

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

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

**June 30, 2025  
(With June 30, 2024 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, 2025, and the related consolidated statements of activities, changes 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, 2025, 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 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, 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated April 30, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024 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 are 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 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  
March 20, 2026

**The Jewish Federation of Greater Washington, Inc. and Subsidiary**  
**Consolidated Statement of Financial Position**  
**June 30, 2025**  
**(With Summarized Comparative Financial Information as of June 30, 2024)**

	<u>Assets</u>	
	<u>2025</u>	<u>2024</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 23,097,037	\$ 22,218,477
Receivables, net	5,891,833	8,602,910
Investments	346,238,681	298,001,681
Cash surrender value of life insurance	7,300,016	6,619,673
Other assets	1,123,699	626,076
Land, building and equipment, net	16,916,610	16,925,677
Interest rate swaps	151,862	348,957
Donated assets	5,632,761	913,961
	<u>5,632,761</u>	<u>913,961</u>
Total assets	<u>\$ 406,352,499</u>	<u>\$ 354,257,412</u>
	<u>Liabilities and Net Assets</u>	
<b>Liabilities</b>		
Allocations to beneficiary organizations	\$ 13,613,145	\$ 11,612,843
Accounts payable and accrued expenses	3,401,854	2,740,715
Due to agencies and supporting organizations	43,861,679	42,634,917
Long-term debt, net	11,030,326	11,797,607
Split-interest agreements	1,976,954	2,625,968
	<u>1,976,954</u>	<u>2,625,968</u>
Total liabilities	<u>73,883,958</u>	<u>71,412,050</u>
<b>Net assets</b>		
Without donor restrictions - controlling interest	155,380,134	122,354,161
Without donor restrictions - noncontrolling interest	3,472,275	-
With donor restrictions	173,616,132	160,491,201
	<u>173,616,132</u>	<u>160,491,201</u>
Total net assets	<u>332,468,541</u>	<u>282,845,362</u>
Total liabilities and net assets	<u>\$ 406,352,499</u>	<u>\$ 354,257,412</u>

See Notes to Consolidated Financial Statements.

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

**Consolidated Statement of Activities  
Year Ended June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

	2025			2024
	Without donor restrictions	With donor restrictions	Total	Total
<b>Support and revenue</b>				
Contributions - Jewish Community Foundation	\$ 43,966,713	\$ 6,126,407	\$ 50,093,120	\$ 15,818,287
Contributions - Federation	11,646,349	5,320,122	16,966,471	36,115,036
Contributed non-financial assets	932,771	-	932,771	1,501,945
Other programmatic income	1,539,678	-	1,539,678	1,215,514
Change in value of split-interest agreements and annuity payments	(498,205)	786,854	288,649	(629,677)
Investment income, net	16,550,922	13,915,012	30,465,934	29,474,952
Net assets released from restrictions	13,023,464	(13,023,464)	-	-
<b>Total support and revenue</b>	<b>87,161,692</b>	<b>13,124,931</b>	<b>100,286,623</b>	<b>83,496,057</b>
<b>Commercial building operations</b>				
Revenues	1,295,800	-	1,295,800	1,550,315
Expenses	(2,072,442)	-	(2,072,442)	(1,979,508)
Net unrealized loss on interest rate swaps	(197,095)	-	(197,095)	(58,945)
<b>Net loss on commercial building operations</b>	<b>(973,737)</b>	<b>-</b>	<b>(973,737)</b>	<b>(488,138)</b>
<b>Total support, revenue and commercial building operations</b>	<b>86,187,955</b>	<b>13,124,931</b>	<b>99,312,886</b>	<b>83,007,919</b>
<b>Expenses</b>				
<b>Program services</b>				
Allocations to beneficiary organizations	36,226,235	-	36,226,235	38,566,291
Community planning and outreach program	9,458,807	-	9,458,807	8,458,963
<b>Total program services</b>	<b>45,685,042</b>	<b>-</b>	<b>45,685,042</b>	<b>47,025,254</b>
<b>Supporting services</b>				
Management and general	2,930,970	-	2,930,970	3,504,020
Fundraising	2,811,878	-	2,811,878	2,464,114
<b>Total supporting services</b>	<b>5,742,848</b>	<b>-</b>	<b>5,742,848</b>	<b>5,968,134</b>
<b>Total operating expenses</b>	<b>51,427,890</b>	<b>-</b>	<b>51,427,890</b>	<b>52,993,388</b>
<b>Total support, revenue and commercial building operations before other revenue</b>	<b>34,760,065</b>	<b>13,124,931</b>	<b>47,884,996</b>	<b>30,014,531</b>
<b>Other revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>800,000</b>
<b>Change in net assets before noncontrolling interest</b>	<b>34,760,065</b>	<b>13,124,931</b>	<b>47,884,996</b>	<b>30,814,531</b>
<b>Change in net assets - noncontrolling interest</b>	<b>(123,949)</b>	<b>-</b>	<b>(123,949)</b>	<b>-</b>
<b>Change in net assets - controlling interest</b>	<b>\$ 34,884,014</b>	<b>\$ 13,124,931</b>	<b>\$ 48,008,945</b>	<b>\$ 30,814,531</b>

See Notes to Consolidated Financial Statements.

