

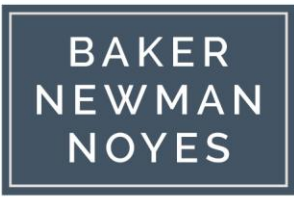
Joy in Childhood Foundation, Inc.

Audited Financial Statements

*December 31, 2022 and 2021
With Independent Auditors' Report*

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnn CPA.com





INDEPENDENT AUDITORS' REPORT

Board of Directors
Joy in Childhood Foundation, Inc.

Opinion

We have audited the financial statements of Joy in Childhood Foundation, Inc. (the Foundation), which comprise the statements of financial position as of December 31, 2022 and 2021, the related statements of activities and changes in net assets, functional expenses and cash flows for the years 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 Foundation as of December 31, 2022 and 2021, and the results of its changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern within one year after the date the financial statements are issued or available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Foundation'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 Foundation'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.

Baker Newman + Noyes LLC

Portland, Maine
June 5, 2023

JOY IN CHILDHOOD FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<u>ASSETS</u>		
Assets:		
Cash and cash equivalents	\$2,176,547	\$3,620,544
Contributions receivable	3,290,383	2,815,290
Investments, short-term	741,738	746,731
Prepaid expenses and other current assets	<u>85,263</u>	<u>51,542</u>
Total current assets	6,293,931	7,234,107
Contributions receivable (long-term)	<u>106,644</u>	<u>348,882</u>
Total assets	<u>\$6,400,575</u>	<u>\$7,582,989</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 181,181	\$ 177,589
Due to related parties	59,190	68,676
Grants payable	1,020,946	599,648
Deferred contributions	<u>41,000</u>	<u>—</u>
Total current liabilities	1,302,317	845,913
Long-term liabilities:		
Grants payable (long-term)	<u>326,201</u>	<u>216,509</u>
Total liabilities	1,628,518	1,062,422
Net assets:		
Without donor restrictions	4,227,057	5,483,080
With donor restrictions	<u>545,000</u>	<u>1,037,487</u>
Total net assets	<u>4,772,057</u>	<u>6,520,567</u>
Total liabilities and net assets	<u>\$6,400,575</u>	<u>\$7,582,989</u>

See accompanying notes.

JOY IN CHILDHOOD FOUNDATION, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

Years Ended December 31, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:						
Contributions	\$ 8,175,434	\$ 195,000	\$ 8,370,434	\$ 7,020,130	\$ 600,000	\$ 7,620,130
Fundraising	2,884,876	–	2,884,876	1,695,968	18,800	1,714,768
In-kind contributions	345,103	–	345,103	3,419,975	–	3,419,975
Services received from personnel of Dunkin' Brands Group, Inc. and affiliates	14,570	–	14,570	94,988	–	94,988
Net investment income	27,748	–	27,748	453	–	453
Net assets released from restriction	<u>687,487</u>	<u>(687,487)</u>	<u>–</u>	<u>300,000</u>	<u>(300,000)</u>	<u>–</u>
 Total revenue	 12,135,218	 (492,487)	 11,642,731	 12,531,514	 318,800	 12,850,314
Expenses:						
Grants	9,550,875	–	9,550,875	6,159,011	–	6,159,011
Program	534,891	–	534,891	3,602,940	–	3,602,940
General and administrative	555,672	–	555,672	414,710	–	414,710
Services received from personnel of Dunkin' Brands Group, Inc. and affiliates	14,570	–	14,570	94,988	–	94,988
Fundraising	<u>2,735,233</u>	<u>–</u>	<u>2,735,233</u>	<u>2,618,032</u>	<u>–</u>	<u>2,618,032</u>
 Total expenses	 <u>13,391,241</u>	 <u>–</u>	 <u>13,391,241</u>	 <u>12,889,681</u>	 <u>–</u>	 <u>12,889,681</u>
 Change in net assets	 (1,256,023)	 (492,487)	 (1,748,510)	 (358,167)	 318,800	 (39,367)
Net assets, beginning of year	<u>5,483,080</u>	<u>1,037,487</u>	<u>6,520,567</u>	<u>5,841,247</u>	<u>718,687</u>	<u>6,559,934</u>
Net assets, end of year	<u>\$ 4,227,057</u>	<u>\$ 545,000</u>	<u>\$ 4,772,057</u>	<u>\$ 5,483,080</u>	<u>\$ 1,037,487</u>	<u>\$ 6,520,567</u>

See accompanying notes.

