

Consolidated Financial Statements and  
Supplementary Information Together  
with Report of Independent Certified  
Public Accountants

**Combined Jewish Philanthropies of  
Greater Boston, Inc. and Affiliates**

June 30, 2023 and 2022

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**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

To the Board of Directors of  
Combined Jewish Philanthropies of Greater Boston, Inc.

**Report on the financial statements****Opinion**

We have audited the consolidated financial statements of Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates (collectively, the "Entity"), which comprise the consolidated statements of financial position as of June 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Entity as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for opinion**

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

**Responsibilities of management for the financial statements**

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Entity's ability to continue as a going concern for 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 consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

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

**Supplementary information**

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules of financial position and activities by functional area are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial

statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Grant Thornton LLP*

Boston, Massachusetts  
November 17, 2023

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

**As of June 30, 2023 and 2022**  
**(In thousands)**

	<b>2023</b>	<b>2022</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 5,696	\$ 6,068
Contributions receivable, net (Note 3)	23,273	29,647
Gifts and bequests receivable, net (Note 4)	97	5,539
Returned grants receivable, net (Note 5)	-	1,844
Agency receivables, net (Note 6)	470	1,035
Investments (Notes 7 and 8)	2,573,542	2,387,161
Property and equipment, net (Note 9)	26,180	27,618
Other assets (Note 15)	5,240	4,053
	<hr/>	<hr/>
Total assets	\$ 2,634,498	\$ 2,462,965
	<hr/>	<hr/>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Liabilities</b>		
Grants and Programs payable	\$ 34,602	\$ 44,865
Accounts payable and accrued expenses	3,280	3,117
Obligations for funds managed for others (Note 10)	28,804	28,245
Other liabilities	2,717	1,844
	<hr/>	<hr/>
Total liabilities	69,403	78,071
	<hr/>	<hr/>
<b>Minority interest in JCEP (Note 1)</b>	441,138	413,981
	<hr/>	<hr/>
<b>Net assets (Note 12)</b>		
Without restrictions:		
Operations and reserves	112,869	104,067
Donor Advised Funds	1,841,330	1,702,934
With restrictions	169,758	163,912
	<hr/>	<hr/>
Total net assets	2,123,957	1,970,913
	<hr/>	<hr/>
Total liabilities and net assets	\$ 2,634,498	\$ 2,462,965
	<hr/>	<hr/>

The accompanying notes are an integral part of these consolidated financial statements.

Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates

CONSOLIDATED STATEMENTS OF ACTIVITIES

For the year ended June 30, 2023  
(With summarized information for the year ended June 30, 2022)  
(In thousands)

	2023			2022
	Without Restrictions	With Restrictions	Total	Total
<b>Support and revenue</b>				
Campaign contributions, net	\$ 42,853	\$ 8,621	\$ 51,474	\$ 57,870
Gifts and bequests	115,266	8,150	123,416	268,565
Change in split-interest agreements	122	(41)	81	583
Grants and other allocations	30	-	30	438
Other revenue	86	-	86	-
Contributions of nonfinancial assets (Note 2)	379	-	379	7
Net assets released from restrictions (Note 12)	24,677	(24,677)	-	-
Total support	183,413	(7,947)	175,466	327,463
Investment return (loss), net (Note 7)	212,476	13,552	226,028	(152,028)
Rental income	427	-	427	406
Event revenue	2,214	-	2,214	145
Administrative fees	19	-	19	48
Transfer between funds based on donors' intent	(241)	241	-	-
Total revenue	214,895	13,793	228,688	(151,429)
Total support and revenue	398,308	5,846	404,154	176,034
<b>Expenditures</b>				
Program grants and distributions:				
Program grants	32,761	-	32,761	43,661
Programmatic expenditures	17,474	-	17,474	12,315
Donor Advised Fund grants	141,564	-	141,564	134,082
Total program grants and distributions	191,799	-	191,799	190,058
Management and general	4,625	-	4,625	5,442
Fundraising	14,126	-	14,126	12,725
Total management, general, and fundraising expenditures	18,751	-	18,751	18,167
Total expenditures	210,550	-	210,550	208,225
Net results from operations	187,758	5,846	193,604	(32,191)
<b>Minority interest in investment (earnings) losses of JCEP (Note 7)</b>	(40,560)	-	(40,560)	28,517
<b>CHANGE IN NET ASSETS</b>	147,198	5,846	153,044	(3,674)
<b>Net assets at beginning of year</b>	1,807,001	163,912	1,970,913	1,974,587
<b>Net assets at end of year</b>	<u>\$ 1,954,199</u>	<u>\$ 169,758</u>	<u>\$ 2,123,957</u>	<u>\$ 1,970,913</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**CONSOLIDATED STATEMENT OF ACTIVITIES**

**For the year ended June 30, 2022**  
**(In thousands)**

	<b>Without Restrictions</b>	<b>With Restrictions</b>	<b>Total</b>
<b>Support and revenue</b>			
Campaign contributions, net	\$ 37,129	\$ 20,741	\$ 57,870
Gifts and bequests	265,651	2,914	268,565
Change in split-interest agreements	673	(90)	583
Grants and other allocations	438	-	438
Contributions of nonfinancial assets (Note 2)	7	-	7
Net assets released from restrictions (Note 12)	23,890	(23,890)	-
<b>Total support</b>	<b>327,788</b>	<b>(325)</b>	<b>327,463</b>
Investment (loss) return, net (Note 7)	(142,994)	(9,034)	(152,028)
Rental income	406	-	406
Event revenue	145	-	145
Administrative fees	48	-	48
Transfer between funds based on donors' intent	(218)	218	-
<b>Total revenue</b>	<b>(142,613)</b>	<b>(8,816)</b>	<b>(151,429)</b>
<b>Total support and revenue</b>	<b>185,175</b>	<b>(9,141)</b>	<b>176,034</b>
<b>Expenditures</b>			
Program grants and distributions:			
Program grants	43,661	-	43,661
Programmatic expenditures	12,315	-	12,315
Donor Advised Fund grants	134,082	-	134,082
<b>Total program grants and distributions</b>	<b>190,058</b>	<b>-</b>	<b>190,058</b>
Management and general	5,442	-	5,442
Fundraising	12,725	-	12,725
<b>Total management, general, and fundraising expenditures</b>	<b>18,167</b>	<b>-</b>	<b>18,167</b>
<b>Total expenditures</b>	<b>208,225</b>	<b>-</b>	<b>208,225</b>
<b>Net results from operations</b>	<b>(23,050)</b>	<b>(9,141)</b>	<b>(32,191)</b>
<b>Minority interest in investment losses of JCEP (Note 7)</b>	<b>28,517</b>	<b>-</b>	<b>28,517</b>
<b>CHANGE IN NET ASSETS</b>	<b>5,467</b>	<b>(9,141)</b>	<b>(3,674)</b>
<b>Net assets at beginning of year</b>	<b>1,801,534</b>	<b>173,053</b>	<b>1,974,587</b>
<b>Net assets at end of year</b>	<b>\$ 1,807,001</b>	<b>\$ 163,912</b>	<b>\$ 1,970,913</b>

The accompanying notes are an integral part of this consolidated financial statement.



Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

For the year ended June 30, 2023  
(With summarized information for the year ended June 30, 2022)  
(In thousands)

	2023				2022
	Program	Management and General	Fundraising	Total	Total
<b>Community support</b>					
Program grants and distributions	\$ 32,761	\$ -	\$ -	\$ 32,761	\$ 43,661
DAF grants	141,564	-	-	141,564	134,082
Total community support	174,325	-	-	174,325	177,743
<b>Salaries and benefits</b>	9,546	1,499	10,323	21,368	20,436
<b>Other expenses</b>					
Professional fees	484	645	471	1,600	1,174
Consulting and temporary help	1,245	349	468	2,062	1,975
Conference, meetings and travel	2,414	3	251	2,668	211
Missions expenses	-	-	323	323	290
Event expenses	381	50	334	765	589
Marketing and promotion	465	93	124	682	569
Printing and publications	99	56	161	316	172
Staff expenses	156	247	170	573	412
Supplies	53	9	34	96	42
Equipment and maintenance	229	389	259	877	844
Utilities and building services	579	67	212	858	526
Allocated occupancy	427	606	488	1,521	1,326
Depreciation and amortization	661	550	490	1,701	1,763
Miscellaneous	735	62	18	815	153
Total other expenses	7,928	3,126	3,803	14,857	10,046
Total expenses	<u>\$ 191,799</u>	<u>\$ 4,625</u>	<u>\$ 14,126</u>	<u>\$ 210,550</u>	<u>\$ 208,225</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

**For the year ended June 30, 2022**  
**(In thousands)**

	<b>Program</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
<b>Community support</b>				
Program grants and distributions	\$ 43,661	\$ -	\$ -	\$ 43,661
DAF grants	134,082	-	-	134,082
Total community support	177,743	-	-	177,743
<b>Salaries and benefits</b>	8,260	2,226	9,950	20,436
<b>Other expenses</b>				
Professional fees	358	460	356	1,174
Consulting and temporary help	1,283	588	104	1,975
Conference, meetings and travel	137	9	65	211
Missions expenses	-	-	290	290
Event expenses	222	46	321	589
Marketing and promotion	271	132	166	569
Printing and publications	44	20	108	172
Staff expenses	106	188	118	412
Supplies	28	5	9	42
Equipment and maintenance	201	421	222	844
Utilities and building services	278	183	65	526
Allocated occupancy	350	526	450	1,326
Depreciation and amortization	660	606	497	1,763
Miscellaneous	117	32	4	153
Total other expenses	4,055	3,216	2,775	10,046
Total expenses	<u>\$ 190,058</u>	<u>\$ 5,442</u>	<u>\$ 12,725</u>	<u>\$ 208,225</u>

The accompanying notes are an integral part of this consolidated financial statement.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

**For the years ended June 30, 2023 and 2022**  
(In thousands)

	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 153,044	\$ (3,674)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	1,694	1,763
Unrealized and realized investment (losses)/gains, net	(198,141)	157,420
Contributions of securities and other investments	(39,456)	(53,110)
Proceeds from sales of donated securities	39,456	53,110
Contributions restricted for endowment	8,338	1,818
Minority interest in investment earnings (losses) of JCEP	40,560	(28,517)
Provision for uncollectible pledges, notes, loans and other receivables	(342)	(724)
Changes in certain assets and liabilities:		
Contributions receivable	6,716	(211)
Gifts and bequests receivable	5,442	16
Agency receivables	565	16
Returned allocations receivable	1,844	1,445
Other assets	(1,187)	(58)
Accounts payable and accrued expenses	163	931
Other liabilities	873	114
Program grants and distributions payable	(10,263)	(19)
Net cash provided by operating activities	<u>9,306</u>	<u>130,320</u>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(256)	(575)
Purchases of investments	(157,520)	(411,298)
Proceeds from sales and maturities of investments	<u>171,712</u>	<u>288,287</u>
Net cash provided by (used in) investing activities	<u>13,936</u>	<u>(123,586)</u>
<b>Cash flows from financing activities:</b>		
Contributions restricted for endowment	(8,338)	(1,818)
Line of credit, payable	-	(7,500)
Capital contributions by minority partners in JCEP	15,695	24,992
Capital withdrawals by minority partners in JCEP	(29,097)	(26,005)
Funds received from others for investment	1,131	6,735
Funds distributed to others from managed investments	<u>(3,005)</u>	<u>(5,424)</u>
Net cash used in financing activities	<u>(23,614)</u>	<u>(9,020)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(372)</u>	<u>(2,286)</u>
<b>Cash and cash equivalents at beginning of year</b>	<u>6,068</u>	<u>8,354</u>
<b>Cash and cash equivalents at end of year</b>	<u><u>\$ 5,696</u></u>	<u><u>\$ 6,068</u></u>
<b>Supplemental disclosure:</b>		
Cash paid for interest	\$ -	\$ 27

The accompanying notes are an integral part of these consolidated financial statements.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**June 30, 2023 and 2022**  
**(In thousands)**

**NOTE 1 - NATURE OF ORGANIZATION**

The mission of Combined Jewish Philanthropies of Greater Boston, Inc. ("CJP") is to inspire and mobilize the Greater Boston Jewish community to engage in building communities of learning and action that strengthen Jewish life and improve the world. Founded in 1895 as the Federation of Jewish Charities, it is one of the largest public charities in Greater Boston. CJP serves as a central convener, planner, funder, and implementer of initiatives to meet urgent needs, enhance Jewish life and learning, and foster strong connections with Israel. CJP also impacts the broader community in collaboration with local and national partners. CJP's support and revenue are derived principally from contributions, gifts and bequests from its donors, and earnings on its investments.

The consolidated financial statements include the results of the activities of the Jewish Community Endowment Pool, LLP ("JCEP") and five supporting organizations. The supporting organizations have substantially the same purpose as CJP. JCEP was created in 1998 by CJP to serve as an endowment investment solution for small to mid-size not-for-profit organizations operating under section 501(c)(3) of the Internal Revenue Code. JCEP provides access to professional investment management, administration, and reporting for its partners. Through their partnership interests in JCEP, all partners share proportionately in the underlying money-management, operational and custody costs, and retain full access to their invested assets as outlined in the terms of JCEP's partnership agreement. As a partnership, JCEP passes all tax liabilities through to the partners and does not record a provision for income taxes.

CJP serves as Majority-in-Interest Partner and Records Partner for JCEP. As of June 30, 2023 and 2022, CJP had a 73.26% and 73.42% ownership interest in JCEP, respectively. The balance of the ownership interest of JCEP at June 30, 2023 and 2022 was held by 60 and 62, respectively other non-profit institutions located primarily in the Greater Boston area. As defined in the JCEP partnership agreement, contributions or withdrawals of partner capital to or from JCEP can be made, subject to the approval of the majority-in-interest partner. Full or substantial withdrawals of partner capital require advance written notice, may be subject to restrictions and are subject to the approval of the Majority-in-Interest Partner, as defined in the partnership agreement.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and include the accounts of CJP, JCEP and CJP's supporting organizations. All intercompany accounts and transactions have been eliminated in consolidation. The significant accounting policies of CJP are as follows:

***Classification of Net Assets***

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

Without Restrictions: Assets and contributions that are not subject to donor-imposed or time-related restrictions or for which restrictions have expired. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as support without restrictions.

