

**The Jewish Federation of Greater Washington, Inc.  
and Subsidiary**

**Consolidated Financial Statements  
(With Supplementary Information)  
and Independent Auditor's Report**

**June 30, 2024  
(With June 30, 2023 Summarized Comparative  
Financial Information)**

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**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

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Independent Auditor's Report

Board of Directors  
The Jewish Federation of Greater Washington, Inc. and Subsidiary  
North Bethesda, Maryland

Report on the Audit of the Consolidated Financial Statements

*Opinion*

We have audited the consolidated financial statements of The Jewish Federation of Greater Washington, Inc. and Subsidiary (collectively, the "Federation"), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities and change in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Jewish Federation of Greater Washington, Inc. and Subsidiary as of June 30, 2024, and the change in their net assets and their 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 Consolidated Financial Statements section of our report. We are required to be the independent of the Federation, 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 Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Federation'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Federation'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 Jewish Federation of Greater Washington, Inc. and Subsidiary's June 30, 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated May 9, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

*Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position by fund and consolidating statements of activities and change in net assets by fund are presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*CohnReznick LLP*

Bethesda, Maryland  
April 30, 2025

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**  
**Consolidated Statement of Financial Position**  
**June 30, 2024**  
**(With Summarized Comparative Financial Information as of June 30, 2023)**

	<u>Assets</u>	
	<u>2024</u>	<u>2023</u>
Assets		
Cash and cash equivalents	\$ 22,218,477	\$ 15,845,474
Receivables, net	8,602,910	4,816,139
Investments	298,001,681	277,550,676
Cash surrender value of life insurance	6,619,673	6,031,007
Other assets	626,076	1,096,227
Land, building and equipment, net	16,925,677	15,914,077
Interest rate swaps	348,957	407,901
Donated assets	913,961	913,961
	<u>354,257,412</u>	<u>322,575,462</u>
Total assets	<u>\$ 354,257,412</u>	<u>\$ 322,575,462</u>
	<u>Liabilities and Net Assets</u>	
Liabilities		
Allocations to beneficiary organizations	\$ 11,612,843	\$ 12,125,715
Accounts payable and accrued expenses	2,740,715	2,792,176
Due to agencies and supporting organizations	42,634,917	39,440,796
Long-term debt, net	11,797,607	13,345,306
Split-interest agreements	2,625,968	2,840,638
	<u>71,412,050</u>	<u>70,544,631</u>
Total liabilities	<u>71,412,050</u>	<u>70,544,631</u>
Net assets		
Without donor restrictions	122,354,161	108,226,849
With donor restrictions	160,491,201	143,803,982
	<u>282,845,362</u>	<u>252,030,831</u>
Total net assets	<u>282,845,362</u>	<u>252,030,831</u>
Total liabilities and net assets	<u>\$ 354,257,412</u>	<u>\$ 322,575,462</u>

See Notes to Consolidated Financial Statements.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Consolidated Statement of Activities and Change in Net Assets  
Year Ended June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

	2024			2023
	Without donor restrictions	With donor restrictions	Total	Total
Support and revenue				
Contributions - Jewish Community Foundation	\$ 12,691,150	\$ 3,127,137	\$ 15,818,287	\$ 13,438,121
Contributions - Federation	17,356,456	18,758,580	36,115,036	18,349,597
Contributed non-financial assets	1,501,945	-	1,501,945	1,522,097
Other programmatic income	1,215,514	-	1,215,514	312,233
Change in value of split-interest agreements and annuity payments	(145,620)	(484,057)	(629,677)	(111,649)
Investment income, net	13,223,949	16,251,003	29,474,952	18,085,942
Net assets released from restrictions	20,965,444	(20,965,444)	-	-
<b>Total support and revenue</b>	<b>66,808,838</b>	<b>16,687,219</b>	<b>83,496,057</b>	<b>51,596,341</b>
Commercial building operations				
Revenues	1,550,315	-	1,550,315	1,562,563
Expenses	(1,979,508)	-	(1,979,508)	(2,158,929)
Net unrealized gain on interest rate swap	(58,945)	-	(58,945)	267,366
<b>Net loss on commercial building operations</b>	<b>(488,138)</b>	<b>-</b>	<b>(488,138)</b>	<b>(329,000)</b>
<b>Total support, revenue and commercial building operations</b>	<b>66,320,700</b>	<b>16,687,219</b>	<b>83,007,919</b>	<b>51,267,341</b>
Expenses				
Program services				
Allocations to beneficiary organizations	38,566,291	-	38,566,291	23,390,339
Community planning and outreach program	8,458,963	-	8,458,963	7,934,580
<b>Total program services</b>	<b>47,025,254</b>	<b>-</b>	<b>47,025,254</b>	<b>31,324,919</b>
Supporting services				
Management and general	3,504,020	-	3,504,020	3,086,983
Fundraising	2,464,114	-	2,464,114	2,552,113
<b>Total supporting services</b>	<b>5,968,134</b>	<b>-</b>	<b>5,968,134</b>	<b>5,639,096</b>
<b>Total operating expenses</b>	<b>52,993,388</b>	<b>-</b>	<b>52,993,388</b>	<b>36,964,015</b>
<b>Total support, revenue and commercial building operations before other revenue</b>	<b>13,327,312</b>	<b>16,687,219</b>	<b>30,014,531</b>	<b>14,303,326</b>
Other revenue	800,000	-	800,000	-
<b>Change in net assets</b>	<b>14,127,312</b>	<b>16,687,219</b>	<b>30,814,531</b>	<b>14,303,326</b>
Net assets, beginning of year	108,226,849	143,803,982	252,030,831	237,727,505
<b>Net assets, end of year</b>	<b>\$ 122,354,161</b>	<b>\$ 160,491,201</b>	<b>\$ 282,845,362</b>	<b>\$ 252,030,831</b>

See Notes to Consolidated Financial Statements.

The Jewish Federation of Greater Washington, Inc. and Subsidiary

Consolidated Statement of Functional Expenses

Year Ended June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

	Program services			Supporting Services			Commercial Building	Total	2023 Total
	Allocations to beneficiary organizations	Community planning and outreach program	Total Program Services	Management and General	Fundraising	Total Supporting Services			
Salaries	\$ -	\$ 3,848,144	\$ 3,848,144	\$ 1,224,177	\$ 1,551,117	\$ 2,775,294	\$ -	\$ 6,623,438	\$ 6,125,056
Taxes and benefits	-	871,033	871,033	291,408	356,566	647,974	-	1,519,007	1,279,778
Total personnel expenses	-	4,719,177	4,719,177	1,515,585	1,907,683	3,423,268	-	8,142,445	\$ 7,404,834
Grant expenses	38,566,291	-	38,566,291	-	-	-	-	38,566,291	23,390,339
Accounting and auditing	-	44,601	44,601	90,552	-	90,552	-	135,153	226,288
Advertising and promotion	-	49,456	49,456	3,191	8,627	11,818	-	61,274	58,748
Bad debt expense	-	70,833	70,833	143,812	-	143,812	-	214,645	92,341
Bank and credit card fees	-	79,106	79,106	160,579	-	160,579	1,758	241,443	246,497
Depreciation and amortization	-	54,271	54,271	110,186	-	110,186	631,885	796,342	714,267
Dues and subscriptions	-	66,817	66,817	23,458	27,786	51,244	-	118,061	62,858
Events and meetings	-	244,776	244,776	23,321	11,820	35,141	-	279,917	260,434
In-kind contribution: legal fees	-	495,642	495,642	1,006,303	-	1,006,303	-	1,501,945	1,522,097
Insurance premium	-	105,167	105,167	26,765	39,373	66,138	22,332	193,637	143,115
Interest expense	-	43,352	43,352	10,660	14,060	24,720	328,674	396,746	393,898
Office expense	-	81,331	81,331	24,361	16,411	40,772	359,614	481,717	325,655
Postage and printing	-	57,624	57,624	8,144	97,431	105,575	-	163,199	156,140
Professional development and other benefits	-	62,574	62,574	138,125	1,545	139,670	-	202,244	125,399
Professional fees	-	863,984	863,984	102,509	225,594	328,103	160,622	1,352,709	1,696,808
Program supplies - books	-	316,645	316,645	-	-	-	-	316,645	314,488
Security services	-	422,492	422,492	-	-	-	92,162	514,654	571,171
Technology contracts & services	-	265,195	265,195	102,628	93,826	196,454	-	461,649	518,944
Taxes	-	-	-	-	-	-	110,757	110,757	141,847
Travel	-	397,624	397,624	9,590	13,711	23,301	-	420,925	183,476
Utilities	-	18,296	18,296	4,251	6,247	10,498	271,704	300,498	573,300
Total expenses	\$ 38,566,291	\$ 8,458,963	\$ 47,025,254	\$ 3,504,020	\$ 2,464,114	\$ 5,968,134	\$ 1,979,508	\$ 54,972,896	\$ 39,122,944

See Notes to Consolidated Financial Statements.