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

**Consolidated Statement of Changes in Net Assets**

**Year Ended June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

	2025			2024	
	Controlling interest		Noncontrolling interest	Total net assets	Total net assets
	Net assets without donor restrictions	Net assets with donor restrictions			
Net assets and noncontrolling interest in subsidiary, beginning of year	\$ 122,354,161	\$ 160,491,201	\$ -	\$ 282,845,362	\$ 252,030,831
Reallocation of interests in subsidiary to reflect ownership share on November 1, 2024	(3,521,374)	-	3,521,374	-	-
Sale of membership interest in subsidiary	1,663,333	-	-	1,663,333	-
Capital contribution to subsidiary	-	-	74,850	74,850	-
Changes in net assets	<u>34,884,014</u>	<u>13,124,931</u>	<u>(123,949)</u>	<u>47,884,996</u>	<u>30,814,531</u>
Net assets and noncontrolling interest in subsidiary, end of year	<u><u>\$ 155,380,134</u></u>	<u><u>\$ 173,616,132</u></u>	<u><u>\$ 3,472,275</u></u>	<u><u>\$ 332,468,541</u></u>	<u><u>\$ 282,845,362</u></u>

See Notes to Consolidated Financial Statements.

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

**Consolidated Statement of Functional Expenses  
Year Ended June 30, 2025  
(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

	Program services			Supporting services			Commercial building	Total	2024 Total
	Allocations to beneficiary organizations	Community planning and outreach program	Total program services	Management and general	Fundraising	Total supporting services			
Salaries	\$ -	\$ 4,586,902	\$ 4,586,902	\$ 1,259,480	\$ 1,736,372	\$ 2,995,852	\$ -	\$ 7,582,754	\$ 6,623,438
Taxes and benefits	-	1,011,566	1,011,566	301,902	391,172	693,074	-	1,704,640	1,519,007
Total personnel expenses	-	5,598,468	5,598,468	1,561,382	2,127,544	3,688,926	-	9,287,394	8,142,445
Grant expenses	36,226,235	-	36,226,235	-	-	-	-	36,226,235	38,566,291
Accounting and auditing	-	42,384	42,384	86,053	-	86,053	-	128,437	135,153
Advertising and promotion	-	37,924	37,924	3,113	7,899	11,012	-	48,936	61,274
Bad debt (recovery) expense	-	(52,131)	(52,131)	(23,695)	(18,957)	(42,652)	47,444	(47,339)	214,645
Bank and credit card fees	-	73,459	73,459	135,997	2,769	138,766	531	212,756	241,443
Depreciation and amortization	-	58,155	58,155	26,434	21,147	47,581	603,612	709,348	790,773
Dues and subscriptions	-	148,752	148,752	22,340	16,051	38,391	-	187,143	118,061
Events and meetings	-	616,475	616,475	24,358	106,903	131,261	-	747,736	279,917
In-kind contribution: legal fees	-	307,814	307,814	624,957	-	624,957	-	932,771	1,501,945
Insurance premium	-	40,698	40,698	11,971	16,582	28,553	45,489	114,740	193,637
Interest expense	-	19,651	19,651	24,418	3,861	28,279	316,574	364,504	402,315
Loss on disposal	-	-	-	-	-	-	25,844	25,844	-
Office expense	-	63,768	63,768	12,641	22,443	35,084	405,681	504,533	481,717
Postage and printing	-	23,533	23,533	4,426	124,530	128,956	-	152,489	163,199
Professional development and other benefits	-	108,632	108,632	158,321	20,911	179,232	-	287,864	202,244
Professional fees	-	1,388,472	1,388,472	126,576	225,020	351,596	195,545	1,935,613	1,352,709
Program supplies - books	-	308,300	308,300	-	-	-	-	308,300	316,645
Security services	-	126,636	126,636	787	-	787	100,354	227,777	514,654
Technology contracts and services	-	331,653	331,653	108,338	112,481	220,819	-	552,472	461,649
Taxes	-	-	-	-	-	-	103,480	103,480	110,757
Travel	-	198,273	198,273	17,679	16,363	34,042	-	232,315	420,925
Utilities	-	17,891	17,891	4,874	6,331	11,205	227,888	256,984	300,498
Total expenses	\$ 36,226,235	\$ 9,458,807	\$ 45,685,042	\$ 2,930,970	\$ 2,811,878	\$ 5,742,848	\$ 2,072,442	\$ 53,500,332	\$ 54,972,896

See Notes to Consolidated Financial Statements.

