

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION
OF NORTHEAST FLORIDA

JACKSONVILLE, FLORIDA

AUDITED FINANCIAL STATEMENTS

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	6
Statements of Cash Flows	8
Notes to Financial Statements	10
SUPPLEMENTARY INFORMATION	
Schedules of Allocations of Campaign Pledges to Other Charitable Organizations	27



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INDEPENDENT AUDITOR'S REPORT

To the Finance Committee and Management of
Jewish Federation of Jacksonville, Inc.
D/B/A Jewish Federation and Foundation of Northeast Florida
Jacksonville, Florida

We have audited the accompanying financial statements of Jewish Federation of Jacksonville, Inc. D/B/A Jewish Federation and Foundation of Northeast Florida (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 Jacksonville, Inc. D/B/A Jewish Federation and Foundation of Northeast Florida, 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 on the financial statements as a whole. The Schedules of Allocations of Campaign Pledges to the Other Charitable Organizations on page 27, are presented for purposes of additional analysis and are 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.

Ernie Funtun & Jackson PA

Jacksonville, Florida
December 17, 2021

**JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
ASSETS		
CURRENT ASSETS		
Cash - unrestricted	\$ 1,279,252	\$ 1,623,709
Cash - restricted by contributors	79,049	56,090
Investments - NOTE B	20,918,047	16,953,062
Accounts receivable and prepaid expenses	72,914	77,184
Contributions receivable, less allowance for uncollectible contributions of \$141,333 and \$142,564	<u>1,302,895</u>	<u>1,206,893</u>
<i>TOTAL CURRENT ASSETS</i>	<u>23,652,157</u>	<u>19,916,938</u>
PROPERTY AND EQUIPMENT, NET - NOTE C	<u>62,486</u>	<u>65,256</u>
OTHER ASSETS		
Investments - NOTE B	11,842,047	10,075,874
Cash surrender value - life insurance - NOTE D	720,223	651,103
Note receivable, net of unamortized discount of \$1,248 and \$-0- - NOTE E	78,752	-
Charitable remainder trust - NOTE F	3,356	3,618
Cash - Restricted by contributors	<u>884,044</u>	<u>806,546</u>
<i>TOTAL OTHER ASSETS</i>	<u>13,528,422</u>	<u>11,537,141</u>
	<u>\$ 37,243,065</u>	<u>\$ 31,519,335</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and other accrued liabilities	\$ 131,956	\$ 109,061
Allocations payable	1,665,315	1,582,883
Agency endowment liabilities - NOTE J	20,918,047	16,953,062
Current portion of long-term debt - NOTE G	<u>-</u>	<u>142,600</u>
<i>TOTAL CURRENT LIABILITIES</i>	<u>22,715,318</u>	<u>18,787,606</u>
LONG-TERM LIABILITIES		
Allocations payable	<u>333,204</u>	<u>318,792</u>
NET ASSETS:		
Without donor restrictions - NOTE K	5,144,413	4,579,414
With donor restrictions - NOTE L	<u>9,050,130</u>	<u>7,833,523</u>
<i>TOTAL NET ASSETS</i>	<u>14,194,543</u>	<u>12,412,937</u>
<i>TOTAL NET ASSETS AND LIABILITIES</i>	<u>\$ 37,243,065</u>	<u>\$ 31,519,335</u>

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Campaign	\$ 1,979,301	\$ 500	\$ 1,979,801
Contributions	807,981	478,908	1,286,889
Other income - NOTE N	441,779	-	441,779
Interest income	532	-	532
Investment return, net	610,464	1,013,539	1,624,003
Loan forgiveness	142,600	-	142,600
Change in cash surrender value	141,554	-	141,554
Investment management fees	120,494	-	120,494
Net assets released from restriction	276,340	(276,340)	-
TOTAL SUPPORT AND REVENUES	4,521,045	1,216,607	5,737,652
EXPENSES			
PROGRAM EXPENSES			
Allocations and contributions	1,400,005	-	1,400,005
Community programming and events	531,107	-	531,107
Community foundation	1,390,369	-	1,390,369
TOTAL PROGRAM EXPENSES	3,321,481	-	3,321,481
SUPPORT SERVICES			
Management and general	325,812	-	325,812
Fundraising	308,753	-	308,753
TOTAL SUPPORT EXPENSES	634,565	-	634,565
TOTAL EXPENSES	3,956,046	-	3,956,046
Change in Net Assets	564,999	1,216,607	1,781,606
Net Assets, beginning of year	4,579,414	7,833,523	12,412,937
Net Assets, end of year	\$ 5,144,413	\$ 9,050,130	\$ 14,194,543

