



Financial Statements

September 30, 2020 and 2019

Girl Scouts of Northeastern New York, Inc.

Financial Statements

September 30, 2020 and 2019

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Independent Auditor's Report

Board of Directors
Girl Scouts of Northeastern New York, Inc.
Albany, New York

Report on the Financial Statements

We have audited the accompanying financial statements of the Girl Scouts of Northeastern New York, Inc. (a New York not-for-profit organization), which comprise the statements of financial position as of September 30, 2020 and 2019, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Girl Scouts of Northeastern New York, Inc. as of September 30, 2020 and 2019, 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.

BST+Co.CPAs, LLP

Albany, New York
January 21, 2021

Girl Scouts of Northeastern New York, Inc.

Statements of Financial Position

	September 30,	
	2020	2019
		(Restated)
ASSETS		
Cash	\$ 622,938	\$ 535,282
Accounts receivable, net	62,871	21,770
Pledges receivable, net	320,571	377,953
Inventory, net	58,408	94,597
Prepaid expenses	97,449	73,314
Investments	5,895,651	5,671,111
Fixed assets, net	2,995,918	3,314,979
Beneficial interests in perpetual trusts	4,379,769	4,151,395
	\$ 14,433,575	\$ 14,240,401
LIABILITIES AND NET ASSETS		
LIABILITIES		
Lines-of-credit	\$ 588,560	\$ 1,918,814
Accounts payable	479,073	97,002
Accrued liabilities	270,736	267,451
Due to Girl Scouts of USA and troops	16,415	34,424
Deferred revenue	43,751	23,831
Refundable advance	553,900	-
Total liabilities	1,952,435	2,341,522
COMMITMENTS		
NET ASSETS		
Without donor restrictions		
Undesignated	7,285,425	6,826,433
Designated by the Board	308,715	293,234
	7,594,140	7,119,667
With donor restrictions	4,887,000	4,779,212
Total net assets	12,481,140	11,898,879
	\$ 14,433,575	\$ 14,240,401

See accompanying Notes to Financial Statements.

Girl Scouts of Northeastern New York, Inc.

Statement of Activities

	Year Ended September 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, PUBLIC, AND OTHER SUPPORT			
Revenues, net			
Cookie sales revenue, net	\$ 3,268,667	\$ -	\$ 3,268,667
Magazine/nut sales revenue, net	166,730	-	166,730
Sale of merchandise, net	56,302	-	56,302
Total product sales revenue, net	3,491,699	-	3,491,699
Program service fees			
Camping fees and related revenue	186	-	186
Other program revenue	63,577	-	63,577
Total program service fees	63,763	-	63,763
Total revenues, net	3,555,462	-	3,555,462
Public and other support, net			
Contributions			
Foundations and corporations	27,767	15,420	43,187
Capital Campaign	-	33,800	33,800
Individuals	67,730	33,980	101,710
Beneficial interests in perpetual trusts	15,241	181,894	197,135
Memorials and bequests	3,332	-	3,332
Grants	-	4,000	4,000
Special events, net	12,853	-	12,853
Investment income	128,943	999	129,942
Net assets released from restrictions	391,611	(391,611)	-
Total public and other support, net	647,477	(121,518)	525,959
Total revenues, public, and other support, net	4,202,939	(121,518)	4,081,421
EXPENSES			
Program services	3,154,904	-	3,154,904
Supporting services			
Management and general	636,348	-	636,348
Fundraising	293,710	-	293,710
Total expenses	4,084,962	-	4,084,962
CHANGE IN NET ASSETS FROM OPERATIONS	117,977	(121,518)	(3,541)
OTHER CHANGES IN NET ASSETS			
Investment earnings, net			
Investment fees	(26,900)	-	(26,900)
Realized gains on sales of investments, net	23,897	-	23,897
Unrealized gains on investments, net	288,159	752	288,911
Gain on sale of assets	31,582	-	31,582
Unrealized gains on beneficial interests in perpetual trusts, net	-	228,374	228,374
Miscellaneous revenue	39,758	180	39,938
CHANGE IN NET ASSETS	474,473	107,788	582,261
NET ASSETS, beginning of year	7,119,667	4,779,212	11,898,879
NET ASSETS, end of year	\$ 7,594,140	\$ 4,887,000	\$ 12,481,140

See accompanying Notes to Financial Statements.

Girl Scouts of Northeastern New York, Inc.