JOY IN CHILDHOOD FOUNDATION, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

Years Ended December 31, 2022 and 2021

	2022					
	Program Activities			Supporting Activities		
	Grants	Program	Total Program Expenses	General and Administrative	Fund- raising	Total Expenses
Expenses:						
Grants	\$9,550,875	\$ —	\$ 9,550,875	\$ —	\$ —	\$ 9,550,875
Event expenses	—	—	—	—	551,727	551,727
Canister expenses	—	—	—	—	9,957	9,957
Support and venue rentals	—	—	—	—	81,277	81,277
Merchandise and branded goods	—	3,167	3,167	53,794	1,468,944	1,525,905
Public relations	—	4,650	4,650	172,062	—	176,712
Advertising and communications	—	32	32	49,810	24,246	74,088
Management fees	—	167,504	167,504	71,207	459,363	698,074
Professional fees	—	—	—	130,847	8,225	139,072
Dog expenses	—	240	240	—	—	240
Printing expenses	—	—	—	7,504	39,998	47,502
Software, maintenance and training	—	14,195	14,195	18,177	17,955	50,327
Bank and credit card fees	—	—	—	5,301	65,573	70,874
Travel and meeting expenses	—	—	—	21,131	7,578	28,709
State filing fees	—	—	—	4,979	—	4,979
Insurance and office related expenses	—	—	—	20,860	390	21,250
Bad debt expenses	—	—	—	—	—	—
Services received from personnel of Dunkin' Brands Group, Inc. and affiliates	—	—	—	14,570	—	14,570
In-kind contributions and services	—	345,103	345,103	—	—	345,103
	<u>\$9,550,875</u>	<u>\$ 534,891</u>	<u>\$10,085,766</u>	<u>\$570,242</u>	<u>\$2,735,233</u>	<u>\$13,391,241</u>

	2021					
	Program Activities			Supporting Activities		
	Grants	Program	Total Program Expenses	General and Administrative	Fund-raising	Total Expenses
Expenses:						
Grants	\$6,159,011	\$ –	\$ 6,159,011	\$ –	\$ –	\$ 6,159,011
Event expenses	–	–	–	–	199,412	199,412
Canister expenses	–	–	–	–	26,324	26,324
Support and venue rentals	–	–	–	–	56,685	56,685
Merchandise and branded goods	–	1,184	1,184	1,065	1,506,101	1,508,350
Public relations	–	261	261	110,325	1,232	111,818
Advertising and communications	–	14,503	14,503	45,505	116,888	176,896
Management fees	–	151,229	151,229	60,490	393,185	604,904
Professional fees	–	–	–	125,185	4,910	130,095
Dog expenses	–	2,470	2,470	–	–	2,470
Printing expenses	–	–	–	–	76,620	76,620
Software, maintenance and training	–	13,318	13,318	8,647	10,679	32,644
Bank and credit card fees	–	–	–	7,822	40,527	48,349
Travel and meeting expenses	–	–	–	12,062	2,797	14,859
State filing fees	–	–	–	18,197	–	18,197
Insurance and office related expenses	–	–	–	25,412	422	25,834
Bad debt expenses	–	–	–	–	182,250	182,250
Services received from personnel of Dunkin' Brands Group, Inc. and affiliates	–	–	–	94,988	–	94,988
In-kind contributions and services	–	3,419,975	3,419,975	–	–	3,419,975
	<u>\$6,159,011</u>	<u>\$3,602,940</u>	<u>\$ 9,761,951</u>	<u>\$509,698</u>	<u>\$2,618,032</u>	<u>\$12,889,681</u>

See accompanying notes.