**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Consolidated Statement of Cash Flows  
Year Ended June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ 30,814,531	\$ 14,303,326
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Bad debt expense	214,645	92,341
Depreciation and amortization expense	796,342	714,267
Change in amortization of discount on note receivable	(43,570)	(50,831)
Change in split-interest agreements liability	(214,670)	(280,966)
Donation of asset	-	(650,000)
Unrealized and realized gains on investments	(23,805,611)	(14,325,067)
Gain on life insurance policies	(588,666)	(800,975)
(Gain) loss on interest rate swaps	58,944	(267,366)
Endowment contributions	(753,827)	(726,959)
Amortization of debt issuance costs	5,570	5,570
Change in		
Receivables	(3,957,846)	(1,061,223)
Other assets	470,151	(498,577)
Allocations to beneficiary organizations	(51,461)	(469,181)
Accounts payable and accrued expenses	(512,872)	(570,133)
Due to agencies and supporting organizations	3,194,121	(1,788,071)
Net cash provided by (used in) operating activities	5,625,781	(6,373,845)
Cash flows from investing activities		
Purchases of property and equipment	(1,807,942)	(134,759)
Purchases of investments	(61,205,174)	(42,886,044)
Sales and maturities of investments	64,559,780	48,113,292
Proceeds from sale of donated asset	-	289,998
Net cash provided by investing activities	1,546,664	5,382,487
Cash flows from financing activities		
Endowment contributions	753,827	726,959
Principal payments of long-term debt	(1,553,269)	(734,197)
Net cash used in financing activities	(799,442)	(7,238)
Increase (decrease) in cash and cash equivalents	6,373,003	(998,596)
Cash and cash equivalents, beginning of year	15,845,474	16,844,070
Cash and cash equivalents, end of year	\$ 22,218,477	\$ 15,845,474
Supplemental disclosures of cash flow information		
Interest paid	\$ 396,746	\$ 503,919
Income taxes paid	\$ 170,000	\$ 84,427
Donation of non-cash assets	\$ -	\$ 650,000

See Notes to Consolidated Financial Statements.

# The Jewish Federation of Greater Washington, Inc. and Subsidiary

## Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

### Note 1 - Organization and significant accounting policies

#### Organization

The Jewish Federation of Greater Washington, Inc. ("The Jewish Federation") began in 1925 as the Jewish Welfare Association. The Jewish Community Foundation of Greater Washington ("Foundation") is a fund within The Jewish Federation, that with The Jewish Federation today support 61 local agencies and programs, 13 national organizations, 16 overseas partners and programs, and more than 90 congregations.

To accomplish its goals, The Jewish Federation works collaboratively with its partners to provide funding, community planning, and leadership development that impacts some 300,000 Jewish individuals, as well as many members of the general community throughout Washington, DC, suburban Maryland and Northern Virginia. Around the world, its efforts support rescue, relief, reconstruction, and renewal for tens of thousands more in Israel and in more than 70 countries around the world.

The Jewish Federation envisions an open, connected, and vibrant Jewish community that cares for each other, fosters Jewish learning and journeys, embraces Jewish peoplehood and Israel, and acts as a force for good in the world. As a mission-driven organization, The Jewish Federation works to inspire, build, and sustain vibrant Jewish life in a changing world by mobilizing the community in common purpose, intentional innovation, and effective action. From this work, The Jewish Federation knows that the Jewish community locally and abroad will continue to be a strong, thriving and welcoming place for generations to come.

JFGW Building LLC ("LLC") is a Maryland limited liability company incorporated on September 20, 2012 to acquire, own, finance, develop, manage, lease, operate and, if when appropriate, sell real or personal property, or interest therein, for its own account or together with others. The Jewish Federation has a 100% membership interest in JFGW Building LLC at June 30, 2024 and 2023, respectively.

#### Principles of consolidation

The consolidated financial statements include the accounts of The Jewish Federation and JFGW Building LLC (collectively, the "Federation"). All significant intercompany accounts and transactions between the organizations have been eliminated in consolidation.

#### Income taxes

The Federation is exempt from payment of income taxes on their exempt-purpose activities under Section 501(c)(3) of the Internal Revenue Code. In addition, the Federation qualifies for charitable contributions deductions and has been classified as an organization that is not a private foundation. Income which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. The Federation and JFGW Building LLC paid \$170,000 and \$84,427 in federal and state income taxes during the fiscal years ended June 30, 2024 and 2023, respectively, in connection with unrelated debt-financed income on certain partnerships owned by the Federation. No amounts were payable as of June 30, 2024 and 2023, respectively.

## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

The Federation and JFGW Building LLC believe that they have appropriate support for any tax positions taken and, as such, do not have any uncertain tax positions that are material to the consolidated financial statements. The Federation and JFGW Building LLC recognize penalties and interest related to unrecognized tax benefits in management and general expenses on the consolidated statement of activities and change in net assets. There is no provision in these consolidated financial statements for penalties and interest related to unrecognized tax benefits for the years ended June 30, 2024 and 2023, respectively. Tax years prior to 2021 for the Federation and JFGW Building LLC are no longer subject to examination by the Internal Revenue Service or the tax jurisdiction of Maryland.

#### **Basis of accounting**

The accompanying consolidated financial statements have been prepared using the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when the obligations are incurred.

#### **Cash and cash equivalents**

For the purposes of reporting cash flows, money market accounts and all highly liquid investments are considered to be cash equivalents. All Foundation cash, investments, regardless of maturity that are held by the investment advisor, are considered investments.

The Federation maintained cash balances in its cash and cash equivalents in excess of Federal Deposit Insurance Corporation coverage. The amount of the uninsured deposits at June 30, 2024 and 2023 were approximately \$21,747,000 and \$15,115,000, respectively.

#### **Impairment of long-lived assets**

The Federation accounts for the valuation of long-lived assets under ASC 360, "*Property, Plant, and Equipment*." ASC 360 requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of, if any, are reportable at the lower of the carrying amount or fair value, less costs to sell. At June 30, 2024 and 2023, the Federation had no impairment of assets.

#### **Receivables, net**

The Federation records all receivables net of an allowance for doubtful accounts. The need for allowances is determined based on a review of the estimated collectability of the specific assets, plus a general provision based on historical loss experience and existing economic conditions. Uncollectible amounts are charged off against the allowances for doubtful accounts once management determines an account, or a portion thereof, to be worthless.

Unconditional promises to give are recorded at the date the contribution is made discounted to their present values using a risk free rate at the time the promise is made. Conditional promises to give are not recorded until the conditions are satisfied. Amortization of the discount is included in contributions revenue in the consolidated statement of activities and change in net assets. The allowance for uncollectible unconditional promises to give was \$1,094,514 and \$827,263 at June 30, 2024 and 2023, respectively. Bad debt expense for the years ended June 30, 2024 and 2023, was \$214,645 and \$92,341, respectively.

## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

Other receivables are carried at their original invoice amounts. All other receivables are deemed collectible by management as of June 30, 2024 and 2023 and, therefore, no allowance has been provided in the consolidated financial statements.

#### Investments

Investments, except for State of Israel bonds, are recorded at fair value on the consolidated statement of financial position based on quoted market prices if actively traded, or net asset values ("NAVs") provided by investment managers. Donated securities are recorded at fair value as of the date of the contribution and are converted to cash nearly immediately upon receipt and reported as cash flows from operating activities. Money market funds within the Foundation, that are held in investment accounts with investment institutions are classified as investments on the consolidated statement of financial position. State of Israel bonds are recorded at face value because these bonds are typically held to maturity and do not have readily determinable fair values. Investment income or loss, including realized and unrealized holding gains and losses, is included in the consolidated statement of activities and change in net assets as increases or decreases in net assets without donor restrictions, unless the income or loss is restricted by donor or law.

Investments in alternative strategies include private equity, real estate, and hedge and absolute return funds for which there may be no ready market to determine fair value. The funds may contain lockup provisions and redemption restrictions. For these investments, the Federation has concluded that the net asset values reported by the individual fund managers approximate the fair value of the investments. These estimated values do not necessarily represent the amounts that will ultimately be realized upon the disposition of those assets, which may be materially higher or lower than values determined if a ready market for the securities existed. Commingled trusts are funds of publicly traded equity securities traded on international exchanges.