Statement of Activities

	Year Ended September 30, 2019		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, PUBLIC, AND OTHER SUPPORT			
Revenues, net			
Cookie sales revenue, net	\$ 3,056,030	\$ -	\$ 3,056,030
Magazine/nut sales revenue, net	137,950	-	137,950
Sale of merchandise, net	139,072	-	139,072
Total product sales revenue, net	3,333,052	-	3,333,052
Program service fees			
Camping fees and related revenue	419,817	-	419,817
Other program revenue	187,836	-	187,836
Total program service fees	607,653	-	607,653
Total revenues, net	3,940,705	-	3,940,705
Public and other support, net			
Contributions			
Foundations and corporations	21,669	11,410	33,079
Capital Campaign	-	178,167	178,167
Individuals	43,858	23,050	66,908
Beneficial interests in perpetual trusts	16,056	172,743	188,799
Special events, net	24,070	-	24,070
Investment income	148,806	1,021	149,827
Net assets released from restrictions	272,414	(272,414)	-
Total public and other support, net	526,873	113,977	640,850
Total revenues, public, and other support, net	4,467,578	113,977	4,581,555
EXPENSES			
Program services	3,966,542	-	3,966,542
Supporting services			
Management and general	698,990	-	698,990
Fundraising	441,298	-	441,298
Total expenses	5,106,830	-	5,106,830
CHANGE IN NET ASSETS FROM OPERATIONS	(639,252)	113,977	(525,275)
OTHER CHANGES IN NET ASSETS			
Investment earnings, net			
Investment fees	(27,311)	-	(27,311)
Realized gains on sales of investments, net	682,823	-	682,823
Unrealized gains (losses) on investments, net	(696,933)	2,120	(694,813)
Unrealized losses on beneficial interests in perpetual trusts, net	-	(93,624)	(93,624)
Miscellaneous revenue	21,486	166	21,652
CHANGE IN NET ASSETS	(659,187)	22,639	(636,548)
NET ASSETS, <i>beginning of year</i>	7,778,854	4,756,573	12,535,427
NET ASSETS, <i>end of year</i>	\$ 7,119,667	\$ 4,779,212	\$ 11,898,879

See accompanying Notes to Financial Statements.

Girl Scouts of Northeastern New York, Inc.

Statement of Functional Expenses

	Year Ended September 30, 2020							
	Program Services				Supporting Services			
	Advocacy	Camps	Product and Retail Sales	Membership and Customer Care	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 334,926	\$ 149,051	\$ 477,943	\$ 655,614	\$ 1,617,534	\$ 207,406	\$ 150,042	\$ 1,974,982
Benefits and payroll taxes	98,169	43,688	140,091	192,404	474,352	58,785	48,318	581,455
Advertising	20,832	9,271	29,728	40,902	100,733	33,763	-	134,496
Provision for bad debts	-	-	-	-	-	514	-	514
Camperships and other awards	3,008	1,339	4,293	5,956	14,596	400	-	14,996
Conferences, conventions, meetings, and courses	964	4,843	2,716	2,245	10,768	10,611	318	21,697
Contract services	7,139	3,155	12,356	14,039	36,689	44,520	24,518	105,727
Depreciation	71,295	31,728	101,740	139,979	344,742	42,723	35,116	422,581
Information technology	828	368	1,183	1,625	4,004	2,350	455	6,809
Insurance	13,010	5,718	18,972	25,204	62,904	20,327	6,323	89,554
Interest expense	4,245	1,889	6,059	8,335	20,528	48,023	-	68,551
Licenses and fees	11,707	4,061	13,020	17,915	46,703	25,657	1,038	73,398
Maintenance and repairs	12,907	5,744	19,770	25,342	63,763	12,146	5,603	81,512
Miscellaneous	-	-	11,090	-	11,090	14,810	-	25,900
Office supplies and equipment lease	1,691	496	1,914	1,929	6,030	2,998	586	9,614
Postage and shipping	2,332	1,388	5,304	4,401	13,425	874	2,172	16,471
Printing, publications, and subscriptions	5,314	3,580	7,583	10,433	26,910	4,256	7,350	38,516
Professional service fees	-	-	-	-	-	33,300	-	33,300
Rent and utilities	25,328	4,209	16,577	18,567	64,681	3,253	7,174	75,108
Small equipment purchases	-	-	146	-	146	45,711	-	45,857
Staff recruitment	-	-	-	-	-	8,790	-	8,790
Supplies and recognition awards	4,995	9,216	122,399	15,843	152,453	1,837	-	154,290
Telephone	8,657	3,853	12,355	16,997	41,862	9,641	4,514	56,017
Travel and transportation	8,155	3,587	11,473	17,776	40,991	3,653	183	44,827
	<u>\$ 635,502</u>	<u>\$ 287,184</u>	<u>\$ 1,016,712</u>	<u>\$ 1,215,506</u>	<u>\$ 3,154,904</u>	<u>\$ 636,348</u>	<u>\$ 293,710</u>	<u>\$ 4,084,962</u>

See accompanying Notes to Financial Statements.

Girl Scouts of Northeastern New York, Inc.

