

**Jewish Federation of Greater Hartford**

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

**June 30, 2021 and 2020**

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# **Jewish Federation of Greater Hartford**

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## Independent Auditor's Report

To the Board of Directors  
Jewish Federation of Greater Hartford

We have audited the accompanying financial statements of Jewish Federation of Greater Hartford (a nonprofit organization), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Jewish Federation of Greater Hartford as of June 30, 2021 and 2020, 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.

## Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion of the financial statements as a whole. The supplementary information on pages 25 and 26 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Hartford, Connecticut  
September 24, 2021

**Jewish Federation of Greater Hartford**

**Statements of Financial Position  
June 30, 2021 and 2020**

|  | <u>Assets</u>               |                            |
|--|-----------------------------|----------------------------|
|  | <u>2021</u>                 | <u>2020</u>                |
| Current assets   |                             |                            |
| Cash and cash equivalents  | \$ 3,913,238                | \$ 3,124,795               |
| Promises to give - annual campaign,<br>net of allowance of \$305,043 and \$314,250, respectively | 1,727,078                   | 1,772,389                  |
| Promises to give - special campaigns,<br>net of allowance of \$40,395 and \$8,500, respectively  | 812,846                     | 173,415                    |
| Investments (Note 4)   | 7,402                       | 5,704                      |
| Due from Jewish Community Foundation   | 164,204                     | 197,152                    |
| Other current assets   | 50,898                      | 111,722                    |
| Prepaid expenses and advance allocations   | 163,591                     | 94,074                     |
| Total current assets   | <u>6,839,257</u>            | <u>5,479,251</u>           |
| Property and equipment, at cost  |                             |                            |
| Building and improvements  | 7,232,618                   | 7,232,618                  |
| Equipment and furniture  | 768,357                     | 727,697                    |
|  | 8,000,975                   | 7,960,315                  |
| Less accumulated depreciation  | <u>(4,401,933)</u>          | <u>(4,146,887)</u>         |
| Total property and equipment, net  | <u>3,599,042</u>            | <u>3,813,428</u>           |
| Other assets   |                             |                            |
| Assets held in charitable remainder trust (Note 9)   | 29,755                      | 25,172                     |
| Deferred compensation trust (Note 5)   | 15,615                      | 8,242                      |
| Total other assets   | <u>45,370</u>               | <u>33,414</u>              |
| Total assets   | <u><u>\$ 10,483,669</u></u> | <u><u>\$ 9,326,093</u></u> |

**Jewish Federation of Greater Hartford**

**Statements of Financial Position  
June 30, 2021 and 2020**

Liabilities and Net Assets

|  | <u>2021</u>          | <u>2020</u>         |
|--|----------------------|---------------------|
| Current liabilities  |                      |                     |
| Allocations payable - local agencies                             | \$ 1,659,991         | \$ 1,562,403        |
| Allocations payable - The Jewish Federations<br>of North America | 861,487              | 745,601             |
| Accounts payable and accrued expenses                            | 283,396              | 275,828             |
| Refundable advance   | -                    | 392,212             |
| Other liabilities  | <u>38,950</u>        | <u>29,208</u>       |
| Total current liabilities  | <u>2,843,824</u>     | <u>3,005,252</u>    |
| Noncurrent liabilities   |                      |                     |
| Liability under charitable remainder trust (Note 9)              | 2,299                | 5,799               |
| Deferred compensation liability (Note 5)                         | <u>15,615</u>        | <u>8,242</u>        |
| Total noncurrent liabilities                                     | <u>17,914</u>        | <u>14,041</u>       |
| Total liabilities  | <u>2,861,738</u>     | <u>3,019,293</u>    |
| Net assets   |                      |                     |
| Without donor restrictions                                       |                      |                     |
| Undesignated   | 1,323,303            | 1,187,717           |
| Board-designated (Note 15)                                       | 998,657              | 601,739             |
| Building   | <u>3,536,876</u>     | <u>3,776,699</u>    |
| Total net assets without donor restrictions                      | 5,858,836            | 5,566,155           |
| With donor restrictions (Note 16)                                | <u>1,763,095</u>     | <u>740,645</u>      |
| Total net assets   | <u>7,621,931</u>     | <u>6,306,800</u>    |
| Total liabilities and net assets                                 | <u>\$ 10,483,669</u> | <u>\$ 9,326,093</u> |

See Notes to Financial Statements.

**Jewish Federation of Greater Hartford**

**Statements of Activities  
Years Ended June 30, 2021 and 2020**

|  | <u>2021</u>      | <u>2020</u>      |
|--|------------------|------------------|
| Changes in net assets without donor restrictions                         |                  |                  |
| Public support   |                  |                  |
| Annual campaign (Note 17)  | \$ 4,695,899     | \$ 4,179,031     |
| Bequests to Federation transferred to<br>Jewish Community Foundation     | 119,259          | 60,504           |
| Designated gifts   | 462,941          | 979,175          |
| PPP loan forgiveness income  | 321,918          | -                |
| Other support  | <u>22,098</u>    | <u>100,329</u>   |
| Total public support   | <u>5,622,115</u> | <u>5,319,039</u> |
| Revenue  |                  |                  |
| Investment income  | 3,779            | 21,669           |
| Change in value of charitable remainder trusts                           | <u>8,083</u>     | <u>(3,258)</u>   |
| Total revenue  | <u>11,862</u>    | <u>18,411</u>    |
| Total public support and revenue   | 5,633,977        | 5,337,450        |
| Net assets released from restrictions (Note 16)                          | <u>737,778</u>   | <u>385,208</u>   |
| Total support and revenue without donor restrictions                     | <u>6,371,755</u> | <u>5,722,658</u> |
| Allocations and expenses   |                  |                  |
| Local agencies - annual campaign   | 1,521,661        | 1,427,463        |
| Local agencies - designated gifts  | 904,250          | 1,133,514        |
| The Jewish Federations of North America - allocations<br>and annual dues | 589,120          | 556,800          |
| Local dues   | 2,750            | 1,388            |
| Bequests to Federation transferred to<br>Jewish Community Foundation     | <u>119,259</u>   | <u>60,504</u>    |
| Total allocations and expenses   | <u>3,137,040</u> | <u>3,179,669</u> |
| Functional expenses  |                  |                  |
| Campaign expenses  | 485,797          | 455,082          |
| Community services   | 2,085,281        | 1,913,952        |
| Administration and general   | <u>294,012</u>   | <u>285,066</u>   |
| Total functional expenses  | <u>2,865,090</u> | <u>2,654,100</u> |
| Total expenses   | <u>6,002,130</u> | <u>5,833,769</u> |
| Increase (decrease) in net assets without donor restrictions             | <u>369,625</u>   | <u>(111,111)</u> |