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

**Consolidated Statement of Cash Flows**

**Year Ended June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

	2025	2024
Cash flows from operating activities		
Change in net assets	\$ 47,884,996	\$ 30,814,531
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Bad debt (recovery) expense	(47,339)	214,645
Depreciation and amortization expense	709,348	790,773
Change in amortization of discount on note receivable	(43,570)	(43,570)
Change in split-interest agreements liability	(649,014)	(214,670)
Donation of asset	(4,718,800)	-
Unrealized and realized gains on investments	(24,274,445)	(23,805,611)
Gain on life insurance policies	(680,343)	(588,666)
Loss on interest rate swaps	197,095	58,944
Endowment contributions	(957,163)	(753,827)
Amortization of debt issuance costs	5,569	5,569
Change in		
Receivables	2,801,986	(3,957,846)
Other assets	(497,623)	470,151
Allocations to beneficiary organizations	2,000,302	(512,872)
Accounts payable and accrued expenses	661,139	(51,461)
Due to agencies and supporting organizations	1,226,762	3,194,121
Net cash provided by operating activities	23,618,900	5,620,211
Cash flows from investing activities		
Purchases of property and equipment	(700,281)	(1,802,373)
Purchases of investments	(146,812,515)	(61,205,174)
Sales and maturities of investments	122,849,960	64,559,780
Proceeds from sale of interest in subsidiary	1,663,333	-
Net cash (used in) provided by investing activities	(22,999,503)	1,552,233
Cash flows from financing activities		
Capital contributed by noncontrolling interest	74,850	-
Endowment contributions	957,163	753,827
Principal payments of long-term debt	(772,850)	(1,553,268)
Net cash provided by (used in) financing activities	259,163	(799,441)
Increase in cash and cash equivalents	878,560	6,373,003
Cash and cash equivalents, beginning of year	22,218,477	15,845,474
Cash and cash equivalents, end of year	\$ 23,097,037	\$ 22,218,477
Supplemental disclosures of cash flow information		
Interest paid	\$ 364,504	\$ 396,746
Income taxes paid	\$ 71,500	\$ 170,000
Donation of non-cash assets	\$ 4,718,800	\$ -

See Notes to Consolidated Financial Statements.

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

## Notes to Consolidated Financial Statements

June 30, 2025

(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)

### 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 segment 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, when appropriate, sell real or personal property, or interest therein, for its own account or together with others. The Jewish Federation had a 100% membership interest in JFGW Building LLC at June 30, 2024.

#### 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 \$71,500 and \$170,000 in federal and state income taxes during the fiscal years ended June 30, 2025 and 2024, respectively, in connection with unrelated debt-financed income on certain partnerships owned by the Federation. No amounts were payable as of June 30, 2025 and 2024, respectively.

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

### Notes to Consolidated Financial Statements

June 30, 2025

(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)

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, 2025 and 2024, respectively. Tax years prior to 2022 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 and 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, 2025 and 2024 were approximately \$23,694,000 and \$21,747,000, 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, 2025 and 2024, 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 \$907,931 and \$1,094,514 at June 30, 2025 and 2024, respectively. Federation had a recovery of bad debt of \$47,339 for the year ended June 30, 2025. Bad debt expense for the year ended June 30, 2024 was \$214,645.

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

### Notes to Consolidated Financial Statements

June 30, 2025

(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)

Other receivables are carried at their original invoice amounts. All other receivables are deemed collectible by management as of June 30, 2025 and 2024 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 15 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 \$7,300,016 and \$6,619,673 at June 30, 2025 and 2024, 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, 2025 and 2024.

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

### Notes to Consolidated Financial Statements

June 30, 2025

(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)

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

Land, building and equipment that were in excess of \$2,000 with an estimated useful life of more than one year were capitalized and recorded at cost through June 29, 2025. Beginning June 30, 2025, land, building and equipment that were in excess of \$5,000 with an estimated useful life of more than one year were capitalized and recorded at cost. Land is not depreciated or amortized. Building is depreciated on a straight-line basis over its estimated useful life (38 years). Equipment is depreciated or amortized on the straight-line basis over the estimated useful lives of the assets (3 - 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 \$709,348 and \$790,773 for the years ended June 30, 2025 and 2024, 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, which is 5.31%.

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

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

### Notes to Consolidated Financial Statements

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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.

Assets held in the split-interest agreements at June 30, 2025 and 2024 amounted to \$3,698,268 and \$4,435,855, respectively, and are included in investments in the consolidated statement of financial position. The liability for split-interest agreements on the consolidated statement of financial position at June 30, 2025 and 2024 is \$1,976,954 and \$2,625,968, respectively.

In accordance with regulations, the Federation has assets held separately with restrictions reserved for annuity payments. As of June 30, 2025 and 2024, the Federation has \$1,976,954 and \$2,625,968, 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, 2025 and 2024 of \$158,852,409 and \$122,354,161, 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 partners' 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.