Statement of Functional Expenses

	Year Ended September 30, 2019							
	Program Services				Supporting Services			
	Advocacy	Camps	Product and Retail Sales	Membership and Customer Care	Total Program Services	Management and General	Fundraising	Total
Salaries	\$ 241,920	\$ 503,358	\$ 400,770	\$ 696,441	\$ 1,842,489	\$ 307,544	\$ 152,990	\$ 2,303,023
Benefits and payroll taxes	66,536	138,441	110,215	194,573	509,765	61,148	53,958	624,871
Advertising	9,897	20,593	16,395	28,943	75,828	1,600	1,242	78,670
Provision for bad debts	-	-	(1,631)	-	(1,631)	-	-	(1,631)
Camperships and other awards	8,288	17,245	13,752	24,419	63,704	380	-	64,084
Conferences, conventions, meetings, and courses	189	7,465	2,809	552	11,015	8,821	1,495	21,331
Contract services	16,498	16,544	12,713	22,518	68,273	35,057	148,290	251,620
Depreciation	46,194	96,115	76,519	135,084	353,912	43,860	36,051	433,823
Information technology	109	226	180	316	831	496	304	1,631
Insurance	11,317	17,756	14,532	24,888	68,493	16,622	6,629	91,744
Interest expense	2,866	5,964	4,748	8,381	21,959	62,274	-	84,233
Licenses and fees	9,895	15,529	12,562	22,176	60,162	24,116	1,138	85,416
Maintenance and repairs	23,173	34,093	27,382	47,915	132,563	16,734	6,132	155,429
Miscellaneous	14	35	6,986	41	7,076	19,682	40	26,798
Office supplies and equipment lease	1,344	2,641	1,471	3,747	9,203	6,449	1,008	16,660
Postage and shipping	1,796	4,098	8,805	4,065	18,764	1,812	2,690	23,266
Printing, publications, and subscriptions	2,954	8,204	5,923	11,156	28,237	6,302	6,807	41,346
Professional service fees	132	275	219	387	1,013	39,876	-	40,889
Rent and utilities	55,091	17,467	19,089	24,451	116,098	3,949	7,259	127,306
Small equipment purchases	110	2,415	303	454	3,282	10,518	7,428	21,228
Staff recruitment	1,700	29,721	2,817	4,973	39,211	4,382	-	43,593
Supplies and recognition awards	33,816	96,667	213,122	28,297	371,902	2,892	1,077	375,871
Telephone	5,717	11,896	9,470	16,718	43,801	10,466	5,167	59,434
Travel and transportation	9,500	77,214	12,310	21,568	120,592	14,010	1,593	136,195
	<u>\$ 549,056</u>	<u>\$ 1,123,962</u>	<u>\$ 971,461</u>	<u>\$ 1,322,063</u>	<u>\$ 3,966,542</u>	<u>\$ 698,990</u>	<u>\$ 441,298</u>	<u>\$ 5,106,830</u>

See accompanying Notes to Financial Statements.

Girl Scouts of Northeastern New York, Inc.

Statements of Cash Flows

	Years Ended September 30,	
	2020	2019
		(Restated)
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES		
Change in net assets	\$ 582,261	\$ (636,548)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Depreciation	422,581	433,823
Provision for bad debts, net	514	(1,631)
Unrealized (gains) losses on beneficial interests in perpetual trusts, net	(228,374)	93,624
Realized gains on sales of investments, net	(23,897)	(682,823)
Unrealized (gains) losses on investments, net	(288,911)	694,813
Gain on sale of assets	(31,582)	-
(Increase) decrease in		
Accounts receivable	(41,615)	32,271
Pledges receivable	57,382	(89,767)
Inventory	36,189	(27,556)
Prepaid expenses	(24,135)	20,185
Increase (decrease) in		
Accounts payable	382,071	(61,809)
Accrued liabilities	3,285	6,626
Due to Girl Scouts of USA and troops	(18,009)	34,424
Deferred revenue	19,920	(631)
	847,680	(184,999)
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES		
Purchase of fixed assets	(115,649)	(142,139)
Proceeds from sale of fixed assets	43,711	-
Proceeds from sale of investments	2,025,255	4,837,073
Purchase of investments	(1,936,987)	(4,667,262)
	16,330	27,672
CASH FLOWS PROVIDED (USED) BY FINANCING ACTIVITIES		
Lines-of-credit, net	(1,330,254)	(154,276)
Proceeds from refundable advance	553,900	-
	(776,354)	(154,276)
Net increase (decrease) in cash	87,656	(311,603)
CASH, beginning of year	535,282	846,885
CASH, end of year	\$ 622,938	\$ 535,282
SUPPLEMENTARY CASH FLOW INFORMATION		
Cash paid during the year for		
Interest	\$ 71,264	\$ 84,057

See accompanying Notes to Financial Statements.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies

The Girl Scouts of Northeastern New York, Inc. (GSNENY) is a not-for-profit organization chartered by Girl Scouts of the USA. GSNENY offers an informal education program for girls ages 5 to 18 in the upstate New York counties of Albany, Clinton, Columbia, Essex, Franklin, Fulton, Greene, Hamilton, Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie, Warren, Washington, and a portion of St. Lawrence.

GSNENY provides opportunities in an accepting and nurturing environment for girls to build character and skills for success in the real world. In partnership with committed adult volunteers, girls develop qualities that should serve them all their lives, like leadership, strong values, social conscience, and conviction about their own potential and self-worth.

a. Basis of Accounting

The financial statements of GSNENY have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for not-for-profit entities.

b. 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 year. Actual results could differ from those estimates.

c. Fair Value Measurements

GSNENY reports certain assets at fair value, which is the price that would be received to sell an asset in an orderly transaction between market participants on the measurement date (Notes 4 and 8).

d. Accounts Receivable, Net

Accounts receivable primarily includes amounts due from grantors and GSNENY's share of revenue due from various troops relating to cookies sales. Accounts receivable are carried at original invoice amount less an estimate made for doubtful accounts based on review of outstanding amounts and historical collection percentages. The allowance for doubtful accounts was \$30,000 at both September 30, 2020 and 2019. Accounts receivable are written off when deemed uncollectible, and the recoveries of accounts receivable previously written off are recorded when received.