Gifts to Donor Advised Funds are classified as support without restrictions. Donor Advised Funds comprised 94.2% of net assets without restrictions at June 30, 2023 and 2022.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
**(In thousands)**

With Restrictions: Represent net assets which are subject to donor-imposed restrictions whose use is restricted by time and/or purpose. A portion of the organization's net assets with donor restrictions are subject to donor-imposed restrictions that require the organization to use or expend the gifts as specified, based on purpose or passage of time. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without restrictions and reported on the consolidated statement of activities as net assets released from restrictions.

Another portion of net assets with donor restrictions stipulates that the corpus of the gifts be maintained in perpetuity, but allow for the expenditure of net investment income and gains earned on the corpus for either specified or unspecified purposes.

CJP reports gifts of securities, as well as land, buildings, and equipment, as support without restrictions unless donor stipulations specify how the donated assets must be used.

***Cash and Cash Equivalents***

Cash and cash equivalents consist primarily of cash on deposit, money market accounts or short-term obligations of the U.S. Government or its agencies. Money market funds and other highly liquid debt instruments held as part of CJP's investment strategy are included within investments. Deposits in non-transaction accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At times such cash is significantly in excess of FDIC insured limits. CJP has not experienced any losses as a result of the use of uninsured deposit amounts.

***Contributions Receivable, Net***

Contributions receivable include CJP's annual and special campaigns and are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as revenue until the conditions are met. Contributions receivable are presented net of an allowance for uncollectible amounts and net present value discount at a rate determined by management.

***Gifts and Bequests Receivable***

Gifts and bequests receivable are recorded at fair value. Gifts include contributions to CJP's Donor Advised Funds, Endowment, Quasi Endowment, and other gifts not specific to the annual or special campaigns. The receivable balances do not contain net present value discounts as they are expected to be received within 12 months.

***Agency Loans Receivable, Net***

Agency loans are recorded at the present value of estimated future cash flows. An agency is an organization that receives grant funding and additional support from CJP.

***Allowances for Uncollectible Receivables***

CJP's allowances for uncollectible receivables represent management's estimate of the amounts required to state receivables at their net realizable value, is based upon management's judgments including such factors as prior collection history and type of receivable. Actual write-offs may vary from this estimate.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
**(In thousands)**

Allowances were as follows at June 30:

	2023	2022
Contributions receivable	\$ 182	\$ 524
Other receivables	-	2
Agency loans receivable	21	46

***Property and Equipment***

Property and equipment is comprised principally of real estate and improvements, furniture, computers and equipment and is stated at cost on the date of acquisition, or in the case of gifts, at the fair market or the appraised value on the date of the donation.

Depreciation and amortization are provided in amounts sufficient to allocate costs over the estimated useful lives of the underlying assets. Land is a non-depreciable asset. Property and equipment are depreciated and amortized using the straight-line method as follows:

Buildings and improvements	20-40 years
New England Holocaust Memorial	50 years
Furniture, fixtures, computers and equipment	3-10 years

***Investments***

CJP's investments are managed by professional investment advisors under the general direction of two senior volunteer committees of CJP's Board of Directors: the Board of Managers and the Investment Committee.

Investments are stated at fair value, as determined by quoted market prices, where available. Increases or decreases in market value are recorded in the accompanying consolidated statements of activities. Where quoted market prices are not available, fair value is determined either by reference to similar investments or to values established by the managers of such investments. Certain investments are not readily marketable (alternative investments) and are recorded at fair value. The fair value of investments is determined by the individual investment manager. CJP estimates that this valuation most fairly presents the amount that would have been realized had the investment been sold to a willing buyer as of the date of the financial statements. Because of the inherent uncertainties in the valuation process, the investment manager's estimate may differ from the values that would have been used had a ready market existed. CJP has implemented policies and procedures to assess the reasonableness of the fair values provided, and it believes that the reported fair values are reasonable.

CJP holds State of Israel bonds which are held to maturity and are reported at the face value of the bonds, \$2,689 and \$2,747 at June 30, 2023 and 2022, respectively. In the opinion of management, the use of face value rather than fair value does not have a material impact on the accompanying consolidated financial statements.

***Grants (and Programs) Payable***

Grants and programs payable totaled \$44,865 at June 30, 2022 and include grants and programs approved by CJP's Board of Directors for payment primarily between October 1, 2022 and June 30, 2023.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
**(In thousands)**

In fiscal year 2023 CJP made a change in policy and only accrues grant related commitments. Grants payable totaled \$34,602 at June 30, 2023 and include grants approved by CJP's Board of Directors for payment primarily between October 1, 2023 and June 30, 2024.

***Charitable Gift Annuities and Charitable Remainder Trusts***

CJP records assets received under charitable gift annuity ("CGAs") agreements and charitable remainder trusts ("CRTs") at the fair value of the assets when received by CJP. In conjunction with these gifts, CJP has recorded a liability, included in obligations for funds managed for others, equal to the present value of future cash flows expected to be paid to the beneficiaries based upon their actuarial expected lives. For CRTs, the actuarial lives were calculated based on the 2012 IAR mortality table, which takes into account updated mortality data, annuitant gender and projected mortality improvements in future years and projects life expectancies. The discount rate used for obligations for CGAs was 3.66% and 3.03% in the years ended June 30, 2023 and 2022, respectively.

***Contribution of Nonfinancial Assets***

CJP receives contributed nonfinancial assets on an annual basis. Contributed nonfinancial assets are recognized at fair value as income in the period they are received and recorded as an asset or as part of program or supporting services upon use.

CJP has a significant number of volunteers who contribute meaningful amounts of time in furtherance of CJP's mission. Such contributions do not meet generally accepted accounting criteria for recognition as contributed services and, accordingly, are not recorded in the consolidated statement of activities.

For the years ended June 30, 2023 and 2022, contributed nonfinancial assets recognized within the consolidated statements of activities consisted of the following:

	2023	2022
Artwork	\$ 331	\$ -
Legal services	32	7
Public relations services	16	-
	<u>\$ 379</u>	<u>\$ 7</u>

***Donor Advised Funds***

Individuals may establish Donor Advised Funds, whereby each fund and its related earnings can be distributed to charities recommended by the donor, subject to the approval of CJP's Board of Directors. Donor Advised Funds are included in net assets without restrictions and amounted to \$1,841,330 and \$1,702,934 at June 30, 2023 and 2022, respectively. Donor advised fund revenue reported in gifts and bequests was \$114,516 and \$265,390 in the years ended June 30, 2023 and 2022, respectively. Three donors comprised 63.3% and two donors comprised 73.0% of gifts and bequests for the years ended June 30, 2023 and 2022, respectively. DAF revenue is reported net of grants to CJP which amounted to \$17,128 and \$15,122 in the years ended June 30, 2023 and 2022, respectively.

***Functional Allocation of Expenses***

The costs of providing various programs and other activities have been summarized on a functional basis in the Consolidated Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Each functional classification includes all expenses

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related to the underlying operations by natural classification. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques. Certain costs for occupancy, building services, information technology and human resources are allocated based on headcount. Certain costs for marketing, finance and executive leadership are allocated based on estimates of time and effort.

