

**Jewish Federation of  
Greater Atlanta, Inc.**

**Consolidated Financial Statements**  
June 30, 2024 and 2023

# **Jewish Federation of Greater Atlanta, Inc.**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the  
Jewish Federation of Greater Atlanta, Inc.

### **Opinion**

We have audited the accompanying consolidated financial statements of the Jewish Federation of Greater Atlanta, Inc. (the Federation), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Jewish Federation of Greater Atlanta, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Federation and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 within one year after the date that the consolidated financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the 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 generally accepted auditing standards 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 generally accepted auditing standards, 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.

*Windham Brannon, LLC*

December 3, 2024

# Jewish Federation of Greater Atlanta, Inc.

## Consolidated Statements of Financial Position June 30, 2024 and 2023 (Dollars in Thousands)

	<u>2024</u>	<u>2023</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 170,110	\$ 238,870
Pledges receivable, net of allowance for uncollectible accounts	13,986	13,296
Investments	219,931	192,625
Prepaid expenses and other assets	2,830	970
Land, building, and equipment, net of accumulated depreciation	<u>15,621</u>	<u>16,070</u>
Total assets	<u>\$ 422,478</u>	<u>\$ 461,831</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Allocations payable:		
Domestic	\$ 5,548	\$ 15,029
Overseas	2,814	2,745
Donor designated	204	410
Total allocations payable	<u>8,566</u>	<u>18,184</u>
Accounts payable and accrued expenses	2,037	1,972
Obligations to other organizations for assets held in trust	56,845	49,894
Trust obligations	<u>1,225</u>	<u>1,469</u>
Total liabilities	<u>68,673</u>	<u>71,519</u>
Net assets:		
Without donor restrictions	315,835	356,694
With donor restrictions	<u>37,970</u>	<u>33,618</u>
Total net assets	<u>353,805</u>	<u>390,312</u>
Total liabilities and net assets	<u>\$ 422,478</u>	<u>\$ 461,831</u>

# Jewish Federation of Greater Atlanta, Inc.

## Consolidated Statements of Activities For the Year Ended June 30, 2024 (Dollars in Thousands)

	Year Ended June 30, 2024			2023 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenues and other support:				
Pledges to campaigns	\$ 1,873	\$ 16,913	\$ 18,786	\$ 10,170
Less provision for uncollectible pledges	(753)	-	(753)	(481)
Net pledges and grants to campaigns	1,120	16,913	18,033	9,689
Contributions of financial assets	45,351	321	45,672	34,482
Contributions of non-financial assets	1,716	-	1,716	919
Net assets released from restrictions	22,071	(22,071)	-	-
Total donor support	70,258	(4,837)	65,421	45,090
Investment income	27,150	3,041	30,191	16,759
Grants, program fees and other income	3,746	6,148	9,894	11,771
Total other support	30,896	9,189	40,085	28,530
Total revenues and other support	101,154	4,352	105,506	73,620
Allocations and expenses:				
Allocations:				
Domestic	43,484	-	43,484	37,810
Overseas	21,883	-	21,883	10,716
Programs	7,757	-	7,757	6,841
Support service expense:				
Administration of allocations & programs	392	-	392	336
Fundraising	3,260	-	3,260	2,955
Management and general	3,123	-	3,123	3,053
Total support services	6,775	-	6,775	6,344
Endowment expenses	1,659	-	1,659	1,770
Total allocations and expenses	81,558	-	81,558	63,481
Increase in net assets from operations	19,596	4,352	23,948	10,139
Other decreases in net assets:				
Pension-related expense other than net periodic pension cost	(455)	-	(455)	(126)
Transfer of funds to entity not under Federation control	(60,000)	-	(60,000)	-
Total other non-operating items	(60,455)	-	(60,455)	-
Net (decrease) increase in net assets	(40,859)	4,352	(36,507)	10,013
Net assets at beginning of year	356,694	33,618	390,312	380,299
Net assets at end of year	\$ 315,835	\$ 37,970	\$ 353,805	\$ 390,312