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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 15.

#### **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

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(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)

### 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, 2025 and 2024.

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 years ended June 30, 2025 and 2024, the Federation received contributed professional services totaling \$932,771 and \$1,501,945, 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.

#### 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 functional expenses.

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.

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

**Notes to Consolidated Financial Statements**

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**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

**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, 2024, 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.

**Advertising**

The Federation expenses advertising costs as incurred. Total advertising costs were \$48,936 and \$61,274 for the years ended June 30, 2025 and 2024, respectively.

**Reclassifications**

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

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

The following table reflects the Federation's financial assets as of June 30, 2025 and 2024, available to meet general expenditures within one year of the reporting date:

	June 30,	
	2025	2024
Financial assets at year end		
Cash and cash equivalents	\$ 23,097,037	\$ 22,218,477
Receivables, net	5,891,833	8,602,910
Investments	346,238,681	298,001,681
Total financial assets available for all expenditures	375,227,551	328,823,068
Less those unavailable for general expenditure within one year		
Donors' funds subject to expenditure for a specified purpose/passage of time (Note 11)	(124,140,657)	(111,688,604)
Donors' funds subject to endowment spending policy and appropriation (Note 11)	(10,525,637)	(8,973,139)
Donors' funds subject to maintain corpus in perpetuity (Note 11)	(30,098,580)	(29,129,888)
Board-designated endowment funds (Note 10)	(42,470,708)	(39,766,094)
Board-designated non-endowment funds (Note 10)	(2,509,299)	(1,803,446)
Investments of agencies and supporting organizations (Note 4)	(43,861,679)	(42,634,917)
Illiquid alternative investments (Note 15)	(38,146,100)	(35,930,276)
Investments related to split-interest agreements	(1,976,954)	(2,625,968)
	(293,729,614)	(272,552,332)
Financial assets available to meet cash needs for general expenditure within one year	\$ 81,497,937	\$ 56,270,736

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

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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, 2025, Board-designated endowments totaling \$42,470,708 and Board-designated non-endowments totaling \$2,509,299 could become available, if needed, with Board approval.

As of June 30, 2024, Board-designated endowments totaling \$39,766,094 and Board-designated non-endowments totaling \$1,803,446 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, 2025 and 2024.

**Note 3 - Receivables**

Receivables consist of the following at June 30:

	2025	2024
Pledge receivables	\$ 4,743,230	\$ 7,576,482
Note receivable	2,250,000	2,250,000
Other receivables	216,816	324,794
Total receivables	7,210,046	10,151,276
Less allowance for uncollectible pledge receivables	(907,931)	(1,094,514)
Less discount to net present value of note receivable	(410,282)	(453,852)
Receivables, net	\$ 5,891,833	\$ 8,602,910
Without donor restrictions, net	\$ 5,144,668	\$ 6,763,530
With donor restrictions, net	747,165	1,839,380
	\$ 5,891,833	\$ 8,602,910
Less than one year	\$ 4,696,887	\$ 7,801,276
One year to five years	263,159	100,000
More than five years	2,250,000	2,250,000
Total receivables	\$ 7,210,046	\$ 10,151,276

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

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**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

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, 2025 and 2024 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.

Investments 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 follows at June 30:

	2025	2024
Money market funds	\$ 6,029,738	\$ 4,334,516
Fixed-income mutual funds	36,038,709	34,637,086
Common equity securities	41,958,812	35,746,202
Corporate and foreign bonds		
Israel bonds	5,680,044	5,106,709
Other corporate and foreign bonds	11,314,971	253,911
Exchange traded funds	42,750,807	33,623,573
Equity mutual funds	53,298,623	37,389,510
US governmental securities	6,806,245	449,554
Alternative Investments		
Hedge funds	77,051,571	84,408,537
Private equity	63,677,489	56,700,797
Cash equivalents	1,631,672	5,351,286
 Total investments	 346,238,681	 298,001,681
 Less amounts due to agencies and supporting organizations (*)	 (43,861,679)	 (42,634,917)
 Total investments, net of amounts due to agencies and supporting organizations	 \$ 302,377,002	 \$ 255,366,764

(\*) 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.

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

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**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

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

At June 30, 2025 and 2024, investments include donor endowments which had a fair value of \$40,624,217 and \$38,103,027, respectively, and internally-designated quasi endowments which had a fair value of \$42,470,708 and \$39,766,094, respectively.

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

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

	2025	2024
Building	\$ 19,885,661	\$ 19,341,358
Land	2,534,100	2,534,100
Furniture and equipment	949,631	998,191
Computers and software	702,280	934,187
	24,071,672	23,807,836
Less accumulated depreciation and amortization	(7,155,062)	(6,882,159)
Total land, building and equipment, net	\$ 16,916,610	\$ 16,925,677

**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, 2025 and 2024 are recorded under program service expense on the consolidated statement of activities.