**Jewish Federation of Greater Hartford**

**Statements of Activities  
Years Ended June 30, 2021 and 2020**

|  | <u>2021</u>                | <u>2020</u>                |
|--|----------------------------|----------------------------|
| Other expenses   |                            |                            |
| Bad debt expense   | <u>(76,944)</u>            | <u>(100,985)</u>           |
| Increase (decrease) in net assets without donor restrictions | <u>292,681</u>             | <u>(212,096)</u>           |
| Changes in net assets with donor restrictions                |                            |                            |
| Annual campaign revenue raised for subsequent fiscal year    | 131,642                    | 211,784                    |
| Literacy program / JCRC                                      | 135,754                    | 66,305                     |
| PJ Library   | 5,000                      | 5,000                      |
| Sponsorship for future events                                | 55,687                     | 50,000                     |
| Scholarship programs   | 48,000                     | -                          |
| Marketing rebrand  | 50,000                     | -                          |
| Security initiative  | 877,263                    | -                          |
| Building reserves  | 35,000                     | -                          |
| Programs   | 192,547                    | 110,586                    |
| Dignity  | 114,667                    | 7,184                      |
| Jessie's Community Gardens                                   | 2,168                      | 3,860                      |
| Designated gifts   | 10,000                     | 4,500                      |
| Jewish Free Loan Fund of Greater Hartford                    | <u>102,500</u>             | <u>150,000</u>             |
| Total additions to net assets with donor restrictions        | 1,760,228                  | 609,219                    |
| Net assets released from restrictions (Note 16)              | <u>(737,778)</u>           | <u>(385,208)</u>           |
| Increase in net assets with donor restrictions               | <u>1,022,450</u>           | <u>224,011</u>             |
| Change in net assets   | 1,315,131                  | 11,915                     |
| Net assets, beginning  | <u>6,306,800</u>           | <u>6,294,885</u>           |
| Net assets, end  | <u><u>\$ 7,621,931</u></u> | <u><u>\$ 6,306,800</u></u> |

See Notes to Financial Statements.



# Jewish Federation of Greater Hartford

## Statement of Functional Expenses Year Ended June 30, 2021 (with Comparative Totals for 2020)

|                                   | Campaign expenses  |                                      | Community services           |                               |  |                        |                               |                     |                     |
|-----------------------------------|--------------------|--------------------------------------|------------------------------|-------------------------------|--|------------------------|-------------------------------|---------------------|---------------------|
|                                   | Annual<br>campaign | Financial<br>resource<br>development | Outreach<br>and<br>education | Planning<br>and<br>allocation | Communication,<br>marketing<br>and public<br>relations | Federation<br>services | Administration<br>and general | 2021<br>Total       | 2020<br>Total       |
| Wages                             | \$ 159,369         | \$ 17,708                            | \$ 177,077                   | \$ 72,198                     | \$ 186,361   | \$ 730,006             | \$ 175,033                    | \$ 1,517,752        | \$ 1,414,795        |
| Employee benefits                 | 37,868             | 4,208                                | 42,077                       | 16,555                        | 33,636   | 167,387                | 46,112                        | 347,843             | 344,313             |
| Direct campaign expenses (Note 7) | 95,614             | -                                    | 95,614                       | -                             | -  | -                      | -                             | 191,228             | 109,302             |
| Occupancy                         | 26,452             | 7,214                                | 21,642                       | 14,428                        | 8,417  | 67,186                 | 9,619                         | 154,958             | 110,367             |
| Publicity/marketing               | 7,592              | -                                    | 4,555                        | -                             | 16,702   | 1,518                  | -                             | 30,367              | 47,904              |
| Data processing                   | 18,119             | 3,484                                | 5,227                        | 2,439                         | 2,091  | 1,742                  | 1,742                         | 34,844              | 41,572              |
| Professional fees                 | -                  | -                                    | -                            | -                             | -  | -                      | 38,311                        | 38,311              | 34,543              |
| Credit card fees (Note 7)         | 8,628              | -                                    | 8,628                        | -                             | -  | -                      | -                             | 17,256              | 19,916              |
| Conferences and training          | 613                | 381                                  | 163                          | 68                            | 68   | 54                     | 14                            | 1,361               | 12,258              |
| Telephone                         | 6,596              | 101                                  | 1,218                        | 406                           | 609  | 812                    | 406                           | 10,148              | 10,234              |
| Office supplies                   | 2,403              | 120                                  | 721                          | 180                           | 601  | 1,682                  | 300                           | 6,007               | 11,604              |
| Annual meeting                    | 2,000              | -                                    | 500                          | -                             | 2,500  | -                      | -                             | 5,000               | 5,178               |
| Stationery and printing           | 2,642              | -                                    | 898                          | 158                           | 1,057  | 264                    | 264                           | 5,283               | 5,766               |
| Depreciation                      | 56,110             | 15,303                               | 45,908                       | 30,606                        | 17,853   | 68,862                 | 20,404                        | 255,046             | 249,948             |
| Postage                           | 2,632              | -                                    | 688                          | 121                           | 202  | 324                    | 81                            | 4,048               | 2,897               |
| Insurance                         | 4,586              | 1,251                                | 3,752                        | 2,502                         | 1,459  | 5,628                  | 1,668                         | 20,846              | 18,033              |
| Committee expenses                | 187                | 47                                   | 234                          | 327                           | 94   | 47                     | -                             | 936                 | 2,896               |
| Recruiting/relocation             | 1,295              | 432                                  | 647                          | 432                           | 820  | 647                    | 43                            | 4,316               | 8,129               |
| Awards and subscriptions          | 1,978              | -                                    | 495                          | -                             | 2,473  | -                      | -                             | 4,946               | 3,774               |
| Program expenses                  | -                  | -                                    | -                            | -                             | -  | 213,130                | -                             | 213,130             | 198,941             |
| Miscellaneous                     | 791                | 73                                   | 161                          | 161                           | 161  | 102                    | 15                            | 1,464               | 1,730               |
|                                   | 435,475            | 50,322                               | 410,205                      | 140,581                       | 275,104  | 1,259,391              | 294,012                       | 2,865,090           | 2,654,100           |
| Agency allocations and expenses   | -                  | -                                    | -                            | 3,137,040                     | -  | -                      | -                             | 3,137,040           | 3,179,669           |
| 2021 Total                        | <u>\$ 435,475</u>  | <u>\$ 50,322</u>                     | <u>\$ 410,205</u>            | <u>\$ 3,277,621</u>           | <u>\$ 275,104</u>                                      | <u>\$ 1,259,391</u>    | <u>\$ 294,012</u>             | <u>\$ 6,002,130</u> | <u>\$ 5,833,769</u> |

See Notes to Financial Statements.