JOY IN CHILDHOOD FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

Year Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flow from operating activities:		
Change in net assets	\$(1,748,510)	\$ (39,367)
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Accretion of long-term contribution receivables to present value	14,118	185
Accretion of long-term grants payable to present value	(6,615)	(9,151)
Changes in operating assets and liabilities:		
Contributions receivable	(246,973)	1,081,584
Prepaid expenses and other current assets	(33,721)	(28,732)
Accounts payable and accrued expenses	3,592	117,955
Due to related parties	(9,486)	-
Deferred contributions	41,000	-
Grants payable	<u>537,605</u>	<u>(316,258)</u>
Net cash (used) provided by operating activities	(1,448,990)	806,216
Cash flows from investing activities:		
Purchases of investments	(2,229,000)	(996,000)
Maturity of investments	<u>2,233,993</u>	<u>2,748,767</u>
Net cash provided by investing activities	<u>4,993</u>	<u>1,752,767</u>
(Decrease) increase in cash and cash equivalents	(1,443,997)	2,558,983
Cash and cash equivalents at beginning of year	<u>3,620,544</u>	<u>1,061,561</u>
Cash and cash equivalents at end of year	<u>\$ 2,176,547</u>	<u>\$ 3,620,544</u>

See accompanying notes.

JOY IN CHILDHOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

1. Nature of Operations

Joy in Childhood Foundation, Inc. (the Foundation) was created in July 2007. The Foundation is a not-for-profit corporation that serves its neighborhoods by providing financial assistance, building capacity, developing partnerships, and encouraging volunteerism. Through charitable grants and partnerships, the Foundation ensures the basic needs of communities are met through hunger relief and children's health. The majority of the Foundation's officers and directors consist of employees of Dunkin' Brands Group, Inc. and franchisees under the Dunkin' Donuts and Baskin-Robbins brands.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 958-205, *Not-for-Profit Entities Presentation of Financial Statements*, provides guidance on the presentation of financial statements for not-for-profit entities. Accordingly, net assets and changes therein are classified as follows:

Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions. The Foundation may designate portions of its net assets not subject to donor-imposed restrictions as board designated for various purposes.

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may be met either by actions of the Foundation and/or the passage of time. In most cases, the donor-imposed stipulations are temporary in nature and the assets are released from restrictions when the specified time elapses or actions have been taken to meet the restrictions.

Contributions

Unconditional promises to give are recognized as revenue when a donor commitment is received. All contributions are considered to be available for use without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as with donor restrictions contributions.

Contributions to be received in future years are discounted at the Foundation's borrowing rate. Amortization of the discount is recorded as additional contribution revenue.

Unconditional promises to give are recorded in the financial statements as contributions receivable and revenue in the appropriate net asset category. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A donor restriction expires when a stipulated time restriction ends or when a purpose is accomplished.

JOY IN CHILDHOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

2. Summary of Significant Accounting Policies (Continued)

Upon expiration, with donor restrictions net assets are reclassified to without donor restrictions net assets and are reported in the statements of activities and changes in net assets as net assets released from restrictions.

Services Received From Personnel of Dunkin' Brands Group, Inc.

The Foundation recognizes as revenue and expense all services received from personnel of Dunkin' Brands Group, Inc. and affiliates that directly benefit the Foundation. Those services are measured at the cost recognized by Dunkin' Brands Group, Inc. and affiliates for the personnel providing those services. Based on an analysis of the estimated percentage of time individuals who were identified as supporting the Foundation spend in a given year and the annual salary and benefits of each individual, the Foundation recognized \$14,570 and \$94,988 for the years ended December 31, 2022 and 2021, respectively, as revenue and expense.