	Jewish Federation of Greater Washington	Jewish Community Foundation	Total
<u>June 30, 2025</u>			
Federation partner agencies	\$ 5,886,687	\$ 4,398,938	\$ 10,285,625
Local Jewish community programs	4,382,683	508,721	4,891,404
Israel and overseas partners	3,691,029	138,067	3,829,096
Israel crisis relief support	3,838,000	-	3,838,000
Israel community programs	485,000	-	485,000
National allocations	871,500	371,423	1,242,923
Other Federation grants	239,610	-	239,610
Other Foundation grants	-	11,414,577	11,414,577
	\$ 19,394,509	\$ 16,831,726	\$ 36,226,235

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

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	<u>Jewish Federation of Greater Washington</u>	<u>Jewish Community Foundation</u>	<u>Total</u>
<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 and 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
	<u>\$ 21,663,042</u>	<u>\$ 16,903,249</u>	<u>\$ 38,566,291</u>

Other Foundation grants primarily consist of recommendations from donor advised funds.

The amount due to allocations to beneficiary organizations at June 30, 2025 and 2024 is \$13,613,145 and \$11,612,843, 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 September 30, 2025. The lines of credit bear interest at the daily Secured Overnight Financing Rate ("SOFR") plus 95 basis points. There was no outstanding balance under the lines of credit at June 30, 2025. The Federation did not draw from the lines of credit during the fiscal years ended June 30, 2025 and 2024, hence, no interest expense was incurred on the lines of credit in 2025 or 2024.

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

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

	<u>2025</u>	<u>2024</u>
Colorado Educational and Cultural Facilities Authority variable rate demand revenue bond	\$ 8,600,000	\$ 8,600,000
Taxable variable rate demand bond	820,000	1,210,000
Terms loans - The Morningstar Foundation	1,709,001	2,091,851
	<u>11,129,001</u>	<u>11,901,851</u>
Less unamortized bond issue costs, net	<u>(98,675)</u>	<u>(104,244)</u>
Long-term debt, net	11,030,326	11,797,607
Less current portion	<u>(1,085,031)</u>	<u>(772,988)</u>
Long-term debt, net of current portion	<u>\$ 9,945,295</u>	<u>\$ 11,024,619</u>

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

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#### **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 4.1700% and 4.8851% as of June 30, 2025 and 2024, respectively. Interest is payable monthly that commenced on April 1, 2013. The bond is subject to periodic principal redemption starting on October 1, 2027. The bond has an initial fixed mandatory repurchase date of March 1, 2028 unless PNC elects to retain the bond, as provided in the agreement. 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 SOFR plus 105 basis points, which amounted to 5.4696% and 6.5002% as of June 30, 2025 and 2024, 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. As of June 30, 2025 and 2024, the principal balance outstanding on the bonds was \$9,420,000 and \$9,810,000, respectively.

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 in compliance with its minimum of unrestricted liquid assets ratio and was in compliance with certain non-ratio covenant requirements at June 30, 2025. The bonds allow for prepayment, subject to certain terms as defined under the bond financing agreements.

For the years ended June 30, 2025 and 2024, interest expense incurred on the bonds totaled \$316,574 and \$334,243, respectively, inclusive of amortization of debt issuance costs of \$5,569.

#### **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. As of June 30, 2025 and 2024, the principal balance outstanding on the loan was \$559,001 and \$941,851, respectively.

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. As of June 30, 2025 and 2024, the principal balance outstanding on the loan was \$1,150,000.

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Both loans are subject to various financial reporting requirements. The Federation is in compliance with all the reporting requirements at June 30, 2025. For the years ended June 30, 2025 and 2024, interest expense incurred in relation to these term loans totaled \$47,930 and \$68,072, respectively.

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

2026	\$	1,085,031
2027		868,970
2028		702,500
2029		712,500
2030		435,000
Thereafter		<u>7,325,000</u>
	<u>\$</u>	<u>11,129,001</u>

**Note 9 - Sale of noncontrolling interest in LLC**

During the year ended June 30, 2025, 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 \$1,663,333. The Jewish Federation maintains a 50.1% controlling interest in LLC as of June 30, 2025.