# Jewish Federation of Greater Hartford

## Statement of Functional Expenses Year Ended June 30, 2020

|                                   | Campaign expenses  |                                      | Community services           |                               |  |                        |                               |                     |  |
|-----------------------------------|--------------------|--------------------------------------|------------------------------|-------------------------------|--|------------------------|-------------------------------|---------------------|--|
|                                   | Annual<br>campaign | Financial<br>resource<br>development | Outreach<br>and<br>education | Planning<br>and<br>allocation | Communication,<br>marketing<br>and public<br>relations | Federation<br>services | Administration<br>and general | Total               |  |
| Wages                             | \$ 152,334         | \$ 16,927                            | \$ 169,266                   | \$ 68,860                     | \$ 138,116   | \$ 696,248             | \$ 173,044                    | \$ 1,414,795        |  |
| Employee benefits                 | 39,237             | 4,360                                | 43,597                       | 17,226                        | 22,140   | 174,177                | 43,576                        | 344,313             |  |
| Direct campaign expenses (Note 7) | 54,651             | -                                    | 54,651                       | -                             | -  | -                      | -                             | 109,302             |  |
| Occupancy                         | 24,281             | 6,622                                | 19,866                       | 13,244                        | 7,726  | 29,799                 | 8,829                         | 110,367             |  |
| Publicity/marketing               | 11,976             | -                                    | 7,186                        | -                             | 26,347   | 2,395                  | -                             | 47,904              |  |
| Data processing                   | 21,617             | 4,157                                | 6,236                        | 2,910                         | 2,494  | 2,079                  | 2,079                         | 41,572              |  |
| Professional fees                 | -                  | -                                    | -                            | -                             | -  | -                      | 34,543                        | 34,543              |  |
| Credit card fees (Note 7)         | 9,958              | -                                    | 9,958                        | -                             | -  | -                      | -                             | 19,916              |  |
| Conferences and training          | 5,516              | 3,432                                | 1,471                        | 613                           | 613  | 490                    | 123                           | 12,258              |  |
| Telephone                         | 6,653              | 102                                  | 1,228                        | 409                           | 614  | 819                    | 409                           | 10,234              |  |
| Office supplies                   | 4,642              | 232                                  | 1,392                        | 348                           | 1,160  | 3,249                  | 581                           | 11,604              |  |
| Annual meeting                    | 2,071              | -                                    | 518                          | -                             | 2,589  | -                      | -                             | 5,178               |  |
| Stationery and printing           | 2,884              | -                                    | 980                          | 173                           | 1,153  | 288                    | 288                           | 5,766               |  |
| Depreciation                      | 54,989             | 14,997                               | 44,991                       | 29,994                        | 17,496   | 67,486                 | 19,995                        | 249,948             |  |
| Postage                           | 1,883              | -                                    | 492                          | 87                            | 145  | 232                    | 58                            | 2,897               |  |
| Insurance                         | 3,967              | 1,082                                | 3,246                        | 2,164                         | 1,262  | 4,869                  | 1,443                         | 18,033              |  |
| Committee expenses                | 579                | 145                                  | 724                          | 1,013                         | 290  | 145                    | -                             | 2,896               |  |
| Recruiting/relocation             | 2,439              | 813                                  | 1,219                        | 813                           | 1,545  | 1,219                  | 81                            | 8,129               |  |
| Awards and subscriptions          | 1,510              | -                                    | 377                          | -                             | 1,887  | -                      | -                             | 3,774               |  |
| Program expenses                  | -                  | -                                    | -                            | -                             | -  | 198,941                | -                             | 198,941             |  |
| Miscellaneous                     | 940                | 86                                   | 189                          | 189                           | 189  | 120                    | 17                            | 1,730               |  |
|                                   | 402,127            | 52,955                               | 367,587                      | 138,043                       | 225,766  | 1,182,556              | 285,066                       | 2,654,100           |  |
| Agency allocations and expenses   | -                  | -                                    | -                            | 3,179,669                     | -  | -                      | -                             | 3,179,669           |  |
| 2020 Total                        | <u>\$ 402,127</u>  | <u>\$ 52,955</u>                     | <u>\$ 367,587</u>            | <u>\$ 3,317,712</u>           | <u>\$ 225,766</u>                                      | <u>\$ 1,182,556</u>    | <u>\$ 285,066</u>             | <u>\$ 5,833,769</u> |  |

See Notes to Financial Statements.

**Jewish Federation of Greater Hartford**

**Statements of Cash Flows**  
**Years Ended June 30, 2021 and 2020**

|  | <u>2021</u>         | <u>2020</u>         |
|--|---------------------|---------------------|
| Cash flows from operating activities   |                     |                     |
| Change in net assets   | \$ 1,315,131        | \$ 11,915           |
| Adjustments to reconcile change in net assets to net cash provided by operating activities |                     |                     |
| Unrealized gain on investments   | (2,165)             | (264)               |
| Depreciation   | 255,046             | 249,948             |
| Contribution - PPP   | (392,212)           | -                   |
| Bad debt expense   | 76,944              | 100,985             |
| Change in value of charitable remainder trust  | (8,083)             | 3,257               |
| Change in operating assets and liabilities   |                     |                     |
| Promises to give - annual and special campaigns, net                                       | (671,064)           | (167,292)           |
| Due from Jewish Community Foundation   | 32,948              | 51,109              |
| Other current assets   | 60,824              | (59,257)            |
| Prepaid expenses and advance allocations   | (69,517)            | 20,600              |
| Deferred compensation  | (7,373)             | (8,242)             |
| Allocations payable  | 213,474             | 160,914             |
| Accounts payable and accrued expenses  | 7,568               | 9,810               |
| Refundable advance   | -                   | 392,212             |
| Other liabilities  | 9,742               | (411)               |
| Deferred compensation  | <u>7,373</u>        | <u>8,242</u>        |
| Net cash provided by operating activities  | <u>828,636</u>      | <u>773,526</u>      |
| Cash flows from investing activities   |                     |                     |
| Acquisition of equipment and furniture and improvements                                    | (40,660)            | (8,077)             |
| Sale of investments  | <u>467</u>          | <u>826</u>          |
| Net cash used in investing activities  | <u>(40,193)</u>     | <u>(7,251)</u>      |
| Net increase in cash and cash equivalents  | 788,443             | 766,275             |
| Cash and cash equivalents, beginning   | <u>3,124,795</u>    | <u>2,358,520</u>    |
| Cash and cash equivalents, end   | <u>\$ 3,913,238</u> | <u>\$ 3,124,795</u> |

See Notes to Financial Statements.