# Jewish Federation of Greater Atlanta, Inc.

## Consolidated Statement of Activities For the Year Ended June 30, 2023 (Dollars in Thousands)

	Year Ended June 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Pledges to campaigns	\$ 5,315	\$ 4,855	10,170
Endowment funds grants to campaigns	279	(279)	-
Less provision for uncollectible pledges	(481)	-	(481)
Net pledges and grants to campaigns	5,113	4,576	9,689
Contributions of financial assets	30,981	3,501	34,482
Contributions of non-financial assets	919	-	919
Net assets released from restrictions	10,025	(10,025)	-
Total donor support	47,038	(1,948)	45,090
Investment income	16,412	347	16,759
Grants, program fees, and other income	3,318	8,453	11,771
Total other support	19,730	8,800	28,530
Total revenues and other support	66,768	6,852	73,620
Allocations and expenses:			
Allocations:			
Domestic	37,810	-	37,810
Overseas	10,716	-	10,716
Programs	6,841	-	6,841
Support service expense:			
Administration of allocations and programs	336	-	336
Fundraising	2,955	-	2,955
Management and general	3,053	-	3,053
Total support services	6,344	-	6,344
Endowment expenses	1,770	-	1,770
Total allocations and expenses	63,481	-	63,481
Increase in net assets from operations	3,287	6,852	10,139
Other decreases in net assets:			
Pension-related expense other than net periodic pension cost	(126)	-	(126)
Total other non-operating items	(126)	-	(126)
Net increase in net assets	3,161	6,852	10,013
Net assets at beginning of year	353,533	26,766	380,299
Net assets at end of year	\$ 356,694	\$ 33,618	\$ 390,312

**Jewish Federation of Greater Atlanta, Inc.**  
**Consolidated Statement of Functional Expenses**  
**For the Year Ended June 30, 2024**  
**(Dollars in Thousands)**

		<u>Allocations</u>	<u>Programs</u>	<u>Allocations and Program Administration</u>	<u>Fund Raising</u>	<u>Management and General</u>	<u>Endowment Expenses</u>	<u>Total Expenses</u>
Allocations								
	Domestic	\$ 43,484	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,484
	Overseas	21,883	-	-	-	-	-	21,883
Total Allocations		<u>65,367</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,367</u>
Expenses								
Personnel:								
	Salaries and benefits	-	2,810	380	2,026	2,094	84	7,394
	Contracted services	-	854	-	230	562	87	1,733
Total personnel		<u>-</u>	<u>3,664</u>	<u>380</u>	<u>2,256</u>	<u>2,656</u>	<u>171</u>	<u>9,127</u>
Travel, conferences and missions		-	123	6	140	29	-	298
General office		-	47	-	25	31	-	103
Occupancy		-	511	-	240	7	415	1,173
Other operating expenses		-	51	-	36	121	371	579
Programs & events		-	3,242	6	496	195	490	4,429
Depreciation		-	119	-	67	84	212	482
<b>Total allocations and expenses</b>		<u><u>\$ 65,367</u></u>	<u><u>\$ 7,757</u></u>	<u><u>\$ 392</u></u>	<u><u>\$ 3,260</u></u>	<u><u>\$ 3,123</u></u>	<u><u>\$ 1,659</u></u>	<u><u>\$ 81,558</u></u>

See accompanying notes to the consolidated financial statements.



# Jewish Federation of Greater Atlanta, Inc.

## Consolidated Statement of Functional Expenses For the Year Ended June 30, 2023 (Dollars in Thousands)

		<u>Allocations</u>	<u>Programs</u>	<u>Allocations and Programs Administration</u>	<u>Fund Raising</u>	<u>Management and General</u>	<u>Endowment Expenses</u>	<u>Total Expenses</u>
Allocations								
	Domestic	\$ 37,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,810
	Overseas	10,716	-	-	-	-	-	10,716
Total Allocations		<u>48,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,526</u>
Expenses								
	Personnel:							
	Salaries and benefits	-	2,397	324	1,728	1,786	72	6,307
	Contracted services	-	1,174	-	317	773	120	2,384
	Total personnel	<u>-</u>	<u>3,571</u>	<u>324</u>	<u>2,045</u>	<u>2,559</u>	<u>192</u>	<u>8,691</u>
	Travel, conferences, and missions	-	148	8	168	35	-	359
	General office	-	39	-	21	26	-	86
	Occupancy	-	487	-	229	6	395	1,117
	Other operating expenses	-	82	-	57	197	604	940
	Programs and events	-	2,392	4	366	144	362	3,268
	Depreciation	-	122	-	69	86	217	494
Total allocations and expenses		<u>\$ 48,526</u>	<u>\$ 6,841</u>	<u>\$ 336</u>	<u>\$ 2,955</u>	<u>\$ 3,053</u>	<u>\$ 1,770</u>	<u>\$ 63,481</u>

See accompanying notes to the consolidated financial statements.

