

**JEWISH EDUCATIONAL ALLIANCE OF  
SAVANNAH, GEORGIA, INC.  
SAVANNAH, GEORGIA**

**Financial Statements  
for the Year Ending  
September 30, 2024**

★

**AUDIT REPORT**

★

**July 16, 2025**

**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
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**Independent Auditor's Report**

To the Board of Directors

Jewish Educational Alliance of  
Savannah, Georgia, Inc.

Savannah, Georgia

***Opinion***

We have audited the accompanying statement of financial position of Jewish Educational Alliance of Savannah, Georgia, Inc. (JEA) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the JEA as of September 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis of Opinion***

We conducted our audit 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 JEA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit opinion. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Change in Accounting Principal***

As described in Note 3 to the financial statements, the JEA has adopted Financial Accounting Standards Board (FASB) issued accounting standards Update (ASU) 2016-13, "Financial Instruments – Credit Losses" (Topic 326). Our opinion is not modified with respect to that matter.

***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about JEA's ability to continue as a going concern within one year after the date the 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 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedure responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the JEA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about JEA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Report on Summarized Comparative Information***

We have previously audited the JEA's September 30, 2023, financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated October 25, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

*Canady, Ruckmeyer & Associates, LLP*

July 16, 2025

**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**SEPTEMBER 30, 2024 WITH COMPARATIVE**  
**TOTALS AS OF SEPTEMBER 30, 2023**

	Operating Fund	Building Fund	Individual Fund	Endowed Fund	Total	
					2024	2023
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	1,495,053	510,113	89,180	-	2,094,346	2,928,221
Investments	-	1,578,626	-	-	1,578,626	-
Accounts receivable	12,303	-	-	-	12,303	39,370
Allocations receivable	275,000	-	-	-	275,000	275,000
Accounts receivable-other	8,378	-	-	-	8,378	1,350
Pledges receivable	345,786	150,000	-	-	495,786	422,499
Inventory	1,482	-	-	-	1,482	2,119
Investment income receivable	-	-	852	-	852	969
Prepaid expenses	13,104	-	-	-	13,104	13,023
<b>Total current assets</b>	<b>2,151,106</b>	<b>2,238,739</b>	<b>90,032</b>	<b>-</b>	<b>4,479,877</b>	<b>3,682,551</b>
<b>Noncurrent Assets</b>						
Cash and cash equivalents	-	139,144	-	174,787	313,931	161,970
Investments	-	-	-	36,662	36,662	49,479
Investments held by Savannah Jewish Federation Endowment Fund	-	-	842,329	227,636	1,069,965	911,192
Pledges receivable - less current portion	374,722	1,200,000	-	-	1,574,722	808,554
Less discount on pledges receivable	(58,696)	(401,856)	-	-	(460,552)	(154,416)
Property and equipment-net	-	3,647,428	-	-	3,647,428	3,904,439
<b>Total noncurrent assets</b>	<b>316,026</b>	<b>4,584,716</b>	<b>842,329</b>	<b>439,085</b>	<b>6,182,156</b>	<b>5,681,218</b>
<b>Total Assets</b>	<b>2,467,132</b>	<b>6,823,455</b>	<b>932,361</b>	<b>439,085</b>	<b>10,662,033</b>	<b>9,363,769</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Accounts payable	69,603	-	82	-	69,685	28,061
Accrued expenses	136,527	-	-	-	136,527	94,712
Current portion of long-term debt	80,881	-	-	-	80,881	77,274
Deferred revenue	328,672	-	-	-	328,672	180,044
Due to (from) Savannah Jewish Federation	11,597	(25)	(120)	-	11,452	(155,815)
<b>Total current liabilities</b>	<b>627,280</b>	<b>(25)</b>	<b>(38)</b>	<b>-</b>	<b>627,217</b>	<b>224,276</b>
<b>Noncurrent Liabilities</b>						
Long-term debt	1,809,424	-	-	-	1,809,424	1,890,090
Interfund (receivables) payables	(17,800)	17,964	(164)	-	-	-
<b>Total noncurrent liabilities</b>	<b>1,791,624</b>	<b>17,964</b>	<b>(164)</b>	<b>-</b>	<b>1,809,424</b>	<b>1,890,090</b>
<b>Total Liabilities</b>	<b>2,418,904</b>	<b>17,939</b>	<b>(202)</b>	<b>-</b>	<b>2,436,641</b>	<b>2,114,366</b>
<b>NET ASSETS</b>						
Without donor restrictions	(307,934)	5,652,200	-	-	5,344,266	5,711,698
Without donor restrictions - board designated	-	66,028	-	-	66,028	66,028
With donor restrictions	356,162	1,087,288	932,563	439,085	2,815,098	1,471,677
<b>Total Net Assets</b>	<b>48,228</b>	<b>6,805,516</b>	<b>932,563</b>	<b>439,085</b>	<b>8,225,392</b>	<b>7,249,403</b>
<b>Total Liabilities and Net Assets</b>	<b>2,467,132</b>	<b>6,823,455</b>	<b>932,361</b>	<b>439,085</b>	<b>10,662,033</b>	<b>9,363,769</b>

