023)

	With Donor Restrictions					
	Without Donor Restrictions	Programs and Time	Endowment	Total With Donor Restrictions	Total 12/31/24	Total 12/31/23
					12/31/24	12/31/23
<b>REVENUE AND SUPPORT</b>						
Contributions	\$ 294,495	\$ 695,000	\$ 15,880	\$ 710,880	\$ 1,005,375	\$ 449,448
Employee Retention Tax Credit	-	-	-	-	-	282,718
Donated services	70,982	-	-	-	70,982	133,642
Special event income (net of expenses with a direct benefit to donor)	246,053	-	-	-	246,053	367,207
Corporate fees	1,095,000	-	-	-	1,095,000	761,667
Program fees and other income	456,831	-	-	-	456,831	563,448
Investment return, net of fee	231,234	-	10,303	10,303	241,537	289,355
Net assets released from restrictions	611,008	(611,008)	-	(611,008)	-	-
Total revenue and support	3,005,603	83,992	26,183	110,175	3,115,778	2,847,485
<b>EXPENSES</b>						
Program services:	<u>1,945,821</u>	-	-	-	<u>1,945,821</u>	1,825,796
Supporting services:						
Management and general	309,467	-	-	-	309,467	307,157
Fundraising	437,275	-	-	-	437,275	433,417
Total supporting services	<u>746,742</u>	-	-	-	<u>746,742</u>	740,574
Total expenses	<u>2,692,563</u>	-	-	-	<u>2,692,563</u>	2,566,370
<b>Change in net assets</b>	313,040	83,992	26,183	110,175	423,215	281,115
<b>NET ASSETS, beginning of year</b>	<u>2,912,266</u>	<u>675,898</u>	<u>509,081</u>	<u>1,184,979</u>	<u>4,097,245</u>	3,816,130
<b>NET ASSETS, end of year</b>	<b><u>\$ 3,225,306</u></b>	<b><u>\$ 759,890</u></b>	<b><u>\$ 535,264</u></b>	<b><u>\$ 1,295,154</u></b>	<b><u>\$ 4,520,460</u></b>	<b><u>\$ 4,097,245</u></b>

*The attached notes and auditor's report are an integral part of these financial statements.*

# Tanenbaum Center for Interreligious Understanding

## Statement of Functional Expenses

For the Year Ended of December 31, 2024

(With comparative totals for the year ended December 31, 2023)

	Supporting Services				Total Expenses 12/31/24	Total Expenses 12/31/23		
	Program Services	Management and General		Total Supporting Services				
		Fundraising	Management and General					
Salaries	\$ 1,284,347	\$ 76,943	\$ 300,626	\$ 377,569	\$ 1,661,916	\$ 1,678,108		
Payroll taxes and benefits	157,913	9,550	37,313	46,863	204,776	208,280		
Total salaries and related costs	<u>1,442,260</u>	<u>86,493</u>	<u>337,939</u>	<u>424,432</u>	<u>1,866,692</u>	<u>1,886,388</u>		
Professional fees	99,779	139,906	63,601	203,507	303,286	292,749		
Donated services	25,762	39,084	6,136	45,220	70,982	133,642		
Occupancy	14,147	1,288	3,560	4,848	18,995	15,637		
Supplies	13,230	622	1,719	2,341	15,571	10,207		
Printing and reproduction	19,302	1,516	64	1,580	20,882	27,964		
Postage and mailing	1,525	3,051	-	3,051	4,576	3,843		
Events	148,022	5,595	166,719	172,314	320,336	158,895		
Telephone	35,678	3,156	8,728	11,884	47,562	65,357		
Travel	104,678	3,046	4,600	7,646	112,324	42,277		
Insurance	11,806	1,075	2,971	4,046	15,852	15,474		
Dues and subscriptions	12,332	2,850	730	3,580	15,912	7,166		
Depreciation	-	5,665	-	5,665	5,665	5,665		
Other	17,300	16,120	2,538	18,658	35,958	29,067		
Total expenses	<u>1,945,821</u>	<u>309,467</u>	<u>599,305</u>	<u>908,772</u>	<u>2,854,593</u>	<u>2,694,331</u>		
Less: direct special event expenses netted with revenue	-	-	(162,030)	(162,030)	(162,030)	(127,961)		
<b>Total expenses</b>	<b><u>\$ 1,945,821</u></b>	<b><u>\$ 309,467</u></b>	<b><u>\$ 437,275</u></b>	<b><u>\$ 746,742</u></b>	<b><u>\$ 2,692,563</u></b>	<b><u>\$ 2,566,370</u></b>		