See accompanying notes to the financial statements

JEWISH FEDERATION OF JACKSONVILLE, INC
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUES			
Campaign	\$ 2,050,817	\$ -	\$ 2,050,817
Contributions	1,396,495	345,716	1,742,211
Other income - NOTE N	445,539	(100)	445,439
Interest income	2,099	-	2,099
Investment return, net	27,790	156,673	184,463
Change in cash surrender value	38,486	-	38,486
Change in value in charitable remainder trust	-	7,377	7,377
Investment management fees	101,578	-	101,578
Net assets released from restriction	<u>893,621</u>	<u>(893,621)</u>	<u>-</u>
TOTAL SUPPORT AND REVENUES	<u>4,956,425</u>	<u>(383,955)</u>	<u>4,572,470</u>
EXPENSES			
PROGRAM EXPENSES			
Allocations and contributions	1,378,995	-	1,378,995
Community programming and events	649,140	-	649,140
Community foundation	<u>946,506</u>	<u>-</u>	<u>946,506</u>
TOTAL PROGRAM EXPENSES	<u>2,974,641</u>	<u>-</u>	<u>2,974,641</u>
SUPPORT SERVICES			
Management and general	359,898	-	359,898
Fundraising	<u>366,350</u>	<u>-</u>	<u>366,350</u>
TOTAL SUPPORT EXPENSES	<u>726,248</u>	<u>-</u>	<u>726,248</u>
TOTAL EXPENSES	<u>3,700,889</u>	<u>-</u>	<u>3,700,889</u>
Change in Net Assets	1,255,536	(383,955)	871,581
Net Assets, beginning of year	<u>3,323,878</u>	<u>8,217,478</u>	<u>11,541,356</u>
Net Assets, end of year	<u>\$ 4,579,414</u>	<u>\$ 7,833,523</u>	<u>\$ 12,412,937</u>

**JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2021**

	PROGRAM SERVICES			SUPPORT SERVICES		
	Charitable Contributions	Community Programming and Events	Community Foundation	Management and General	Fund Raising	Total
PAYROLL EXPENSES						
Salaries	\$ -	\$ 272,323	\$ 85,813	\$ 217,308	\$ 163,745	\$ 381,053
Employee benefits	-	33,655	14,494	43,973	24,441	68,414
	-	305,978	100,307	261,281	188,186	449,467
						<u>855,752</u>
OTHER EXPENSES						
Allocations	1,394,560	-	-	-	-	1,394,560
Special distributions	5,445	3,000	1,280,724	-	-	1,289,169
Bad debt expense	-	5,840	-	-	67,211	73,051
Communications	-	10,897	1,024	2,584	1,947	16,452
Conferences and conventions	-	9,579	299	5,011	-	14,889
Contracted services	-	80,483	-	-	8,005	88,488
Depreciation	-	6,617	1,538	2,124	2,924	13,203
Equipment maintenance	-	10,671	3,317	8,842	6,304	29,134
Local travel/meals	-	3,297	296	189	493	4,275
Occupancy	-	17,828	790	3,206	1,502	23,326
Other	-	4,990	318	34,406	5,505	45,219
Postage	-	12,266	973	1,664	3,169	18,072
Printing and publications	-	46,148	-	1,745	4,286	52,179
Program costs	-	533	35	1,049	12,781	14,398
Supplies	-	12,980	748	3,711	6,440	23,879
	1,400,005	225,129	1,290,062	64,531	120,567	3,100,294
	<u>\$ 1,400,005</u>	<u>\$ 531,107</u>	<u>\$ 1,390,369</u>	<u>\$ 325,812</u>	<u>\$ 308,753</u>	<u>\$ 3,956,046</u>

See accompanying notes to the financial statements

**JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
SCHEDULES OF FUNCTIONAL EXPENSES
Year Ended June 30, 2020**

	PROGRAM SERVICES			SUPPORT SERVICES		
	Charitable Contributions	Community Programming and Events	Community Foundation	Management and General	Fund Raising	Total Expenses
PAYROLL EXPENSES						
Salaries	\$ -	\$ 270,241	\$ 113,400	\$ 236,873	\$ 171,484	\$ 791,998
Employee benefits	-	38,012	19,606	50,902	25,617	134,137
	-	308,253	133,006	287,775	197,101	926,135
OTHER EXPENSES						
Allocations	1,210,300	-	-	-	-	1,210,300
Special distributions	168,695	-	770,069	-	-	938,764
Bad debt expense	-	3,287	-	50	117,638	120,975
Communications	-	9,345	1,386	2,849	2,058	15,638
Conferences and conventions	-	38,393	3,261	4,182	3,155	48,991
Contracted services	-	146,511	96	2,150	1,462	150,219
Depreciation	-	5,715	2,398	6,538	3,561	18,212
Equipment maintenance	-	11,422	4,791	9,556	6,906	32,675
Local travel/meals	-	15,655	646	5,335	258	21,894
Occupancy	-	19,736	958	2,886	1,421	25,001
Other	-	7,139	27,526	26,525	5,992	67,182
Postage	-	8,322	371	1,327	2,708	12,728
Printing and publications	-	35,866	1,125	1,155	7,542	45,688
Program costs	-	23,698	159	691	11,387	35,935
Supplies	-	15,798	714	8,879	5,161	30,552
	1,378,995	340,887	813,500	72,123	169,249	2,774,754
	\$ 1,378,995	\$ 649,140	\$ 946,506	\$ 359,898	\$ 366,350	\$ 3,700,889