***Income Taxes***

CJP and two supporting organizations are not-for-profit organizations as described in Section 501(c)(3) of the Internal Revenue Code, as amended (the "Code"), and are generally exempt from income taxes pursuant to Section 501(a) of the Code. Three supporting organizations have elected 501(c)(2) status, with organizing documents that specify that any surplus in excess of expenses will be used to support CJP or CJP Next Generation Housing Foundation, Inc. CJP is required to assess uncertain tax positions and has determined that there were no such positions that are material to the consolidated financial statements.

***Use of Estimates***

In preparing consolidated financial statements in conformity with U.S. GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Material estimates that are particularly susceptible to change include the fair value of investments, the allowance for uncollectible pledges, the functional allocation of expenses, and obligations for Grants and programs payable.

***Leases***

CJP follows the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, *Leases (Topic 842)*, which requires lessees (for capital and operating leases) to apply a modified retrospective transition approach for leases existing at or entered into after the earliest comparative period presented in the consolidated financial statements. It requires that all leases except those with a lease term of less than 12 months be reflected on the statement of financial position. The ASU requires the lessor to record both a Right of Use ("ROU") asset and the associated liability defined as the present value of the stream of lease payments. The ROU asset is adjusted for payments made before lease commencement and initial direct costs. Initial direct costs only include those that would not have been incurred without the lease.

***Reclassifications***

Certain reclassifications have been made to the prior year consolidated financial statements to conform to the current year presentation. Such reclassifications did not change total assets, liabilities, revenues, expenses or changes in net assets as reflected in the 2022 consolidated financial statements.

***Subsequent Events***

CJP evaluated subsequent events after the statement of financial position date of June 30, 2023 through November 17, 2023, the date on which the consolidated financial statements were available to be issued. Other than as discussed below, there were no events that require recognition in or disclosure to the financial statements.

On October 7, 2023, Israel was attacked by Hamas terrorists from Gaza in one of the deadliest in Israel's history. In alignment with its mission, CJP launched the Israel Emergency Fund fundraising campaign which has raised a significant amount of money. CJP plans to distribute most of these funds within FY 2024. The



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potential impact of the crisis in Israel on CJP's other fundraising, grantmaking, and operational activities is not known at this time.

**NOTE 3 - CONTRIBUTIONS RECEIVABLE, NET**

Contributions receivable as of June 30 are expected to be collected in future fiscal years as follows:

	2023	2022
Due within one year	\$ 19,599	\$ 22,124
Due within two to five years	4,475	8,848
Total contributions receivable	24,074	30,972
Less: discount (at rates from 1% to 5.15%)	(619)	(801)
Less: allowance for uncollectible pledges	(182)	(524)
Contributions receivable, net	\$ 23,273	\$ 29,647

Two donors comprised 25.9% and two donors comprised 36.1% of the total contributions receivable as of June 30, 2023 and 2022, respectively. There were no conditional promises to give as of June 30, 2023 and June 30, 2022.

**NOTE 4 - GIFTS AND BEQUESTS RECEIVABLE, NET**

Gifts and bequests receivable were \$97 and \$5,539 as of June 30, 2023 and 2022, respectively, and do not include net present value discounts as the amounts are expected to be received within 12 months. Gifts to Endowment and quasi-Endowment as of June 30, 2023 and 2022 are shown net of allowance of \$0 and \$1, respectively.

**NOTE 5 - RETURNED GRANTS RECEIVABLE, NET**

In 1999, CJP guaranteed \$5,200 of a \$32,100 bond issue for one beneficiary agency with a bond insurer. CJP recorded a liability and the commensurate expense related to this guarantee as an allocation payable in fiscal 2007. In fiscal 2012, CJP entered into a non-interest-bearing note agreement with the bond insurer to fund the loan guarantee and was granted a \$5,200 subordinated mortgage on the property by the agency.

In August 2018, the agency sold its property, and a reimbursement agreement was concluded between CJP and the agency. Under the terms of the 2018 agreement, CJP released the 2012 mortgage on the property and agreed to receive all proceeds from the buyer on an \$8,000 note payable in quarterly installments. CJP received a total of \$2,800 during fiscal years 2019 and 2020, and immediately forwarded the payments to the agency.

Beginning with the quarterly payments in July 2020, the subsequent thirteen quarterly payments of \$400, totaling \$5,200, are being retained by CJP to reimburse CJP for the amount paid in 2012 under the loan guaranty. CJP recorded this transaction as a returned allocation grant. It appears as a discounted receivable on the consolidated statement of financial position and other revenue on the consolidated statement of activities. During fiscal years 2023 and 2022 CJP received \$2,000 and \$1,600, respectively. There are no outstanding receivables as of June 30, 2023.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
(In thousands)

**NOTE 6 - AGENCY RECEIVABLES, NET**

CJP makes loans to some of its major agencies for the purpose of funding benefits under a retirement plan that was frozen in a prior year and has receivables from agencies for other purposes. Agency receivables consist of the following at June 30:

	2023	2022
Agency receivables	\$ 608	\$ 1,472
Less: discount (at rates from 1.25%-5.15%)	(117)	(391)
Less: allowance for uncollectible receivables	(21)	(46)
Agency receivables, net	\$ 470	\$ 1,035

Gross agency receivables as of June 30, 2023 are scheduled to be collected in future fiscal years as follows:

2024	\$ 94
2025	94
2026	28
2027	28
2028	28
Thereafter	336
	<u>\$ 608</u>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

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**NOTE 7 - INVESTMENTS**

Investments are comprised of the following as of June 30:

	2023	2022
Non-pooled investments:		
Domestic equity	\$ 314,036	\$ 248,501
International and emerging markets equity	83,143	64,031
Private equity/venture capital	184	60
Hedged equity/credit	4,712	4,572
Illiquid credit	1,121	1,690
Fixed income	27,345	25,879
Money market funds	489,370	481,696
State of Israel bonds	2,689	2,747
Other investments	1,014	597
	<u>923,614</u>	<u>829,773</u>
Jewish Community Endowment Pool, LLP:		
Cash	-	18,000
Domestic equity	167,039	126,756
International and emerging markets equity	334,064	256,840
Private equity/venture capital	147,385	140,352
Hedged equity/credit	596,131	588,607
Illiquid credit	61,959	62,143
Real assets	61,950	84,995
Fixed income	209,771	230,101
Money market funds	43,530	33,338
Other assets*	28,099	16,256
	<u>1,649,928</u>	<u>1,557,388</u>
Total investments	<u>\$ 2,573,542</u>	<u>\$ 2,387,161</u>

\* Other assets consist of receivables for investments sold.

CJP categorizes its investments as follows:

***Domestic Equity***

Domestic equity investments are allocated to equity securities of U.S. companies of all sizes. The purpose of the domestic equity allocation is to provide a total return that will generate growth in principal value. Over the long term, the equity allocation is intended to help increase the real value of the underlying assets.

***International and Emerging Markets Equity***

International equity investments are allocated to equity securities of companies located in developed, market countries outside the U.S., while Emerging Market equities are allocated to equity securities in non-developed market countries. In addition to sharing the purpose of the domestic and emerging market equity allocation, international equity investments allow exposure to countries that may perform differently from U.S. equities, thereby potentially diversifying the portfolio.

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***Private Equity/Venture Capital***

Private equity/venture capital investments are primarily equity investments in private companies. These private investments range from early to late stage, high growth companies, to companies in need of restructuring or turnaround. Like the other equity investments, the intended purpose is to help increase the real value of the portfolio.