*The attached notes and auditor's report are an integral part of these financial statements.*

# Tanenbaum Center for Interreligious Understanding

## Statement of Cash Flows

For the Year Ended of December 31, 2024  
(With comparative totals for the year ended December 31, 2023)

	Years Ended Dec 31,	
	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 423,215	\$ 281,115
Adjustments to reconcile change in net assets to net cash (used for)/provided by operating activities		
Depreciation	5,665	5,665
Realized and unrealized (gain)/loss on investments	(211,545)	(214,712)
Changes in assets and liabilities		
Pledges receivable, net	(226,632)	341,871
Other receivables	(81,352)	(297,845)
Prepaid expenses and other assets	(21,197)	21,249
Security deposits	-	26,961
Accounts payable and accrued expenses	586	(30,348)
Deferred revenue	43,033	63,000
Total adjustments	<u>(491,442)</u>	<u>(84,159)</u>
Net cash (used for)/provided by operating activities	<u><b>(68,227)</b></u>	<u><b>196,956</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(3,095,135)	(952,811)
Sale of investments	3,022,825	1,027,471
Net cash (used for)/provided by investing activities	<u><b>(72,310)</b></u>	<u><b>74,660</b></u>
Net (decrease)/increase in cash and cash equivalents	(140,537)	271,616
<b>CASH AND CASH EQUIVALENTS - <i>beginning of year</i></b>	<u>441,827</u>	<u>170,211</u>
<b>CASH AND CASH EQUIVALENTS - <i>end of year</i></b>	<u><b>\$ 301,290</b></u>	<u><b>\$ 441,827</b></u>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest and taxes	<u><b>\$ -</b></u>	<u><b>\$ -</b></u>

*The attached notes and auditor's report are an integral part of these financial statements.*

# **Tanenbaum Center for Interreligious Understanding**

## **Notes to Financial Statements**

**December 31, 2024**

### **Note 1 - Organization**

The Tanenbaum Center for Interreligious Understanding (alternatively, “Tanenbaum” and the “Organization”) is an international not-for-profit that promotes justice and builds respect for religious difference. By raising awareness, building knowledge, and implementing strategies that reduce prejudice, hate and violence by individuals and in institutions, Tanenbaum promotes long-term change in schools, workplaces, health care settings and areas of armed conflict. The Organization’s primary sources of revenue are contributions, special event income and corporate fees.

For over 30 years, Tanenbaum has provided innovative resources and prepared educators to teach about religious differences and combat bullying, helped medical professionals develop skills to care for religiously diverse patients and prevent disparities in care, created inclusive work environments in some of the world’s largest companies to counter religious harassment, and supported a network of courageous Peacemakers in the world’s most contentious conflict zones while encouraging diplomats to recognize their value as partners in peacebuilding.

The Education program counters bullying and religious conflicts in schools by training teachers to run inclusive learning environments where young people learn to debunk stereotypes and practice respectful listening. By providing teachers with Tanenbaum’s pedagogy and curricular materials, the Organization helps teachers prepare students to put respect into practice and utilize concrete skills in conflict resolution. Over 90% of the teachers trained in Tanenbaum’s pedagogy and using its curricula, report that their students learn to debunk stereotypes.

The Workplace program engages business leaders, global employers, managers, and DEI and human resources professionals to counter harassment and discrimination. Through trainings and materials on how to effectively work with a global and increasingly religiously diverse workforce and customer base, companies improve the bottom line and become more productive and inclusive environments for their national and global workforces.

The Health Care program builds health care providers’ capacity for offering religiously competent health care and thereby preventing disparities in treatment. Tanenbaum invests in the future of health care with targeted trainings, e-learning and by disseminating curriculum to medical schools, residency programs, and nursing schools to prepare the next generation of medical providers for an increasingly religiously diverse patient population.

The Peacebuilding program identifies and coordinates a Peacemakers’ Network of religiously motivated peacemakers worldwide, who support and cooperate with each other to counter violence and war. Tanenbaum also studies and documents their work through publications so that their specialized techniques can be shared and replicated by others. In addition, we help diplomats become familiar with Peacemaker efforts and begin to identify ways to work with them in overcoming conflict and building stable, peaceful societies. Over the long-term, this program is advancing the recognition and institutionalization of the vocation of religious peacemaking.