See accompanying notes to the financial statements

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash collected on campaign contributions - unrestricted	\$ 1,809,719	\$ 2,258,996
Cash received from donors, net	1,456,277	1,467,462
Cash received from remainder trust	-	953,029
Interest received	532	2,099
Dividends received, net	422,515	274,748
Miscellaneous receipts	332,014	473,983
Cash paid to pass-through donees	(1,289,352)	(835,701)
Cash paid to employees and suppliers	(1,175,305)	(1,232,319)
Allocations paid	<u>(1,297,716)</u>	<u>(1,233,735)</u>
<i>Net Cash Provided by Operating Activities</i>	<u>258,684</u>	<u>2,128,562</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	1,572,159	548,731
Proceeds from insurance policy	72,434	-
Purchase of investments	(2,135,794)	(2,143,069)
Purchase of property and equipment	<u>(11,483)</u>	<u>(2,076)</u>
<i>Net Cash Provided (Used) by Investing Activities</i>	<u>(502,684)</u>	<u>(1,596,414)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term debt	<u>-</u>	<u>142,600</u>
<i>Net Cash Provided Financing Activities</i>	<u>-</u>	<u>142,600</u>
Net Increase (Decrease) in Cash, Cash Equivalents and Restricted Cash	(244,000)	674,748
Cash, cash equivalents and restricted cash, beginning of year	<u>2,486,345</u>	<u>1,811,597</u>
Cash, cash equivalents and restricted cash, end of year	<u>\$ 2,242,345</u>	<u>\$ 2,486,345</u>

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Reconciliation of Change in Net Assets to Net Cash Provided by Operating Activities		
Change in Net Assets	\$ 1,781,606	\$ 871,581
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by Operating Activities		
Depreciation	13,203	18,212
Bad debt expense	73,051	120,975
Debt forgiveness	(142,600)	-
Non-cash contribution	(78,752)	-
Realized loss on insurance policy	(72,434)	15,230
Donated insurance policy	-	(74,837)
Net unrealized (gain) loss on long-term investments	(1,201,488)	90,285
Contribution receivable - remainder trust	-	945,652
Charitable remainder trust	262	105
(Increase) Decrease in pledges receivable	(169,053)	222,046
(Increase) Decrease in other receivables and prepaid expenses	4,270	34,818
(Increase) Decrease in cash surrender value	(69,120)	(38,486)
Increase (Decrease) in allocations payable	96,844	23,435
Increase (Decrease) in accounts payable and other accrued liabilities	<u>22,895</u>	<u>(100,454)</u>
<i>Net Cash Provided by Operating Activities</i>	<u>\$ 258,684</u>	<u>\$ 2,128,562</u>

SUPPLEMENTAL DISCLOSURE OF NON-CASH INVESTING ACTIVITIES

Disposition of fully depreciated assets	<u>\$ -</u>	<u>\$ 24,475</u>
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NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION - Jewish Federation of Jacksonville, Inc. D/B/A Jewish Federation and Foundation of Northeast Florida (Federation) is an organization whose principal purpose is to coordinate Jewish philanthropic, social service, welfare, educational, community relations and communal activities in the Jacksonville, Florida community. The Federation allocates a substantial portion of its campaign contributions to other non-profit organizations.

In January 2018, the Jewish Community Foundation of Northeast Florida, Inc. was merged into the Federation. As a result, the Federation administers lifetime and testamentary giving plans for use in supporting future needs not provided by other foundations. Additional activities include the management of investment portfolios owned by partner agencies.

BASIS OF PRESENTATION - The financial statements of the Federation have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America.

Net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Federation and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Federation. The Federation's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Federation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

CHANGES IN ACCOUNTING PRINCIPLES

In May 2014, the FASB issued ASU 2014-09, *Revenue From Contracts with Customers (Topic 606)*, which amends the existing accounting standards for revenue recognition and establishes principles for recognizing revenue upon the transfer of promised goods or services to customers based on the expected consideration to be received in exchange for those goods or services. ASU 2014-09, as deferred by ASU 2020-05, is effective for annual reporting periods beginning after December 15, 2019. The Federation adopted ASU 2014-09 effective July 1, 2020, using the full retrospective method. The adoption of ASU 2014-09 did not materially impact the timing and measurement of revenue recognition. As a result, the Federation did not recognize a cumulative effect adjustment to the opening balance of net assets.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820) Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements on fair value measurements in Topic 820. The Federation adopted the requirements of the new standard as of July 1, 2020. The cumulative effect of applying the new standard did not have a material effect on the disclosures of fair value.

Effective July 1, 2019, the Federation adopted ASU No. 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash*. The new standard requires that the statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Entities will also be required to reconcile such total to amounts on the balance sheet and disclose the nature of the restrictions.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In June 2018, the FASB issued ASU No. 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. ASU 2018-08 provides clarifying guidance on accounting for the grants and contracts of not-for-profit organizations as they relate to the new revenue standard (ASU 2014-09, Revenue from Contracts with Customers). The objective is to minimize diversity in the classification of grants and contracts that exists under current guidance. The Federation adopted this standard effective July 1, 2019.

The Federation's adoption of these standards did not result in significant changes to the Federation's accounting policies or impact its financial position, changes in net assets, or cash flows. As such, there was no cumulative effect adjustment upon adoption.

CASH AND CASH EQUIVALENTS - For the purposes of the statements of cash flows, the Federation considers money market funds and certificates of deposit with a maturity of three months or less to be cash equivalents.