***Hedged Equity/Credit***

Hedge equity/credit investments include exposure to strategies such as arbitrage, long/short equity or event-driven strategies. These investments may have exposure to both long and short positions in a wide range of underlying investments including public and private equity, fixed income securities, credit instruments, real estate, commodities and precious metals. Hedge equity/credit investments typically seek to provide equity-like returns with lower volatility than equity markets and lower correlations to equity markets than long only equity investments. Some managers also make illiquid investments, which may be side-pocketed. Hedged equity/credit investments serve to diversify the portfolio, smooth equity volatility and preserve the real value of the portfolio.

***Illiquid Credit***

Illiquid credit investments include investments in various credit instruments, including bonds, loans, and other debt securities, either through direct purchase of the securities or through derivatives. The investments may also include non-performing loans of companies in financial distress with the goal of increasing the value of these loans through financial restructuring and/or operational improvements. The purpose of illiquid credit investments is to help preserve the real value of assets with less exposure to the risks of equity ownership.

***Real Assets***

Real assets investments include real estate, natural resources, commodities and securities with rates of return that may perform differently from equities. The purpose of the allocation to real assets is to provide a source of equity-like returns having lower correlations to global equity markets. These investments may also have a greater possibility of providing positive real returns in inflationary environments.

***Fixed Income and Money Market Funds***

Fixed income investments include vehicles holding cash equivalents, bonds and other income securities. Money market investments may include indirect investments in the highest quality instruments available, such as Treasury bills, U.S. government agency issues, commercial paper and certificates of deposit. The purposes of the fixed income/money market allocation is to provide liquid capital for future investment or other cash needs of the Partnership. During a market dislocation, these investments offer a high degree of protection, and reduce the risk of permanent loss of capital.

***Other Investments***

Other investments include real estate, fine art and other noncash contributions held for sale. CJP's policy is to sell contributions of securities upon receipt in a manner that maximizes the proceeds from the sale.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
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**Summary of Investment Results**

The following table summarizes realized and unrealized gains (losses) and interest and dividend income for the years ended June 30:

	2023			2022		
	CJP	JCEP Minority Partners	Total	CJP	JCEP Minority Partners	Total
Interest and dividend income earned	\$ 36,206	\$ 3,750	\$ 39,956	\$ 16,139	\$ 2,640	\$ 18,779
Realized and unrealized investment gains (losses), net	158,235	40,219	198,454	(130,337)	(27,688)	(158,005)
Total investment return	194,441	43,969	238,410	(114,198)	(25,028)	(139,226)
Less: investment expenses	(8,973)	(3,409)	(12,382)	(9,313)	(3,489)	(12,802)
Total investment return, net	<u>\$ 185,468</u>	<u>\$ 40,560</u>	<u>\$ 226,028</u>	<u>\$ (123,511)</u>	<u>\$ (28,517)</u>	<u>\$ (152,028)</u>

**NOTE 8 - FAIR VALUE MEASUREMENTS**

U.S. GAAP establishes a single authoritative definition of fair value, sets a framework for measuring fair value and requires additional disclosures about fair value measurements. CJP classifies its investments as follows:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities that CJP has the ability to access at the measurement date.
- Level 2 - Prices determined using other significant observable inputs. Observable inputs are inputs that other market participants would use in valuing a portfolio instrument. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others.
- Level 3 - Prices determined using significant unobservable inputs. In situations where quoted prices or observable inputs are unavailable (for example, when there is little or no market activity for an investment at the end of the period), unobservable inputs may be used. Unobservable inputs reflect CJP's own assumptions about the factors market participants would use in valuing a portfolio instrument, and would be based on the best information available.

CJP's financial instruments are cash and cash equivalents, accounts receivable, accounts payable, notes payable, and debt. The recorded values of cash and cash equivalents and accounts payable approximate their fair values based on their short-term nature. The following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value, as well as the general classification pursuant to the valuation hierarchy.

**Alternative Investments**

These investments are assets in classes other than stocks, bonds and cash, which are aggregated by category based on their underlying investments. The fair value of such investments is determined using the net asset value ("NAV") per share and are not included in the valuation hierarchy.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
(In thousands)

***Contributions Receivable***

Contributions receivable are recorded based on non-recurring fair value measurements. Any multi-year pledges received are recorded at the present value of future cash flows with a discount rate as determined by management, adjusted for any market conditions to arrive at fair value.

***Gift Annuities and Charitable Remainder Trusts***

Liabilities associated with split interest agreements are recorded based on non-recurring fair value measurements and are recorded at the present value of future cash flows expected to be paid to beneficiaries based upon actuarial lives.

***Investments***

Investments valued at quoted prices in an active market are classified within Level 1 of the fair value hierarchy.

***Money Market Funds***

Money market funds are valued based on quoted prices in active markets and are classified within Level 1 of the fair value hierarchy.

***Line of Credit***

The line of credit is recorded at fair value.

***Fair Value Classification Summary***

CJP has classified assets and liabilities measured at fair value on a recurring basis at June 30, 2023 and 2022 as follows:

	2023	2022
Non-pooled investments:		
Investments in Level 1 marketable securities		
Domestic equity	\$ 314,034	\$ 248,499
International and emerging markets equity	83,143	64,031
Hedged equity/credit	4,712	4,572
Fixed income	24,336	23,477
Money market funds	489,370	481,696
Other assets	683	597
	<u>916,278</u>	<u>822,872</u>
Investments in alternative investment funds		
Domestic equity	2	2
Private equity/venture capital	184	60
Illiquid credit	1,121	1,690
Fixed income	3,009	2,402
Other assets	331	-
	<u>4,647</u>	<u>4,154</u>
Total non-pooled	<u>\$ 920,925</u>	<u>\$ 827,026</u>

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
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	2023	2022
Jewish Community Endowment Pool:		
Investments in Level 1 marketable securities		
Domestic equity	\$ 47,086	\$ 39,361
Fixed income	209,771	230,101
Money market funds	43,530	33,338
	<hr/>	<hr/>
Total investments in Level 1 marketable securities	300,387	302,800
Investments in alternative investment funds		
Domestic equity	119,953	87,395
International and emerging markets equity	334,064	256,840
Private equity/venture capital	147,385	140,352
Hedged equity/credit	596,131	588,607
Illiquid credit	61,959	62,143
Real assets	61,950	84,995
	<hr/>	<hr/>
Total investments in alternative investment funds	1,321,442	1,220,332
Cash held for investment	-	18,000
Total Jewish Community Endowment Pool, LLP	<hr/>	<hr/>
	1,621,829	1,541,132
Investments at fair value	<u>\$ 2,542,754</u>	<u>\$ 2,368,158</u>
Investments not measured at fair value		
Receivables for investments sold	\$ 28,099	\$ 16,256
Israel bonds	2,689	2,747
	<hr/>	<hr/>
Total investments	<u>\$ 2,573,542</u>	<u>\$ 2,387,161</u>

The table below presents additional information regarding investments whose fair value is estimated using the practical expedient of reported NAV as of June 30, 2023. Uncalled commitments in the table below relate to JCEP's contractual obligations with certain investment managers to contribute funds to an investment at future dates.