The Interreligious Affairs program informs our other programs (Workplace, Health Care, Education, and Peacebuilding) by furthering the work of our namesake, Rabbi Marc H. Tanenbaum - to build a safer, more equitable world for people of all belief systems.

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 2 - Summary of Significant Accounting Policies

#### a. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting which is the process of recognizing revenue and expenses when earned or incurred rather than received or paid.

#### b. Basis of Presentation

The financial statements are presented in accordance with the provisions of the Financial Accounting Standards Board's ('FASB') Accounting Standards Codification ("ASC") 958 Presentation of Financial Statements of Not-For-Profit Entities. FASB ASC 958 requires the Organization to report information regarding its financial position and activities according to the following specific classes of net assets:

- *Net Assets without Donor Restrictions* - represents those resources for which there are no restrictions by donors as to their use.
- *Net Assets with Donor Restrictions* - represents those resources, the uses of which have been restricted by donors to specific purposes or the passage of time and/or must remain intact, in perpetuity. The release from restrictions results from the satisfaction of the restricted purposes specified by the donor.

#### c. Revenue Recognition

The Organization follows the requirements of the FASB ASC 958-605 for recording contributions, which are recorded at the earlier of when cash is received or at the time a pledge becomes unconditional in nature. Contributions are recorded in one of the classes of net assets described above, depending on the existence and/or nature of any donor-imposed restriction. When a restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions. If donor restricted contributions are satisfied in the same period they were received, they are classified without donor restrictions.

Contributions may be subject to conditions, which are defined as both a barrier to entitlement and a right of return of payments, or release from obligations, and are recognized as income once the conditions have been substantially met.

Contributions expected to be received within one year are recorded at net realizable value. Long-term pledges are recorded at fair value, using risk-adjusted present value techniques.

Special event revenue is comprised of payments received from third parties to support and/or attend fundraising events. Special event revenue includes an exchange transaction component for the value of the goods or services rendered, which follows revenue recognition guidance under FASB ASC 606. The amount paid by third parties that is above the value of the goods or services is considered a contribution. Revenue is recognized at the time the fundraising event occurs.

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *c. Revenue Recognition - Continued*

The Organization follows the requirements of FASB ASC 606 for recognizing revenue from contracts with customers. The Organization offers a corporate membership program for companies and provides training and consultation services that fall under the scope of FASB ASC 606. Corporate fees are recognized as the performance obligation is satisfied over the term of the membership period. For training and consultation services, the performance obligation is considered to be met when the services are performed. Fees received in advance of performing services are recorded as deferred income and will be recognized as income in the period earned.

Management assesses the collectability of all outstanding pledges receivables based upon historical trends and experience with donors. The Organization did not have any allowance as of December 31, 2024 and 2023.

The Organization states other receivables at the amount it expects to collect from outstanding balances. Expected credit losses on other receivable are estimated based on historical credit loss experience, aging analysis and management's assessment of current conditions and reasonable execution of future conditions. Based on that evaluation, management has determined that no allowance for credit losses is warranted at December 31, 2024 and 2023.

#### *d. Cash and Cash Equivalents*

All highly liquid investments purchased with a maturity of three months or less are considered to be cash and cash equivalents, other than those held in an investment portfolio.

#### *e. Concentration of Credit Risk*

Financial instruments, which potentially subject the Organization to a concentration of credit risk consist of cash, money market accounts and investment securities that have been placed with financial institutions that management deems to be creditworthy. While balances may occasionally exceed federally insured limits, the Organization has not experienced any losses in any of those accounts due to bank failure.

#### *f. Investments*

Investments are recorded at fair value, which is defined as the price that would be received when selling an asset in an orderly transaction between market participants at the measurement date. Unrealized gains and losses are included in the statement of activities.

#### *g. Capitalization Policies*

Items of property and equipment that exceed pre-determined amounts and that have a useful life of greater than one year are recorded at cost or at fair value on the date of gift, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets as follows:

Office equipment - 3 to 5 years

Furniture and fixtures - 5 years

Leasehold improvements - Life of lease or assets, whichever is shorter

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 2 - Summary of Significant Accounting Policies - Continued

#### *h. In-kind Contributions*

Donated services are recognized in circumstances when they create or enhance non-financial assets or where those services require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided in-kind.