The accompanying notes are an integral part of these financial statements

**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE**  
**TOTALS AS OF SEPTEMBER 30, 2023**

	Without donor restrictions		With donor restrictions				Total	
	Operating Fund	Building Fund	Operating Fund	Building Fund	Individual Fund	Endowed Fund	2024	2023
<b>Revenues and other support</b>								
Member dues	575,063	-	-	-	-	-	575,063	521,518
Silver Sneakers participation fee	18,129	-	-	-	-	-	18,129	17,306
Enrollment fee	35,578	-	-	-	-	-	35,578	37,100
Program fees	2,526,460	-	-	-	-	-	2,526,460	2,144,499
Retail sales	15,241	-	-	-	-	-	15,241	21,005
SJF allocation	-	-	275,000	-	-	-	275,000	275,000
Fundraising	44,976	-	-	-	-	-	44,976	69,647
Rental income	135,383	-	-	-	-	-	135,383	122,849
United Way	-	-	-	-	-	-	-	512
Donations	182,363	1,550	-	1,098,144	8,326	108	1,290,491	304,944
Capital Campaign donations	-	-	132,901	-	-	-	132,901	493,266
Employee Retention Tax Credit	-	-	-	-	-	-	-	698,341
Other income	1,401	-	-	-	-	-	1,401	1,403
Interest income	-	-	-	-	-	-	-	79,299
Investment income	38,194	106,313	-	-	49,338	-	193,845	38,453
Net realized and unrealized gain on investments	22	-	-	-	175,151	-	175,173	109,265
Net gain on sale of property	-	-	-	-	-	-	-	1,889,520
Assets released from restriction	396,149	(602)	(326,739)	(10,856)	(57,952)	-	-	-
<b>Total revenue and other support</b>	<b>3,968,959</b>	<b>107,261</b>	<b>81,162</b>	<b>1,087,288</b>	<b>174,863</b>	<b>108</b>	<b>5,419,641</b>	<b>6,823,927</b>
<b>Expenses</b>								
Program services	3,445,841	287,865	-	-	-	-	3,733,706	3,466,931
Supporting services:								
Management and general	604,911	33,867	-	-	-	-	638,778	556,751
Fundraising	54,235	16,933	-	-	-	-	71,168	65,695
Total expenses	4,104,987	338,665	-	-	-	-	4,443,652	4,089,377
<b>Excess revenues over (under) expenses</b>	<b>(136,028)</b>	<b>(231,404)</b>	<b>81,162</b>	<b>1,087,288</b>	<b>174,863</b>	<b>108</b>	<b>975,989</b>	<b>2,734,550</b>
<b>Net assets-beginning of year</b>	<b>(90,252)</b>	<b>5,867,978</b>	<b>275,000</b>	<b>-</b>	<b>757,700</b>	<b>438,977</b>	<b>7,249,403</b>	<b>4,514,853</b>
<b>Net assets-transfer</b>	<b>(81,654)</b>	<b>81,654</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net assets-end of year</b>	<b>(307,934)</b>	<b>5,718,228</b>	<b>356,162</b>	<b>1,087,288</b>	<b>932,563</b>	<b>439,085</b>	<b>8,225,392</b>	<b>7,249,403</b>