CASH AND CASH EQUIVALENTS AND RESTRICTED CASH - The following table provides a reconciliation of cash, cash equivalents and restricted cash to amounts shown in the statements of cash flows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,279,252	\$ 1,623,709
Restricted cash, current portion	79,049	56,090
Restricted cash, long-term portion	<u>884,044</u>	<u>806,546</u>
TOTAL CASH, CASH EQUIVALENTS AND RESTRICTED CASH	<u>\$ 2,242,345</u>	<u>\$ 2,486,345</u>

INVESTMENTS - Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

CONTRIBUTIONS - Contributions are recognized when the donor makes a promise to give to the Federation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contributions that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on these amounts are computed using risk-free interest rates applicable to the years in which contributions are received.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Federation uses the allowance method to determine uncollectible contributions receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

A number of volunteers have made contributions of their time to the Federation. No amounts have been reflected in the statements for these contributed services since the contribution of these services do not create or enhance non-financial assets or require specialized skills. When professional services are contributed, in-kind values are recorded as contributions.

PROPERTY AND EQUIPMENT - Property and equipment is recorded at cost. The Federation depreciates its property and equipment using the straight-line method based on the estimated useful lives of the assets.

CONTRIBUTION RECEIVABLE-CHARITABLE REMAINDER TRUST - The Federation's beneficial interest in a charitable remainder unitrust was recorded as net assets with donor restrictions when the Federation was notified of the trust's existence. The contribution receivable is reported at fair value, which is estimated using an income approach based on assumptions developed by the Federation about the future distributions it will receive from the trust. Changes in the fair value of the contribution receivable are reflected in net assets with donor restrictions. Distributions from the trust are reflected as reductions in the contribution receivable and reclassifications from net assets with donor restrictions to net assets without donor restrictions.

ALLOCATIONS - In accordance with the Federation's objectives, the Board of Directors allocate estimated collectible contributions to national, regional and local agencies related to Jewish interests. These allocations represent the Federation's intended disposition of the estimated collectible contributions and are recorded as liabilities and expenditures in the same period in which related revenues are recorded.

COMPENSATED ABSENCES - Employees of the Organization are entitled to paid vacation, depending on length of service and other factors. Accrued vacation payable is included in accounts payable and other accrued liabilities in the accompanying statement of financial position based on days of vacation earned by the employees.

AGENCY ENDOWMENT LIABILITIES - Agency funds are funds in which the Federation holds assets transferred to the Federation by a non-profit organization that specifies itself as the beneficiary of the transferred assets which include the (1) transferred assets at the time the fund is established, (2) subsequent contributions to the agency fund, and (3) appreciation or depreciation of the investment in the fund reduced by the Federation's administrative fees and investment management expenses. Assets transferred to these funds (and related distributions and expenses) are not reflected in the change in net assets in the Federation's statements of activities. Assets are included in the statements of financing position and a corresponding liability is recorded to reflect the intent that the assets will eventually be transferred to the beneficiary.

ENDOWMENT INVESTMENT AND SPENDING POLICIES - The Federation adopted the Foundation's written investment policy statement to which it closely adheres. The Federation engages a professional investment advisor to handle the investment of the endowed and other funds, and a committee of individuals qualified to review the investment performance and strategies meets quarterly.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Federation adheres to the Florida Uniform Prudent Management and Institutional Funds Act ("UPMIFA") and its own governing documents. UPMIFA requires 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.

The Board, on the advice of legal counsel, has determined that the majority of the contributions received by the Federation are subject to the terms and conditions of its governing documents. Certain contributions are received subject to other governing instruments, or are subject to specific agreements with the Federation. With the exception of endowment fund documents that prohibit distributions below historical dollar amounts, under the terms of the Federation's governing documents, the Board has the ability to distribute so much of the original principal of any trust or separate gift, device, bequest or fund as the Board in its sole discretion shall determine. As a result of the ability to distribute the original principal, all contributions not classified as donor restricted are classified as unrestricted net assets for financial statement purposes.

The Federation has adopted investment and spending policies, devised and recommended to the Board by the Investment Oversight Committee, and approved by the Board, for endowment assets. Such policies are designed to attempt to provide a predictable stream of funding to programs supported by the Federation owned and managed endowments while seeking to maintain the purchasing power of these endowment assets over the long-term. The Federation's spending and investment policies work together to achieve this objective. The investment policy establishes an achievable return objective through diversification of asset classes. The current long-term return objective is in line with non-profit industry management and investment of endowment funds. Actual returns in any given year may vary. To satisfy its long-term objectives, the Federation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Federation targets a diversified asset allocation of marketable securities, using no-load mutual funds that meet specific industry quality standards, to achieve its long-term return objectives within prudent risk parameters.

The spending policy calculates the amount of money available to be distributed annually from the Federation's endowed funds, for grant making administration. The current spending policy is to distribute no more than five percent (5%) of the balance of a fund valued at a consistent particular point in time each year according to terms of each fund document nor be less than three percent (3%) of the fair market value of endowment assets as of June 30, 2021 and 2020, respectively. This policy does not override the existing policies that have been written into specific funds. This is consistent with the Federation's objective to maintain purchasing power of endowment assets as well as to provide additional real growth through investment return.

INCOME TAXES - Income taxes are not provided for in the financial statements since the Federation is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state provisions, except on net income derived from unrelated business activities. The Federation has a newspaper which is subject to tax on unrelated business income. For the years ended June 30, 2021 and 2020, the newspaper did not generate any taxable unrelated business income, and accordingly, a liability for taxes was not recorded.