## Jewish Federation of Greater Hartford

### Notes to Financial Statements June 30, 2021 and 2020

#### Note 1 - Organization and summary of significant accounting policies

##### Organization

Jewish Federation of Greater Hartford (the "Federation") is a community-based nonprofit organization whose purpose is to raise funds for the support of local, national and overseas Jewish philanthropic programs and agencies; to enrich the educational, cultural and social life of the Greater Hartford Jewish community; to provide for central planning, coordination and administration of local Jewish communal services; to safeguard and defend the civic, economic and religious rights of the Jewish people; to represent the Jewish community in interfaith and intergroup activities; and to maintain links with the Jewish people of Israel and in every other part of the world.

##### Financial statement presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. The Federation reports information regarding its financial position and activities according to two classes of net assets described as follows:

##### Net assets without donor restrictions

*Net assets without donor restrictions* - represent available resources other than donor-restricted contributions. Included in net assets without donor restrictions are funds that may be earmarked for specific purposes.

*Board-designated net assets* - net assets established by the Board of Directors, which represents funds without donor restrictions set aside for future needs of the Federation.

##### Net assets with donor restrictions

Net assets subject to donor- (or certain grantor-) imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

##### Property and equipment

The Federation capitalizes all expenditures for property and equipment that are in excess of \$1,000 and have a useful life greater than three years. Purchased property and equipment are carried at cost. Donated property and equipment used in operations are recorded at the approximate fair value at the date of donation. Donated collection items are expensed in the period acquired. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Estimated lives for financial reporting purposes are as follows:

| Asset                          | Estimated lives |
|--------------------------------|-----------------|
| Building                       | 30 years        |
| Equipment and furniture        | 5 years         |
| Land and building improvements | 5 - 15 years    |

# Jewish Federation of Greater Hartford

## Notes to Financial Statements June 30, 2021 and 2020

Expenditures for repairs and maintenance are charged to expense as incurred. For assets sold or otherwise disposed, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in change in net assets for the period.

### Concentrations of credit risk

Financial instruments that potentially subject the Federation to concentrations of credit risk consist principally of cash and cash equivalents and pledges receivable. The Federation maintains its cash and cash equivalents in bank deposit accounts, which, at times, may exceed federally insured limits. The Federation has not experienced any losses in such accounts. As of June 30, 2021, the Federation had \$2,183,057 of cash and cash equivalents in excess of federally insured limits.

The Federation had an investment balance in excess of \$500,000 in a brokerage account. Amounts over \$500,000 per brokerage firm are not insured by the Securities Investor Protection Corporation. This balance may fluctuate during the year and can exceed the \$500,000 limit. Management regularly monitors the brokerage firm and tries to keep this potential risk to a minimum. At June 30, 2021, the Federation's balance in excess of the insured limit was \$780,988.

Promises to give are due from individuals, families and companies located primarily in the Greater Hartford Area. The concentration of credit risk is reduced due to the large number of contributors to the Federation. At June 30, 2021 and 2020, pledges receivable are as follows:

|                   | Gross               | Cumulative allowance | Net                 |
|-------------------|---------------------|----------------------|---------------------|
| <u>2021</u>       |                     |                      |                     |
| Annual campaign   | \$ 2,032,121        | \$ 305,043           | \$ 1,727,078        |
| Special campaigns | 853,241             | 40,395               | 812,846             |
|                   | <u>\$ 2,885,362</u> | <u>\$ 345,438</u>    | <u>\$ 2,539,924</u> |
| <u>2020</u>       |                     |                      |                     |
| Annual campaign   | \$ 2,084,789        | \$ 312,400           | \$ 1,772,389        |
| Special campaigns | 181,915             | 8,500                | 173,415             |
|                   | <u>\$ 2,266,704</u> | <u>\$ 320,900</u>    | <u>\$ 1,945,804</u> |

### Promises to give

Unconditional promises to give are recorded as promises to give when the promise is received. Promises to give received in the current year for next year's annual campaign are recorded as time restricted contributions. The contributions are reclassified to net assets without donor restrictions in the year they are used to fund allocations paid to Jewish philanthropic agencies.

From time to time, certain donors contribute cash or stocks that are designated for specific Jewish and other philanthropic agencies. Designated gifts are recorded when they are designated by the donors.

Allowances are provided for amounts estimated to be uncollectible and are based upon several factors, the principal one of which is the Federation's experience with collections of promises to give. Promises to give considered uncollectible are charged against such allowance.

## **Jewish Federation of Greater Hartford**

### **Notes to Financial Statements June 30, 2021 and 2020**

#### **Deferred compensation**

The assets of the deferred compensation plan are recorded as cash and cash equivalents or investments based on the assets held by the plan. The assets of this plan are recorded in a separate account on the financial statements. A corresponding liability is also recorded for these assets.

#### **Contributions**

Contributions are classified as either conditional or unconditional. A conditional contribution is a transaction where the Federation has to overcome a barrier or hurdle to be entitled to the resource and the resource provider is released from the obligation to fund or has the right of return of any advanced funding if the Federation fails to overcome the barrier. The Federation recognizes the contribution revenue upon overcoming the barrier or hurdle. Any funding received prior to overcoming the barrier is recognized as a refundable advance.

Unconditional contributions are recognized as revenue and receivable when the commitment to contribute is received.

Unconditional contributions are recorded as either with donor restriction or without donor restriction. Contributions are recognized as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated asset. Contributions received with no donor stipulations are recorded as contributions without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and are reported in the statement of activities as net assets released from restriction. Donor-restricted contributions whose restrictions expire during the same fiscal year are recognized as contributions without donor restrictions.