The accompanying notes are an integral part of these financial statements

**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE**  
**TOTALS AS OF SEPTEMBER 30, 2023**

	Program Services	Supporting Services			Total	
		Management and General	Fundraising	Total Supporting Services	2024	2023
<b>Expenses:</b>						
Salaries	2,029,303	162,402	23,291	185,693	2,214,996	2,011,138
Payroll taxes and benefits	221,846	56,732	1,256	57,988	279,834	275,164
Association fee	-	19,080	-	19,080	19,080	19,080
Audit fee	-	12,911	-	12,911	12,911	11,670
Bad debts	-	10,098	-	10,098	10,098	5,315
Bank and credit card service charges	-	73,670	-	73,670	73,670	69,762
Commissions	7,673	-	-	-	7,673	12,516
Conferences	-	6,009	-	6,009	6,009	6,571
Contract services	14,555	63,213	-	63,213	77,768	121,064
Depreciation	287,865	33,867	16,933	50,800	338,665	208,731
Equipment	27,022	2,129	9,782	11,911	38,933	18,515
Insurance	161,682	19,021	9,511	28,532	190,214	142,408
Interest	-	90,816	-	90,816	90,816	57,957
Miscellaneous	4,488	3,829	-	3,829	8,317	5,816
Office supplies and expense	9,924	5,811	505	6,316	16,240	19,629
Postage and shipping	165	1,606	-	1,606	1,771	2,269
Printing	-	-	290	290	290	502
Program instructors and speakers	26,717	-	-	-	26,717	30,724
Program supplies and fees	123,730	-	-	-	123,730	147,295
Program travel and admissions	9,540	-	-	-	9,540	10,803
Publicity and advertising	1,740	-	-	-	1,740	3,885
Restricted fund investment fees	-	4,928	-	4,928	4,928	4,495
Scholarships	93,794	-	-	-	93,794	82,540
Staff training and expense	18,131	846	-	846	18,977	16,512
Trainer fees	71,728	-	-	-	71,728	85,412
Utilities	214,838	11,307	-	11,307	226,145	206,165
Fundraising	-	-	9,600	9,600	9,600	26,650
<b>Facilities:</b>						
Salaries	151,611	50,537	-	50,537	202,148	187,679
Payroll taxes and benefits	29,898	9,966	-	9,966	39,864	36,247
Contract services	46,981	-	-	-	46,981	41,721
Equipment	19,373	-	-	-	19,373	101,006
Supplies	36,075	-	-	-	36,075	32,777
Repairs	113,180	-	-	-	113,180	78,237
Vehicle	10,557	-	-	-	10,557	8,253
Miscellaneous	1,290	-	-	-	1,290	869
<b>Total expense</b>	<b>3,733,706</b>	<b>638,778</b>	<b>71,168</b>	<b>709,946</b>	<b>4,443,652</b>	<b>4,089,377</b>

The accompanying notes are an integral part of these financial statements

**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED SEPTEMBER 30, 2024 WITH COMPARATIVE**  
**TOTALS AS OF SEPTEMBER 30, 2023**