Board members and other individuals volunteer their time and perform a variety of services that assist the Organization. Other than services that involve specific professional skills, these volunteer activities do not meet the criteria to be recorded and have not been included in the financial statements.

#### *i. Use of Estimates*

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

#### *j. Functional Allocation of Expenses*

The costs of providing various programs and other activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries	Time and effort
Payroll taxes and employee benefits	Time and effort
Professional fees	Time and effort
Occupancy	Time and effort
Supplies	Time and effort
Telephone	Time and effort
Equipment and rental	Time and effort
Insurance	Time and effort
Dues and subscriptions	Time and effort
Other	Time and effort

All other expenses have been charged directly to the applicable program or supporting services.

#### *k. Advertising Costs*

Advertising costs are expensed as incurred.

# **Tanenbaum Center for Interreligious Understanding**

## **Notes to Financial Statements**

December 31, 2024

### **Note 2 - Summary of Significant Accounting Policies - Continued**

#### *I. Comparative Financial 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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

#### *m. Accounting for Uncertainty of Income Taxes*

The Organization does not believe its financial statements include any material, uncertain tax positions. Tax filings for periods ending December 31, 2021 and later are subject to examination by applicable taxing authorities.

### **Note 3 - Investments**

Accounting standards have established a fair value hierarchy giving the highest priority to quoted market prices in active markets and the lowest priority to unobservable data. The following summarizes investments at year-end:

The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 3 - Investments - Continued

The following summarizes the composition of investments, which have all been determined to be Level 1 investments:

	December 31,	
	2024	2023
Cash	\$ 126,067	\$ 243,830
Exchange-traded funds	921,556	220,352
US Treasuries	586,244	823,388
Mutual funds - equity funds	986,960	735,977
Mutual funds - bond funds	977,059	1,290,485
<b>Total</b>	<b>\$ 3,597,886</b>	<b>\$ 3,314,032</b>
Investments	\$ 3,452,128	\$ 3,178,577
Investments restricted for endowment	145,758	135,455
<b>Total</b>	<b>\$ 3,597,886</b>	<b>\$ 3,314,032</b>

The fair value of exchange-traded funds, US treasuries and mutual funds were determined using Level 1 inputs, which were based on quoted prices in active markets. Management believes the fair value of these investments to be a reasonable approximation of their exit price. There were no Level 2 or Level 3 investments at December 31, 2024 and December 31, 2023.

The following summarizes investment return:

	December 31,	
	2024	2023
Interest and dividends	\$ 94,413	\$ 77,826
Realized and unrealized gain/(loss)	149,992	214,712
Investment fees	(2,868)	(3,183)
<b>Total investment return</b>	<b>\$ 241,537</b>	<b>\$ 289,355</b>

### Note 4 - Pledges Receivable

Pledges receivable, net of the present value of future cash flows, are due in the following periods:

	December 31	
	2024	2023
Within 1 year	\$ 198,336	\$ 322,584
2 to 5 years	335,000	-
Greater than 5 years	500,000	500,000
<b>Total pledges</b>	<b>1,033,336</b>	<b>822,584</b>
Less: discount to fair value at 4.25%	(110,494)	(126,374)
<b>Pledges receivable, net</b>	<b>\$ 922,842</b>	<b>\$ 696,210</b>

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 4 - Pledges Receivable - Continued

Pledges receivable are for the following purposes:

	December 31	
	2024	2023
Short term pledges for operations	\$ 198,336	\$ 322,584
Long term pledges for operations	335,000	-
Pledges for endowment	389,506	373,626
Total	<u>\$ 922,842</u>	<u>\$ 696,210</u>

### Note 5 - Property and Equipment

Property and equipment consist of the following:

	December 31	
	2024	2023
Computers	\$ 154,340	\$ 154,340
Furniture and equipment	130,523	130,523
Leasehold improvements	46,419	46,419
	<u>331,282</u>	<u>331,282</u>
Less: accumulated depreciation	(315,956)	(310,292)
Total property and equipment, net	<u>\$ 15,326</u>	<u>\$ 20,990</u>

### Note 6 - Net Assets with Donor Restrictions

The following summarizes net assets released from restrictions:

	December 31,	
	2024	2023
Program restricted:		
Conflict resolution	\$ 287,950	\$ 2,285
Education	156,207	157,366
Health care	13,232	11,253
Communication	3,619	44,035
Other	-	30,072
Total program restricted	<u>461,008</u>	<u>245,011</u>
Restricted by time	<u>150,000</u>	<u>155,000</u>
Total program and time restricted	<u><u>\$ 611,008</u></u>	<u><u>\$ 400,011</u></u>

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 6 - Net Assets with Donor Restrictions - Continued

The following summarizes the nature of net assets with donor restrictions:

	December 31,	
	2024	2023
Program restricted:		
Conflict resolution	\$ 41,154	\$ 329,104
Education	205,561	166,768
Health care	37,536	25,768
Communication	25,000	3,619
Other	639	673
Total program restricted	309,890	525,932
Restricted by time	450,000	149,966
Total program and time restricted	<u>759,890</u>	<u>675,898</u>
Donor restricted endowment:		
Endowment corpus	467,071	451,192
Endowment earnings	68,193	57,889
Total donor restricted endowment	535,264	509,081
Total	<u>\$ 1,295,154</u>	<u>\$ 1,184,979</u>

### Note 7 - Endowment Funds

The Organization's endowment consists of restricted gifts. One of the restricted gifts is required to be held in perpetuity with the income restricted to the Peacebuilding program. The second gift is an outstanding pledge.

#### *Interpretation of Relevant Law*

The Organization follows New York Prudent Management of Institutional Funds Act ("NYPMIFA"), which the board of directors has interpreted as requiring certain amounts to be retained permanently. Absent explicit donor stipulations to the contrary, the Organization will preserve the fair value of the original gift as of the gift date for all donor-restricted endowment funds. However, under certain circumstances, the Organization has the right to appropriate for expenditure the fair value of the original gift in a manner consistent with the standard of prudence specifically prescribed by NYPMIFA.

As a result of this interpretation, the Organization classifies as endowment corpus (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 instrument at the time the accumulation is added to the fund.

One donor has encouraged the Organization to retain a specific investment. Increases and decreases in the reported value in net assets with donor restrictions related to the endowment corpus were affected by the change in value in those investments.

When endowment funds have earnings in excess of amounts that need to be retained as part of the corpus, their earnings are restricted until the board appropriates them for expenditures; therefore, they have been classified in the net asset class with donor restrictions.

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 7 - Endowment Funds - Continued

#### *Spending Policies*

In accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund;
- (2) The purposes of the Organization and the donor-restricted endowment fund;
- (3) General economic conditions;
- (4) The possible effect of inflation and deflation;
- (5) The expected total return from income and the appreciation of investments;
- (6) Other resources of the Organization;
- (7) The investment policies of the Organization;
- (8) Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the Organization.

The following summarizes the changes in endowment net assets:

	December 31, 2024		
	Corpus	Earnings	Total
Endowment net assets, beginning of year	\$ 451,192	\$ 57,889	\$ 509,081
Adjustment to discount long term pledges	15,880	-	15,880
Interest and dividends	-	10,303	10,303
Endowment net assets, end of year	<u>\$ 467,072</u>	<u>\$ 68,192</u>	<u>\$ 535,264</u>

	December 31, 2023		
	Corpus	Earnings	Total
Endowment net assets, beginning of year	\$ 427,095	\$ 47,998	\$ 475,093
Adjustment to discount long term pledges	15,231	-	15,231
Realized and unrealized gain on investments	8,866	-	8,866
Interest and dividends	-	9,891	9,891
Endowment net assets, end of year	<u>\$ 451,192</u>	<u>\$ 57,889</u>	<u>\$ 509,081</u>

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 7 - Endowment Funds - Continued

	December 31,	
	2024	2023
Pledges receivable, net restricted for endowment	\$ 389,506	\$ 373,626
Investments restricted for endowment	145,758	135,455
Total	<u><u>\$ 535,264</u></u>	<u><u>\$ 509,081</u></u>

#### *Endowment Investment Policies*

An investment policy for endowment assets has been adopted that is consistent with the investment policy of the Organization's investments without restrictions. The goal is to protect its endowment investment principal, while obtaining a reasonable and competitive return on its assets.