	Uncalled Commitments	Fair Value		Redemption Periods		
				Less Than 30 Days	30 Days to 1 Year	Greater Than 1 Year
Domestic equity	\$ -	\$ 119,955	(1)	\$ 86,980	\$ 13,440	\$ 19,535
International and emerging markets equity	-	334,064	(2)	278,504	42,835	12,725
Private equity/venture capital	87,136	147,569	(3)	-	-	147,569
Hedged equity/credit	-	596,131	(4)	172,842	171,184	252,105
Illiquid credit	-	63,080	(5)	-	-	63,080
Real assets	15,245	61,950	(6)	-	-	61,950
Fixed income	-	3,009	(7)	-	19	2,990
Other assets	-	331	(8)	-	-	331
	<hr/>	<hr/>		<hr/>	<hr/>	<hr/>
Total	\$ 102,381	\$ 1,326,089		\$ 538,326	\$ 227,478	\$ 560,285

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**

**(In thousands)**

- (1) Includes investments in limited partnerships that invest in domestic equities, with various withdrawal dates as follows: For amounts less than 30 days: \$86,980 quarterly liquidation periods on the last day of the quarter with proper notice of 60 days. For the amounts greater than 30 days: \$13,440 is locked up until December 31, 2023. For amounts greater than a year: \$19,535 is locked up for one to two years.
- (2) Includes multiple investments in funds holding equity securities of companies primarily in developed, emerging and frontier markets outside the U.S. with various tranches/withdrawal dates as follows: \$278,504 may be redeemed within 10 days. \$55,560 is available within a year or more.
- (3) Includes multiple investments in limited partnerships that invest in equity or debt that is not publicly traded, in the equity of start-up companies or in companies embarking on new ventures or restructuring/turnaround plans that are illiquid. These investments in the greater than one-year category are locked up until the fund closes or the general partner distributes funds.
- (4) Includes multiple investments in limited partnerships with absolute return/hedged equity strategies that have various liquidity restrictions. The investments are mostly available quarterly or annually with proper notice ranging from 30 to 120 days.
- (5) Includes multiple credit-related investments via limited partnerships with various withdrawal dates, available with proper notice of 90 days. The investments in the greater than one-year category are locked up until the funds close or the general partner distributes funds.
- (6) Includes multiple real assets investments via limited partnerships with various withdrawal dates. Investments are locked up until the funds close.
- (7) Includes fixed income investments via a limited partnership.
- (8) Includes artwork donated and held for the benefit of a Donor Advised Fund.

**NOTE 9 - PROPERTY AND EQUIPMENT, NET**

The following table summarizes the major categories of property and equipment, net at June 30:

	2023	2022
Land	\$ 2,358	\$ 2,358
Buildings and improvements	33,761	33,741
New England Holocaust Memorial	5,857	5,857
Furniture and fixtures	1,631	1,560
Computers and equipment	892	784
Capital leases	222	222
Construction in progress	53	-
Total	44,774	44,522
Accumulated depreciation and amortization	(18,594)	(16,904)
Property and equipment, net	\$ 26,180	\$ 27,618



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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

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Depreciation and amortization expense for the years ended June 30, 2023 and 2022 was \$1,694 and \$1,763, respectively.

**NOTE 10 - OBLIGATIONS FOR FUNDS MANAGED FOR OTHERS**

CJP allows certain other not-for-profit organizations to pool resources and invest with CJP. CJP also administers charitable gift annuities and trusts benefiting other organizations. The obligations for funds managed for others consisted of the following at June 30:

	2023	2022
Planned/deferred gift liabilities	\$ 2,878	\$ 3,024
The Myra and Robert Kraft Passport to Israel Program	1,348	1,373
Funds held for other organizations	24,578	23,848
	<u>\$ 28,804</u>	<u>\$ 28,245</u>
Obligations for funds managed for others	<u>\$ 28,804</u>	<u>\$ 28,245</u>

**NOTE 11 - DEBT**

***Line of Credit***

CJP has a demand line of credit agreement with a commercial bank for credit up to \$20,000, which expires in February 2025. The agreement provides that any borrowings are due on or before the expiration date of the agreement and bore interest at LIBOR plus 0.60% through November 14, 2022. Beginning November 15, 2022, borrowings bear interest at the SOFR rate plus 0.11%. There were no outstanding borrowings under the agreement at June 30, 2023 and 2022.

**NOTE 12 - NET ASSETS WITH AND WITHOUT RESTRICTIONS**

At June 30, net assets are comprised of:

<u>As of 2023:</u>	<u>Net Assets Without Restrictions</u>	<u>Net Assets With Restrictions</u>	<u>Total</u>
Operations and reserves	\$ 112,869	\$ -	\$ 112,869
Donor Advised Funds	1,841,330	-	1,841,330
Funds to support subsequent years' activities	-	10,414	10,414
Funds for donor-restricted initiatives	-	14,000	14,000
Unspent appreciation of endowment funds	-	45,976	45,976
Historical gift value of endowment funds	-	99,368	99,368
	<u>\$ 1,954,199</u>	<u>\$ 169,758</u>	<u>\$ 2,123,957</u>

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**June 30, 2023 and 2022**  
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<u>As of 2022:</u>	<u>Net Assets Without Restrictions</u>	<u>Net Assets With Restrictions</u>	<u>Total</u>
Operations and reserves	\$ 104,067	\$ -	\$ 104,067
Donor Advised Funds	1,702,934	5,440	1,708,374
Funds to support subsequent years' activities	-	14,440	14,440
Funds for donor-restricted initiatives	-	14,672	14,672
Unspent appreciation of endowment funds	-	37,920	37,920
Historical gift value of endowment funds	-	91,440	91,440
	<u>\$ 1,807,001</u>	<u>\$ 163,912</u>	<u>\$ 1,970,913</u>

A portion of the above net assets were released from donor restrictions by incurring expenses, satisfying the restricted purposes or by occurrence of other events specified by donors or by the passage of time.

Net assets were released as follows during the years ended June 30:

	<u>2023</u>	<u>2022</u>
Releases of net assets due to the passage of time	\$ 5,012	\$ 6,801
Releases of net assets restricted by performance		
Endowment grants, bequests, and expenses	11,277	6,932
Designated programs	8,388	10,157
	<u>\$ 24,677</u>	<u>\$ 23,890</u>
Net assets released from restrictions		

**NOTE 13 - ENDOWMENT FUNDS**

CJP's endowment funds consist of 235 individual funds established for a variety of purposes. The endowment funds include both donor-restricted endowment funds and funds designated by the Board of Directors to function as quasi-endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

***Interpretation of Relevant Law***

The Board of Directors has determined that absent explicit donor stipulations to the contrary, fiduciary standards require the preservation of the "historic dollar value" of donor-restricted endowment funds. Historic dollar value as to any donor-restricted endowment fund means the aggregate fair value of: (a) the original value of gifts donated to such fund; (b) the original value of subsequent gifts to such fund; and (c) accumulations to such fund made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Accordingly, CJP classifies the historic dollar value of a donor-restricted endowment fund as net assets with restrictions.