#### **Grant and contract services**

Grants are recorded as receivables in the year the commitment is made by the grantor. Grants and other support received and expended in the same period are recorded as revenue and support without donor restrictions. Restricted grants designated by the grantor for specific operating purposes, endowment or property acquisitions are recorded as restricted revenue and support and reclassified to revenue and support without donor restrictions when the Federation has expended funds which meet the specific restrictions. Unexpended amounts are classified as net assets with donor restrictions in the accompanying statements of financial position. Grants due from the Jewish Community Foundation of Greater Hartford (the "Foundation") at June 30, 2021 and 2020 were \$164,204 and \$197,152, respectively. Other support includes Jewish Community Foundation grants, workshop revenue, investment income and other foundations support.

#### **Agency allocations**

Before the end of each fiscal year, the Board of Directors determines the allocations that will be paid in the subsequent fiscal year to national and local agencies and the Jewish Federations of North America. Since the commitment is made prior to the end of the fiscal year, the allocations are accrued and expensed. The allocation methodology used focuses on specific programmatic needs.

Any difference between the amount accrued and expensed in the current fiscal year and actually paid in the subsequent year is recognized as an adjustment to allocation expense in the subsequent fiscal year. In fiscal years ended June 30, 2021 and 2020, allocations paid in excess of/(under) the accrued amount totaled \$4,000 and (\$2,314), respectively.

## **Jewish Federation of Greater Hartford**

### **Notes to Financial Statements June 30, 2021 and 2020**

#### **Investments**

The Federation reports investments at their current fair values and reflects any gains or losses in the statements of activities. Gains and losses are considered without donor restrictions unless restricted by donor stipulation or by operation of law.

#### **Income taxes**

The Federation is exempt from federal and state income taxes under the provisions of Internal Revenue Code Section 501(c)(3) and, therefore, has made no provision for federal or state income taxes in the accompanying financial statements.

The Federation has no unrecognized tax benefits at June 30, 2021 and 2020. The Federation's U.S. federal information and state returns prior to fiscal year 2018 are closed and management continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax laws and new authoritative rulings.

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

For purposes of the statements of cash flows, the Federation considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents. At June 30, 2021 and 2020, total cash of \$3,913,238 and \$3,124,795 included cash equivalents of \$1,280,988 and \$1,097,440, respectively.

#### **Donated services**

Numerous volunteers have donated significant amounts of time to the Federation's activities. Voluntary services include helping to set corporate policy, fundraising, oversight of fiscal and operational matters, representation of the Federation at Jewish and general community events and in the media, assistance with the development of Federation programs and projects and feedback to the Federation about community needs and interests. Volunteers also actively participate in hands-on activities such as Children's Reading Partners, Interfaith Relationship Building and community-wide volunteer activities. The value of this contributed time is not reflected in the accompanying financial statements as the volunteer services provided do not meet the criteria to be recorded under generally accepted accounting principles.

#### **Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### **Functional expenses**

The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Health and retirement benefits and payroll taxes are allocated to programs based on the percentage of salary expense of the program to total salary expense. Maintenance and security and depreciation expenses have been allocated based upon square footage utilization. All other program expenses represent actual costs incurred.

#### **Subsequent events**

The Federation has evaluated events and transactions for potential recognition or disclosure through September 24, 2021, which is the date the financial statements were available to be issued.

# Jewish Federation of Greater Hartford

## Notes to Financial Statements June 30, 2021 and 2020

### Note 2 - New accounting pronouncements

The Federation adopted Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers*. This ASU provides new revenue recognition guidance that superseded existing revenue recognition guidance. The update, as amended, requires the recognition of revenue related to the transfer of goods or services to customers which reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, as well as additional qualitative and quantitative disclosures about revenue. The Federation adopted ASU 2014-09 on July 1, 2020 using the modified retrospective method of transition. The Federation performed an analysis of revenue streams and transactions under ASU 2014-09. The new standard also requires enhanced disclosures related to the disaggregation of revenue and significant judgments made in measurement and recognition. The impact of adopting ASU 2014-09 was not material to total revenue without donor restrictions, change in net assets without donor restrictions, or total net assets.

### Note 3 - Liquidity

The Federation regularly monitors liquidity required to meet its annual operating needs and other contractual commitments. The Federation has financial assets available to meet annual operating needs for the 2022 and 2021 fiscal years as follows:

|   | 2021                | 2020                |
|---|---------------------|---------------------|
| Cash and cash equivalents   | \$ 3,913,238        | \$ 3,124,795        |
| Promises to give  | 2,539,924           | 1,945,804           |
| Investments   | 7,402               | 5,704               |
| Due from Jewish Community Foundation  | 164,204             | 197,152             |
| Total financial assets  | 6,624,768           | 5,273,455           |
| Less  |                     |                     |
| Donor-imposed restrictions  | (1,763,095)         | (740,645)           |
| Board-designated reserves   | (998,657)           | (601,739)           |
| Financial assets available to meet cash needs<br>for general expenditures within one year | <u>\$ 3,863,016</u> | <u>\$ 3,931,071</u> |

These financial assets are not subject to any donor or contractual restrictions. The Federation supports its general operations primarily with donor contributions without donor restrictions and donor-restricted funds whose time or purpose restriction has been met. The Federation also has a \$500,000 line of credit available for use.



# Jewish Federation of Greater Hartford

## Notes to Financial Statements June 30, 2021 and 2020

### Note 4 - Investments

The fair value and cost or original acquisition value of investments as of June 30, 2021 and 2020 are as follows:

|                       | 2021            |                 | 2020            |                 |
|-----------------------|-----------------|-----------------|-----------------|-----------------|
|                       | Cost            | Fair value      | Cost            | Fair value      |
| Equities - stocks     | \$ 2,523        | \$ 7,402        | \$ 2,489        | \$ 5,204        |
| State of Israel bonds | -               | -               | 500             | 500             |
|                       | <u>\$ 2,523</u> | <u>\$ 7,402</u> | <u>\$ 2,989</u> | <u>\$ 5,704</u> |

### Note 5 - Retirement plans

The Federation maintains a Section 403(b) Defined Contribution Plan ("Plan"). Under the Plan, the Federation matches each eligible employee's contribution up to a maximum of 4% of compensation. Eligible employees receive a match after one year of employment if they work a minimum of 1,000 service hours in the plan year and are still employed at December 31 of that year. Employer contributions are fully vested upon contribution to the individual's custodial accounts. For 2021 and 2020, contribution expense of \$36,942 and \$32,600, respectively, was included in employee benefits in the statements of functional expenses.