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Federation may recognize the tax benefit from a tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Federation and various positions related to the potential sources of unrelated business taxable income (UBIT). The Federation has analyzed its tax positions taken for filings with the Internal Revenue Service and the state of Florida. The Federation believes that its income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on the Federation's financial condition, results of operations, or cash flows. Accordingly the Federation has not recorded any tax assets or liabilities, or related accruals for interest and penalties, for uncertain income tax positions at June 30, 2021 or 2020.

The Organization's Forms 990, Return of Organization Exempt from Income Tax, for the years ending 2020, 2019 and 2018 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

ESTIMATES – Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

LIQUIDITY – Assets are presented in the accompanying statements of financial position according to their nearness of conversion to cash and liabilities according to their nearness of their maturity and resulting use of cash.

FUNCTIONAL ALLOCATION OF EXPENSES – The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Certain categories of expenses are attributable to both program services and supporting activities. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation and occupancy costs, which are allocated on a square-footage basis, as well as salaries and benefits, which are allocated based on estimates of time and effort.

Accounting Pronouncements Issued but Not Yet Adopted

Leases

In February 2016, the FASB ASU 2016-02, *Leases* (Topic 842), which will require leases to be recorded as an asset on the balance sheet for the right to use the leased asset and a liability for the corresponding lease obligation for leases with terms of more than twelve months. ASU 2016-02 is effective for non-profit entities for fiscal years beginning after December 15, 2021, with early adoption permitted. The Federation is evaluating the impact the pronouncement may have on the financial statements.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE B -- INVESTMENTS

The Federation classifies investments as current or noncurrent assets based on the existence or absence of donor-imposed restrictions related to the investment. Investments that are designated by the governing board or donor restricted for long-term purposes are reported as noncurrent assets.

Investments consist of the following June 30:

	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Domestic Equity Funds	\$ 8,079,446	\$ 11,253,969	\$ 7,645,276	\$ 8,079,446
Fixed Income Funds	12,928,856	14,752,241	12,596,127	12,928,856
International Equity Funds	6,018,132	6,753,884	5,660,509	6,018,132
Uninvested cash	-	-	2,502	2,502
	<u>-</u>	<u>-</u>	<u>2,502</u>	<u>2,502</u>
Mutual funds	<u>\$ 27,026,434</u>	<u>\$ 32,760,094</u>	<u>\$ 25,904,414</u>	<u>\$ 27,028,936</u>

NOTE C -- PROPERTY AND EQUIPMENT

Property and equipment, at cost, and accumulated depreciation at June 30, 2021 and 2020 are summarized as follows:

	Estimated Useful Lives	2021 Amounts	2020 Amounts
Leasehold	31.5 Years	\$ 353,639	\$ 353,639
Equipment	5-7 Years	58,345	53,862
Furniture and fixtures	7 Years	<u>24,690</u>	<u>24,690</u>
		436,674	432,191
Accumulated depreciation		<u>(374,188)</u>	<u>(366,935)</u>
		<u>\$ 62,486</u>	<u>\$ 65,256</u>

Depreciation expense for the years ended June 30, 2021 and 2020 is \$13,203 and \$18,212, respectively.

NOTE D -- CASH SURRENDER VALUE - LIFE INSURANCE POLICIES

The Federation is the owner of several life insurance policies insuring the lives of several donors. The beneficiary of the policies is the Jewish Federation of Jacksonville, Inc. At the time of death of the insured, the death benefit will be paid to the Federation for the purpose of establishing a restricted endowment fund in the name of the insured. The endowment fund earnings and principal will benefit only the Federation.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE E -- NOTE RECEIVABLE

In the year ended June 30, 2021, the Federation received a contribution of a note receivable from a donor. The note receivable pertains to a mortgage held on an office condo unit owned by a non-related not-for-profit entity. The note receivable was recognized as an unconditional promise to give in the year ended June 30, 2021. As the payments are due in future periods, the note receivable was discounted to its present value using a discount rate of 4.75%. A contribution of \$78,752 was recognized in the year ended June 30, 2021.

The terms of the note state that no interest shall accrue for the first three years following the original execution date of the note (August 16, 2019). Interest shall begin accruing on September 16, 2022. Monthly principal and interest payments of \$2,893 (interest at 4.75% per annum) commence October 1, 2022. The note matures September 1, 2025 and secured by real estate.

Note receivable consist of the following at June 30, 2021:

Note receivable	\$ 80,000
Less: Unamortized discount	<u>(1,248)</u>
	<u>\$ 78,752</u>

Maturities are as follows:

Year Ended:	<u>Principal</u>	<u>Discount</u>	<u>Total</u>
2023	\$ 6,388	\$ (104)	\$ 6,284
2024	25,665	(416)	25,249
2025	26,911	(416)	26,495
2026	<u>21,036</u>	<u>(312)</u>	<u>20,724</u>
	<u>\$ 80,000</u>	<u>\$ (1,248)</u>	<u>\$ 78,752</u>

NOTE F -- CHARITABLE REMAINDER TRUSTS

The Federation is a Trustee and remainder beneficiary in charitable remainder trusts. Under the terms of the Trust Agreements, the Federation, in its capacity as Trustee, is required to make payments to the donors in each taxable year during the lifetime of the donor, in amounts ranging from 5% to 7% of the fair value of the trust assets as of the last day of the previous year. These payments are made in quarterly installments. Upon the death of the donor, the remainder assets of the Trust are normally distributed to the Federation for its general purposes.