Investments are exposed to various risks, such as fluctuations in market value and credit risk. It is reasonably possible that changes in risks in the near term could result in a change in fair value of the investment balances and amounts reported in the accompanying consolidated financial statements, which could be material.

The Federation employs an independent investment advisor to oversee its investment portfolio and to achieve investment objectives. Investment guidelines and policies, which are diversified in terms of investment return and risk are provided to the investment advisor by the Federation.

See Note 14 for discussion of fair value measurements.

#### Cash surrender value

The Federation is the owner and beneficiary of 80 life insurance policies. Adjustments to the policies are recorded to the consolidated statement of activities and change in net assets. The cash surrender value of these policies was \$6,619,673 and \$6,031,007 at June 30, 2024 and 2023, respectively. The sum of all death benefits, which will be added to Jewish Community Foundation Fund assets after the death of the insured, is approximately \$28,900,000 at June 30, 2024 and 2023.

## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

#### **Land, building and equipment, net**

Land, building and equipment in excess of \$2,000 with an estimated useful life of more than one year are capitalized and recorded at cost. Land is not depreciated or amortized. Building is depreciated on a straight-line basis over its estimated useful life (39 years). Equipment is depreciated or amortized on the straight-line basis over the estimated useful lives of the assets (three -10 years). Leasehold improvements are amortized over the estimated useful lives of the improvements or the terms of the lease, whichever is shorter. Depreciation and amortization expense totaled \$796,342 and \$714,267 for the years ended June 30, 2024 and 2023, respectively.

#### **Donated assets - land and property**

Donated land and property are recorded as a contribution at its estimated fair market value at the date of donation, based on a formal appraisal.

#### **Bond issuance costs**

Bond issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the bond payable to which such costs related. Bond issuance costs are amortized over the terms of the bonds and recorded to interest expense using the effective interest method over the stated redemption period of the bonds.

#### **Interest rate swaps**

The Federation uses interest rate swaps to hedge its interest rate risks. The interest rate swaps are carried as an asset on the consolidated statement of financial position when the fair value is positive and as a liability on the consolidated statement of financial position when the fair value is negative. The change in fair value of the interest rate swaps is recorded as net unrealized gain (loss) on interest rate swap in the consolidated statement of activities and change in net assets.

#### **Allocations to beneficiary organizations**

Allocations are recorded when authorized by the Federation's Board of Directors ("Board") and are accrued when the Federation makes a legally enforceable unconditional pledge to the other organization.

#### **Due to agencies and supporting organizations**

These amounts represent funds held by the Federation for various local and national agencies for investment purposes.

#### **Split-interest agreements**

The Federation receives contributions in the form of irrevocable split-interest agreements that include charitable gift annuities, and charitable remainder annuity trusts. The split-interest agreements have been valued based on discount rates approved by the Board of Directors, which is 5.42%.

The Federation serves as the administrator for all split-interest agreements. A third-party holds amounts received and the Federation makes specified payments to annuitants. The excess in fair value of assets received over the liability assumed is recorded as revenue with donor restrictions. The assets are adjusted each year based on the fair value of the investments held by the third-party. The liability is adjusted each year based on the adjusted life expectancies of the annuitants and discounted using the most recent discount rate approved by the Board. Changes in the liabilities are recorded in the accompanying consolidated statement of activities as change in value of split-interest agreements.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

Assets held in the split interest agreements at June 30, 2024 and 2023 amounted to \$4,435,855 and \$4,182,717, respectively and are included in investments in the consolidated statement of financial position. The liability for split interest agreements on the consolidated statements of financial position at June 30, 2024 and 2023 is \$2,625,968 and \$2,840,638, respectively.

In accordance with regulations, the Federation has assets held separately with restrictions reserved for annuity payments. As of June 30, 2024 and 2023, the Federation has \$2,625,968 and \$2,840,638, respectively maintained in its investment portfolio.

In the event that future annuity liabilities exceeds the projected current liability for charitable gift annuities, the Federation holds net assets without donor restrictions as of June 30, 2024 and 2023 of \$122,354,161 and \$108,226,849, respectively, which would be available to pay annuity obligations.

**Fair value measurement**

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurement*, defines fair value and establishes a framework for measuring fair value for assets and liabilities that are measured at fair value on a recurring basis. In accordance with the accounting standards for fair value measurements for those assets and liabilities that are measured at fair value on a recurring basis, the Federation has categorized its applicable financial instruments into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities ("Level 1") and the lowest priority to unobservable inputs ("Level 3"). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest-level input that is significant to the fair value measurement of the instrument. Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

- Level 1: Inputs based on quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets.
- Level 3: Unobservable inputs for the asset or liability, including the reporting entity's own assumptions in determining the fair value measurement.

The estimated fair value of investment in alternative investment funds, which are not readily marketable, is based on the value per share as provided by the funds. The Federation follows the measurement provisions in accordance with accounting principles generally accepted in the United States of America ("GAAP") which permits, as a practical expedient, fair value of these investments to be estimated using NAV or its equivalent. NAV or its equivalent is the value per share or value of ownership interest in partner's capital, as provided by the fund, whose financial statements are prepared in a manner consistent with the measurement principles of an investment company or that has the attributes of an investment company.

## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

The Federation's alternative investments are held in limited partnerships and investments in comingled funds which are valued based on NAV. Given the absence of market quotations, their fair value is estimated using information provided to Federation by the investment manager. The values are based on estimates that require varying degrees of judgments. Individual holdings within the alternative investments may include investment in both nonmarketable and market-traded securities. Nonmarketable securities may include equity in private companies, real estate, thinly-traded securities, and other investment vehicles. The investments may directly expose Federation to the effects of securities lending, short sales of securities, and trading in futures and forward contracts, options, swap contracts, and other derivative products. While these financial instruments contain varying degrees of risk, the Federation's exposure with respect to each such investment is limited to its carrying amount (fair value as described above) in each investment. The financial statements of the investees are audited annually by nationally recognized firms of independent auditors.

The Federation does not directly invest in the underlying securities of the investment funds and due to restrictions on transferability and timing of withdrawals from the investment funds, the amounts ultimately realized upon liquidation could differ from reported values that are based on current conditions.

Additional information is included in Note 14.

#### **Net assets**

The Federation classifies its net assets into the following categories:

- Net assets without donor restrictions - represents the portion of expendable funds that are available for any purpose in performing the primary objectives of the Federation at the discretion of the Federation's management and the Board. From time to time, the Board designates a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion.
- Net assets with donor restrictions - represent funds that are specifically restricted by donors for use in various programs and/or for a specific period of time. These donor restrictions can be temporary in nature in that they will be met by actions of the Federation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. Generally, the donors of these assets permit the Federation to use the income earned on related investments for general or specific purposes. When a donor restriction expires as a result of a purpose restriction being accomplished, or as a result of a stipulated time restriction ending, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions on the consolidated statement of activities and change in net assets.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

**Revenue recognition**

**Contribution revenue - Federation and Jewish Community Foundation**

Contributions are classified as either conditional or unconditional. Unconditional contributions of cash, other assets and promises to give are reported as with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Unconditional contributions are recognized as revenue when the commitment to contribute is received. Revenue is recognized on a conditional contribution once a barrier or hurdle to be entitled to the resource is overcome and the resource provider is released from obligation to fund or has the right of return of any advanced funding if the Federation fails to overcome the barrier. The Federation has no conditional grants and contributions for which revenue has not been earned as of June 30, 2024 and 2023.

Contributed non-financial assets are reported at fair value and recognized as revenue in the accounting period when they are received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are reported at their fair value in the period received. During the year ended June 30, 2024 and 2023, the Federation received contributed professional services totaling \$1,501,945 and \$1,552,097, respectively, from attorneys advising the Federation on various legal matters. These contributed services did not have donor-imposed restrictions and the estimated fair value is based on current rates. These services are included both as contributions and as in-kind contribution: legal fees expenses in the accompanying consolidated statement of functional expenses.

**Trusts and bequests**

Split-interest (trust) contributions are only recorded when the agreement becomes irrevocable. The Federation's remainder value is revalued every year. Bequest contributions are recorded only after probate and the legal process has been completed. Trust contributions are recorded under contribution revenue - Jewish Community Foundation fund in the consolidated statement of activities and change in net assets.

**Commercial building operations revenues**

Revenue consists of building rental income and fees. Revenue is recognized in the period the service is provided and the performance obligation is met.