An account receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 30 days. Interest is not charged on outstanding accounts receivable.

e. Pledges Receivable

Pledges receivable represent unconditional promises to give by donors. Pledges receivable that are expected to be collected during the next year are recorded at net realizable value. Pledges receivable expected to be collected after one year are recorded at fair value, which is measured as the present value of estimated future cash flows discounted at an adjusted risk-free rate. Amortization of the discount is reflected as contributions. Pledges receivable are also net of an estimate made for doubtful accounts based on review of outstanding amounts. The allowance for doubtful accounts was \$10,000 at both September 30, 2020 and 2019.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

e. Pledges Receivable - Continued

Pledges receivable are written off when deemed uncollectible. Recoveries of accounts previously written off are recorded when received. The amount of pledges receivable written off were approximately \$10,000 during the year ended September 30, 2020 and there were no amounts written off during the year ended September 30, 2019. A contribution receivable is considered to be past due if any portion of the receivable balance has been outstanding for more than 90 days.

f. Inventory

GSNENY's inventory consists of Girl Scout merchandise for sale in its three stores and is valued at the lower of average cost or net realizable value. The reserve for obsolete inventory was approximately \$16,500 as of September 30, 2020 and there was no reserve for obsolete inventory as of September 30, 2019.

g. Investments

GSNENY accounts for its investments at fair value. Net realized and unrealized gains and losses on investments are determined using the specific identification method and are reflected in the statement of activities.

h. Fixed Assets, Net

Acquisition of fixed assets and expenditures which materially change capacities or extend useful lives are reported at cost, net of accumulated depreciation. Routine maintenance and repairs and minor replacement costs are charged to expense as incurred. When fixed assets are retired or otherwise disposed of, the appropriate accounts are relieved of costs and accumulated depreciation, and any resultant gain or loss is included in GSNENY's change in net assets.

Depreciation is provided for in amounts to relate the cost of depreciable assets to expenses over their estimated useful lives on the straight-line method. The estimated lives used in determining depreciation vary from three to forty years.

i. Long-lived Assets

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the excess of the asset's carrying amount over its fair value. There were no impairments of long-lived assets as of September 30, 2020 and 2019.

j. Net Assets

Net assets, revenues, public, and other support, and gains and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions are net assets available for use in general operations and not subject to donor restrictions. The Board of Directors has designated approximately \$308,700 and \$293,200 as of September 30, 2020 and 2019, respectively, from net assets without donor restrictions (see Note 11).

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements
September 30, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

j. Net Assets - Continued

Net Assets with Donor Restrictions consist of net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. GSNENY reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

k. Beneficial Interest in Perpetual Trust

GSNENY is the irrevocable beneficiary of perpetual charitable trusts held by trustees. The beneficial interests in the trusts are reported at their fair value, which is estimated as the fair value of the underlying trust assets. Distributions of income from the trust assets are unrestricted. The value of the beneficial interests in the trusts is adjusted annually for the change in their estimated fair values. Those changes in value are reported as increases or decreases in permanently restricted net assets because the trust assets will never be distributed to GSNENY.

l. Contract Revenue Recognition

Revenue from contracts with customers is recognized in accordance with a five-step model as follows:

- Identify the contract with a customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligation(s) in the contract
- Recognize revenue when or as performance obligations are satisfied

The majority of the GSNENY revenue is generated by selling products (cookies, magazines, nuts, and merchandise) to the general public. GSNENY also receives revenues through camping fees generated through the operation of several summer camp scouting programs. In addition, GSNENY receives income from sponsoring events.

Cookie, magazine/nut, and merchandise sales: GSNENY records the sale of products upon delivery to the customer, which is when the performance obligation is satisfied.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

l. Revenue Recognition - Continued

The gross revenue and related product costs are as follows:

	Year Ended September 30, 2020		
	Cookie Sales	Magazine/ Nut Sales	Merchandise Sales
Gross revenue	\$ 5,802,545	\$ 408,765	\$ 163,055
Cost of product sales	2,533,878	242,035	106,753
Total product sales revenue, net	<u>\$ 3,268,667</u>	<u>\$ 166,730</u>	<u>\$ 56,302</u>

	Year Ended September 30, 2019		
	Cookie Sales	Magazine/ Nut Sales	Merchandise Sales
Gross revenue	\$ 5,029,752	\$ 356,997	\$ 310,998
Cost of product sales	1,973,722	219,047	171,926
Total product sales revenue, net	<u>\$ 3,056,030</u>	<u>\$ 137,950</u>	<u>\$ 139,072</u>

Camping fees and other program revenues: Revenues from camping fees and events are recognized at the point in time when the event happens. Payment of the fee by each participant is expected at the time of registration. Any amounts received in advance are deferred.

The opening balance of contract accounts receivable, net, and deferred revenue was approximately \$52,400 and \$24,500 as of October 1, 2018.

m. Contributions, Grants, and Fundraising

GSNENY recognizes contributions and sponsorships, and grants when cash, securities, or other assets are received. Conditional contributions and grants, that is, those with a measurable performance or other barrier and a right of return, are not recognized until those conditions on which they depend have been met.

Donated goods are recorded at their estimated fair values at the date of receipt. Support arising from donated services is recognized if the services received require specialized skills, are provided by the individuals possessing those skills, and would typically need to be purchased if not provided by donation. There were no in-kind contributions received during the years ended September 30, 2020 and 2019.