#### *Funds with Deficiencies*

From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires to be retained as a fund of perpetual duration. There were no such deficiencies as of December 31, 2024 and 2023.

### Note 8 - Donated Services

During the year ended December 31, 2024, the Organization received donated professional services valued at \$70,982, of which \$25,762 was allocated to program, \$39,084 was allocated to management and general, and \$6,136 was allocated to fundraising. During the year ended December 31, 2023, the Organization received donated professional services valued at \$133,642, of which \$88,422 was allocated to program, \$39,084 was allocated to management and general, and \$6,136 was allocated to fundraising.

	December 31,	
	2024	2023
Legal services	\$ 22,817	\$ 19,580
HR consulting services	16,320	38,666
Other professional services	31,845	75,396
Total donated professional services	<u><u>\$ 70,982</u></u>	<u><u>\$ 133,642</u></u>

Professional services are valued at the estimated fair value based on current hourly rates for similar services in the same geographic region. The services are directly charged to the applicable program or supporting services.

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 9 - Employee Retention Tax Credit

The Employee Retention Tax Credit ("ERTC") was established by the Coronavirus Aid, Relief, and Economic Security Act issued by Congress during 2020 and allows an employer to obtain fully refundable tax credits through their payroll tax filings for qualified wages paid after March 13, 2020 through September 30, 2021. To be eligible, an employer must incur payroll costs to retain employees and be adversely affected by the COVID-19 pandemic due to having operations suspended by a government order or demonstrating that they had a significant decline in gross receipts. During the year ended December 31, 2023, the Organization recognized revenue related to ERTC credits of \$282,718.

### Note 10 - Special Event

	December 31,	
	2024	2023
Gross revenue	\$ 408,083	\$ 495,168
Less: expenses with a direct benefit to donor	(162,030)	(127,961)
Net event income	<u>\$ 246,053</u>	<u>\$ 367,207</u>

### Note 11 - Retirement Plan

The Organization maintains a tax deferred 403(b) retirement plan on behalf of participating employees. All employees who satisfy service requirements may participate by designating a percentage of their salaries, subject to regulatory limits, to the plan on a pre-tax basis. Employees may make voluntary contributions up to the maximum amount allowed by the IRS. There were no employer contributions to the plan for the years ended December 31, 2024 and 2023.

### Note 12 - Commitments

The Organization entered into a licensing agreement for office space that commenced on February 1, 2024 and expired on January 31, 2025. As the lease expired one month after the year-end, the right-of-use assets and lease liabilities amounted to \$0 as of December 31, 2024. For the year ended December 31, 2024, total operating lease cost was \$18,845. Cash paid for the operating lease for the year ended December 31, 2024 was \$18,845. There were no noncash investing and financing transactions related to leasing.

Subsequent to year-end, the Organization signed a licensing agreement for office space from February 1, 2025 to January 31, 2027. Future minimum lease payments under this arrangement are \$18,180, \$18,180 and \$1,515 for the years ending December 31, 2025, 2026 and 2027, respectively.

### Note 13 - Other Concentrations and Related Parties

Included in outstanding pledges receivable as of December 31, 2024 and 2023, respectively, is approximately \$390,000 and \$370,000 (net of discount) from two donors, a husband and wife, one of whom is an officer of the Organization. These balances represent 59% and 82% of net pledges receivable, respectively.

# Tanenbaum Center for Interreligious Understanding

## Notes to Financial Statements

December 31, 2024

### Note 14 - Availability and Liquidity

Financial assets at year-end:

Cash and cash equivalents	\$ 301,290
Investments	3,452,128
Pledges receivable	198,336
Other receivables	<u>164,750</u>
Total short-term financial assets	\$ 4,116,504
Less amounts not available for general expenditures donor-imposed program restrictions	<u>(309,890)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 3,806,614</u>

The Organization maintains cash on hand to be available for its general expenditures, liabilities, and other obligations for on-going operations. As part of its liquidity management plan, the Organization operates its programs within a board approved budget and relies on contributions and earned income to fund its operations and program activities.

The Organization's donor restricted endowment funds are held for long term purposes; therefore, these assets are not considered available for general expenditure until they are appropriated for spending.

### Note 15 - Subsequent Events

Subsequent events have been evaluated through July 11, 2025, the date the financial statements were available to be issued. Adjustments and disclosures have been made for all subsequent events that have occurred.