In-Kind Contributions

The Foundation records various types of in-kind support including professional services, tangible assets and the use of tangible assets. Contributed professional services are recognized if the services received, (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contribution of tangible assets or the use thereof is recognized when promised or received, whichever is earlier. The amounts reflected in the accompanying financial statements as in-kind contributions are offset by like amounts included in expenses or in the case of long-term assets, over the period benefited.

The Foundation's financial statements include the following in-kind contributions revenue and support, and associated expense for the fiscal years ended December 31:

	<u>2022</u>	<u>2021</u>
Advertising and promotion	\$ –	\$3,238,652
Auction items	<u>345,103</u>	<u>181,323</u>
	<u>\$345,103</u>	<u>\$3,419,975</u>

In-kind contributions are valued based upon estimates of fair market or wholesale values that would be received for selling the goods in their principle market considering their condition and utility for use at the time the goods are contributed by the donor. In-kind contributions are not sold and goods are only distributed for program use.

JOY IN CHILDHOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

2. Summary of Significant Accounting Policies (Continued)

Grants

Unconditional grants are recognized in the financial statements when the Foundation makes a written or oral agreement to contribute to an organization or when approved by the board of directors and the Foundation has an obligation to an organization. Conditional grants are expensed and considered payable in the period the conditions are substantially satisfied. Grants to be paid in future years are discounted at the Foundation's borrowing rate. Amortization of the discount is recorded as additional grant expense.

Income Taxes

The Foundation is recognized by the Internal Revenue Service (IRS) as an organization described in Internal Revenue Code (IRC) Section 501(c) and is generally exempt from federal income taxes under IRC Section 501(a). The Foundation met the IRS qualifications for public charity status for the 60-month periods ended December 31, 2022 and 2021 and, as such, has terminated private foundation status and is currently operating as a public charity organized under IRS Section 501(c)(3).

The Foundation follows the guidance of FASB ASC 740, *Income Taxes*, related to uncertainties in income taxes, which prescribes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Foundation believes it has taken no significant uncertain tax positions as of December 31, 2022 and 2021.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Functional Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. The financial statements report certain expense categories that are attributable to more than one program service or support function. Accordingly, certain costs have been allocated based on direct costs, usage and employee time.

Concentration of Credit Risk

The Foundation maintains its cash and cash equivalents in accounts that may, at times, exceed insurers' limits. The Foundation has not experienced any losses in such accounts and believes that it is not exposed to any significant credit risk relating to its cash and cash equivalents.

JOY IN CHILDHOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

2. Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncement

In September 2020, the FASB issued Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. ASU 2020-07 enhances the presentation of disclosure requirements for contributed nonfinancial assets. ASU 2020-07 requires entities to present contributed nonfinancial assets as a separate line item in the statements of activities and disclose the amount of contributed nonfinancial assets recognized within the statements of activities by category that depicts the type of contributed nonfinancial assets, as well as a description of any donor-imposed restrictions associated with the contributed nonfinancial assets and the valuation techniques used to arrive at a fair value measure at initial recognition. ASU 2020-07 is effective for the Foundation beginning January 1, 2022. The Foundation has expanded disclosures in accordance with the standard.

Reclassifications

Certain 2021 amounts have been reclassified to permit comparison with the 2022 financial statements presentation format.

Subsequent Events

Events occurring after the statements of financial position date are evaluated by management to determine whether such events should be recognized or disclosed in the financial statements. Management has evaluated subsequent events through June 5, 2023 which is the date the financial statements were available to be issued.

3. Contributions Receivable

The Foundation has received contributions that will be paid over a period of time. Contributions that will be received beyond the next year have been presented at their net present value.

The following table summarizes the Foundation's contributions receivable as of December 31:

	<u>2022</u>	<u>2021</u>
Receivables in less than one year	\$3,290,383	\$2,815,290
Receivables in one to five years	<u>121,322</u>	<u>349,442</u>
	3,411,705	3,164,732
Less discounts to net present value	<u>(14,678)</u>	<u>(560)</u>
Contributions receivable, net	<u>\$3,397,027</u>	<u>\$3,164,172</u>

JOY IN CHILDHOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

4. Grants Payable

The Foundation has grants payable in the amount of \$1,347,147 and \$816,157 as of December 31, 2022 and 2021, respectively. Grants payable due more than one year from the date of the accompanying statements of financial position are recorded net of a discount to reflect the present value of future cash flows. There was an accretion of grants payable of \$16,066 and \$9,451 for the years ended December 31, 2022 and 2021, respectively.