A substantial number of volunteers have donated significant amounts of their time to GSNENY's program services and fundraising activities; however, these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

n. Advertising

GSNENY records advertising costs as expenses when they are incurred. Advertising expense was approximately \$134,500 and \$78,700 for the years ended September 30, 2020 and 2019, respectively.

o. Functional Allocation of Expenses

Expenses that are directly identifiable are charged to programs. Expenses related to more than one function are charged to program services and other functions using specific allocation methods. Management and general include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of GSNENY. The expenses that are allocated based on time and effort include salaries, benefits and payroll taxes, contract services, depreciation, insurance, and telephone. The expenses that are allocated based upon square footage include information technology, maintenance, and repairs, rent and utilities, office supplies and equipment lease, postage and shipping, and telephone.

p. Income Taxes

GSNENY is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

GSNENY files Form 990 annually with the Internal Revenue Service. When annual returns are filed, some tax positions taken are highly certain to be sustained upon examination by the taxing authorities, while other tax positions are subject to uncertainty about the technical merits of the position or amount of the position's tax benefit that would ultimately be sustained. Management evaluated GSNENY's tax positions and concluded that GSNENY had taken no tax positions that required adjustment or disclosure in its financial statements as of September 30, 2020 and 2019.

q. Adoption of New Accounting Standard

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) No. 2014-09, *Revenue from Contracts with Customers* (Topic 606). The core principle of the new guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. In addition, the new guidance requires disclosure of the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. GSNENY adopted the standard during the year ended September 30, 2020. There was no material impact on GSNENY's results of operations or financial condition upon adoption of the new standard.

In June 2018, FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 clarifies the guidance for evaluating whether a transaction is reciprocal (i.e., an exchange transaction) or nonreciprocal (i.e., a contribution) and for distinguishing between conditional and unconditional contributions. The ASU also clarifies the guidance used by entities other than not-for-profits to identify and account for contributions made. GSNENY adopted the standard during the year ended September 30, 2020. There was no material impact on GSNENY's results of operations or financial condition upon adoption of the new standard.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 1 - Organization and Summary of Significant Accounting Policies - Continued

q. Adoption of New Accounting Standard - Continued

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash (a consensus of the FASB Emerging Issues Task Force)*, which provides guidance on the presentation of restricted cash or restricted cash equivalents in the statement of cash flows. GSNENY adopted the standard during the year ended September 30, 2020. As a result of the adoption, the amount previously reported as cash, restricted on the statement of financial position as of September 30, 2019 of approximately \$217,600 is now included in cash; and the amount previously reported as cash restricted, net on the statement of cash flows for the year ended September 30, 2019 of approximately (\$24,300) was removed.

r. Subsequent Events

GSNENY has evaluated subsequent events for potential recognition or disclosure through January 21, 2021 the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>Years Ended September 30,</u>	
	<u>2020</u>	<u>2019</u>
Total assets at September 30, 2020	\$ 14,433,575	\$ 14,240,401
Less assets not available for general expenditures		
Pledges receivable, net	(76,250)	(336,291)
Prepaid expenses	(97,449)	(73,314)
Fixed assets, net	(2,995,918)	(3,314,979)
Assets held with donor restrictions	<u>(4,887,000)</u>	<u>(4,779,212)</u>
Financial assets available for general expenditure	<u>\$ 6,453,208</u>	<u>\$ 6,072,896</u>

GSNENY has approximately \$6,453,200 of financial assets available within one year of the statement of financial position date consisting of cash of approximately \$476,700, accounts receivable, net of approximately \$62,900, pledges receivable, net of \$244,300, inventory of approximately \$58,400, and investments of approximately \$5,610,900.

GSNENY's fiscal year end September 30, 2021 budget has approximately \$4,467,600 of total revenues, public, and other support, net, which includes total product sales revenue, net of approximately \$3,192,800.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 2 - Liquidity and Availability - Continued

GSNENY also has Board designated net assets without donor restrictions of approximately \$308,700. Although the GSNENY Board does not intend to release these restrictions, these funds are available if necessary.

In addition, as discussed in Note 6, GSNENY also has an available line-of-credit in the amount of \$3,000,000, which it could draw upon in the event of an unanticipated liquidity need.

Note 3 - Pledges Receivable, Net

A summary of pledges receivable, net, are expected to be received as follows:

During the year ending September 30,	
2021	\$ 274,220
2022	48,420
2023	35,895
2024	5,200
	<hr/>
	363,735
Less discount to present value	(33,164)
Less allowance for doubtful pledges	(10,000)
	<hr/>
Total pledges receivables, net	<u>\$ 320,571</u>

Note 4 - Investments

The framework for measuring fair value includes 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 (Level 1) and the lowest priority to unobservable inputs (Level 3).

The following three levels of inputs may be used to measure fair value:

Level 1 Unadjusted quoted market prices in active markets for identical assets.

Level 2 Observable inputs other than quoted market prices and can include active markets and markets not considered to be active.

Level 3 Unobservable inputs that are supported by little or no market activity.

Fair value measurement level within a fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 4 - Investments - Continued

Following is a description of the valuation methodologies used for assets measured at fair value at September 30, 2020 and 2019:

Mutual Funds and Fixed Income Government Notes and Bonds: Valued at the quoted net asset value of shares held at year end.