**Note 10 - 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 is as follows:

	2025	2024
Undesignated - operating	\$ 110,400,127	\$ 80,784,621
Board-designated		
Internally designated quasi endowments	42,470,708	39,766,094
Emergency reserve fund	<u>2,509,299</u>	<u>1,803,446</u>
 Total net assets without donor restrictions	 <u>\$ 155,380,134</u>	 <u>\$ 122,354,161</u>

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**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

**Note 11 - Net assets with donor restrictions**

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

	2025	2024
Subject to expenditure for specified purpose		
Donor-designated and donor advised funds	\$ 70,002,642	\$ 64,968,495
Field of interest funds	17,522,603	16,536,228
Perpetual annual campaign endowment funds ("PACE Funds")	25,037,825	19,035,708
Lion of Judah endowment funds ("LOJE Funds")	4,900,720	4,753,014
General support	6,676,867	6,395,159
Internal projects and grants	7,110,499	9,867,620
Total subject to expenditure for specified purpose	131,251,156	121,556,224
Subject to passage of time		
Assets held under split-interest agreements	1,740,759	831,950
Subject to donor restriction in perpetuity		
Original donor restricted endowment	30,098,580	29,129,888
Subject to endowment spending policy and appropriation		
Donor-designated and donor-advised funds	5,343,591	4,642,874
Field of interest funds	4,846,638	4,033,974
Perpetual annual campaign endowment funds ("PACE Funds")	191,673	171,103
Lion of Judah endowment funds ("LOJE Funds")	79,826	67,936
General endowments	63,909	57,252
Total subject to endowment spending policy and appropriation	10,525,637	8,973,139
Total net assets with donor restrictions	\$ 173,616,132	\$ 160,491,201

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.

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**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

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.

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>2025</u>	<u>2024</u>
Purpose restrictions accomplished	\$ 12,077,665	\$ 20,138,566
Release of endowment amounts with purpose	<u>945,799</u>	<u>826,878</u>
Total net assets released from restrictions	<u>\$ 13,023,464</u>	<u>\$ 20,965,444</u>

**Note 12 - 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

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

**Notes to Consolidated Financial Statements**

**June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

- Other resources of the Federation
- The investment policies of the Federation

**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, 2025 and 2024, 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.

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**Notes to Consolidated Financial Statements**

**June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

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, 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	39,766,094	38,103,027	77,869,121
Investment income, net	3,978,376	2,509,826	6,488,202
Contributions	1,306,842	957,163	2,264,005
Appropriation for expenditure	<u>(2,580,604)</u>	<u>(945,799)</u>	<u>(3,526,403)</u>
Endowment net assets, June 30, 2025	<u>\$ 42,470,708</u>	<u>\$ 40,624,217</u>	<u>\$ 83,094,925</u>

**Note 13 - 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, 2025 and 2024 was \$352,517 and \$325,543, respectively.

The Federation established a Section 457(b) deferred compensation plan and a Section 457(f) deferred compensation plan to provide eligible employees with the ability to defer a portion of their compensation to provide retirement benefits. The plans were established to comply with requirements under Section 457 of the Internal Revenue Code. The Federation annually contributes the maximum amount allowed under Code Section 457(b) to the Section 457(b) plan, and \$20,000 per year to the Section 457(f) deferred compensation plan. The assets related to this deferred compensation plans totaled \$289,581 and \$210,380 at June 30, 2025 and 2024, respectively, and are included in other assets in the consolidated statement of financial position. The liabilities related to these deferred compensation plans totaled \$289,797 and \$210,596 at June 30, 2025 and 2024, respectively, and are included in accounts payable and accrued expenses in the consolidated statement of financial position. Total deferred compensation expense related to these plans for the years ended June 30, 2025 and 2024 was \$59,916 and \$20,875, 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 statement of financial position. Deferred compensation liability for the frozen deferred compensation plan at June 30, 2025 and 2024 was \$357,979 and \$411,144, respectively. Total deferred compensation expense for the frozen plan for the years ended June 30, 2025 and 2024 was \$53,164 and \$55,925, respectively.

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

**Notes to Consolidated Financial Statements**

**June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

**Note 14 - 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 consists mainly of tenant income. Tenant leases expire in various years between 2025 and 2035. Tenant income for the years ended June 30, 2025 and 2024 totaled \$1,295,800 and \$1,550,315, respectively. The minimum future lease rental income for the years ending June 30 is as follows:

2026	\$	2,039,879
2027		2,085,347
2028		2,130,479
2029		2,176,966
2030		2,149,376
Thereafter		<u>10,570,548</u>
	\$	<u><u>21,152,595</u></u>

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

**Notes to Consolidated Financial Statements**

**June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

**Note 15 - Fair value measurement**

The following table summarizes the Federation's fair values of assets and liabilities measured on a recurring basis at June 30, 2025:

	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>June 30, 2025</b>					
<b>Assets</b>					
Investments					
Money market funds	\$ 6,029,738	\$ -	\$ 2,707,385	\$ 3,322,353	\$ -
Fixed-income mutual funds	36,038,709	-	6,030,330	30,008,379	-
Common equity securities	41,958,812	-	41,958,812	-	-
Corporate and foreign bonds					
Israel bonds	5,680,044	-	-	5,680,044	-
Other corporate and foreign bonds	11,314,971	-	-	11,314,971	-
Exchange traded funds	42,750,807	-	42,750,807	-	-
Equity mutual funds	53,298,623	-	53,298,623	-	-
US governmental securities	6,806,245	-	-	6,806,245	-
Total investments in the fair value hierarchy	<u>203,877,949</u>	<u>-</u>	<u>146,745,957</u>	<u>57,131,992</u>	<u>-</u>
Alternative investments					
Hedge funds	77,051,571	77,051,571	-	-	-
Private equity	63,677,489	63,677,489	-	-	-
	<u>140,729,060</u>	<u>140,729,060</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash equivalents	<u>1,631,672</u>	<u>-</u>	<u>1,631,672</u>	<u>-</u>	<u>-</u>
Total investments	<u>346,238,681</u>	<u>140,729,060</u>	<u>148,377,629</u>	<u>57,131,992</u>	<u>-</u>
Deferred compensation investments	289,581	-	289,581	-	-
Interest rate swap assets	151,862	-	-	151,862	-
	<u>441,443</u>	<u>-</u>	<u>289,581</u>	<u>151,862</u>	<u>-</u>
Total assets	<u>\$ 346,680,124</u>	<u>\$ 140,729,060</u>	<u>\$ 148,667,210</u>	<u>\$ 57,283,854</u>	<u>\$ -</u>
<b>Liabilities</b>					
Deferred compensation obligation	\$ 289,797	\$ -	\$ -	\$ 289,797	\$ -
Split-interest agreements	1,976,954	-	-	-	1,976,954
Total liabilities	<u>\$ 2,266,751</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 289,797</u>	<u>\$ 1,976,954</u>

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Notes to Consolidated Financial Statements

June 30, 2025

(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)

The following table summarizes the Federation's 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	\$ -	\$ -	\$ 210,596	\$ 2,625,968

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

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

**Notes to Consolidated Financial Statements**

**June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

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 \$197,095 at June 30, 2025 and had a net repayment to participants on split-interest agreements for \$174,886 at June 30, 2025. The Federation recorded a loss on interest rate swap asset of \$58,944 and had a net repayment to participants on split-interest agreements for \$241,286 at June 30, 2024.

**Split-interest agreements**

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

**Quantitative Information**

Quantitative information as of June 30, 2025, 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>2025 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	\$ (1,976,954)	Income approach		N/A

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

**Notes to Consolidated Financial Statements**

**June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

The table below details the Federation's ability to redeem investments valued at NAV or its equivalent as of June 30, 2025:

<u>Alternative Investments</u>	<u>2025 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)	\$ 1,042,700	\$ 12,000,000	\$ -	Illiquid Monthly, quarterly, semi- annually	N/A
Hedge funds (b)	76,008,871	-	-		30-120 days
Private equity (a)	37,103,400	69,500,000	17,757,000	Illiquid Monthly, quarterly, semi- annually	N/A
Private equity (b)	26,574,089	-	-		30-120 days
	<u>\$ 140,729,060</u>	<u>\$ 81,500,000</u>	<u>\$ 17,757,000</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, 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>
Split-interest agreements	\$ (2,625,968)	Income approach	Discount rates, life expectancies payouts allocation percentages	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)	22,003,764	-	-		30-120 days
	<u>\$ 141,109,334</u>	<u>\$ 73,500,000</u>	<u>\$ 11,222,896</u>		

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

**Notes to Consolidated Financial Statements**

**June 30, 2025**

**(With Summarized Comparative Financial Information for the Year Ended June 30, 2024)**

**Note 16 - Subsequent events**

The Federation has evaluated events and transactions for potential recognition or disclosure through March 20, 2026, 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 September 9, 2025, 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, 2027.