The expected payment period for the grants payable is as follows as of December 31:

	<u>2022</u>	<u>2021</u>
Payable in less than one year	\$1,020,946	\$599,648
Payable in one to five years	<u>342,267</u>	<u>225,960</u>
	1,363,213	825,608
Less discount to present value	<u>(16,066)</u>	<u>(9,451)</u>
	<u>\$1,347,147</u>	<u>\$816,157</u>

5. Investments

Investments are reported at fair value. Interest and dividends on these investments, as well as both realized and unrealized gains and losses, are included in the statement of activities and changes in net assets. The Foundation's investments consist primarily of fixed income securities as of December 31, 2022 and 2021.

The Foundation utilizes the three-level hierarchy for the recognition and disclosure of fair value measurements. The categorization of assets and liabilities within this hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The three levels of hierarchy consist of the following:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date.

Level 2 - Inputs to the valuation methodology are quoted prices for similar assets and liabilities in active markets, quoted prices in markets that are not active or inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument.

Level 3 - Inputs to the valuation methodology are unobservable inputs based upon the Foundation's best estimate of inputs market participants could use in pricing the asset or liability at the measurement date, including assumptions about risk.

JOY IN CHILDHOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

5. Investments (Continued)

The fair value category into which a particular asset or liability is classified is determined by the lowest level of input that is significant to measuring the value of the individual item. Assessing the significance of particular inputs to the valuation of individual assets and liabilities requires significant judgment. The Foundation has classified the securities pursuant to the fair value hierarchy utilizing the market approach. As of December 31, 2022 and 2021, the carrying value of the Foundation's financial instruments were equal to the fair market value. The following table summarizes the Foundation's investments within the fair value hierarchy as of December 31:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<u>2022</u>				
Investments – certificates of deposit	\$ <u>—</u>	\$ <u>741,738</u>	\$ <u>—</u>	\$ <u>741,738</u>
<u>2021</u>				
Investments – certificates of deposit	\$ <u>—</u>	\$ <u>746,731</u>	\$ <u>—</u>	\$ <u>746,731</u>

All certificates of deposit mature within the next year.

6. Net Assets With Donor Restrictions

Net assets with donor restrictions consist of contributions received from donors whose use by the Foundation is limited by donor-imposed stipulations based on time requirements. The restricted amounts, net of discounts, were \$545,000 and \$1,037,487 as of December 31, 2022 and 2021, respectively.

7. Liquidity and Availability of Financial Assets

As of December 31, 2022, the Foundation has \$6,208,668 of financial assets available within one year of the balance sheet date consisting of cash of \$2,176,547, contributions receivable of \$3,290,383, and short-term investments of \$741,738. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of December 31, 2022. The contributions receivable are subject to time restrictions, but will be collected and available for use within one year.

The Foundation manages its liquidity by developing and adopting annual operating budgets that provide sufficient funds for general expenditures. Regular reporting occurs and is reviewed by the Finance Committee on a monthly basis.

As part of its liquidity management, the Foundation invests cash in excess of daily requirements in various investments including certificates of deposits and treasury instruments.

JOY IN CHILDHOOD FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Years Ended December 31, 2022 and 2021

8. Related-Party Transactions

During the years ended December 31, 2022 and 2021, the Foundation reimbursed Dunkin' Brands Group, Inc. \$667,661 and \$604,904, respectively, for certain personnel costs. Additionally, as described in Note 2, an estimate of the cost of services provided to the Foundation by Dunkin' Brands Group, Inc. and affiliates is recognized as services are received from Dunkin' Brands Group, Inc. and affiliates in the accompanying statements of activities.