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**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
**(In thousands)**

CJP's Board of Directors has adopted an endowment spending policy that is structured in a manner consistent with the Massachusetts' Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). UPMIFA allows for the expenditure of a portion of the historic dollar value of endowment funds after application of the factors set forth below:

- The duration and preservation of the funds
- The purposes of CJP and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of CJP
- The need to make distributions and preserve capital
- The investment policies of CJP

***Spending Policy and How the Investment Objectives Relate to Spending Policy***

CJP has a policy of appropriating distributions each year based on a percentage of its endowment funds' average fair value over the prior 16 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. This percentage is approved by the Board of Directors each year. CJP does not currently intend to make distributions from endowment funds that do not have appreciation over historic dollar value. However, CJP's Board of Directors will review endowment funds with no appreciation on a case-by-case basis. Any distributions that result in the expenditure of a portion of historic dollar value are subject to the approval of the board and are limited to no more than 10% of historic dollar value on a fund-by-fund basis and, in aggregate, distributions of this type may not exceed 5% of CJP's unrestricted endowment fund value.

In establishing this policy, CJP considered the long-term expected return on its endowment.

***Endowment Investment Policy***

CJP has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that CJP must hold in perpetuity or for a donor-specified period(s), as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that over time will average the level of the approved CJP endowment spending rate plus inflation. Actual results in any given year may vary from this amount.

***Strategies Employed for Achieving Objectives***

To satisfy its long-term rate of return objectives CJP 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). CJP employs a strategy designed to achieve a real return equal to or higher than five percent real return (defined as nominal return net of investment management fees and inflation) over rolling seven- to ten-year periods or a full market cycle, whichever is longer with significant diversification to reduce volatility. CJP has adopted this strategy in order to protect the inviolate nature of the original corpus of

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
(In thousands)

permanently restricted gifts against potential market declines in the future, to protect purchasing power against the effects of inflation, and to provide a predictable flow of funds to support operations.

This is consistent with CJP's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified period as well as to provide additional real growth through new gifts and investment return.

The following table presents changes in endowment net assets for the years ended June 30, 2023 and June 30, 2022:

	Net Assets Without Restrictions	Net Assets With Restrictions	Total
Balance, June 30, 2021	\$ 69,831	\$ 141,473	\$ 211,304
Investment loss, net	(199)	(210)	(409)
Net realized and unrealized investment losses, net	(4,421)	(8,853)	(13,274)
Total investment return	(4,620)	(9,063)	(13,683)
Appropriations for expenditure	(4,596)	(5,987)	(10,583)
Reclassification based on donor intent	197	(197)	-
Contributions and other additions	2,503	3,134	5,637
Balance, June 30, 2022	63,315	129,360	192,675
Investment (loss)/gain, net	(130)	179	49
Net realized and unrealized investment gains, net	4,626	13,327	17,953
Total investment return	4,496	13,506	18,002
Appropriations for expenditure	(5,023)	(6,016)	(11,039)
Contributions and other additions	2,828	8,496	11,324
Balance, June 30, 2023	\$ 65,616	\$ 145,346	\$ 210,962

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

	Without Restrictions	With Restrictions	Total
Donor-restricted	\$ -	\$ 145,346	\$ 145,346
Board-designated	65,616	-	65,616
Total endowment funds	\$ 65,616	\$ 145,346	\$ 210,962

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
(In thousands)

Endowment net asset composition by type of fund as of June 30, 2022 is as follows:

	<u>Without Restrictions</u>	<u>With Restrictions</u>	<u>Total</u>
Donor-restricted	\$ -	\$ 129,360	\$ 129,360
Board-designated	63,315	-	63,315
	<u>\$ 63,315</u>	<u>\$ 129,360</u>	<u>\$ 192,675</u>
Total endowment funds			

**NOTE 14 - LIQUIDITY AND AVAILABILITY OF RESOURCES**

CJP's financial assets available within one year for general expenditures as of June 30, 2023 and 2022 are as follows:

	<u>2023</u>	<u>2022</u>
Operations and board-restricted endowments		
Cash and cash equivalents	\$ 5,696	\$ 6,068
Contributions receivable, net	13,813	15,991
Agency loans receivable, net	94	185
Investments	34,285	33,233
Other assets	2,349	870
	<u>56,237</u>	<u>56,347</u>
Total operations and board-restricted endowment		
	56,237	56,347
Line of credit		
Line of credit	20,000	20,000
Less: balance owed	<u>-</u>	<u>-</u>
	<u>20,000</u>	<u>20,000</u>
Total line of credit		
	20,000	20,000
Total available within a year	<u>\$ 76,237</u>	<u>\$ 76,347</u>

CJP's policy for liquidity management is to structure financial assets to be available as program and operating expenditures, liabilities and other obligations come due. In addition, CJP invests cash in excess of daily requirements in short-term investments. To assist managing unanticipated liquidity needs, CJP has a committed line of credit in the amount of \$20,000. The balance owed on the Line of credit was \$0 on June 30, 2023 and 2022.

As described in Note 13 - Endowment Funds, CJP has Board Designated funds that function as quasi-endowments. Although CJP does not intend to spend from its quasi-endowment other than amounts appropriated for expenditure, amounts from quasi-endowment could be made available if necessary.

CJP's donor-restricted endowments and income from these endowments are restricted for specific purposes and are not available for general expenditure.

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**

**June 30, 2023 and 2022**  
**(In thousands)**

Included in CJP's net assets without restrictions are Donor Advised Funds ("DAF") amounting to \$1,841,330 and \$1,702,935 as of June 30, 2023 and 2022, respectively. CJP serves as the sponsoring organization, in accordance with IRS regulations, to these separately identified DAF accounts comprised of contributions made by donors and related earnings from investments. Once donors make contributions, CJP has exclusive legal control over the funds. However, the donor, or the donor's representative, retains advisory privileges with respect to the distribution of funds and the investment of assets in the account.

CJP honors donors' grant recommendations for grants to public charities as described in section 509(a)(1) or (2) of the Internal Revenue Code, public charities described in section 509(a)(3) of the Internal Revenue Code that are not "disqualified supporting organization(s)" as defined in section 4966(d)(4) of the Internal Revenue Code, or governmental units described in section 170(c)(1) of the Internal Revenue Code exclusively for public purposes that are consistent with CJP's charitable purposes. Grantees must be in good standing with the IRS. Grants must be for charitable purposes that are not in conflict with CJP's mission, subject to CJP's review and approval. CJP does not consider DAF assets to be available for general expenditures.

**NOTE 15 - JEWISH CAMPING NEW ENGLAND FUND, LLC**

Jewish Camping New England Fund, LLC was a Maine Limited Liability Corporation and the successor to Camp Kingswood, Inc., a Maine not for profit corporation. Camp Kingswood owned the land and certain improvements and structures at a site used for a Jewish overnight summer camp operated by the Jewish Community Centers of Greater Boston, Inc. ("JCC"). The JCC operated this camp under the terms of a 1996 50-year lease with CJP for \$1 per year. CJP was the sole member of Camp Kingswood, Inc. and appointed its directors. In December 2020, the JCC and Camp Kingswood, Inc. closed a sale of the camp's operations, land, improvements and structures to a for profit organization that now operates a Jewish overnight camp on that site under the name of Camp Kingswood. In January 2021, subsequent to the sale of the assets of Camp Kingswood, Inc., and in accordance with the agreement with the buyer, Camp Kingswood, Inc. changed its name to Jewish Camping New England Fund, Inc. In June 2021, Jewish Camping New England Fund, Inc. converted from a Maine not for profit corporation to a Maine LLC, with CJP as the sole member and manager. The assets of Jewish Camping New England Fund, LLC consist of the net cash paid to its predecessors at closing and a note receivable from the buyers of the camp. Jewish Camping New England Fund, LLC's purpose was to support summer camping experiences for Jewish children with significant financial need, with such camping experiences to take place in Maine, to the extent feasible. Jewish Camping New England Fund, LLC was dissolved on June 17, 2022, and its net assets totaling \$235 were transferred to CJP, to be used for the same purpose as Jewish Camping New England Fund, LLC.