Fixed Income Corporate Bonds: Valued at third-party evaluated appraised prices that maximize observable quantitative and qualitative inputs currently available on comparable securities with similar features (type of issuer, credit rating, coupon, maturity, etc.) and apply yield levels that reflect comparable credit and liquidity risks.

The following tables summarize GSNEY's investments:

	September 30, 2020			Fair Value
	Cost	Unrealized Gains	Unrealized Losses	
Level 1 Investments				
Mutual funds	\$ 5,311,359	\$ 549,956	\$ 51,387	\$ 5,809,928
U.S. Government notes and bonds	26,410	8,570	-	34,980
	5,337,769	558,526	51,387	5,844,908
Level 2 Investments				
Corporate bonds	50,396	597	250	50,743
Investments	\$ 5,388,165	\$ 559,123	\$ 51,637	\$ 5,895,651
	September 30, 2019			Fair Value
	Cost	Unrealized Gains	Unrealized Losses	
Level 1 Investments				
Mutual funds	5,193,437	287,627	68,561	5,412,503
U.S. Government notes and bonds	26,410	7,104	-	33,514
	5,219,847	294,731	68,561	5,446,017
Level 2 Investments				
Corporate bonds	223,233	2,288	427	225,094
Investments	\$ 5,443,080	\$ 297,019	\$ 68,988	\$ 5,671,111

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 5 - Fixed Assets, Net

A summary of fixed assets, net, is as follows:

	September 30,	
	2020	2019
Land and improvements	\$ 594,821	\$ 594,821
Buildings and improvements	4,818,673	4,800,596
Furniture and equipment	841,999	835,375
Vehicles	471,532	476,273
Computer hardware and software	700,101	679,573
	<u>7,427,126</u>	<u>7,386,638</u>
Less accumulated depreciation	<u>(4,453,588)</u>	<u>(4,103,293)</u>
	<u>2,973,538</u>	<u>3,283,345</u>
Work in progress	<u>22,380</u>	<u>31,634</u>
	<u>\$ 2,995,918</u>	<u>\$ 3,314,979</u>

Note 6 - Lines-of-Credit

GSNENY has a \$3,000,000 working capital line-of-credit with NBT Bank, of which \$78,000 and \$1,355,500 was outstanding as of September 30, 2020 and 2019, respectively. The line-of-credit is renewable June 30, 2021. Interest is charged at the one-month LIBOR plus 1.75%, at the election of management (1.91% and 3.79% at September 30, 2020 and 2019, respectively).

GSNENY also has a \$1,000,000 capital improvements line-of-credit with NBT Bank, of which \$510,560 and \$563,314 was outstanding as of September 30, 2020 and 2019, respectively. The line-of-credit is renewable June 30, 2021. Interest is charged at the one-month LIBOR plus 1.75% or fixed for one year at the U.S. Treasury rate plus 1.75% with the fixed rate expiring in January 2021, at the election of management (3.29% and 4.34% at September 30, 2020 and 2019, respectively).

Both lines-of-credit are secured by the NBT Financial Group investment account. The borrowings under the lines-of-credit must not exceed 70% of the account value. In connection with the lines-of-credit, the GSNENY is required to meet certain reporting requirements. The working capital line-of-credit requires GSNENY to maintain a zero balance for 30 consecutive days during the loan year.

Note 7 - Refundable Advance

GSNENY has a federal grant totaling \$553,900 that has not been recognized as revenue because its conditions have not yet been met as of September 30, 2020. The grant is in connection with Paycheck Protection Program (PPP) funding received in April 2020 from the United States Small Business Administration. Repayment of this funding will be forgiven if GSNENY complies with specific criteria (maintains employment levels during its 8 or 24 week covered period and uses the funds for certain payroll, rent, and utility expenses).

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 7 - Refundable Advance - Continued

In accordance with U.S. GAAP, the GSNENY has elected to account for this funding as a conditional grant and it has therefore been recognized as a refundable advance until the conditions for forgiveness have been substantially met or explicitly waived. The conditions for forgiveness are expected to be met during the year ending September 30, 2021. However, no assurance can be given that all or any portion of the PPP funding will be forgiven. On June 5, 2020, the Paycheck Protection Program Flexibility Act was signed into law and, among other things, extended the deferral period for payment of principal and interest on amounts not forgiven, if any, until the date the lender receives the applicable forgiven amount from the U.S. Small Business Administration. Specific repayment terms of any amounts not forgiven would be determined at that time with an interest rate of 1%.

Note 8 - Beneficial Interests in Perpetual Trusts

GSNENY is the beneficiary of perpetual irrevocable trusts held and administered by independent trustees. Under the terms of the trusts, GSNENY has the irrevocable right to receive distributions and the income earned (net of brokerage fees) on the trust assets in perpetuity, some of which is restricted for specific uses. The fair value of the beneficial interest in a trust is recognized as an asset and as a contribution with donor restrictions at the date the trust is established. GSNENY's estimate of fair value is based on fair value information received from the trustees. These assets are not subject to the control or direction of GSNENY. As discussed in Note 4, because there are no observable market transactions for assets similar to the beneficial interests in the trusts and because the trusts cannot be redeemed, the valuation technique used by GSNENY is a Level 3 fair value measure.