	<u>2024</u>	<u>2023</u>
<b>Cash Flows From (For) Operating Activities:</b>		
Excess revenues over (under) expenses-all funds	975,989	2,734,550
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	338,665	208,731
Gain on sale of property	-	(1,889,520)
Net change in operating assets and liabilities:		
Accounts receivable	27,067	(19,309)
Allocations receivable	-	10,000
Accounts receivable-other	(7,028)	746
Pledges receivable, net of discount	(533,319)	197,659
Prepaid expenses	(81)	2,686
Inventory	637	(423)
Investment income receivable	117	(117)
Due (to) from SJF	144,363	(112,190)
Accrued expenses	41,815	11,551
Accounts payable	41,624	(24,099)
Deferred revenue	148,628	28,364
<b>Net Cash From Operating Activities</b>	<u>1,178,477</u>	<u>1,148,629</u>
<b>Cash Flows From (For) Investing Activities:</b>		
Proceeds from sale of property	-	1,897,000
Purchase of property and equipment	(81,654)	(2,480,624)
Purchase of certificate of deposits	(1,500,000)	-
Net activity from investments	<u>(224,582)</u>	<u>(77,957)</u>
<b>Net Cash For Investing Activities</b>	<u>(1,806,236)</u>	<u>(661,581)</u>
<b>Cash Flows From (For) Financing Activities:</b>		
Cash released from (restricted for) permanent endowment	(12,817)	12,595
Cash released from (restricted for) capital campaign	(139,144)	292,374
Proceeds from long-term debt	-	1,800,000
Payments to reduce long-term debt	<u>(77,059)</u>	<u>(58,359)</u>
<b>Net Cash From (For) Financing Activities</b>	<u>(229,020)</u>	<u>2,046,610</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(856,779)</u>	<u>2,533,658</u>
<b>Beginning Cash and Cash Equivalents</b>	<u>2,928,221</u>	<u>394,563</u>
<b>Ending Cash and Cash Equivalents</b>	<u>2,071,442</u>	<u>2,928,221</u>
<b>Supplemental Cash Flow Information:</b>		
Interest paid	<u>90,816</u>	<u>57,957</u>
Income taxes paid	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements



**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**Note 1 - Nature of Activities**

Founded in 1912, the mission of Jewish Educational Alliance of Savannah, Georgia, Inc. (JEA) shall be to promote the mental, moral and physical welfare of its members, to preserve cultural and spiritual values and to work for the best interest of the Jewish and general community by:

- a. Developing and conducting a comprehensive program of guided leisure time activities utilizing the skills and method of group work, informal education and recreation, and aimed at helping individuals to achieve an affirmative identification with Jewish life and a deep appreciation of their responsibilities as citizens of the United States.
- b. Serving as the meeting place for the entire Jewish and general Savannah Community and cooperating with all groups concerned with enriching community life.
- c. Cooperating with other civic bodies in advancing the welfare of the entire community and in furthering the democratic way of life.

**Note 2 - Summary of Significant Accounting Policies**

Accounting Method - The JEA uses the accrual method of accounting, recognizing income as earned and expenses as incurred.

Investments - Investments with readily determinable fair values are measured at fair market value. At September 30, 2024 and 2023, the investments held consist of certificates of deposits, international bonds, and government bonds. JEA investments held by the Savannah Jewish Federation are pooled with other funds invested by the Savannah Jewish Federation Endowment Fund. The Savannah Jewish Federation Endowment Fund's assets are comprised of money market funds, certificates of deposit, international bonds, and mutual funds.

Basis of Presentation - The JEA is required to report information regarding its financial position and activities according to two classes of net assets; net assets without donor restrictions and net assets with donor restrictions.

Fund Accounting - The JEA uses four funds to account for its activities. The Operating Fund accounts for the general, administrative and activity transactions. The Building Fund accounts for property and equipment transactions. The Individual and Endowed Fund accounts are for donor-restricted contributions.

Contributions Receivable - Contributions are recognized at the fair market value as revenue in the period in which there is sufficient evidence that an unconditional promise was received. Conditional promises are recognized when the conditions on which they depend are substantially met. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected over periods in excess of one year are recorded at the present value of the estimated cash flows beyond one year. Amortization of the discount is included in contribution revenue. Management believes all amounts are fully collectible, and has not established an allowance.