NOTE G -- LONG-TERM DEBT

On May 8, 2020, the Federation received funds totaling \$142,600 pursuant to the Paycheck Protection Program (PPP) under the Coronavirus Aid, Relief and Economic Security Act (the "Cares" Act). As long as the Federation submits its loan forgiveness application within ten months of completion of the covered period (May 8, 2020 to October 22, 2020), the Federation is not required to make any payments until the forgiveness amount is remitted by the lender to the Small Business Administration (SBA). If the loan is fully forgiven, the Federation is not responsible for any loan payments. If only a portion of the loan is forgiven, or if the forgiveness application is denied, any remaining balance due on the loan must be repaid by the Federation on or before maturity of the loan (May 8, 2022). Interest accrues at 1% per annum during the time between the disbursement of the loan and SBA remittance of the forgiveness amount. The Federation is responsible for paying the accrued interest on any amount of the loan that is not forgiven. Management intent is to apply for 1% loan forgiveness as soon as the financial institution opens for processing PPP loan forgiveness submissions.

The loan was forgiven on June 17, 2021 and income of \$142,600 was reported in the statement of activities for the year ended June 30, 2021.

NOTE H -- FAIR VALUE MEASUREMENTS

The Federation's investments are reported at fair value in the accompanying Statements of Financial Position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Federation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Federation uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the Federation measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs were only used when Level 1 or Level 2 inputs were not available.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE H -- FAIR VALUE MEASUREMENTS (CONTINUED)

Changes in valuation techniques may result in transfers in or out of an investment's assigned level within the hierarchy. The Federation recognizes transfers into and out of levels at the end of each reporting period.

Level 1 Fair Value Measurement

The fair values of mutual funds are based on quoted net asset values of the shares held by the Federation at year-end.

Level 2 Fair Value Measurement

The fair value of uninvested cash is based on inputs other than quoted prices in active markets for identical assets and liabilities that are observable either directly or indirectly for substantially the full term of the asset.

Level 3 Fair Value Measurement

The fair value of a charitable remainder trust in which the Federation is a trustee and a remainder beneficiary is valued by calculating the present value of the future distributions expected to be received, using published life expectancy tables and a 5% discount rate.

The following tables set forth, by level within the fair value hierarchy, the Federation's investments at fair value as of June 30, 2021 and 2020:

June 30, 2021	Fair Value	Fair Value Measurements Using:		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic equity funds	\$ 11,253,969	\$ 11,253,969	\$ -	\$ -
Fixed income funds	14,752,241	14,752,241	-	-
International equity funds	6,753,884	6,753,884	-	-
Uninvested cash	-	-	-	-
Contribution receivable - Charitable Remainder Trust	3,356	-	-	3,356
	<u>\$ 32,763,450</u>	<u>\$ 32,760,094</u>	<u>\$ -</u>	<u>\$ 3,356</u>

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE H -- FAIR VALUE MEASUREMENTS (CONTINUED)

June 30, 2020	Fair Value	Fair Value Measurements Using:		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Domestic equity funds	\$ 8,079,446	\$ 8,079,446	\$ -	\$ -
Fixed income funds	12,928,856	12,928,856	-	-
International equity funds	6,018,132	6,018,132	-	-
Uninvested cash	2,502	-	2,502	-
Contribution receivable - Charitable Remainder Trust	3,618	-	-	3,618
	<u>\$ 27,032,554</u>	<u>\$ 27,026,434</u>	<u>\$ 2,502</u>	<u>\$ 3,618</u>

The following table provides further details of the Level 3 Fair Value Measurement, Charitable Remainder Trust:

June 30, 2021

Beginning balance	\$ 3,618
Change in value in charitable remainder trusts	-
Purchases	-
Payments from charitable remainder trusts	(262)
Transfers in	-
Transfers out	-
	<u>\$ 3,356</u>

June 30, 2020

Beginning balance	\$ 949,375
Change in value in charitable remainder trusts	7,377
Purchases	-
Payments from charitable remainder trusts	(105)
Transfers in	-
Transfers out	(953,029)
	<u>\$ 3,618</u>

The change in value of the split-interest agreement is included in the change in restricted net assets on the statements of activities. Distributions from the trust are reflected as reductions in the contribution receivable and reclassified from restricted net assets to unrestricted net assets.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE I – NET INVESTMENT RETURN

Net investment return consists of the following as of June 30:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 570,617	\$ 397,149
Investment management fees	<u>(148,102)</u>	<u>(122,401)</u>
	422,515	274,748
Net realized and unrealized gain (loss)	<u>1,201,488</u>	<u>(90,285)</u>
	<u>\$ 1,624,003</u>	<u>\$ 184,463</u>

NOTE J -- AGENCY ENDOWMENT LIABILITIES

Agency endowment liabilities include funds that the Federation, as agent under management agreements, invests for other parties. Management fees are charged to such parties for these services and are included in revenues without donor restrictions.