The following table summarizes the trust's activity:

	September 30,	
	2020	2019
Beneficial interests in perpetual trusts, <i>beginning of year</i>	\$ 4,151,395	\$ 4,245,019
Change in beneficial interests in perpetual trusts	425,509	95,175
Amounts distributed to GSNENY	<u>(197,135)</u>	<u>(188,799)</u>
Beneficial interests in perpetual trusts, <i>end of year</i>	<u>\$ 4,379,769</u>	<u>\$ 4,151,395</u>

Note 9 - Special Events

Special events revenue totaling approximately \$13,600 net of approximately \$700 of related expenditures and special events revenue totaling approximately \$31,000 net of approximately \$6,900 of related expenditures is presented in the financial statements for the years ended September 30, 2020 and 2019, respectively.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 10 - Retirement Plans

a. 403(b) Plan

GSNENY established a calendar year 403(b) plan covering substantially all employees. Employer voluntary contributions are equal to \$25 per month, per employee, and are made for employees who contribute a minimum of \$100 per month and meet certain eligibility requirements. Total annual employer contributions are limited to \$300 per year, per employee. GSNENY expense related to this plan was approximately \$59,100 and \$53,000 for the years ended September 30, 2020 and 2019, respectively.

b. Multiemployer Pension Plan

GSNENY participates in the National Girl Scout Council Retirement Plan (NGSCR) (Plan), a noncontributory defined benefit pension plan sponsored by Girl Scouts of the USA. The National Board of Girl Scouts of the USA (NBGS) voted to freeze the Plan to new entrants and to freeze future benefit accruals for all current participants under the Plan effective July 31, 2010. The Plan covers substantially all of the employees of various Girl Scout councils who were eligible to participate in the Plan prior to the Plan freeze. Accrued and vested benefits prior to July 31, 2010 are based on years of service and salary levels.

Although net Plan assets grew during the year, net Plan assets available for Plan benefits continue to be less than the actuarial present value of accumulated Plan benefits as of January 1, 2020. Based on the April 18, 2014 conditional approval by the Internal Revenue Service (IRS), all existing amortization bases in the Plan's funding standard account as of January 1, 2013 were combined into one base and the resulting amortization period for that single base was extended to 10 years. Approval applies as long as at a minimum, beginning with the January 1, 2013 calendar year, \$30,000,000 is remitted. The \$30,000,000 calendar year minimum applies for each succeeding calendar year until the Plan is fully funded based upon the requirements of the Pension Protection Act of 2006 (PPA). In addition, on April 8, 2014, President Obama signed H.R. 4275 into law, a relief package unanimously passed by Congress that gives NGSCR the flexibility to adopt the Pension Protection Act (PPA) funding requirements immediately or not at all. NGSCR has elected to adopt this relief and not be subject to PPA. In September 2020, the National Board of Girl Scouts of the USA approved to lower the contributions from \$30,000,000 for calendar years 2021 and 2022 to \$26,000,000 starting in calendar year 2023 until the Plan is fully funded based upon the requirements of the Pension Protection Act of 2006 (PPA). Aggregate annual contributions made in both fiscal years 2019 and 2020 were approximately \$32,200,000. Aggregate contributions to be made in fiscal 2021 are expected to be \$32,200,000. GSNENY expense related to this Plan was approximately \$210,200 and \$210,600 for the years ended September 30, 2020 and 2019, respectively.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 11 - Net Assets, Without Donor Restrictions, Designated by the Board

Net assets without donor restrictions, designated by the Board, are available for the following uses:

	September 30,	
	2020	2019
Financial assistance	\$ 259,564	\$ 244,083
Girl leadership development programs	49,151	49,151
Net assets without donor restrictions, designated by the Board	<u>\$ 308,715</u>	<u>\$ 293,234</u>

On November 4, 2011, the Board of Directors established a Board designated scholarship fund (financial assistance) totaling \$500,000, which is expected to be used over a ten-year period.

Note 12 - Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following:

	2020	2019
Capital Campaign	\$ 360,571	\$ 377,953
Maintaining and improving GSNENY's facilities for outdoor activities	66,248	168,572
Various GSNENY programs	26,569	45,633
Beneficial interest in perpetual trusts	4,379,769	4,151,395
Donor restricted Investments	53,843	35,659
Net assets with donor restrictions	<u>\$ 4,887,000</u>	<u>\$ 4,779,212</u>

Note 13 - Commitments

a. Operating Leases

GSNENY is committed under noncancelable operating leases for commercial space, internet services, and equipment. The leases require monthly payments ranging from \$157 to \$2,410 and expire at various times ranging from March 2021 through August 2023. In addition, GSNENY rents various equipment on a month-to-month basis. Rental expense under these leases was approximately \$55,400 and \$65,100 for the years ended September 30, 2020 and 2019, respectively.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 13 - Commitments - Continued

a. *Operating Leases - Continued*

A summary of future minimum lease payments is as follows:

For the year ending September 30,	
2021	\$ 29,811
2022	28,574
2023	<u>8,779</u>
	<u>\$ 67,164</u>

b. *Girl Scout Troop Activity*

Individual Girl Scout troops may hold cash in bank accounts that are under GSNENY's federal identification number. These bank accounts are not under GSNENY's control, and it has no signature authority over these accounts. GSNENY will not have access to these funds as long as a troop or group is functioning according to Girl Scout policy and procedures. Individual troops and groups have the responsibility to use these funds in their control for the purposes of Girl Scouting as determined by the members and adult volunteers. The accompanying financial statements do not include financial data for individual Girl Scout troops.