Contributions received are recorded as either without donor restrictions or with donor restrictions, depending on the existence or nature of any donor restrictions. Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restriction.

**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

Deferred Revenue – Deferred revenue consists of payments from members in advance of the membership period, as well as payments from program participants in advance of the program. Such amounts are recorded as revenue when the related services are performed, or obligations are satisfied.

Allowance for Uncollectible Receivables - Accounts are charged to bad debt expense as they are deemed uncollectible based upon periodic review of accounts. At year-end, the allowance for uncollectible accounts is adjusted to reflect accounts deemed to be uncollectible at that time. No allowance for doubtful accounts is considered necessary at September 30, 2024 and 2023.

Inventory - The inventory is stated at cost, determined by the first-in first-out method.

Property and Equipment - Property and equipment are capitalized at cost, or if donated, at the approximate fair value at the date of donation. Purchases of property and equipment are capitalized when they are expected to provide benefit for multiple years. Expenditures for property and equipment in excess of \$5,000 are capitalized. Depreciation is provided on a straight-line method over the estimated useful lives of the respective assets as follows:

Buildings	25-50 years
Improvements	15 years
Equipment	5-10 years
Automobiles	5 years

Fair Value Measurements – Fair Value Measurements establish a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below.

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Jewish Educational Alliance has the ability to access. Level 2 inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the 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 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**JEWISH EDUCATIONAL ALLIANCE OF SAVANNAH, GEORGIA, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2024**

**Note 2 - Summary of Significant Accounting Policies (Continued)**

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2024.

U.S. Government obligations, mortgage and agency-backed securities and bonds and equity securities – Valued at the closing price reported on the active market on which the individual securities are traded.

State of Israel Bonds – Valued based on yields currently available on comparable securities of issuers with similar credit ratings.

Cash and Cash Equivalents - For purpose of the statements of cash flows, the JEA considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Income Tax - The JEA is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and has been determined by the Internal Revenue Service not to be a private foundation under Section 509(a) of the Code. Contributions to the JEA are deductible within the limitations of the Code.

As of September 30, 2024, the tax years that remain subject to examination by taxing authorities begin with the year ended September 30, 2021.

Contributed Services - The JEA depends on volunteers donating their time to the accomplishment of JEA's goals. Such donations are reported as increases in unrestricted net assets if the services a) create or enhance nonfinancial assets or b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the organization.

Advertising Costs – Advertising costs are expensed as incurred.

Subsequent Events - Management has evaluated subsequent events through July 16, 2025, the date the financial statements were available to be issued. Management was not aware of any subsequent events through this date that would have a material effect on these financial statements.

**Note 3 - Recent Accounting Pronouncement**

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13 "Financial Instruments – Credit Losses" (Topic 326), which requires entities to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The new guidance broadens the information to be considered when measuring credit losses to include forward looking information, increases usefulness of the financial statements by requiring timely inclusion of forecasted information in forming expectations of credit losses, and aligns the recognition of credit losses with the reporting period in which changes occur. The JEA has implemented this ASU as of and for the year ended September 30, 2024, on a modified-retrospective basis. The adoption of ASU 2016-13 did not have a significant impact on the financial statements. No changes were required to previously reported financial statements as a result of the adoption.

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**Note 4 - Concentration of Credit Risk**

The JEA occasionally maintains deposits in excess of federally insured limits. Accounting standards identify these items as a concentration of credit risk requiring disclosure, regardless of the degree of risk. The risk is managed by maintaining all deposits in high quality financial institutions. As of September 30, 2024 and 2023, the organization's uninsured cash balances totaled \$1,888,021 and \$2,365,954, respectively.