The Federation established a deferred compensation plan under Section 457(b) of the Internal Revenue Code. Eligibility is immediate for the 457(b) plan. Each year the Federation shall make a deemed contribution to the 457(b) plan on behalf of the participant as determined by the plan documents. Maximum contributions are the lesser of the dollar limit set forth in Section 457(e)(15) of the IRS Code or 100% of the participant's includible compensation for the taxable year. A participant shall be fully vested at all times in their Federation contributions account and such amount shall be nonforfeitable at all times subject to the claims of creditors of the Federation. Contributions to the 457(b) plan for 2021 and 2020 were approximately \$5,000 and \$8,000 and are included in employee benefits in the statements of functional expenses.

### Note 6 - Lease commitments

The Harry and Jeannette Weinberg Community Services Building is owned by the Federation which rents space to the Jewish Family Services, Jewish Historical Society, and the Jewish Community Foundation of Greater Hartford.

The Federation also rents certain office equipment under noncancelable operating leases expiring at various times through February 2023. The total rental expense included in operating expenses during 2021 and 2020 was \$23,808 and \$22,692, respectively.

Minimum future rental payments related to office equipment under noncancelable operating leases are as follows:

|      |                  |
|------|------------------|
| 2022 | \$ 21,600        |
| 2023 | <u>12,600</u>    |
|      | <u>\$ 34,200</u> |

## **Jewish Federation of Greater Hartford**

### **Notes to Financial Statements June 30, 2021 and 2020**

#### **Note 7 - Allocation of joint costs**

In 2021 and 2020, the Federation incurred joint costs of \$687,518 and \$693,451, respectively, for informational materials and activities that included fundraising appeals. Joint costs are expenses that benefit multiple purposes including fundraising components, as well as program components. Joint costs are as follows:

|                                 | 2021       | 2020       |
|---------------------------------|------------|------------|
| Annual campaign                 | \$ 435,475 | \$ 402,127 |
| Financial resource development  | 50,322     | 52,955     |
| Outreach and education expenses | 410,205    | 367,587    |
| Campaign and education expenses | 896,002    | 822,669    |
| Less direct costs               |            |            |
| Direct campaign expenses        | (191,228)  | (109,302)  |
| Credit card fees                | (17,256)   | (19,916)   |
| Total joint costs               | \$ 687,518 | \$ 693,451 |

#### **Note 8 - Related party transactions - Board members**

The Federation requires each Board member to complete a "Conflict of Interest" disclosure. These disclosures are reviewed and monitored by management who are responsible to take appropriate steps to inform the board of prohibited transactions between the Federation and Board members. The Board of Directors consist of up to 30 individuals. Certain Board members of the Federation also may serve on boards that receive allocations. In addition, certain board members serve on the board of a funding organization, the Jewish Community Foundation of Greater Hartford. The Federation may procure certain services from companies which are owned or affiliated with certain Board members.

#### **Note 9 - Charitable remainder trust**

The Federation is the trustee of a trust that is administered by the Foundation. This charitable remainder trust provides for the payment of distributions to the grantor or designated beneficiaries over the trust's term. At the end of the trust's term, the remaining assets, if any, are available for the Federation's use. The portion of the trust attributable to the future interest of the Federation was recorded in the statements of activities as a contribution in the period the trust was established. Assets held in this charitable remainder trust are recorded at fair value in the Federation's statements of financial position. On an annual basis, the Federation revalues the liability to make distributions to the designated beneficiary based on the current actuarial assumptions. The present value of the estimated future payments was calculated using a discount rate of 8.4% and applicable mortality tables.

# Jewish Federation of Greater Hartford

## Notes to Financial Statements June 30, 2021 and 2020

The total fair value of charitable remainder trust as of June 30, 2021 and 2020 was as follows:

|  | 2021      | 2020      |
|--|-----------|-----------|
| Charitable remainder trust for the benefit of the Federation | \$ 29,755 | \$ 25,172 |
| Liability under charitable remainder trust                   | \$ 2,299  | \$ 5,799  |

### Note 10 - Fair value measurements

The Federation values its financial assets and liabilities based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three broad levels, which are described below:

- Level 1: Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in inactive markets; or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated with observable market data. If an asset or liability has a specific (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Unobservable inputs are used when little or no market data is available. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Federation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

The Federation's financial assets measured at fair value at June 30, 2021 are classified in the table below in one of the three categories described above:

|                            | Level 1   | Level 2   | Level 3 | Total     |
|----------------------------|-----------|-----------|---------|-----------|
| Equities - stocks          | \$ 7,402  | \$ -      | \$ -    | \$ 7,402  |
| Charitable remainder trust | -         | 29,755    | -       | 29,755    |
| Deferred compensation plan |           |           |         |           |
| Money market funds         | 1,362     | -         | -       | 1,362     |
| Exchange traded funds      | 14,253    | -         | -       | 14,253    |
| Total assets at fair value | \$ 23,017 | \$ 29,755 | \$ -    | \$ 52,772 |

## Jewish Federation of Greater Hartford

### Notes to Financial Statements June 30, 2021 and 2020

The Federation's financial assets measured at fair value at June 30, 2020 are classified in the table below in one of the three categories described above:

|                            | Level 1          | Level 2          | Level 3     | Total            |
|----------------------------|------------------|------------------|-------------|------------------|
| State of Israel bonds      | \$ -             | \$ 500           | \$ -        | \$ 500           |
| Equities - stocks          | 5,204            | -                | -           | 5,204            |
| Charitable remainder trust | -                | 25,172           | -           | 25,172           |
| Deferred compensation plan |                  |                  |             |                  |
| Money market funds         | 2,509            | -                | -           | 2,509            |
| Exchange traded funds      | 5,733            | -                | -           | 5,733            |
| Total assets at fair value | <u>\$ 13,446</u> | <u>\$ 25,672</u> | <u>\$ -</u> | <u>\$ 39,118</u> |

Investments in stocks, money markets and exchange traded funds are valued at the daily closing price as reported by the fund at the end of the fiscal year (Level 1). State of Israel bonds and charitable remainder trusts (invested in bonds) for which the Federation is the trustee are designated as Level 2 instruments and valuations are obtained from readily-available pricing sources for comparable instruments. There were no changes in valuation techniques during fiscal years 2021 and 2020.