**Functional allocation of expenses**

The Federation is organized into departmental cost centers. The costs of providing programs and other activities have been summarized on a functional basis in the consolidated statements of activities and change in net assets and functional expenses.



## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

Expenses are recognized during the period in which they are incurred. Expenses paid in advance and not yet incurred are deferred to the applicable period. The consolidated statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. The consolidated financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Federation. These expenses were allocated based on total direct salaries of the cost centers. Such costs include salaries for executives involved in the direct conduct or supervision of program activities, facility costs including maintenance and depreciation, utilities such as telephone and internet, as well as printing and computer expenses.

#### **Prior year information**

The consolidated financial statements include certain prior year summarized comparative information in total but not by net asset class or function. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Federation's consolidated financial statements for the year ended June 30, 2023, from which the summarized information was derived.

#### **Estimates**

Management uses estimates and assumptions in preparing these consolidated financial statements in conformity with GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of revenue and expenses. Actual results could vary from the estimates that were used.

#### **Reclassifications**

Certain amounts reported in the prior year consolidated financial statements have been reclassified to conform to the current year consolidated financial statement presentation.

#### **Adoption of new accounting pronouncement**

During the year ended June 30, 2024, the Federation adopted FASB Accounting Standards Update ("ASU") 2016-13, *Measurement of Credit Losses on Financial Instruments*, and its related amendments. The new standard changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments, including trade receivables, from an incurred loss model to an expected loss model and adds certain new required disclosures. Under the expected loss model, entities will recognize credit losses to be incurred over the entire contractual term of the instrument, rather than delaying recognition of credit losses until it is probable the loss has been incurred. Adopting the new standard did not have a material effect on the consolidated financial statements.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

**Note 2 - Liquidity and availability of resources**

The following table reflects the Federation's financial assets as of June 30, 2024 and 2023, available to meet general expenditures within one year of the reporting date:

	June 30,	
	2024	2023
Financial assets at year end		
Cash and cash equivalents	\$ 22,218,477	\$ 15,845,474
Receivables, net	8,602,910	4,816,139
Investments	298,001,681	277,550,676
Total financial assets available for all expenditures	328,823,068	298,212,289
Less those unavailable for general expenditure within one year		
Donors' funds subject to expenditure for a specified purpose/passage of time (Note 10)	(111,688,604)	(101,556,560)
Donors' funds subject to endowment spending policy and appropriation (Note 10)	(8,973,139)	(6,749,570)
Donors' funds subject to maintain corpus in perpetuity (Note 10)	(29,129,888)	(28,376,061)
Board-designated endowment funds (Note 9)	(39,766,094)	(37,006,201)
Board-designated non-endowment funds (Note 9)	(1,803,446)	(1,754,042)
Investments of agencies and supporting organizations (Note 4)	(42,634,917)	(39,440,796)
Illiquid alternative investments (Note 14)	(35,930,276)	(44,187,364)
Investments related to split interest agreements	(2,625,968)	(2,840,638)
	(272,552,332)	(261,911,232)
Financial assets available to meet cash needs for general expenditure within one year	\$ 56,270,736	\$ 36,301,057

The Federation manages liquidity through maintaining an operating budget. The operating budget (which includes the amount that the Federation intends to allocate to beneficiary agencies) is based on the results of the prior year annual campaign. This strategy allows the Federation to manage spending and limit allocations to beneficiary agencies and internal programs to the extent of the monies collected from the annual campaign. The budget is approved by the Board annually.

As part of the Federation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due. The structure includes conducting monthly financial forecasts that analyze contributions and expense projections, controlling operating and capital expenditures, and closely managing daily receipts and cash disbursements. The goal is to optimize the sources and uses of available funds for programs and operations based on the Federation's projected cash flow.

As of June 30, 2024, Board-designated endowments totaling \$39,766,094 and Board-designated non-endowments totaling \$1,803,446 could become available, if needed, with Board approval.

As of June 30, 2023, Board-designated endowments totaling \$37,006,021 and Board-designated non-endowments totaling \$1,754,042 were available, if needed, with Board approval.

The Federation also maintains a total of \$6,500,000 in lines of credit, as discussed in Note 7 which is intended to cover unbudgeted spending or as a bridge on occasions where there is a timing difference between the budgeted and actual receipt of contributions. The amount outstanding on the line of credit was \$0 at June 30, 2024 and 2023.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

**Note 3 - Receivables**

Receivables consist of the following at June 30:

	2024	2023
Pledge receivables	\$ 7,576,482	\$ 3,208,056
Note receivable	2,250,000	2,250,000
Other receivables	324,794	735,374
 Total receivables	 10,151,276	 6,193,430
Less allowance for uncollectible pledge receivables	(1,094,514)	(827,263)
Less discount to net present value of note receivable	(453,852)	(550,028)
Receivables, net	\$ 8,602,910	\$ 4,816,139
Without donor restrictions, net	\$ 6,763,530	\$ 1,967,622
With donor restrictions, net	1,839,380	2,848,517
	\$ 8,602,910	\$ 4,816,139
Less than one year	\$ 7,801,276	\$ 3,626,764
One year to five years	100,000	316,666
More than five years	2,250,000	2,250,000
 Total receivables	 \$ 10,151,276	 \$ 6,193,430

On May 1, 2022, the Federation became a beneficiary through assignment of a note receivable in the amount of \$2,250,000. The note bears an annual interest rate of 2% and the maturity date is January 1, 2035. The Interest income on the note for the years ended June 30, 2024 and 2023 amounted to \$45,000.

**Note 4 - Investments**

The Board directed the Jewish Community Foundation to administer and manage all unrestricted bequests made to the Federation. The Jewish Community Foundation invests these gifts, unless otherwise directed by the Executive Committee, within the investment funds of the Jewish Community Foundation. The principal of these funds may be distributed to the annual campaign and, upon a vote of a majority of the Federation's Board or Executive Committee, principal and/or income may be distributed for other Federation budgetary needs.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

Investment consist of cash and cash equivalents, short-term, intermediate-term and long-term corporate and foreign bonds and State of Israel Bonds, U.S. Governmental securities, mutual funds and publicly traded stocks. Investments, at fair value and by net asset class, are as of follows at June 30:

	2024	2023
Money market funds	\$ 4,334,516	\$ 5,041,193
Fixed-income mutual funds	34,637,086	29,154,275
Common equity securities	35,746,202	29,906,458
Corporate and foreign bonds		
Israel bonds	5,106,709	5,072,217
Other corporate and foreign bonds	253,911	199,525
Exchange traded funds	33,623,573	31,165,148
Equity mutual funds	37,389,510	36,217,810
US governmental securities	449,554	360,316
Alternative Investments		
Hedge funds	84,408,537	89,065,917
Private equity	56,700,797	50,288,383
Cash equivalents	5,351,286	1,079,434
 Total investments	 298,001,681	 277,550,676
 Less: amounts due to agencies and supporting organizations (*)	 (42,634,917)	 (39,440,796)
 Total investments, net of amounts due to agencies and supporting organizations	 \$ 255,366,764	 \$ 238,109,880

(\*) Amounts due to agencies and supporting organizations represent funds transferred to the Federation to be managed on behalf of certain local and national agencies. The receipt, allocation of investment gains and losses and subsequent distribution of these funds are accounted for as pass-through transactions, and thus are not reflected in the accompanying consolidated statement of activities and change in net assets.

Investment return is presented net of investment advisory fees in the consolidated statement of activities and change in net assets.

At June 30, 2024 and 2003, investments include donor endowments which had a fair value of \$38,103,027 and \$35,125,631, respectively, and internally-designated quasi endowments which had a fair value of \$39,766,094 and \$37,006,201, respectively.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

**Note 5 - Land, building and equipment**

Land, building and equipment at June 30 consist of the following:

	2024	2023
Building	\$ 19,341,358	\$ 17,999,498
Land	2,534,100	2,534,100
Furniture and equipment	998,191	983,991
Computers and software	934,187	805,465
	23,807,836	22,323,054
Less accumulated depreciation and amortization	(6,882,159)	(6,408,977)
Total land, building and equipment, net	\$ 16,925,677	\$ 15,914,077

**Note 6 - Allocations to beneficiary organizations**

The Federation's Board authorizes all allocations from Federation funds and its Jewish Community Foundation fund each fiscal year. Allocations for the year ended June 30, 2024 and 2023 are recorded under program service expense on the consolidated statement of activities and change in net assets, are as follows:

	Jewish Federation of Greater Washington	Jewish Community Foundation	Total
<u>June 30, 2024</u>			
Federation partner agencies	\$ 5,768,240	\$ 3,748,879	\$ 9,517,119
Local Jewish community programs	2,694,275	474,022	3,168,297
Israel & overseas partners	2,637,660	290,649	2,928,309
Israel crisis relief support	9,341,082	-	9,341,082
Israel community programs	370,000	-	370,000
National allocations	851,785	502,660	1,354,445
Other Foundation grants	-	11,887,039	11,887,039
	\$ 21,663,042	\$ 16,903,249	\$ 38,566,291

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

	Jewish Federation of Greater Washington	Jewish Community Foundation	Total
<u>June 30, 2023</u>			
Federation partner agencies	\$ 4,888,677	\$ 3,596,645	\$ 8,485,322
Local Jewish community programs	1,420,217	432,510	1,852,727
Israel and overseas partners	3,292,872	149,686	3,442,558
Israel community programs	722,500	-	722,500
National allocations	1,390,004	151,879	1,541,883
Other Foundation grants	-	7,345,349	7,345,349
	<u>\$ 11,714,270</u>	<u>\$ 11,676,069</u>	<u>\$ 23,390,339</u>

The allocations to other organizations are from recommendations of the donors of individual donor advised funds.