**Note 5 - Liquidity**

Financial assets available within one year of the statement of financial position date, without donor or other restrictions limiting their use, comprise the following:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	2,144,310	2,853,855
Accounts receivable	20,681	40,720
Allocation receivable	275,000	275,000
Pledges receivable	<u>345,786</u>	<u>422,499</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>2,785,777</u>	<u>3,592,074</u>

**Note 6 - Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Note 7 - Property and Equipment**

Property and equipment consisted of the following as of September 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Land	14,520	14,520
Building and improvements	8,738,405	8,692,344
Playground	86,984	86,984
Furniture, fixtures and equipment	<u>827,508</u>	<u>791,917</u>
	9,667,417	9,585,765
Less accumulated depreciation	<u>6,019,991</u>	<u>5,681,326</u>
Total property and equipment - net	<u>3,647,426</u>	<u>3,904,439</u>

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**Note 8 - Notes Payable**

	<u>2024</u>		<u>2023</u>	
	<u>Current</u>	<u>Long-term</u>	<u>Current</u>	<u>Long-term</u>
\$525,000 installment note with Workmen's Circle Credit Union dated June 8, 2015, with interest at 4%, due in 144 monthly installments of \$4,598 including interest, remaining balance due June 8, 2027, secured by real property.	50,902	84,040	48,909	134,728
\$1,800,000 installment note with Workmen's Circle Credit Union dated February 2, 2023, with interest at 4.75%, due in 59 monthly installments of \$9,392 including interest, remaining balance due as a balloon payment on February 2, 2028, secured by real property.	29,979	1,725,384	28,365	1,755,362
Total	<u>80,881</u>	<u>1,809,424</u>	<u>77,274</u>	<u>1,890,090</u>

Principal payments due on long-term debt outstanding at September 30, 2024, are as follows:

Year Ended September 30:	2025	80,881
	2026	84,410
	2027	64,025
	2028	1,660,989

**Note 9 - Related Parties**

The Savannah Jewish Federation is located inside the JEA building. Service fees of \$9,396 as compensation for space and service were paid to the JEA for the years ended September 30, 2024 and 2023. The JEA also shares its administrative and clerical employees with the Savannah Jewish Federation. The salaries and benefits of these employees are allocated to each entity proportionally. Salaries and benefits in the amount of \$383,962 and \$422,897 were paid to the JEA for the years ended September 30, 2024 and 2023, respectively. As of September 30, 2024 and 2023, \$11,452 and (\$155,815) is due to (from) the Savannah Jewish Federation, respectively.

Investments held by the Savannah Jewish Federation Endowment Fund in the amount of \$1,069,965 and \$911,192 as of September 30, 2024 and 2023, respectively, are restricted funds established by the JEA and transferred to the Savannah Jewish Federation Endowment Fund for investment and management purposes.

The investments are pooled with the other assets of the Savannah Jewish Federation Endowment Fund and are reflected on the Savannah Jewish Federation financial statements as an outstanding liability due to the JEA. Quarterly fees are charged by the Federation to manage the funds. Disbursements are made to the JEA to fund activities in compliance with the fund purpose originally established by the JEA.



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**Note 10 - CARES Act Employee Retention Credit Funding**

The Employee Retention Credit (ERC) was created under the CARES Act to help businesses that have been negatively affected by COVID-19 retain their employees. Eligible businesses that experienced a decline in gross receipts or were closed due to government order can claim the credit by filing amended employment tax returns for prior 2020 and 2021 quarters.

In 2022, the JEA determined that it met the eligibility requirements for three quarters in 2020 and two quarters in 2021, and filed the appropriate amended employment tax returns. Accordingly, filing of these amended returns represents, in substance, a conditional grant, and should come under the guidance of ASC 958-605.