Note receivables from the buyers of the camp, as of June 30, are scheduled to be collected in future fiscal years as follows:

2024	\$	98
2025		91
2026		91
2027		1,115
		<hr/>
Total	\$	<u>1,395</u>

SUPPLEMENTAL CONSOLIDATING SCHEDULES

Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION BY FUNCTIONAL AREA

June 30, 2023  
(In thousands)

	CJP Operations	Endowment and Reserves	Donor Advised Funds	JCEP Partners and Funds Managed for Others	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 5,696	\$ -	\$ -	\$ -	\$ 5,696
Contributions receivable, net	23,273	-	-	-	23,273
Gifts and bequests receivable, net	-	97	-	-	97
Agency receivables, net	470	-	-	-	470
Investments	40,311	220,564	1,841,330	471,337	2,573,542
Property and equipment, net	26,180	-	-	-	26,180
Other assets	4,330	910	-	-	5,240
Total assets	<u>\$ 100,260</u>	<u>\$ 221,571</u>	<u>\$ 1,841,330</u>	<u>\$ 471,337</u>	<u>\$ 2,634,498</u>
<b>LIABILITIES AND NET ASSETS</b>					
<b>Liabilities</b>					
Grants and programs payable	\$ 34,602	\$ -	\$ -	\$ -	\$ 34,602
Accounts payable and accrued expenses	3,280	-	-	-	3,280
Obligations for funds managed for others	-	-	-	28,804	28,804
Other liabilities	2,717	-	-	-	2,717
Total liabilities	<u>40,599</u>	<u>-</u>	<u>-</u>	<u>28,804</u>	<u>69,403</u>
Minority interest in JCEP	-	-	-	441,138	441,138
<b>Net assets</b>					
Without restrictions	35,636	76,128	1,841,330	1,105	1,954,199
With restrictions	24,025	145,443	-	290	169,758
Total net assets	<u>59,661</u>	<u>221,571</u>	<u>1,841,330</u>	<u>1,395</u>	<u>2,123,957</u>
Total liabilities and net assets	<u>\$ 100,260</u>	<u>\$ 221,571</u>	<u>\$ 1,841,330</u>	<u>\$ 471,337</u>	<u>\$ 2,634,498</u>



Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates

CONSOLIDATING SCHEDULE OF ACTIVITIES BY FUNCTIONAL AREA

For the year ended June 30, 2023  
(In thousands)

	CJP Operations	Endowment and Reserves	Donor Advised Funds	JCEP Partners and Funds Managed for Other	Total
<b>Support and revenue</b>					
Campaign pledges, net	\$ 52,187	\$ (713)	\$ -	\$ -	\$ 51,474
Gifts and bequests	233	8,667	114,516	-	123,416
Change in split-interest agreements	-	-	-	81	81
Grants and other allocations	30	-	-	-	30
Other revenue	86	-	-	-	86
Contributions of nonfinancial assets	48	-	331	-	379
<b>Total support</b>	<b>52,584</b>	<b>7,954</b>	<b>114,847</b>	<b>81</b>	<b>175,466</b>
Investment return, net	4,054	18,728	162,686	40,560	226,028
Rental income	427	-	-	-	427
Event revenue	2,214	-	-	-	2,214
Administrative service fees	1,601	-	(1,582)	-	19
Transfer between funds based on change in donors' intent	8,246	(6,826)	(1,420)	-	-
<b>Total revenue</b>	<b>16,542</b>	<b>11,902</b>	<b>159,684</b>	<b>40,560</b>	<b>228,688</b>
<b>Total support and revenue</b>	<b>69,126</b>	<b>19,856</b>	<b>274,531</b>	<b>40,641</b>	<b>404,154</b>
<b>Expenditures</b>					
Program grants and distributions:					
Program grants	31,063	1,698	-	-	32,761
Programmatic expenditures	17,463	-	11	-	17,474
Donor Advised Fund grants	-	-	141,564	-	141,564
<b>Total program allocations and distributions</b>	<b>48,526</b>	<b>1,698</b>	<b>141,575</b>	<b>-</b>	<b>191,799</b>
Management and general	4,625	-	-	-	4,625
Fundraising	14,126	-	-	-	14,126
<b>Total management, general, and fundraising expenditures</b>	<b>18,751</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,751</b>
<b>Total expenditures</b>	<b>67,277</b>	<b>1,698</b>	<b>141,575</b>	<b>-</b>	<b>210,550</b>
<b>Minority interest in investment (earnings) losses of JCEP</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,560)</b>	<b>(40,560)</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,849</b>	<b>18,158</b>	<b>132,956</b>	<b>81</b>	<b>153,044</b>
<b>Net assets at beginning of year</b>	<b>57,812</b>	<b>203,413</b>	<b>1,708,374</b>	<b>1,314</b>	<b>1,970,913</b>
<b>Net assets at end of year</b>	<b>\$ 59,661</b>	<b>\$ 221,571</b>	<b>\$ 1,841,330</b>	<b>\$ 1,395</b>	<b>\$ 2,123,957</b>

**Combined Jewish Philanthropies of Greater Boston, Inc. and Affiliates**

**NOTES TO SUPPLEMENTAL SCHEDULES**

**June 30, 2023 and 2022**  
**(In thousands)**

**NOTE 1 - BASIS OF PRESENTATION**

***Schedules of Financial Position and Activities by Functional Area***

The consolidating schedule of financial position and the consolidating schedule of activities by functional area reflect the assets, liabilities, net assets of CJP, and changes in net assets in its component functional areas: CJP operating activities, the activities in the Endowment and Reserves, Donor Advised Funds activities, and Jewish Community Endowment Pool minority partner activities. Functional areas may include assets with restrictions and assets without restrictions.

Functional areas are as follows:

CJP Operations: includes all fundraising, grants and programs, as well as investment activities related to cash management. This functional area represents the core annual campaign and fundraising activities as well as grants and programs to partner agencies and other grantees. Campaign contributions and receivables include multi-year gifts for future periods.

Endowment and Reserves: includes donor-restricted endowment investment activities and grants. The reserves include board-designated funds that are maintained to fund certain activities as well as maintain stability for CJP. Activity of the supporting organizations is also included within endowment and reserves.

Donor Advised Funds: includes contributions into and grants out of Donor Advised Funds as well as investment activities related to DAF assets.

JCEP Partners and Funds Managed for Others: reflects investment activity of the JCEP minority partners and funds managed for others.

The consolidating schedule of activities by functional area shows endowment grants and fees paid by Donor Advised Funds, endowment funds and foundations that support CJP operations or grants and programs. These fees are not reflected in the consolidated financial statements, as they are eliminated in consolidation.