Activity in funds held for others is not reflected in the Federation's accompanying financial statements and consists of the following for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Beginning of the year	\$ 16,953,062	\$ 15,282,280
Funds received for custody management	113,629	1,493,245
Distributions and withdrawals	(461,283)	(143,377)
Investment return, net	<u>4,312,639</u>	<u>320,914</u>
	<u>\$ 20,918,047</u>	<u>\$ 16,953,062</u>

NOTE K – NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
Philanthropic funds	\$ 2,651,223	\$ 2,508,438
Board designated endowment	1,615,700	1,666,863
Other board designated	1,045,974	679,524
Net investment in property and equipment	62,486	65,256
Undesignated net assets (deficiency)	<u>(230,970)</u>	<u>(340,667)</u>
	<u>\$ 5,144,413</u>	<u>\$ 4,579,414</u>

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE L -- NET ASSETS WITH DONOR RESTRICTIONS

Donor restricted net assets consist of the following at June 30:

	<u>2021</u>	<u>2020</u>
Time or purpose:		
Contributions for the next year	\$ 500	\$ -
Contributions to be collected in future years	78,752	-
Charitable remainder trusts	3,356	3,618
Heroes Among Us program	<u>169,464</u>	<u>189,041</u>
	252,072	192,659
Endowment funds - perpetual	4,707,986	4,707,986
Endowment funds - term	3,467,852	2,420,527
Point of interest funds	575,850	471,017
Other planned giving funds	<u>46,370</u>	<u>41,334</u>
Total net assets with donor restrictions	<u>\$ 9,050,130</u>	<u>\$ 7,833,523</u>

Releases to/from donor restricted net assets are as follows for the years ended June 30:

	<u>2021</u>	<u>2020</u>
Time or purpose:		
Contributions for the next year	\$ -	\$ 20,176
Charitable remainder trusts	262	953,134
Heroes Among Us program	60,000	30,000
Endowment funds - term	68,880	98,699
Endowment funds - perpetual	125,448	-
Point of interest funds	18,500	15,000
Other fund	3,250	6,818
Transfers to endowment funds - Term	<u>-</u>	<u>(230,206)</u>
	<u>\$ 276,340</u>	<u>\$ 893,621</u>

NOTE M -- BOARD AND DONOR DESIGNATED ENDOWMENT FUNDS

Board-Designated Endowments

As of June 30, 2021 and 2020, the Board designated \$1,615,700 and \$1,666,863, respectively, of unrestricted net assets as a general endowment fund to support the mission of the Federation. Since those amounts resulted from an internal designation and are not donor restricted, the amounts were classified and reported as net assets without donor restrictions at June 30, 2021 and 2020, respectively.

Donor-Designated Endowments

The Federation's endowments consist of individual funds established for a variety of purposes. Its endowments includes both donor-restricted funds and funds designated by the Board to function as endowments. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Federation is subject to the Florida Uniform Prudent Management of Institutional Fund Act (UPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds net assets with donor restrictions because those net assets are time restricted until the Board appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board has interpreted UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to the endowment fund, unless a donor stipulates to the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Federation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund, and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument.

In accordance with UPMIFA, the Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the 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 investment, (6) other resources of the Federation, and (7) the Federation's investment policy.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE M -- BOARD AND DONOR DESIGNATED ENDOWMENT FUNDS (CONTINUED)

Investment Return Objectives, Risks Parameters and Strategies

The Federation has adopted investment and spending policies, approved by the Board, for endowment assets. Those policies 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. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and fixed income securities. The Federation expects its endowment assets, over time, to produce an average rate of return of approximately 6% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

Spending Policy

The spending policy calculates the amount of money annually distributed from the Federation's various endowed funds, for grant making and administration. The current spending policy is to distribute an amount up to 5.00% of a moving twenty-quarter average. Accordingly, over the long term, the Federation expects current spending policy to allow its endowment assets to grow at an average rate estimated to be about one percent greater than the average annual growth in the consumer price index. This is consistent with the Federation's objective to maintain the purchasing power of endowment assets as well as to provide additional real growth through new gifts and investment return.

Endowment net asset composition by type of fund as of:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<u>June 30, 2021</u>			
Donor-restricted funds subject to expenditure for a specified purpose	\$ -	\$ 3,467,852	\$ 3,467,852
Donor-restricted gift and amount required to be maintained in perpetuity by donor	-	4,707,986	4,707,986
Board restricted endowment funds	<u>1,615,700</u>	<u>-</u>	<u>1,615,700</u>
Total	<u>\$ 1,615,700</u>	<u>\$ 8,175,838</u>	<u>\$ 9,791,538</u>
<u>June 30, 2020</u>			
Donor-restricted funds subject to expenditure for a specified purpose	\$ -	\$ 2,420,527	\$ 2,420,527
Donor-restricted gift and amount required to be maintained in perpetuity by donor	-	4,707,986	4,707,986
Board restricted endowment funds	<u>1,666,863</u>	<u>-</u>	<u>1,666,863</u>
Total	<u>\$ 1,666,863</u>	<u>\$ 7,128,513</u>	<u>\$ 8,795,376</u>

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE M -- BOARD AND DONOR DESIGNATED ENDOWMENT FUNDS (CONTINUED)