Under this guidance, revenue should be recognized for the ERC when it is determined that receipt of the credit is probable and likely to occur. As of the date of issuance of these financial statements, all of the credits have been approved and refunds have been received. The ERC activity for the years ended September 30, 2024 and September 30, 2023 are summarized below:

	<u>2024</u>	<u>2023</u>
Total refunds due per amended employment tax returns	-	698,341
Refunds received	<u>-</u>	<u>698,341</u>
Accounts receivable	<u>-</u>	<u>-</u>

This activity is reported on the accompanying financial statements as follows:

	<u>2024</u>	<u>2023</u>
Statement of Activities:		
Employee Retention Tax Credit Income	-	\$698,341

**Note 11 - Functional Allocation of Expenses**

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Note 12 - Activities**

The following schedule provides detail of the activity revenue and expenses for the year ended September 30, 2024 and 2023:

	<u>2024</u>			<u>2023</u>		
	<u>Activity Revenue</u>	<u>Activity Expenses</u>	<u>Net Activity Gain/(Loss)</u>	<u>Activity Revenue</u>	<u>Activity Expenses</u>	<u>Net activity Gain/(Loss)</u>
Children	493,710	322,458	171,252	354,043	283,402	70,641
Early childhood education	1,347,707	1,068,668	279,039	1,260,198	986,303	273,895
Adult	28,347	44,321	(15,974)	41,033	36,531	4,502
H & PE-fitness & recreation	164,015	376,435	(212,420)	169,331	373,315	(203,984)
Camp	419,660	300,513	119,147	419,995	268,889	151,106
Aquatics	208,330	407,320	(198,990)	187,369	388,173	(200,804)
Total	<u>2,661,769</u>	<u>2,519,715</u>	<u>142,054</u>	<u>2,431,969</u>	<u>2,336,613</u>	<u>95,356</u>

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**Note 13 - Investments**

The following table presents the investments measured at fair value by level, as described in Note 2 as of September 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Savannah Jewish Federation			
Endowment Fund	1,069,965	-	1,069,965
Corporate Bonds	15,042	-	15,042
Certificate of Deposit	-	1,578,626	1,578,626
State of Israel Bonds	-	21,620	21,620
	<u>1,085,007</u>	<u>1,600,246</u>	<u>2,685,253</u>

The following table presents the investments measured at fair value by level, as described in Note 2 as of September 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Savannah Jewish Federation			
Endowment Fund	911,192	-	911,192
Corporate Bonds	13,955	-	13,955
Certificate of Deposit	-	13,989	13,989
State of Israel Bonds	-	21,535	21,535
	<u>925,147</u>	<u>35,524</u>	<u>960,671</u>

**Note 14 - Restrictions on Net Assets**

Board designated funds as of September 30, 2024 and 2023 in the amount of \$66,028 are designated for the facility repairs and maintenance.

Operating net assets with donor restrictions as of September 30, 2024 and 2023 are \$356,162 and \$275,000, respectively. JEA receives allocations awarded to the organization in the current year payable to the organization in the subsequent year. As of September 30, 2024 and 2023, \$275,000 is restricted due to allocations. JEA's capital campaign donations are restricted for facility renovations and repairs. As of September 30, 2024 and 2023, \$81,162 and \$0 is restricted for the capital campaign.

The Murray Perlman and Wayne Spear Charitable Foundation JEA Fund was established in the current year. The fund is restricted for various construction projects specified by the donors.

Donor-restricted individual funds are to be utilized for various memorials and activities. Donor-restricted funds also consist of endowed funds to be held indefinitely. Investment income received from the donor-restricted endowed funds is restricted for memorials and activities.