The amount due to allocations to beneficiary organizations at June 30, 2024 and 2023 is \$11,612,843 and \$12,125,715, respectively.

**Note 7 - Lines of credit**

The Federation has two unsecured lines of credit from PNC Bank totaling \$6,500,000, which have a maturity date of August 29, 2024. The lines of credit bear interest at the Bloomberg short-term yield index rate plus 80 basis points. There was no outstanding balance under the lines of credit at June 30, 2024. The Federation did not draw from the lines of credit during the fiscal years ended June 30, 2024 and 2023, hence, no interest expense was incurred on the lines of credit in 2024 or 2023.

**Note 8 - Long-term debt, net**

Long-term debt consists of the following at June 30:

	2024	2023
Colorado Educational and Cultural Facilities Authority variable rate demand revenue bond	\$ 8,600,000	\$ 8,600,000
Taxable variable rate demand bond	1,210,000	1,590,000
Terms loans - The Morningstar Foundation	2,091,851	3,265,119
	11,901,851	13,455,119
Less unamortized bond issue costs, net	(104,244)	(109,813)
Long-term debt, net	11,797,607	13,345,306
Less current portion	(772,988)	(1,310,550)
Long-term debt, net of current portion	<u>\$ 11,024,619</u>	<u>\$ 12,034,756</u>

## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

#### **Bonds**

To finance the building acquisition and additional improvements, The Jewish Federation and JFGW Building LLC issued, as co-borrowers, a mix of tax-exempt bonds and taxable debt through the National Jewish Federation Bond Program and PNC Bank.

On March 19, 2013, the Colorado Educational and Cultural Facilities Authority on behalf of the Federation issued an \$8,600,000 tax-exempt bond which matures on March 1, 2043. The bond is subject to monthly interest at a rate of 70% of SOFR plus 107 basis points which amounted to 4.8851% and 2.09%, as of June 30, 2024 and 2023, respectively. Interest is payable monthly that commenced on April 1, 2013. The bond is subject to periodic principal redemption starting on October 1, 2027. On the same date, the Federation issued a \$4,800,000 taxable bond which matures on April 1, 2027. The bond is subject to monthly interest at a rate of SOFR plus 105 basis points which amounted to 4.8651% and 2.50% as of June 30, 2024 and 2023, respectively. Interest is payable monthly. The first principal payment date was on October 1, 2013. The Federation incurred bond issue costs on this debt amounting to \$167,075.

In relation to the above debt, on April 1, 2013, the Federation entered into two interest rate swap agreements to minimize cash flow fluctuations of interest payments caused by the volatility of interest rates. The first swap has a notional value of \$8,000,000 and matures on March 1, 2028 and has fixed the interest rate of the tax-exempt bond at 2.82%. The second swap has an initial notional value of \$4,400,000 (current notional value of \$1,590,000) and matures on October 1, 2026 and has fixed the interest rate on the taxable bonds at 2.72%.

The bonds are collateralized by a Deed of Trust on the Building. The Federation had to comply with certain financial and negative covenants, as defined in the bond purchase agreement, including a minimum of unrestricted liquid assets. The Federation was not in compliance with certain non-ratio covenant requirements at June 30, 2024 and received a waiver from its bank. The Federation was in compliance with its minimum of unrestricted liquid assets ratio. The bonds allow for prepayment, subject to certain terms as defined under the bond financing agreements.

For the years ended June 30, 2024 and 2023, interest expense incurred on the bonds totaled \$328,674 and \$307,316, respectively.

#### **Term Loans - The Morningstar Foundation**

On October 11, 2018, the Federation entered into an unsecured eight-year term loan with the Morningstar Foundation for \$3,000,000, maturing on November 1, 2026. The loan is subject to interest of 2.5% which is due monthly. The purpose of this term loan is to pay off remaining liabilities arising from the Federation's defined benefit plan which was terminated effective August 31, 2018.

On June 30, 2021, the Federation entered into another unsecured eight-year term loan with the Morningstar Foundation for \$4,800,000, maturing on June 30, 2029. The loan is subject to interest of 2.5% which is due quarterly. The purpose of this term loan is for working capital requirements.

Both term loans are subject to various financial reporting requirements. The Federation is in compliance with all the reporting requirements at June 30, 2024. For the years ended June 30, 2024 and 2023, interest expense incurred in relation to these term loans totaled \$68,072 and \$86,582, respectively.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

Estimated future principal payments on debt are as follows for the years ending June 30:

2025	\$	772,988
2026		1,085,031
2027		868,832
2028		702,500
2029		712,500
Thereafter		<u>7,760,000</u>
	<u>\$</u>	<u>11,901,851</u>

**Note 9 - Net assets without donor restrictions**

The Federation's net assets without donor restrictions are comprised of undesignated amounts and board-designated funds. Internally designated quasi-endowments represents funds earmarked to be spent in accordance to the Federation's spending policy. These funds are included in the endowment fund and are intended to be invested to provide the Federation with long-term, stable and consistent funding.

The composition of net assets without donor restrictions by type as of June 30 are as follows:

	2024	2023
Undesignated - operating	\$ 80,784,621	\$ 69,466,606
Board-designated		
Internally designated quasi endowments	39,766,094	37,006,201
Emergency reserve fund	<u>1,803,446</u>	<u>1,754,042</u>
 Total net assets without donor restrictions	 <u>\$ 122,354,161</u>	 <u>\$ 108,226,849</u>



**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

**Note 10 - Net assets with donor restrictions**

As of June 30, net assets with donor restrictions were restricted for the following purposes or period:

	2024	2023
Subject to expenditure for specified purpose		
Donor-designated and donor advised funds	\$ 64,968,495	\$ 58,329,556
Field of interest funds	16,536,228	15,502,843
Perpetual annual campaign endowment funds ("PACE Funds")	19,035,708	17,451,258
Lion of Judah endowment funds ("LOJE Funds")	4,753,014	4,327,214
General support	6,395,159	5,945,689
Internal projects and grants	9,867,620	6,575,576
Total subject to expenditure for specified purpose	121,556,224	108,132,136
Subject to passage of time		
Assets held under split-interest agreements	831,950	546,215
Subject to donor restriction in perpetuity		
Original donor restricted endowment	29,129,888	28,376,061
Subject to endowment spending policy and appropriation		
Donor-designated and donor advised funds	4,642,874	3,682,000
Field of interest funds	4,033,974	2,813,334
Perpetual annual campaign endowment funds ("PACE Funds")	171,103	146,107
Lion of Judah endowment funds ("LOJE Funds")	67,936	59,182
General endowments	57,252	48,947
Total subject to endowment spending policy and appropriation	8,973,139	6,749,570
Total net assets with donor restrictions	\$ 160,491,201	\$ 143,803,982

Donor designated funds are established by a donor to make distributions to one or a limited number of specified projects or grantee-organizations. Distributions are made in accordance with the donor's designation in the gift instrument.

Field of interest funds are established for a purpose specifically designated by a donor at the time the fund is established, or gifts are accepted. The chosen purpose must align with the mission and values of the Federation.

Internal projects and grants are funds already committed to various grantee-organizations and internal programs which are undistributed as of reporting date.

PACE funds are named endowment funds. The minimum gift for establishing a named PACE fund is \$10,000. The Federation's spending policy is applied to the balance of a PACE fund at the end of the fiscal year to determine the amount to be distributed to the annual campaign contributions.