Changes in endowment net assets are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2020	\$ 1,666,863	\$ 7,128,513	\$ 8,795,376
Investment return, net	325,862	844,116	1,169,978
Contributions	10,425	394,226	404,651
Amount appropriated for expenditure	(84,800)	(194,328)	(279,128)
Transfers in	-	3,311	3,311
Transfers out	(302,650)	-	(302,650)
Endowment net assets, June 30, 2021	<u>\$ 1,615,700</u>	<u>\$ 8,175,838</u>	<u>\$ 9,791,538</u>

NOTE N -- OTHER INCOME

Other income is summarized as follows at June 30:

	2021	2020
Income - Pass-through donations	\$ 248,140	\$ 120,315
Income - Registrations	748	15,849
Income - Other sources	192,891	324,505
Loss on insurance policy	-	(15,230)
	<u>\$ 441,779</u>	<u>\$ 445,439</u>

NOTE O -- COMMITMENTS AND CONTINGENCIES

Under the terms of an agreement with the Jewish Community Alliance (JCA), the Federation made a one-time expenditure of \$300,000 for its right of occupancy in designated office space in the JCA building and will not be charged rent. The JCA has no right to terminate the Federation's occupancy. Should the Federation withdraw from its occupancy, it will forfeit all its investment. Should JCA sell the building, the Federation is entitled to a full refund of its \$300,000 investment. The \$300,000 occupancy expenditure is reflected as leasehold in the Property and Equipment Fund.

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

NOTE P -- TAX DEFERRED ANNUITY PLAN

The Federation sponsors a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The Plan covers full-time employees of the Federation. The Federation contributes 25% of the employee's contribution to the Plan. Employees may make contributions to the Plan up to the maximum allowed by the Internal Revenue Code if they wish. Employer contributions to the Plan totaled \$22,310 and \$19,702 for the years ended June 30, 2021 and 2020, respectively.

NOTE Q -- LIQUIDITY

The following reflects the Federation's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 1,279,252	\$ 1,623,709
Pledges receivable, net	1,302,895	1,206,893
Other receivables	36,005	52,595
Prepaid expenses	<u>36,909</u>	<u>24,589</u>
	<u>\$ 2,655,061</u>	<u>\$ 2,907,786</u>

The Federation's financial assets have been reduced by amounts not available for general use because of donor imposed restrictions within one year of the statement of financial position date and amounts set aside for long-term investing in endowments.

The Federation's endowment funds consist of donor-restricted endowments and board designated endowment funds. Income from the donor-restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditure. As described in Note M, the board designated endowment fund has a spending rate of up to 5.00% of a moving twenty quarter average.

As part of the Federation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures and liabilities become due. In addition, the Federation invests cash in excess of daily needs in short-term investments.

NOTE R -- CONCENTRATIONS OF CREDIT RISK

The Federation maintains cash in bank deposit accounts at several financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balance may at times exceed federally insured limits. Cash in banks, based on bank balances, exceeded federally insured limits by \$ 1,507,725 and \$1,752,681 at June 30, 2021 and 2020, respectively.

**JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020**

NOTE S -- RECLASSIFICATIONS

Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements. The overall reclassification had no impact on previously report change in net assets.

NOTE T -- SUBSEQUENT EVENTS

DATE OF MANAGEMENT REVIEW - Management has evaluated subsequent events through December 17, 2021, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

JEWISH FEDERATION OF JACKSONVILLE, INC.
D/B/A JEWISH FEDERATION AND FOUNDATION OF NORTHEAST FLORIDA
SCHEDULES OF ALLOCATIONS OF CAMPAIGN PLEDGES
TO OTHER CHARITABLE ORGANIZATIONS
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
LOCAL ORGANIZATIONS		
Jewish Family and Community Services	\$ 220,500	\$ 176,000
River Garden Hebrew Home and Wolfson Aging Center	154,752	115,500
Jewish Community Alliance	159,500	119,000
Martin J. Gottlieb Day School	100,000	77,000
Searching for Identity	1,600	-
B'Nai Tzedek Program	1,500	1,000
ERUV of Jacksonville, Inc.	600	550
Youth Program		
Beth El the Beaches Synagogue	2,000	2,000
Congregation Ahavath Chesed	2,000	2,000
Etz Chaim Synagogue	2,000	2,000
Jacksonville Jewish Center	2,000	2,000
Chabad Lubavitch	2,000	2,000
1 st Congregation Sons of Israel	2,000	2,000
Temple Bat Yam	2,000	2,000
National Hillel	2,800	2,800
Jewish Community Center Association of North America	4,300	4,300
Chabad - University of North Florida	2,500	2,050
Torah High of Jacksonville	49,000	37,686
	<u>711,052</u>	<u>549,886</u>
REGIONAL ORGANIZATIONS		
Jewish Education Loan Fund	3,200	2,000
Anti-Defamation League	500	500
	<u>3,700</u>	<u>2,500</u>
NATIONAL AND OVERSEAS ORGANIZATIONS		
Birthright Israel	9,000	9,000
	<u>9,000</u>	<u>9,000</u>
DUES		
Florida Government Affairs Commission	1,900	1,900
Jewish Committee of Public Affairs	2,500	2,430
	<u>4,400</u>	<u>4,330</u>
GIFT OF ISRAEL PROGRAM	<u>-</u>	<u>7,000</u>
THE JEWISH FEDERATIONS OF NORTH AMERICA	<u>666,408</u>	<u>637,584</u>
	<u>\$ 1,394,560</u>	<u>\$ 1,210,300</u>