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**Note 14 - Restrictions on Net Assets (Continued)**

Net assets with donor restrictions consist of the following at September 30, 2024 and 2023:

	2024		2023	
	Endowed Funds	Individual Funds	Endowed Funds	Individual Funds
Arkin-Clark Garden	-	16,423	-	8,946
Jacob Bluestein Fund	20,000	3,750	20,000	138
Kay Becker Israel Fund	25,018	5,978	25,018	4,756
Blumberg Basketball Camp	6,400	371	6,400	95
Blumenthal Lecture	45,005	475	45,005	350
Brodzki Memorial Camp	16,605	(2)	16,605	(64)
Center Campership	21,328	258	21,328	98
Center Scholarship	-	21,548	-	20,042
Geffen Adult Education	6,669	531	6,669	429
Fitness Fund	-	6,400	-	6,139
Hoffman Memorial	47,608	828	47,608	530
Kanter Y/A/H	-	(929)	-	(929)
Levy Concert Series	50,015	5,332	50,015	1,065
Longwater Endowment	5,000	41,302	5,000	33,428
Meddin Memorial	-	6,104	-	5,738
NCJW Camp/Youth	10,140	205	10,140	162
Portman Memorial	-	7,895	-	6,700
Richman Fund	162,663	33,174	162,663	3,725
Rosen Memorial	-	5,544	-	5,253
Rubin Memorial	7,682	7,577	7,682	6,862
Samuels Children's & Youth Activity Fund	14,925	6,478	14,844	3,259
Tenenbaum Youth Award	-	14,626	-	14,582
Ullman Memorial Playground	-	4,928	-	4,726
Weinberg Endowment	-	743,767	-	631,670
	<u>439,085</u>	<u>932,563</u>	<u>438,977</u>	<u>757,700</u>
Building Fund –				
Murray Perlman and Wayne Spear				
Charitable Foundation JEA Fund	-	1,087,288	-	-
Operating Fund	-	356,162	-	275,000
	<u>439,085</u>	<u>2,367,013</u>	<u>438,977</u>	<u>1,032,700</u>

**Note 15 - Endowment Investments**

The JEA's endowment consists of 24 named funds established for a variety of purposes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.



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**Note 15 - Endowment Investments (Continued)**

The Board of Directors of the JEA has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of the interpretation, the JEA classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to be permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the JEA in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the JEA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the JEA, and (7) the JEA's investment policies.

*Investment Return Objectives, Risk Parameters and Strategies* – The JEA has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets managed by the JEA are invested in corporate and international bonds, and money market funds. Endowment assets managed by the Savannah Jewish Federation are invested in *The Investment Funds for Foundations* multi-asset funds, international bonds and certificates of deposit. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

*Spending Policy* – The Weinberg Endowment Fund has a policy of spending 5% of the average fund balance annually. The remaining endowment funds are spent based on the portion available and the needs of the organization that meet the use restriction of the funds.

Endowment net asset composition by type of fund as of September 30, 2024, is as follows:

	Individual Fund	Endowed Fund	<u>Total</u>
Donor-designated endowment funds	<u>932,563</u>	<u>439,085</u>	<u>1,371,648</u>

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**Note 15 - Endowment Investments (Continued)**

Endowment net asset composition by type of fund as of September 30, 2023, is as follows:

	Individual Fund	Endowed Fund	<u>Total</u>
Donor-designated endowment funds	<u>757,700</u>	<u>438,977</u>	<u>1,196,677</u>

Changes in endowment net assets as of September 30, 2024 and 2023 are as follows:

	Individual Fund	Endowed Fund	<u>Total</u>
Balance – September 30, 2022	705,734	438,715	1,144,449
Contributions	6,566	262	6,828
Investment income (net of expenses)	12,615	-	12,615
Net appreciation in value	109,238	-	109,238
Distribution	<u>(76,453)</u>	<u>-</u>	<u>(76,453)</u>
Balance – September 30, 2023	<u>757,700</u>	<u>438,977</u>	<u>1,196,677</u>
Contributions	8,326	108	8,434
Investment income (net of expenses)	44,311	-	44,311
Net appreciation in value	175,151	-	175,151
Distribution	<u>(52,925)</u>	<u>-</u>	<u>(52,925)</u>
Balance – September 30, 2024	<u>932,563</u>	<u>439,085</u>	<u>1,371,648</u>

**Note 16 - Comparative Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the JEA's financial statements for the year ended September 30, 2023, from which the summarized information was derived.