# Jewish Federation of Greater Atlanta, Inc.

## Consolidated Statements of Cash Flows For the Years Ended June 30, 2024 and 2023 (Dollars in Thousands)

	2024	2023
Cash flows from operating activities:		
(Decrease) increase in net assets	\$ (36,507)	\$ 10,013
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Non-cash contributions	(1,716)	(919)
Transfer of assets to entity not under Federation control	60,000	-
Depreciation	482	494
Provision for uncollectible pledges	(753)	(481)
Gain on investments	(16,732)	(5,198)
(Increase)/decrease in assets:		
Pledges receivable	63	(1,119)
Prepaid expenses and other assets	(1,860)	423
Increase/(decrease) in liabilities:		
Allocations payable	(9,618)	384
Accounts payable and accrued expenses	65	(590)
Trust obligations	(244)	20
Net cash provided by (used in) operating activities	(6,820)	3,027
Cash flows from investing activities:		
Purchase of property and equipment	(34)	(99)
Proceeds from sale and maturities of investments	156,144	104,146
Purchase of investments	(158,050)	(106,806)
Transfer of assets to entity not under Federation control	(60,000)	-
Net cash used in investing activities	(61,940)	(2,759)
Net change in cash and cash equivalents	(68,760)	268
Cash and cash equivalents at beginning of year	238,870	238,602
Cash and cash equivalents at end of year	\$ 170,110	\$ 238,870

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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### 1. Summary of Significant Accounting Policies

#### Nature of Business

The Jewish Federation of Greater Atlanta, Inc. (Federation) is a not-for-profit organization which operates exclusively for charitable and educational purposes. Such purposes include meeting the needs of the Atlanta Jewish community and Jewish communities abroad. Federation conducts various campaigns to raise funds and maintains investments held for the benefit of the community. Federation is an organization described in Internal Revenue Code (IRC) Section 501(c)(3) and, as such, is exempt from income taxation under IRC Section 501(a).

Federation meets the needs of the Atlanta community by working in partnership with and providing funding to many Atlanta Jewish organizations that deliver specific services. Those organizations that are formally associated with Federation by virtue of working agreements are referred to in these statements and notes as Affiliated Agencies.

#### Basis of Presentation

The consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America which establishes standards for general-purpose external financial statements issued by not-for-profit organizations. The accounting principles require that net assets and related revenue, expenses, gains and losses be classified into two classes of net assets – without donor restrictions and with donor restrictions, based upon the existence or absence of donor-imposed restrictions. A definition and description of each net asset class follows:

*Net Assets Without Donor Restrictions*—Net assets not subject to donor-imposed stipulations. Certain net assets without donor restrictions are not subject to donor-imposed stipulations but are subject to purpose and time restrictions by virtue of being subject to board approval, making them board designated net assets without donor restrictions.

*Net Assets With Donor Restrictions*—Net assets subject to donor-imposed stipulations that may or will be met by actions of Federation and/or the passage of time or that require the donated assets be maintained permanently by Federation. Generally, the donors of permanent net assets permit Federation to use all or part of the income earned on related investments for specific purposes.

#### Principles of Consolidation

The accompanying consolidated financial statements consolidate the accounts of (i) Federation (including all of its donor advised funds), (ii) various supporting foundations and (iii) ALEF Fund Inc. (ALEF). Federation, the supporting foundations, and ALEF are each separate 501(c)(3) organizations. All intercompany transactions and account balances have been eliminated.

# **Jewish Federation of Greater Atlanta, Inc.**

## **Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**(Dollars in Thousands)**

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ALEF provided students with scholarships to attend private pre-K to grade 12 schools in Georgia (referred to as a SSO). ALEF ceased operations and was dissolved during the year ended June 30, 2024. ALEF had total assets (all in cash) and total liabilities (substantially for obligations to other organizations for assets held in trust) aggregating \$10,253 and \$9,719, respectively, at June 30, 2023. Virtually all of such assets and liabilities were transferred to two unaffiliated SSO's with similar missions during July through September of 2023.

### **Cash and Cash Equivalents**

Cash and cash equivalents consist of demand accounts at several banks and broker/dealers which at times may exceed the federally insured limits. Cash equivalents are maintained at high-quality financial institutions and broker/dealers and credit exposure to any one institution is limited. Uninsured cash balances as of June 30, 2024 and 2023 aggregated \$169,290 and \$237,095, respectively.

### **Investments**

Equity securities and funds traded on an exchange are reported at fair value based upon the last reported sales price. Corporate bonds and U.S. agency and government backed obligations are generally fair valued based on yields currently available on comparable securities of issuers with similar credit ratings. Purchases and sales of securities are recorded on a trade-date basis. Interest, dividends (which are recorded on the ex-dividend date), as well as realized and unrealized gains and losses are included in the Consolidated Statements of Activities within investment income.

Interests in certain limited partnerships and limited liability companies that are not involved in real estate activities are initially recorded at fair value based principally on third party appraisals. Declines in the value of such interests and subsequent recoveries are recognized subject to the limitation that the carrying amount of such interests cannot exceed their initial value.

Interests in limited partnerships, limited liability companies, and corporations that are involved in real estate activities are initially recorded at fair value based typically on third party appraisals and are then accounted for on the equity method.

Investments also include life insurance policies gifted to Federation. Federation records these policies at their cash surrender value. The change in cash surrender value is included in investment income in the Consolidated Statements of Activities.