Note 14 - Risk and Uncertainties

a. *Significant Revenue Sources*

Approximately 78% and 68% of GSNENY's unrestricted operating revenues during the years ended September 30, 2020 and 2019, respectively, were derived through its share of program related troop cookie sales. Such a concentration provides that changes in the enrollment of registered scouts, sales participation, public demand, and consumption trends, or changes in prices, could have a direct material effect on GSNENY's future unrestricted operating revenues.

b. *Significant Vendors*

One of GSNENY's vendors provides a specialized product that GSNENY would not be able to obtain elsewhere if the vendor relationship ceased as it relates to troop cookie sales.

c. *Concentrations of Credit Risk*

GSNENY maintains cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times during the year, GSNENY may have bank deposits in excess of amounts insured by the FDIC.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 14 - Risk and Uncertainties - Continued

d. COVID-19

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 11, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Corporation operates. On March 27, 2020, the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) was enacted to amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic.

In the State of New York, where the GSNENY operates, the Governor issued Executive Order 202.6, during March 2020, which limited the operational ability of the GSNENY to perform non-essential services and limited the majority of the workforce to those that can perform in a remote capacity and for work designated as essential.

It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the GSNENY's financial position and changes in net assets and cash flows. The accompanying financial statements include no adjustments relating to the effects of this pandemic.

Note 15 - New Accounting Pronouncement Issued But Not Yet Implemented

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, which makes narrow scope improvements to the standard for specific issues. In July 2018, the FASB also issued ASU 2018-11, *Leases (Topic 842): Targeted Improvements*, which provides an optional transition method allowing the standard to be applied at the adoption date. In March 2019, the FASB issued ASU 2019-01, *Leases (Topic 842) Codification Improvements*, which exempts entities from having to provide the interim disclosures required by ASC 250-10-50-3 in the fiscal year in which a company adopts the new leases standard. A modified retrospective transition approach is required. An entity may adopt the guidance either (1) retrospectively to each prior reporting period presented in the financial statements with a cumulative-effect adjustment recognized at the beginning of the earliest comparative period presented or (2) retrospectively at the beginning of the period of adoption through a cumulative-effect adjustment. The new standard provides a number of practical expedients. GSNENY is currently evaluating the impact of the pending adoption of the new standard on the financial statements. The new standard, as delayed by FASB ASUs 2-10-10 and 2020-05, is effective for fiscal years beginning after December 15, 2021. The ASU 2016-02 will be effective for GSNENY on October 1, 2022. GSNENY is currently evaluating the impact of this new standard on its financial statements.

Girl Scouts of Northeastern New York, Inc.

Notes to Financial Statements September 30, 2020 and 2019

Note 15 - New Accounting Pronouncement Issued But Not Yet Implemented - Continued

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements for fair value measurements by removing, modifying, or adding certain disclosures. ASU 2018-13 is effective for all entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. An entity is permitted to early adopt any removed or modified disclosures and delay adoption of the additional disclosures until their effective date. ASU 2018-08 will be effective for GSNENY on October 1, 2020. GSNENY is currently evaluating the impact of this new standard on its financial statements.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, which provides optional guidance for a limited period of time to ease the potential burden in accounting for (or recognizing the effects of) reference rate reform on financial reporting. In response to concerns about structural risks of interbank offered rates (IBORs), and, particularly, the risk of cessation of the London Interbank Offered Rate (LIBOR), regulators in several jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable, or transaction based and less susceptible to manipulation. The new guidance provides optional expedients and exceptions for applying U.S. GAAP to contract modifications and hedging relationships, subject to meeting certain criteria, that reference LIBOR or another reference rate expected to be discontinued. ASU 2020-04 is effective for all entities as of March 12, 2020 through December 31, 2022. ASU 2020-04 will be effective for GSNENY upon change in its reference rate to its lines-of-credit. GSNENY is currently evaluating the impact of this new standard on its financial statements.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets. It also requires a not-for-profit to disclose: a) Contributed nonfinancial assets recognized within the statement of activities disaggregated by category that depicts the type of contributed nonfinancial assets; and b) for each category of contributed nonfinancial assets recognized (as identified in a)): qualitative information about whether the contributed nonfinancial assets were either monetized or utilized during the reporting period, and if utilized, a description of the programs or other activities in which those assets were used; the not-for-profit's policy (if any) about monetizing rather than utilizing contributed nonfinancial assets; a description of any donor-imposed restrictions associated with the contributed nonfinancial assets; the valuation techniques and inputs used to arrive at a fair value measure, in accordance with the requirements in Topic 820, *Fair Value Measurement*, at initial recognition; and the principal market (or most advantageous market) used to arrive at a fair value measure if it is a market in which the recipient not-for-profit is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. ASU 2020-07 is effective retrospectively for annual reporting periods beginning after June 15, 2021, and interim periods with annual reporting periods beginning after June 15, 2022. ASU 2020-07 will be effective for GSNENY on October 1, 2022. GSNENY is currently evaluating the impact of this new standard on its financial statements.