## **Supplementary Information**

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

**Consolidating Statement of Financial Position by Fund**

**June 30, 2025**

	<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	\$ 21,630,405	\$ 1,142,657	\$ 323,975	\$ -	\$ 23,097,037
Receivables, net	6,702,965	1,839,718	195,855	(2,846,705)	5,891,833
Due from Endowment fund - reserves	12,997,536	-	-	(12,997,536)	-
Investments	27,936	346,210,745	-	-	346,238,681
Cash surrender value of life insurance	-	7,300,016	-	-	7,300,016
Other assets	368,994	-	754,705	-	1,123,699
Land, building and equipment, net	456,714	-	16,459,896	-	16,916,610
Interest rate swaps	-	-	151,862	-	151,862
Donated assets	-	5,632,761	-	-	5,632,761
<b>Total assets</b>	<b>\$ 42,184,550</b>	<b>362,125,897</b>	<b>\$ 17,886,293</b>	<b>\$ (15,844,241)</b>	<b>\$ 406,352,499</b>
	<u>Liabilities and Net Assets</u>				
<b>Liabilities</b>					
Allocations to beneficiary organizations	\$ 13,613,145	\$ -	\$ -	\$ -	\$ 13,613,145
Accounts payable and accrued expenses	2,779,598	3,215,631	253,330	(2,846,705)	3,401,854
Due to agencies and supporting organizations	-	43,861,679	-	-	43,861,679
Due to Federation - reserves	-	12,997,536	-	(12,997,536)	-
Long-term debt, net	1,709,001	-	9,321,325	-	11,030,326
Split-interest agreements	-	1,976,954	-	-	1,976,954
<b>Total liabilities</b>	<b>18,101,744</b>	<b>62,051,800</b>	<b>9,574,655</b>	<b>(15,844,241)</b>	<b>73,883,958</b>
<b>Net assets</b>					
Without donor restrictions - controlling interest	16,972,307	133,568,464	4,839,363	-	155,380,134
Without donor restrictions - noncontrolling interest	-	-	3,472,275	-	3,472,275
With donor restrictions	7,110,499	166,505,633	-	-	173,616,132
<b>Total net assets</b>	<b>24,082,806</b>	<b>300,074,097</b>	<b>8,311,638</b>	<b>-</b>	<b>332,468,541</b>
<b>Total liabilities and net assets</b>	<b>\$ 42,184,550</b>	<b>\$ 362,125,897</b>	<b>\$ 17,886,293</b>	<b>\$ (15,844,241)</b>	<b>\$ 406,352,499</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, 2025**

	Federation	Jewish Community Foundation	JFGW Building LLC	Eliminations	Total
Support and revenue					
Contributions - Jewish Community Foundation	\$ -	\$ 50,093,120	\$ -	\$ -	\$ 50,093,120
Contributions - Federation	22,991,625	-	-	(6,025,154)	16,966,471
Grants and contributions from Jewish Community Foundation	1,234,806	-	-	(1,234,806)	-
Contributed non-financial assets	932,771	-	-	-	932,771
Other programmatic income	3,398,680	-	-	(1,859,002)	1,539,678
Change in value of split-interest agreements and annuity payments	-	288,649	-	-	288,649
Investment income, net	834,148	29,631,786	-	-	30,465,934
<b>Total support and revenue</b>	<b>29,392,030</b>	<b>80,013,555</b>	<b>-</b>	<b>(9,118,962)</b>	<b>100,286,623</b>
Commercial building operations					
Revenues	-	-	1,754,133	(458,333)	1,295,800
Expenses	-	-	(2,072,442)	-	(2,072,442)
Net unrealized loss on interest rate swap	-	-	(197,095)	-	(197,095)
<b>Net loss on commercial building operations</b>	<b>-</b>	<b>-</b>	<b>(515,404)</b>	<b>(458,333)</b>	<b>(973,737)</b>
<b>Total support, revenue and commercial building operations</b>	<b>29,392,030</b>	<b>80,013,555</b>	<b>(515,404)</b>	<b>(9,577,295)</b>	<b>99,312,886</b>
Expenses					
Program services					
Allocations to beneficiary organizations	19,394,506	25,950,691	-	(9,118,962)	36,226,235
Community planning and outreach program	9,708,982	-	-	(250,175)	9,458,807
<b>Total program services</b>	<b>29,103,488</b>	<b>25,950,691</b>	<b>-</b>	<b>(9,369,137)</b>	<b>45,685,042</b>
Supporting services					
Management and general	3,028,481	-	-	(97,511)	2,930,970
Fundraising	2,922,525	-	-	(110,647)	2,811,878
<b>Total supporting services</b>	<b>5,951,006</b>	<b>-</b>	<b>-</b>	<b>(208,158)</b>	<b>5,742,848</b>
<b>Total operating expenses</b>	<b>35,054,494</b>	<b>25,950,691</b>	<b>-</b>	<b>(9,577,295)</b>	<b>51,427,890</b>
<b>Total support, revenue and commercial building operations before other revenue</b>	<b>(5,662,464)</b>	<b>54,062,864</b>	<b>(515,404)</b>	<b>-</b>	<b>47,884,996</b>
Other revenue	-	-	-	-	-
<b>Change in net assets</b>	<b>(5,662,464)</b>	<b>54,062,864</b>	<b>(515,404)</b>	<b>-</b>	<b>47,884,996</b>
Transfer to/from Federation/Foundation	(345,764)	(1,227,492)	1,573,256	-	-
NCI capital contribution	-	-	74,850	-	74,850
Federation capital contribution	(75,150)	-	75,150	-	-
Sale of membership interest in subsidiary	1,663,333	-	-	-	1,663,333
<b>Net assets, beginning 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>
<b>Net assets, end of year</b>	<b>\$ 24,082,806</b>	<b>\$ 300,074,097</b>	<b>\$ 8,311,638</b>	<b>\$ -</b>	<b>\$ 332,468,541</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	-	-
Net assets, beginning of year	17,764,828	228,385,830	5,880,173	-	252,030,831
<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.



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