Investment income for the years ended June 30, 2021 and 2020 is summarized as follows:

|                        | 2021            | 2020          |
|------------------------|-----------------|---------------|
| Dividend income        | \$ 148          | \$ 76         |
| Unrealized gain (loss) | <u>2,165</u>    | <u>264</u>    |
| Investment income      | <u>\$ 2,313</u> | <u>\$ 340</u> |

#### Note 11 - Line of credit

The Federation has a \$500,000 three-year operating line of credit. This line is secured by all business assets, including all campaign pledges. Interest is computed at LIBOR plus 225 basis points (2.35% at June 30, 2021). Repayment terms are monthly interest only with principal due at maturity. The line expires March 31, 2022.

Under the terms of the line, the Federation is subject to certain restrictive covenants which require, among other things, the maintenance of certain financial ratios. The Federation was in compliance with those financial ratio covenants as of June 30, 2021 and 2020.

#### Note 12 - Assets held by a nonprofit organization for the benefit of another organization

The Foundation follows the United States Treasury regulations for community foundations which require community foundations to have restricted variance power over the funds they administer. Although the variance power the Foundation can exercise is very restrictive (e.g. the Foundation can redirect the use of funds if the Federation ceases operations or substantially changes its operations), it meets the variance power requirements of Accounting Standards Codification ("ASC") 958-605, *Revenue Recognition*. Accordingly, these assets are not allowed to be recorded in the Federation's financial statements.

## **Jewish Federation of Greater Hartford**

### **Notes to Financial Statements June 30, 2021 and 2020**

ASC 958-605 requires assets held by an organization for the benefit of another organization to be recognized in the financial statements of the beneficiary organization. However, if variance power is granted to the recipient organization, the requirements of ASC 958-605 will not have to be followed. Variance power means the donor has granted the recipient organization authority to redirect the use of the assets donated.

Presently, the Foundation administers PACE/LOJE and testamentary funds, which were to fund the charitable mission of the Federation. In addition, a capital expenditure fund was created with contributions in prior years from both the Federation and the Foundation to help meet the ongoing capital maintenance and major equipment needs of Federation beneficiary agencies. A committee consisting of Federation and Foundation representatives is responsible for reviewing capital maintenance and equipment funding requests, making grant recommendations and overseeing the administration of the grants.

Funds administered by the Foundation for the benefit of the Federation as of June 30, 2021 and 2020 were as follows:

|                                  | 2021                 | 2020                 |
|----------------------------------|----------------------|----------------------|
| PACE/LOJE                        | \$ 9,254,439         | \$ 6,803,242         |
| Gifts without donor restrictions | 5,350,787            | 3,990,022            |
| Capital expenditure fund         | 1,919,905            | 1,447,290            |
|                                  | <u>\$ 16,525,131</u> | <u>\$ 12,240,554</u> |

#### **Note 13 - Jewish Hartford Rapid Relief and Recovery Fund**

In response to the challenges due to the COVID-19 pandemic, the Federation partnered with the Foundation to create the Jewish Hartford Rapid Relief and Recovery Fund (the "RRR Fund"). The joint initiative raised \$792,117 and \$746,998 as of June 30, 2021 and 2020, respectively. The Foundation has set up a fund for the amounts collected. A special Committee was formed to determine needs and develop a process to grant the funds. These grants were split into three categories of assistance - humanitarian (to aid individuals), local Jewish agencies and local synagogues. The following is a summary of the Fund's activity as of June 30:

|   | 2021             | 2020              |
|---|------------------|-------------------|
| Amounts received and sent to the Foundation         | \$ 36,599        | \$ 717,316        |
| Amounts promised to the Fund held by the Federation | 8,520            | 29,682            |
| Ending balance at June 30, 2021                     | <u>\$ 45,119</u> | <u>\$ 746,998</u> |

# Jewish Federation of Greater Hartford

## Notes to Financial Statements June 30, 2021 and 2020

### Note 14 - Jewish Free Loan Fund of Greater Hartford

The Federation and Foundation also partnered to create the Jewish Free Loan Fund of Greater Hartford. The fund provides interest-free loans to help Greater Hartford Jewish community members overcome financial hurdles and seize new opportunities with dignity and confidentiality. The fund provides personal loans of up to \$5,000 and small business loans of up to \$7,500 to eligible applicants for approved purposes. The following is a summary of activity as of June 30:

|   | 2021              | 2020              |
|---|-------------------|-------------------|
| Amounts of funds raised for the loan fund | \$ 252,500        | \$ 150,000        |
| Loans disbursed from the fund             | (17,500)          | -                 |
| Funds available to distribute for loans   | <u>\$ 235,000</u> | <u>\$ 150,000</u> |

### Note 15 - Board-designated net assets

The Board of Directors has designated accumulated prior year net assets without donor restrictions for the following purposes:

|   | Total Board-<br>designated<br>allocations | Paid prior to<br>year ended<br>June 30, 2021 | Balance at<br>June 30, 2021 | Balance at<br>June 30, 2020 |
|---|---|--|-----------------------------|-----------------------------|
| Computer network  | \$ 174,554                                | \$ -   | \$ 174,554                  | \$ 155,554                  |
| Operating reserves  | 371,519                                   | -  | 371,519                     | 331,519                     |
| Capital replacement   | 130,666                                   | -  | 130,666                     | 114,666                     |
| Liquidity reserves  | <u>321,918</u>                            | <u>-</u>                                     | <u>321,918</u>              | <u>-</u>                    |
| Total Board-designated net assets<br>without donor restrictions | <u>\$ 998,657</u>                         | <u>\$ -</u>                                  | <u>\$ 998,657</u>           | <u>\$ 601,739</u>           |

# Jewish Federation of Greater Hartford

## Notes to Financial Statements June 30, 2021 and 2020

### Note 16 - Net assets with donor restrictions

Net assets with donor restrictions as of June 30, 2021 and 2020 are restricted for the following:

|   | 2021                | 2020              |
|---|---------------------|-------------------|
| Next fiscal year annual campaign              | \$ 102,186          | \$ 129,363        |
| Leadership, Education and Engagement Programs | 209,859             | 138,374           |
| Marketing rebrand                             | 23,500              | -                 |
| Security initiative                           | 864,367             | -                 |
| JCRC / Literacy Program                       | 96,679              | 71,294            |
| Jewish Free Loan Fund of Greater Hartford     | 235,000             | 150,000           |
| Jessie's Community Gardens                    | 16,551              | 18,817            |
| PJ Library Campaign                           | 39,546              | 69,179            |
| Building reserves                             | 35,000              | -                 |
| Dignity                                       | 61,566              | -                 |
| Sponsorships for future events                | 53,262              | 58,243            |
| Donor restricted for designated gifts         | 25,579              | 105,375           |
|   | <u>\$ 1,763,095</u> | <u>\$ 740,645</u> |