### **Trust Assets and Obligations**

Federation is trustee of certain assets under split interest agreements which provide for payments to the donors or their beneficiaries of income earned on related investments or specified annuity amounts. Trust obligations represent such liability to donors or their beneficiaries computed at present value. Contribution revenue related to these split interest agreements is recognized at the

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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date of the agreement after providing for the estimated present value of future payments. At June 30, 2024 and 2023, the fair market value of investments held by such trusts and included in Investments was \$1,983 and \$2,329, respectively.

### Land, Building, and Equipment

Land, building, and equipment represents property used in Federation's operations and are stated at cost at date of acquisition or fair value at date of donation in the case of gifts.

Depreciation of building and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. A summary of depreciable lives follows:

Building and land improvements	10 to 40 years
Furniture and equipment	5 to 20 years
Computer equipment and software	3 to 7 years

Federation reviews property for the existence of any indicators of impairment. If indicators of impairment are present, Federation calculates the expected undiscounted future cash flows to be derived from such assets. If the expected undiscounted future cash flows are less than the carrying amount of the asset, the asset is reduced to its then estimated fair value. There was no impairment related to land, building, and equipment during the years ended June 30, 2024 and 2023.

### Revenues

Federation conducts an annual campaign and also solicits donations through other campaigns. Contributions are recognized when a donor makes a pledge to give to Federation that is, in substance, unconditional. Conditional promises to give are not included as support until such time as the conditions are substantially met. Provision is made for estimated losses on unpaid pledges. The provision for uncollectible pledges is based, among other things, on Federation's past collection experience and the impact of changes in current economic conditions.

Donations are made under numerous types of arrangements which may specify who receives the funds upon passage of time or other donor-imposed restrictions. Contributions received by Federation for its general purposes are classified as unrestricted. Federation reports gifts as restricted support if they are received with donor stipulations that limit the use of the donated assets or if they are designated as support for future periods.

When (i) a donor restriction expires or purpose restriction is accomplished, or (ii) a board designation is approved, designated or restricted net assets are reclassified to unrestricted net assets and reported in the Consolidated Statement of Activities as Net Assets Released from Restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

# **Jewish Federation of Greater Atlanta, Inc.**

## **Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**(Dollars in Thousands)**

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Contributions of non-cash assets are recorded at the estimated fair value of the donated assets at the time of their receipt.

Revenues from grants are recognized as conditions stated in the grant agreements are met and are included in contributions on the Consolidated Statements of Activities. A contribution is conditional if the agreement includes (i) a barrier that must be overcome and (ii) either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. After the condition in a contribution has been met, the Federation then determines whether the contribution is restricted. The Federation considers all grants awarded during the grant years ended June 30, 2024 and 2023 to be contributions and not exchange transactions.

### **Allocations**

In the course of fulfilling its mission and purpose, each year Federation's Board of Trustees and the boards of the supporting foundations authorize the distribution of certain program funds to other not-for-profit organizations. These distributions are recorded as allocations in Federation's financial statements when they are approved.

### **Income Taxes**

Federation qualifies for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code (the "Code") as a charitable organization whereby only unrelated business income, if any, as defined by Section 512(a)(1) of the Code, is subject to Federal income tax. Management believes Federation met the requirements to maintain its tax-exempt status; therefore, no provision for income taxes on exempt purposes has been provided in these financial statements.

As of and for the years ended June 30, 2024 and 2023, Federation did not identify any uncertain tax positions that require adjustment to or disclosure in the accompanying financial statements. Federation's income tax returns for the prior three years are subject to examination by tax authorities and may change upon examination.

### **Concentrations of Credit and Market Risk**

Financial instruments which potentially subject Federation to concentrations of credit and market risk consist primarily of cash, cash equivalents, and investments. Credit risk is the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Market risk is the possibility that fluctuations in the investment market will impact the value of the portfolio.

Management considers credit risk associated with pledges receivable to be low due to the diversity of the donors and the recurring nature of many donations. Investments are subject to both credit and market risks. Federation utilizes an investment policy and management oversight, which periodically reviews its investment portfolios, to monitor these risks.

# **Jewish Federation of Greater Atlanta, Inc.**

## **Notes to Consolidated Financial Statements**

**June 30, 2024 and 2023**

**(Dollars in Thousands)**

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### **Fair Value of Financial Instruments Other Than Investments**

The carrying values of cash and cash equivalents; prepaid expenses and other assets; pledges receivable; accounts payable and accrued expenses; and allocations payable; are reflected in the consolidated financial statements at historical cost, which management estimates to approximate fair values because of the terms and relative short-term maturity of such items. Trust obligations and obligations to other organizations are reflected in the consolidated financial statements at fair value.