# The Jewish Federation of Greater Washington, Inc. and Subsidiary

## Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

LOJE funds are endowment funds designed for women donors and require a minimum amount of \$100,000. The Federation's spending policy is applied to the balance of a LOJE fund at the end of the fiscal year to determine the amount to be distributed to the annual campaign contributions.

Net assets are released from donor restrictions when expenditures are made in accordance with the purposes specified by the donor. The following net assets were released from restrictions during the year ended June 30:

	<u>2024</u>	<u>2023</u>
Purpose restrictions accomplished	\$ 20,138,566	\$ 9,852,276
Release of endowment amounts with purpose	<u>826,878</u>	<u>986,640</u>
Total net assets released from restrictions	<u>\$ 20,965,444</u>	<u>\$ 10,838,916</u>

### Note 11 - Endowments

The Federation endowments consist of donor-restricted funds as well as funds designated by the Board to function as endowment funds. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

#### Endowment net assets - Interpretation of relevant law

Federation has interpreted the State Prudent Management of Institutional Funds Act ("SPMIFA") enacted into law in Maryland as requiring the preservation of the fair value of the original gift at the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Federation classifies as net assets with donor restrictions (a) the original value of gifts donated to the donor-restricted endowment; (b) the original value of any subsequent gifts to the donor-restricted endowment; and (c) the original value of accumulations to donor restricted endowment made in accordance with the direction of the applicable donor-instrument at the time the accumulation is added to the fund. Investment income from the donor restricted endowment is classified as net assets with donor restrictions (a purpose restriction) until those amounts are appropriated for expenditure by the Federation in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Federation considers the following factors in making a determination to appropriate or accumulate the investment income from the donor-restricted endowment funds:

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

## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

#### **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 SPMIFA requires Federation to retain as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. It is the policy of the Federation not to appropriate funds from donor-restricted underwater endowment funds. As of June 30, 2024 and 2023, there were no such deficiencies.

#### **Endowments' return objectives and risk parameters**

Endowment assets include those assets of the donor-restricted funds that the Federation must hold in perpetuity or for donor-specified periods, as well as board-designated funds. The Federation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment.

#### **Spending policy and how the investment objectives relate to spending policy**

The Federation's primary financial objectives of the investment policy is to maintain intergenerational equity by preserving and enhancing real purchasing power, while at all times keeping in mind the utmost importance of protecting capital and to secure sufficient income and portfolio growth over time to meet the ongoing requirements of the Federation. The Federation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk parameters.

The Federation's spending policy governs the use of resources in the various endowment funds for program expenses and administrative costs. Endowment funds are used for the specified purpose, or over the specified time period, as indicated by the donor. Endowment funds for which there is some discretion in how the funds are expended are not used to cover operating deficits in specific units.

The annual amount made available for spending, also known as the annual "spending rate", from endowment funds is determined as 4% of the 20-quarter trailing average market value of the endowment.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

The following is a summary of the changes in donor-restricted endowment funds subject to SPMIFA for the year ended June 30:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, July 1, 2022	\$ 37,231,220	\$ 33,882,958	\$ 71,114,178
Investment income, net	2,867,256	1,499,203	4,366,459
Contributions	77,742	730,110	807,852
Appropriation for expenditure	<u>(3,170,017)</u>	<u>(986,640)</u>	<u>(4,156,657)</u>
Endowment net assets, June 30, 2023	37,006,201	35,125,631	72,131,832
Investment income, net	4,925,560	3,005,887	7,931,447
Contributions	2,523	798,387	800,910
Appropriation for expenditure	<u>(2,168,190)</u>	<u>(826,878)</u>	<u>(2,995,068)</u>
Endowment net assets, June 30, 2024	<u>\$ 39,766,094</u>	<u>\$ 38,103,027</u>	<u>\$ 77,869,121</u>

**Note 12 - Retirement plans**

The Federation has a defined contribution 403(b) pension plan. Employees are eligible to participate after one year of service and 21 years of age. The Federation contributes 5% of eligible salaries for all employees annually. Total pension expense for the years ended June 30, 2024 and 2023 was 325,543 and \$221,149, respectively.

The Federation established a Section 457 deferred compensation plan to provide eligible employees with the ability to defer a portion of their compensation to provide retirement benefits. The plan was established to comply with requirements under Section 457(b) of the Internal Revenue Code. The Federation annually contributes the maximum amount allowed under Code Section 457(b). The assets related to this deferred compensation plan totaled \$210,380 and \$153,983 at June 30, 2024 and 2023, respectively, and are included in other assets in the consolidated statements of financial position. The liability related to this deferred compensation plan totaled \$210,596 and \$156,075 at June 30, 2024 and 2023, respectively, and is included in accounts payable and accrued expenses in the consolidated statements of financial position. Total deferred compensation expense under this deferred compensation plan for the years ended June 30, 2024 and 2023 was \$20,875 and \$21,500, respectively.

The Federation also has an unfunded frozen deferred compensation plan to provide supplemental retirement benefits to nine former employees. The Federation recorded an actuarially calculated reserve, which is included in accounts payable and accrued expenses in the consolidated statements of financial position. Deferred compensation liability for the frozen deferred compensation plan at June 30, 2024 and 2023 was \$411,144 and \$320,126, respectively. Total deferred compensation expense for the frozen plan for the years ended June 30, 2024 and 2023 was \$55,925 and \$55,925, respectively.

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

**Note 13 - Commitments and contingencies**

**Employment contract**

The Federation has an agreement with its Executive Vice President/Chief Executive Officer of the Federation that expires August 31, 2028, which provides for severance if employment is terminated by the Federation in specified circumstances.

**Tenant income**

Commercial building operations revenue in the consolidated statement of activities and change in net assets consists mainly of tenant income. Tenant leases expire in various years between 2025 and 2035. Tenant income for the years ended June 30, 2024 and 2023 totaled \$1,550,315 and \$1,562,563, respectively. The minimum future lease rental income for the years ending June 30 is as follows:

2025	\$	744,542
2026		596,095
2027		589,718
2028		591,256
2029		592,840
Thereafter		<u>2,833,323</u>
	\$	<u><u>5,947,774</u></u>

The Jewish Federation of Greater Washington, Inc. and Subsidiary

Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

Note 14 - Fair value measurement

The following table summarizes the Federation fair values of assets and liabilities measured on a recurring basis at June 30, 2024:

June 30, 2024	Fair value	Fair value measurements at reporting date using			
		Net asset value	Quoted prices in active markets for identical assets/liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets</b>					
Investments					
Money market funds	\$ 4,334,516	\$ -	\$ 4,334,516	\$ -	\$ -
Fixed-income mutual funds	34,637,086	-	34,637,086	-	-
Common equity securities	35,746,202	-	35,746,202	-	-
Corporate and foreign bonds					
Israel bonds	5,106,709	-	-	5,106,709	-
Other corporate and foreign bonds	253,911	-	-	253,911	-
Exchange traded funds	33,623,573	-	33,623,573	-	-
Equity mutual funds	37,389,510	-	37,389,510	-	-
US governmental securities	449,554	-	-	449,554	-
Total investments in the fair value hierarchy	151,541,061	-	145,730,887	5,810,174	-
Alternative investments					
Hedge funds	84,408,537	84,408,537	-	-	-
Private equity	56,700,797	56,700,797	-	-	-
	141,109,334	141,109,334	-	-	-
Cash equivalents	5,351,286	-	5,351,286	-	-
Total investments	298,001,681	141,109,334	151,082,173	5,810,174	-
Deferred compensation investments	210,380	-	210,380	-	-
Interest rate swap assets	348,957	-	-	348,957	-
	559,337	-	210,380	348,957	-
Total assets	\$ 298,561,018	\$ 141,109,334	\$ 151,292,553	\$ 6,159,131	\$ -
<b>Liabilities</b>					
Deferred compensation obligation	\$ 210,596	\$ -	\$ -	\$ 210,596	\$ -
Split-interest agreements	2,625,968	-	-	-	2,625,968
Total liabilities	\$ 2,836,564	\$ -	\$ -	\$ -	\$ 2,625,968

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

The following table summarizes the Federation fair values of assets and liabilities measured on a recurring basis at June 30, 2023:

<b>June 30, 2023</b>	Fair value measurements at reporting date using				
	Fair value	Net asset value	Quoted prices in active markets for identical assets/liabilities (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Assets</b>					
Investments					
Money market funds	\$ 5,041,193	\$ -	\$ 5,041,193	\$ -	\$ -
Fixed-income mutual funds	29,154,275	-	29,154,275	-	-
Common equity securities	29,906,458	-	29,906,458	-	-
Corporate and foreign bonds					
Israel bonds	5,072,217	-	-	5,072,217	-
Other corporate and foreign bonds	199,525	-	-	199,525	-
Exchange traded funds	31,165,148	-	31,165,148	-	-
Equity mutual funds	36,217,810	-	36,217,810	-	-
US governmental securities	360,316	-	-	360,316	-
Total investments in the fair value hierarchy	137,116,942	-	131,484,884	5,632,058	-
Alternative investments					
Hedge funds	89,065,917	89,065,917	-	-	-
Private equity	50,288,383	50,288,383	-	-	-
	139,354,300	139,354,300	-	-	-
Cash equivalents	1,079,434	-	1,079,434	-	-
Total investments	277,550,676	139,354,300	132,564,318	5,632,058	-
Deferred compensation investments	153,983	-	153,983	-	-
Interest rate swap assets	407,901	-	-	407,901	-
	561,884	-	153,983	407,901	-
Total assets	\$ 278,112,560	\$ 139,354,300	\$ 132,718,301	\$ 6,039,959	\$ -
<b>Liabilities</b>					
Deferred compensation obligation	\$ 156,075	\$ -	\$ -	\$ 156,075	\$ -
Split-interest agreements	2,840,638	-	-	-	2,840,638
Total liabilities	\$ 2,996,713	\$ -	\$ -	\$ -	\$ 2,840,638

## The Jewish Federation of Greater Washington, Inc. and Subsidiary

### Notes to Consolidated Financial Statements

June 30, 2024

(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)

Under the provisions of FASB ASC Topic, *Fair Value Measurement*, applicable financial assets are categorized based on the inputs to the valuation techniques as follows:

#### **Investments**

Mutual Funds, Fixed-income funds and bonds, U.S. and international equity funds and governmental securities - The majority of Level 1 equity and fixed-income funds include domestic and foreign equity and fixed-income mutual funds and exchange-traded funds. Also included in this category within Level 1 are domestic and foreign equities and securities. Investments classified within Level 2 include government obligations, corporate bonds and municipal bonds held in separately managed accounts. Where quoted prices are available in an active market, funds and securities are classified within Level 1 of the valuation hierarchy. Where significant inputs, including benchmarks, yields, broker-dealer quotes, issuer spreads, bids, offers, the London Interbank Offered Rate curve, and measures of volatility, are used by third-party dealers or independent pricing services to determine fair values, the investments are classified within Level 2, include Israel bonds.

#### **Alternative Investments**

These investments include directional hedge and private equity funds, which are subject to certain restrictions and generally have no established trading market. Fair value is determined based on the fund's NAV as provided by the investee fund management or general partner of the respective entity, unless other factors lead to a determination of a fair value at a different amount. These adjustments are made in cases where certain features and conditions of the investment warrant a further adjustment, either a discount or premium, to net assets value, such as recent financial information received.

#### **Interest rate swaps**

The estimate of fair value of the interest rate swaps received at year end approximates its carrying amount, which represents the amount the Federation would receive to exit the swap agreements taking into account current interest rates. Given that the swaps do not have quoted market prices and are not actively traded, their valuation is based on Level 2 inputs within the hierarchy used in measuring fair value.

The Federation recorded a loss on interest rate swap asset of \$58,944 at June 30, 2024 and had a net repayment to participants on split-interest agreements for \$241,286 at June 30, 2024. The Federation recorded a gain on interest rate swap asset of \$770,543 and had a net repayment to participants on split-interest agreements for \$243,639 at June 30, 2023.

#### **Split-interest agreements**

Split-interest agreements are calculated at the present value of future cash flows which approximates fair market value.



**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

**Quantitative Information**

Quantitative information as of June 30, 2024, with respect to assets and liabilities measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) follows:

<u>Description</u>	<u>2024 Fair value</u>	<u>Principal valuation techniques</u>	<u>Unobservable inputs</u>	<u>Weighted average</u>
			Discount rates, life expectancies payouts allocation percentages	
Split-interest agreements	\$ (2,625,968)	Income approach		N/A

The table below details the Federation's ability to redeem investments valued at NAV or its equivalent as of June 30, 2024:

<u>Alternative Investments</u>	<u>2024 fair value</u>	<u>Capital committed</u>	<u>Unfunded commitments</u>	<u>Redemption frequency (if currently eligible) commitments</u>	<u>Redemption notice period</u>
Hedge funds (a)	\$ 1,233,243	\$ 12,000,000	\$ 644,446	Illiquid Monthly, quarterly, semi- annually	N/A
Hedge funds (b)	83,175,294	-	-		30-120 days
Private equity (a)	34,697,033	61,500,000	10,578,450	Illiquid Monthly, quarterly, semi- annually	N/A
Private equity (b)	<u>22,003,764</u>	<u>-</u>	<u>-</u>		30-120 days
	<u>\$ 141,109,334</u>	<u>\$ 73,500,000</u>	<u>\$ 11,222,896</u>		

(a) These funds include hedge and private funds with investing strategies including long/short, credit, event driven and multi-strategy with no ability to redeem.

(b) These funds include hedge and private funds with soft locks or various percentage of early redemption fees.

Quantitative information as of June 30, 2023, with respect to assets and liabilities measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3) follows:

<u>Description</u>	<u>2023 Fair value</u>	<u>Principal valuation techniques</u>	<u>Unobservable inputs</u>	<u>Weighted average</u>
			Discount rates, life expectancies payouts allocation percentages	
Split-interest agreements	\$ (2,840,638)	Income approach		N/A

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**

**Notes to Consolidated Financial Statements**

**June 30, 2024**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2023)**

The table below details the Federation's ability to redeem investments valued at NAV or its equivalent as of June 30, 2023:

<u>Alternative Investments</u>	<u>2023 fair value</u>	<u>Capital committed</u>	<u>Unfunded commitments</u>	<u>Redemption frequency (if currently eligible) commitments</u>	<u>Redemption notice period</u>
Hedge funds (a)	\$ 1,339,768	\$ 12,000,000	\$ 644,446	Illiquid Monthly, quarterly, semi- annually	N/A
Hedge funds (b)	87,726,149	-	-	-	30-120 days
Private equity (a)	42,847,596	74,500,000	14,306,217	Illiquid Monthly, quarterly, semi- annually	N/A
Private equity (b)	<u>7,440,787</u>	<u>-</u>	<u>-</u>	-	30-120 days
	<u>\$ 139,354,300</u>	<u>\$ 86,500,000</u>	<u>\$ 14,950,663</u>		

**Note 15 - Subsequent events**

The Federation has evaluated events and transactions for potential recognition or disclosure through April 30, 2025, the date the consolidated financial statements were available to be issued and determined other than as disclosed below, there are no events to be recognized or disclosed in the consolidated financial statements.

On August 6, 2024, the Federation received an extension of its two unsecured lines of credit from PNC Bank totaling \$6,500,000, to have a maturity date of September 30, 2025.

During the year ended June 30, 2024, the Board of Directors agreed to sell a 49.9% interest in the JFGW Building LLC, and on November 1, 2024 executed a Purchase and Sale Agreement and Assignment of Membership Interest Agreement ("Agreement") with a buyer for \$1,633,333.