Net assets with donor restrictions released from restrictions as of June 30, 2021 and 2020 were as follows:

|   | 2021              | 2020              |
|---|-------------------|-------------------|
| Time restricted contributions                 | \$ 158,819        | \$ 157,288        |
| Leadership, Education and Engagement Programs | 121,062           | 48,266            |
| Marketing rebrand                             | 26,500            | -                 |
| Security initiative                           | 12,896            | -                 |
| JCRC / Literacy Program                       | 110,369           | 74,163            |
| Jewish Free Loan Fund of Greater Hartford     | 17,500            | -                 |
| Jessie's Community Gardens                    | 4,435             | 285               |
| PJ Library Campaign                           | 34,633            | 37,133            |
| Dignity                                       | 61,268            | -                 |
| Sponsorships for future events                | 52,500            | 65,928            |
| Designated gifts                              | 12,296            | 2,145             |
| Scholarship program                           | 125,500           | -                 |
| Total released from restrictions              | <u>\$ 737,778</u> | <u>\$ 385,208</u> |

## **Jewish Federation of Greater Hartford**

### **Notes to Financial Statements June 30, 2021 and 2020**

#### **Note 17 - Public support - annual campaign**

A reconciliation of total funds raised in each annual campaign is as follows:

|   | 2021                | 2020                |
|---|---------------------|---------------------|
| Annual campaign - Without donor restrictions current year | \$ 4,448,919        | \$ 3,978,160        |
| Annual campaign - Without donor restrictions prior year   | 246,980             | 200,871             |
|   | 4,695,899           | 4,179,031           |
| Annual campaign - released from time restriction          | 158,819             | 157,288             |
|   | <u>\$ 4,854,718</u> | <u>\$ 4,336,319</u> |

#### **Note 18 - Commitments and contingencies**

In early 2020, an outbreak of a novel strain of coronavirus ("COVID-19") emerged globally. As a result, events have occurred including mandates from federal, state and local authorities leading to an overall decline in economic activity. The spread of this virus has caused business disruption domestically in the United States, the area in which the Federation primarily operates. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of this disruption. Therefore, while the Federation understands this matter may negatively impact the Federation's financial condition, results of operations, or cash flows, the extent of the financial impact and duration cannot be reasonably estimated at this time.

#### **Note 19 - PPP loan forgiveness income**

On April 20, 2020, the Organization was granted a \$392,212 loan under the Paycheck Protection Program ("PPP") administered by the U.S. Small Business Administration (the "SBA") approved partner. The Organization was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. On April 2, 2021, the Organization received full forgiveness of the loan by the SBA. The amount of revenue related to the forgiveness on the Statement of Activities is \$321,918. The remaining \$70,294 relates to amounts allocated to other agencies for payroll as the original PPP loan was used to pay the payroll expenses of these agencies.



## **Supplementary Information**

# Jewish Federation of Greater Hartford

## Agency Allocations Years Ended June 30, 2021 and 2020

|  | 2021                | 2020                |
|--|---------------------|---------------------|
| Local agencies and services                          |                     |                     |
| Association of Jewish Cemeteries                     | \$ 105,297          | \$ 114,827          |
| Beth Israel  | 2,200               | 3,000               |
| Friendship Circle                                    | 10,000              | -                   |
| B'nai B'rith Youth Organization                      | 18,000              | 10,000              |
| Camp Gan Izzy  | 10,000              | -                   |
| Camp Laurelwood                                      | 15,000              | -                   |
| Campership Program                                   | 30,000              | -                   |
| Destination Hartford                                 | 31,268              | -                   |
| Voices of Hope                                       | 12,000              | 9,000               |
| New England Jewish Academy                           | 200,000             | 200,000             |
| Hebrew Senior Care                                   | 40,000              | 20,000              |
| UConn Hillel   | 32,000              | 31,150              |
| Hillel - University of Hartford - Student Leadership | 40,000              | 35,000              |
| Israel Action Network                                | 5,794               | 5,794               |
| Jewish Association for Community Living              | 46,000              | 21,000              |
| Jewish Family Services                               | 275,000             | 260,500             |
| Jewish Family Services - Rent Subversion             | 25,000              | 25,000              |
| Jewish Federation Association of Connecticut         | 15,470              | 15,470              |
| Jewish Historical Society                            | 12,000              | 10,000              |
| Jewish Historical Society - Rent Subversion          | 5,000               | 5,000               |
| Jewish Teen Learning Connection                      | 78,000              | 78,000              |
| JLA - Jewish Leadership Academy                      | 20,000              | -                   |
| Manchester Advisory Fund                             | 17,000              | 17,000              |
| Mandell Jewish Community Center                      | 260,000             | 260,000             |
| Mikveh of West Hartford                              | 15,000              | 2,000               |
| Moishe House   | 2,500               | -                   |
| Future Commitment                                    | (12,968)            | 89,889              |
| Solomon Schechter Day School                         | 190,000             | 200,000             |
| Travel to Israel                                     | 1,100               | 1,147               |
| UConn - Judaic Studies                               | 11,000              | 10,000              |
| USY (Hanefesh)                                       | -                   | 3,000               |
| ADL  | 6,000               | 3,000               |
| Subtotal   | <u>\$ 1,517,661</u> | <u>\$ 1,429,777</u> |

**Jewish Federation of Greater Hartford**

**Agency Allocations  
Years Ended June 30, 2021 and 2020**

|  | <u>2021</u>         | <u>2020</u>         |
|--|---------------------|---------------------|
| Local agencies and services subtotal                       | \$ 1,517,661        | \$ 1,429,777        |
| Prior year allocation and adjustments                      |                     |                     |
| Allocations accrued as of the end of the previous year     | 1,562,403           | 1,507,189           |
| Allocations paid and recognized                            | <u>(1,558,403)</u>  | <u>(1,509,503)</u>  |
| Total local agencies and services                          | <u>1,521,661</u>    | <u>1,427,463</u>    |
| Overseas agencies  |                     |                     |
| The Jewish Federations of North America - annual campaign  | 579,120             | 556,800             |
| The Jewish Federations of North America - emergency relief | <u>10,000</u>       | <u>-</u>            |
| Total Overseas agencies                                    | <u>589,120</u>      | <u>556,800</u>      |
| Total allocations  | <u>\$ 2,110,781</u> | <u>\$ 1,984,263</u> |

See Independent Auditor's Report.



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