### **Use of Estimates and Allocated Expenses**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions which affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

The consolidated financial statements report certain categories of expenses that are attributable to one or more programs or supporting services of the Federation and have been summarized on a functional basis in the Consolidated Statements of Functional Expenses. Accordingly, certain costs such as salaries, contracted services, and programs and events have been allocated among the programs and supporting services based typically on headcount, space, or usage.

### **Reclassifications**

Certain amounts in the 2023 consolidated financial statements have been reclassified to conform to the 2024 presentation. The effects of the reclassifications did not impact net assets as of June 30, 2023.

### **Subsequent Events**

Management evaluates events occurring subsequent to the date of the consolidated financial statements in determining the accounting for and disclosure of transactions and events that affect the consolidated financial statements. Subsequent events have been evaluated through December 3, 2024, which is the date the consolidated financial statements were available to be issued.

## **2. Risks and Uncertainties**

While the Federation believes it has the resources to continue its programs, its ability to do so and the extent to which they each continue are heavily dependent on public support. The strength of public support is largely dependent on current and future overall economic conditions.

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

**June 30, 2024 and 2023**

**(Dollars in Thousands)**

### 3. Liquidity and Availability of Financial Assets

The Federation's financial assets at June 30, 2024 and 2023 (reduced by amounts not available for general use because of contractual, donor-imposed, or internal restrictions) available within one year after these statement of financial position dates to satisfy liabilities at these dates and for future general expenditure are as follows:

	2024 Consolidated Amounts	Not Available Due To			Net Available
		Board Designations	Donor Imposed Restrictions	Obligations to Others	
Cash and cash equivalents	\$ 170,110	\$ 155,711	\$ 9,619	\$ -	\$ 4,780
Pledges receivable, net	13,986	9,264	4,722	-	-
Investments	<u>219,931</u>	<u>131,682</u>	<u>23,629</u>	<u>56,845</u>	<u>7,775</u>
Total	<u>\$ 404,027</u>	<u>\$ 296,657</u>	<u>\$ 37,970</u>	<u>\$ 56,845</u>	<u>\$ 12,555</u>

	2023 Consolidated Amounts	Not Available Due To			Net Available
		Board Designations	Donor Imposed Restrictions	Obligations to Others	
Cash and cash equivalents	\$ 238,870	\$ 212,222	\$ 10,869	\$ 9,697	\$ 6,082
Pledges receivable, net	13,296	8,441	4,855	-	-
Investments	<u>192,625</u>	<u>118,020</u>	<u>17,894</u>	<u>49,894</u>	<u>6,817</u>
Total	<u>\$ 444,791</u>	<u>\$ 338,683</u>	<u>\$ 33,618</u>	<u>\$ 59,591</u>	<u>\$ 12,899</u>

Federation structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due; such liabilities aggregated \$2,037 and \$1,972 at June 30, 2024 and 2023, respectively. As part of its liquidity management, Federation invests cash in excess of daily requirements in various short-term investments, including short-term treasury instruments. Furthermore, as described in Note 9, Federation maintains a committed line of credit in the amount of \$5 million which it could draw upon in the event of an unanticipated liquidity event.



# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

### 4. Pledges Receivable

Pledges receivable as of June 30, 2024 and 2023 are as follows:

	2024		2023	
	Pledges receivable	Allowance for uncollectible accounts	Pledges receivable	Allowance for uncollectible accounts
General campaign:				
Campaign year:				
2024	\$ 9,791	\$ 527	\$ -	\$ -
2023	549	549	8,779	441
2022	6	6	580	580
2021	-	-	162	162
2020	-	-	222	222
2019	-	-	107	107
2018	-	-	163	163
	10,346	1,082	10,013	1,675
Targeted Priorities	4,861	37	5,131	68
Unapplied receipts	(102)	-	(105)	-
	15,105	\$ 1,119	15,039	\$ 1,743
Less allowance for uncollectible accounts	(1,119)		(1,743)	
Total pledges receivable:	\$ 13,986		\$ 13,296	

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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### 5. Conditional Grants

As of June 30, 2024 and 2023, the Federation had a total of \$2,515 and \$2,198, respectively, in conditional grants which will be recorded as revenue in the Consolidated Statements of Activities when the conditions of the grants have been substantially met. The purpose of these conditional grants are as follows as of June 30, 2024 and 2023:

<u>Grant Purpose</u>	<u>2024</u>	<u>2023</u>
Annual Campaign	\$ -	\$ 350
Holocaust	75	315
Jewish Education Project	159	-
Jumpspark	1,080	803
Camp	225	-
PJ Library	236	-
SNC - Live Secure	625	500
Other	115	230
	<u>\$ 2,515</u>	<u>\$ 2,198</u>

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# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

### 6. Investments

The investments of Federation are managed by professional advisors (currently NEPC, LLC) under the general direction of two senior volunteer committees of the Board of Trustees, the Finance and Investment Committee, and the Investment Subcommittee.