## **Supplementary Information**

The Jewish Federation of Greater Washington, Inc. and Subsidiary

Consolidating Statement of Financial Position by Fund  
June 30, 2024

	<u>Assets</u>				
	<u>Federation</u>	<u>Jewish Community Foundation</u>	<u>JFGW Building LLC</u>	<u>Eliminations</u>	<u>Total</u>
<b>Assets</b>					
Cash and cash equivalents	\$ 19,623,097	\$ 1,725,686	\$ 869,694	\$ -	\$ 22,218,477
Receivables, net	11,726,504	1,926,417	182,305	(5,232,316)	8,602,910
Due from Endowment fund - reserves	11,900,312	-	-	(11,900,312)	-
Investments	35,046	297,966,635	-	-	298,001,681
Cash surrender value of life insurance	-	6,619,673	-	-	6,619,673
Other assets	389,419	-	236,657	-	626,076
Land, building and equipment, net	518,366	-	16,407,311	-	16,925,677
Interest rate swaps	-	-	348,957	-	348,957
Donated assets	-	913,961	-	-	913,961
	<u>-</u>	<u>913,961</u>	<u>-</u>	<u>-</u>	<u>913,961</u>
<b>Total assets</b>	<b>\$ 44,192,744</b>	<b>\$ 309,152,372</b>	<b>\$ 18,044,924</b>	<b>\$ (17,132,628)</b>	<b>\$ 354,257,412</b>
<u>Liabilities and Net Assets</u>					
<b>Liabilities</b>					
Allocations to beneficiary organizations	\$ 11,612,843	\$ -	\$ -	\$ -	\$ 11,612,843
Accounts payable and accrued expenses	1,985,199	4,752,450	1,235,382	(5,232,316)	2,740,715
Due to agencies and supporting organizations	-	42,634,917	-	-	42,634,917
Due to Federation - reserves	-	11,900,312	-	(11,900,312)	-
Long-term debt, net	2,091,851	-	9,705,756	-	11,797,607
Split-interest agreements	-	2,625,968	-	-	2,625,968
	<u>-</u>	<u>2,625,968</u>	<u>-</u>	<u>-</u>	<u>2,625,968</u>
<b>Total liabilities</b>	<b>15,689,893</b>	<b>61,913,647</b>	<b>10,941,138</b>	<b>(17,132,628)</b>	<b>71,412,050</b>
<b>Net assets</b>					
Without donor restrictions	18,635,231	96,615,144	7,103,786	-	122,354,161
With donor restrictions	9,867,620	150,623,581	-	-	160,491,201
	<u>28,502,851</u>	<u>247,238,725</u>	<u>7,103,786</u>	<u>-</u>	<u>282,845,362</u>
<b>Total net assets</b>	<b>28,502,851</b>	<b>247,238,725</b>	<b>7,103,786</b>	<b>-</b>	<b>282,845,362</b>
<b>Total liabilities and net assets</b>	<b>\$ 44,192,744</b>	<b>\$ 309,152,372</b>	<b>\$ 18,044,924</b>	<b>\$ (17,132,628)</b>	<b>\$ 354,257,412</b>

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**  
**Consolidating Statement of Activities and Change in Net Assets by Fund**  
**Year Ended June 30, 2024**

	Federation	Jewish Community Foundation	JFGW Building LLC	Eliminations	Total
Support and revenue					
Contributions - Jewish Community Foundation	\$ -	\$ 15,818,287	\$ -	\$ -	\$ 15,818,287
Contributions - Federation	36,115,036	-	-	-	36,115,036
Grants and contributions from Jewish Community Foundation	8,228,188	-	-	(8,228,188)	-
Contributed non-financial assets	1,501,945	-	-	-	1,501,945
Other programmatic income	2,731,611	-	-	(1,516,097)	1,215,514
Change in value of split-interest agreements and annuity payments	(145,620)	(484,057)	-	-	(629,677)
Investment income, net	752,228	28,722,724	-	-	29,474,952
<b>Total support and revenue</b>	<b>49,183,388</b>	<b>44,056,954</b>	<b>-</b>	<b>(9,744,285)</b>	<b>83,496,057</b>
Commercial building operations					
Revenues	-	-	1,925,315	(375,000)	1,550,315
Expenses	-	-	(1,979,508)	-	(1,979,508)
Net unrealized loss on interest rate swap	-	-	(58,945)	-	(58,945)
<b>Net loss on commercial building operations</b>	<b>-</b>	<b>-</b>	<b>(113,138)</b>	<b>(375,000)</b>	<b>(488,138)</b>
<b>Total support, revenue and commercial building operations</b>	<b>49,183,388</b>	<b>44,056,954</b>	<b>(113,138)</b>	<b>(10,119,285)</b>	<b>83,007,919</b>
Expenses					
Program services					
Allocations to beneficiary organizations	22,288,662	26,021,914	-	(9,744,285)	38,566,291
Community planning and outreach program	8,697,785	-	-	(238,822)	8,458,963
<b>Total program services</b>	<b>30,986,447</b>	<b>26,021,914</b>	<b>-</b>	<b>(9,983,107)</b>	<b>47,025,254</b>
Supporting services					
Management and general	3,562,743	-	-	(58,723)	3,504,020
Fundraising	2,541,569	-	-	(77,455)	2,464,114
<b>Total supporting services</b>	<b>6,104,312</b>	<b>-</b>	<b>-</b>	<b>(136,178)</b>	<b>5,968,134</b>
<b>Total operating expenses</b>	<b>37,090,759</b>	<b>26,021,914</b>	<b>-</b>	<b>(10,119,285)</b>	<b>52,993,388</b>
<b>Total support, revenue and commercial building operations before other revenue</b>	<b>12,092,629</b>	<b>18,035,040</b>	<b>(113,138)</b>	<b>-</b>	<b>30,014,531</b>
Other revenue	-	800,000	-	-	800,000
<b>Change in net assets</b>	<b>12,092,629</b>	<b>18,835,040</b>	<b>(113,138)</b>	<b>-</b>	<b>30,814,531</b>
Transfer to/from Federation/Foundation	(1,354,606)	17,855	1,336,751	-	-
<b>Net assets, beginning of year</b>	<b>17,764,828</b>	<b>228,385,830</b>	<b>5,880,173</b>	<b>-</b>	<b>252,030,831</b>
<b>Net assets, end of year</b>	<b>\$ 28,502,851</b>	<b>\$ 247,238,725</b>	<b>\$ 7,103,786</b>	<b>\$ -</b>	<b>\$ 282,845,362</b>

See Independent Auditor's Report.



**The Jewish Federation of Greater Washington, Inc. and Subsidiary**  
**Consolidating Statement of Activities and Change in Net Assets by Fund**  
**Year Ended June 30, 2023**

	Federation	Jewish Community Foundation	LLC	Eliminations	Total
Support and revenue					
Contributions - Jewish Community Foundation	\$ -	13,438,121	\$ -	\$ -	\$ 13,438,121
Contributions - Federation	18,349,597	-	-	-	18,349,597
Grants and contributions from Endowment fund	7,732,791	-	-	(7,732,791)	-
Contributed non-financial assets	1,522,097	-	-	-	1,522,097
Other programmatic income	1,746,571	-	-	(1,434,338)	312,233
Change in value of split-interest agreements and annuity payments	-	(111,649)	-	-	(111,649)
Investment income, net	313,069	17,772,873	-	-	18,085,942
<b>Total support and revenue</b>	<b>29,664,125</b>	<b>31,099,345</b>	<b>-</b>	<b>(9,167,129)</b>	<b>51,596,341</b>
Commercial building operations					
Revenues	-	-	1,937,563	(375,000)	1,562,563
Expenses	-	-	(2,158,929)	-	(2,158,929)
Net unrealized gain on interest rate swap	-	-	267,366	-	267,366
<b>Net gain (loss) on commercial building operations</b>	<b>-</b>	<b>-</b>	<b>46,000</b>	<b>(375,000)</b>	<b>(329,000)</b>
<b>Total support, revenue and commercial building operations</b>	<b>29,664,125</b>	<b>31,099,345</b>	<b>46,000</b>	<b>(9,542,129)</b>	<b>51,267,341</b>
Expenses					
Program services					
Allocations to beneficiary organizations	11,714,270	20,843,198	-	(9,167,129)	23,390,339
Community planning and outreach program	8,147,261	-	-	(212,681)	7,934,580
<b>Total program services</b>	<b>19,861,531</b>	<b>20,843,198</b>	<b>-</b>	<b>(9,379,810)</b>	<b>31,324,919</b>
Supporting services					
Management and general	3,151,607	-	-	(64,624)	3,086,983
Fundraising	2,649,808	-	-	(97,695)	2,552,113
<b>Total supporting services</b>	<b>5,801,415</b>	<b>-</b>	<b>-</b>	<b>(162,319)</b>	<b>5,639,096</b>
<b>Total operating expenses</b>	<b>25,662,946</b>	<b>20,843,198</b>	<b>-</b>	<b>(9,542,129)</b>	<b>36,964,015</b>
<b>Total support, revenue and commercial building operations before other revenue</b>	<b>4,001,179</b>	<b>-</b>	<b>46,000</b>	<b>-</b>	<b>14,303,326</b>
Other revenue	-	-	-	-	-
<b>Change in net assets</b>	<b>4,001,179</b>	<b>10,256,147</b>	<b>46,000</b>	<b>-</b>	<b>14,303,326</b>
Transfer to/from Federation/Endowment	342,619	(342,619)	-	-	-
<b>Net assets, beginning of year</b>	<b>13,421,030</b>	<b>218,472,302</b>	<b>5,834,173</b>	<b>-</b>	<b>237,727,505</b>
<b>Net assets, end of year</b>	<b>\$ 17,764,828</b>	<b>\$ 228,385,830</b>	<b>\$ 5,880,173</b>	<b>\$ -</b>	<b>\$ 252,030,831</b>

See Independent Auditor's Report.



**Independent Member of Nexia**

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