Investments at June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
<i>Investments Carried at Fair Value</i>		
<i>Level 1</i>		
Marketable equity securities	\$ 45,744	\$ 47,493
Mutual and exchange traded funds	121,202	108,653
US Treasury, agency and government backed obligations	-	670
<i>Total Level 1</i>	<u>166,946</u>	<u>156,816</u>
<i>Level 2</i>		
Corporate bonds	2,676	9,312
Hedge Funds	34,430	11,890
Israel bonds	5,892	4,492
<i>Total Level 2</i>	<u>42,998</u>	<u>25,694</u>
<i>Investments Maintained at Other Than Fair Value</i>		
Limited liability companies (LLCs)	3,615	3,767
Entities engaged in real estate	156	861
Life insurance	5,212	4,662
Other interests	1,004	825
<i>Total Investments Maintained at Other Than Fair Value</i>	<u>9,987</u>	<u>10,115</u>
<b>Total Investments</b>	<u>\$ 219,931</u>	<u>\$ 192,625</u>

Investments carried at fair value are classified in one of three categories based on measurement inputs:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Valuations based on other than quoted market prices in inactive markets, dealer or broker markets. Fair values are primarily obtained from third party pricing services for identical investments as of the reporting date.

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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Level 3 – Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstance and may require significant management judgment or estimation.

LLCs represent unit interests of limited liability companies that generally hold an ownership interest in an operating company. Federation’s units are generally entitled to various preferences from the sale or change of control (as defined) of the operating company. There were no impairments of these interests during the years ended June 30, 2024 and 2023.

Investments include certain donations that are restricted by either purpose or time. See Note 10 for information on these asset restrictions.

Investments include funds that are being invested on behalf of Affiliated Agencies with a corresponding liability titled Obligations to Other Organizations for Assets Held in Trust. Changes in the fair value of these investments are reflected as a change in the corresponding liability on the Statements of Financial Position. As of June 30, 2024 and 2023, these investments and liabilities totaled \$56,845 and \$49,894, respectively.

Interest and dividends included in investment income was approximately \$11,149 and \$10,478 for the years ended June 30, 2024 and 2023, respectively.

### 7. Land, Building, and Equipment

Land, building, and equipment at June 30, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Building and improvements	\$ 15,348	\$ 15,315
Land	6,875	6,875
Furniture and equipment	<u>1,022</u>	<u>1,022</u>
Total cost	23,245	23,212
Less accumulated depreciation	<u>(7,624)</u>	<u>(7,142)</u>
	<u>\$ 15,621</u>	<u>\$ 16,070</u>

Depreciation expense for the years ended June 30, 2024 and 2023 was \$482 and \$494, respectively.

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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Land and buildings include properties leased to third parties under non-cancellable operating leases that expire through 2036. Rental income from those facilities aggregated \$1,788 and \$1,998 for the years ended June 30, 2024 and 2023, respectively. Future minimum rents to be received under such leases are as follows:

Year Ending June 30,	Amount
2025	\$ 1,277
2026	1,102
2027	867
2028	687
2029	382
Thereafter through 2036	1,143
Total	\$ 5,458

### 8. Employee Benefit Plans

#### Defined Contribution Plan

Federation maintains a defined contribution plan (a 403(b) plan) which covers substantially all of its employees. Employees may elect to contribute a portion of their compensation to this plan; Federation currently matches a portion of such employee contributions. Federation's expense for its matching contributions was \$123 and \$112 for the years ended June 30, 2024 and 2023, respectively.

#### Frozen Defined Benefit Plan

Federation had a noncontributory defined benefit plan (the DB Plan) that (prior to July 1, 2013) covered substantially all employees. Benefits were based generally on years of service and final average salary. Federation's policy was to contribute amounts based on periodic actuarial valuations and recommendations, but never less than the minimum required contribution. Federation used a June 30th measurement date for the DB Plan.

The DB Plan was frozen as of July 1, 2013; as a result of this Plan curtailment, then existing DB Plan participants no longer accrued benefits for future service and new Federation employees hired on or after that date were no longer eligible to participate in the DB Plan.

In January 2023 Federation commenced activities to terminate the DB Plan; this termination was completed in November 2024.

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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Financial and actuarial information regarding the DB Plan is as follows:

	Year Ended June 30,	
	2024	2023
Changes in projected benefit obligation:		
Beginning of the year	\$ 3,441	\$ 3,245
Service cost	7	8
Interest cost	163	130
Assumption changes	-	264
Actuarial loss	311	-
Expense charges	(7)	(8)
Benefits disbursed	(215)	(198)
End of the year	<u>\$ 3,700</u>	<u>\$ 3,441</u>

	Year Ended June 30,	
	2024	2023
Plan Status at end of year:		
Plan assets at fair value	\$ 3,508	\$ 3,659
Projected benefit obligation	<u>3,700</u>	<u>3,441</u>
Overfunded (underfunded) status	<u>\$ (192)</u>	<u>\$ 218</u>
Accumulated benefit obligation	<u>\$ 3,700</u>	<u>\$ 3,441</u>

The accumulated and projected benefit obligations at June 30, 2024 presented above have been calculated based on the cash payments made by the DB Plan from July 1, 2024 to October 8, 2024 to settle the DB Plan's obligations as follows:

Purchase of individual annuities	\$ 2,377
Lump-sum distributions	1,316
Remittance to the Pension Benefit Guaranty Corporation	7
Total distributions to terminate DB Plan	<u>\$ 3,700</u>

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

**June 30, 2024 and 2023**

**(Dollars in Thousands)**

At June 30, 2024, Federation recognized a liability for the above-noted underfunded status of its DB Plan which is included in accounts payable and accrued expenses in the accompanying Consolidated Statements of Financial Position. At June 30, 2023, Federation recognized an asset for the above-noted overfunded status of its DB Plan which is included in Prepaid expenses and other assets in the accompanying Consolidated Statements of Financial Position.

	<b>Year Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
Components of net periodic pension cost :		
Service cost	\$ 7	\$ 8
Interest cost	163	130
Return on plan assets	(266)	(245)
Amortization of actuarial losses	51	38
Net periodic pension credit	\$ 45	\$ 69
Items not yet recognized as a component of net periodic pension cost:	\$ 1,387	\$ 932

A roll forward of accrued pension cost is as follows:

	<b>Year Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
Accrued pension (liability)/asset at beginning of year	\$ 218	\$ 275
Net periodic pension credit	45	69
Additional pension adjustment for change in plan's funded status	(455)	(126)
Accrued pension asset (liability) at end of the year	\$ (192)	\$ 218

	<b>June 30,</b>	
	<b>2024</b>	<b>2023</b>
Assumptions used to determine benefit obligations at year end		
Discount rate	N/A	4.87%
Rate of compensation increase	0%	0%
Assumptions used to determine net periodic cost for the year		
Discount rate	4.87%	4.35%
Expected long-term return on assets	7.50%	7.50%
Rate of compensation increase	0%	0%

Net periodic pension cost for the year ended June 30, 2024 includes the impact of the change from the actuarial and other assumptions used at June 30, 2023 to the actual costs of settlement used at June 30, 2024.

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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The DB Plan's asset allocations at June 30, 2024 and 2023 by asset category were as follows:

Asset Category	2024	2023
Equity Securities	0.4%	69.6%
Debt Securities	0.0%	30.0%
Other - General Account	99.6%	0.4%
Total	100.0%	100.0%

The DB Plan was a prototype plan of the Mutual of America Insurance Company (MOA) and under the agreement with MOA investments have been limited to mutual funds in MOA's Pooled Separate Account No. 1 and interest-bearing deposits with MOA. The use of mutual funds allowed the DB Plan to achieve investment diversification while minimizing transaction costs. Performance of the funds was monitored against appropriate market indexes on a quarterly basis. The allocation among asset categories was designed to provide adequate liquidity while obtaining the desired investment returns.

In conjunction with activities to terminate the DB Plan, the investment strategy was changed in July 2023 and virtually all the DB Plan's assets became invested solely in money market funds.

### 9. Credit Agreements

In October 2010, Federation entered a \$4 million unsecured line of credit. Advances carry interest at the Prime rate minus 1% per year. The line of credit expired on March 31, 2024, and was not renewed. In March 2024, Federation entered a \$5 million revolving line of credit. Advances carry interest at the Prime rate minus 1.05%. The line of credit expires on March 21, 2025. As of June 30, 2024 and 2023, Federation had not drawn any amount on either line of credit and, accordingly, no amounts were owed at June 30, 2024 and 2023.

### 10. Net Assets

Federation's net assets include the following types of endowment funds:

- Undesignated endowment funds are funds that have no specific donor restrictions or board designations.
- Donor Advised Funds are funds without donor restrictions that are contributed by the donor who may recommend grants to qualified organizations; the Federation board reviews all recommendations and makes the final grant decisions.
- Supporting Foundations (SF) are funds without donor restrictions which receive proposals for grants. Each SF board reviews the proposals and chooses qualifying organizations who will receive grants.



# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

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- Donor-restricted endowment funds are included in net assets with donor restrictions. Donor-restricted endowment funds are contributions from donors which Federation considers to be subject to the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as adopted by the State of Georgia. Federation classifies as net assets with donor restrictions (a) the original value of gifts donated, (b) the original value of subsequent gifts donated, and (c) accumulations to the donor-restricted endowment funds made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- a. The duration and preservation of the fund.
- b. The purposes of Federation and the donor-restricted endowment fund.
- c. General economic conditions.
- d. The possible effect of inflation and deflation.
- e. The expected total return from income and the appreciation of investments.
- f. Other resources of Federation.
- g. The investment policies of Federation.

Federation’s investment policy is designed to achieve an average return of 8% per year while minimizing risk. The typical donor-restricted endowment fund has a spending policy of 5% per year.

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# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements June 30, 2024 and 2023 (Dollars in Thousands)

A rollforward of endowment fund net assets for the years ended June 30, 2024 and 2023 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment balance, June 30, 2023	\$ 339,791	\$ 21,626	\$ 361,417
Investment income	26,691	2,961	29,652
Contributions	47,068	321	47,389
Grants	(54,814)	-	(54,814)
Transfer	(60,000)	-	(60,000)
Other	437	1,046	1,483
Endowment balance, June 30, 2024	299,173	25,954	325,127
All other funds	16,662	12,016	28,678
Total net assets	<u>\$ 315,835</u>	<u>\$ 37,970</u>	<u>\$ 353,805</u>
Endowment balance, June 30, 2022	\$ 336,453	\$ 18,713	\$ 355,166
Investment income	15,318	358	15,676
Contributions	23,988	3	23,991
Grants	(31,341)	-	(31,341)
Other	(4,627)	2,552	(2,075)
Endowment balance, June 30, 2023	339,791	21,626	361,417
All other funds	16,903	11,992	28,895
Total net assets	<u>\$ 356,694</u>	<u>\$ 33,618</u>	<u>\$ 390,312</u>

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

A detail of the net assets without donor restrictions by type of fund is as follows:

	<u>June 30,</u>	
	<u>2024</u>	<u>2023</u>
Endowment-Funds		
Donor Advised Funds (A)	\$ 241,155	\$ 283,324
Supporting Foundations (B)	50,451	43,770
Undesignated Endowment	7,567	12,697
Total Endowment without donor restrictions	<u>299,173</u>	<u>339,791</u>
All Other Funds		
Prior Campaign (C)	5,440	5,985
Property used in operations	5,049	5,235
General Fund	4,039	4,475
Community Capital Campaign	55	55
Accumulated pension loss	-	(932)
ALEF	-	1,066
Other balances	2,079	1,019
Total Other Funds	<u>16,662</u>	<u>16,903</u>
Total net assets without donor restrictions	<u>\$ 315,835</u>	<u>\$ 356,694</u>

(A) 516 and 528 individual funds at June 30, 2024 and 2023, respectively

(B) 6 and 7 foundations at June 30, 2024 and 2023, respectively

(C) Funds raised during campaign of each respective year and designated for Federation operations, programs, and services in the succeeding year

# Jewish Federation of Greater Atlanta, Inc.

## Notes to Consolidated Financial Statements

June 30, 2024 and 2023

(Dollars in Thousands)

No Donor Advised Fund or Supporting Foundation represented more than 10% of Federation's total net assets at June 30, 2024 and 2023, except for one Donor Advised Fund which had net assets of approximately \$140,000 and \$197,000 at June 30, 2024 and 2023, respectively. In August 2023, this donor advised fund transferred \$60,000 of assets to an entity not under Federation's control.

Net assets with donor restrictions are restricted for the following purposes at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Endowment Funds:		
Charitable remainder trusts (A)	\$ 682	\$ 781
Other restricted funds (B)	17,988	13,822
Permanently restricted	7,284	7,024
Restricted pledges and grants	<u>12,016</u>	<u>11,991</u>
	<u>\$ 37,970</u>	<u>\$ 33,618</u>

(A) 9 and 11 trust funds at June 30, 2024 and 2023, respectively

(B) 108 and 113 funds at June 30, 2024 and 2023, respectively

Net assets released from donor restrictions by incurring expenses, satisfying the restricted purposes, or by occurrence of other events specified by donors were \$22,071 and \$10,025 for the years ended June 30, 2024 and 2023, respectively.

### 11. Additional Detailed Information

A summary of expenses for Programs in the Consolidated Statements of Activities for the years ended June 30, 2024 and 2023 is as follows:

	<u>Year Ended June 30,</u>	
	<u>2024</u>	<u>2023</u>
Community engagement	\$ 2,684	\$ 2,357
Community services	621	545
Internal outreach programs	3,110	2,732
Jewish Federations of North America	588	545
Leadership development	<u>754</u>	<u>662</u>
Total Programs	<u>\$ 7,757</u>	<u>\$ 6,841</u>