

The Jewish Federations of North America, Inc. and Subsidiaries

**Consolidated Financial Statements and
Supplementary Information**
Year Ended June 30, 2024

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



**The Jewish Federations of North America, Inc.
and Subsidiaries**

Consolidated Financial Statements and
Supplementary Information
Year Ended June 30, 2024

The Jewish Federations of North America, Inc. and Subsidiaries

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Independent Auditor's Report

The Board of Trustees
The Jewish Federations of North America, Inc.
and Subsidiaries
New York, New York

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of The Jewish Federations of North America, Inc. and Subsidiaries (the Organization), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 consolidated financial position of the Organization as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Consolidated 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 Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Consolidated 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 Organization'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.



Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompany supplementary consolidating schedule of financial position and consolidating schedule of activities are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including 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 GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Organization's 2023 consolidated financial statements and we expressed an unmodified opinion on those consolidated statements in our report dated March 28, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

BDO USA, P.C.

March 13, 2025

The Jewish Federations of North America, Inc. and Subsidiaries

Consolidated Statement of Financial Position (with summarized comparative totals for 2023) (in thousands)

<i>June 30,</i>	2024	2023
Assets		
Current Assets		
Cash and cash equivalents (Note 2)	\$ 214,549	\$ 63,779
Campaign allocations from communities and annual assessments receivable, net	167,091	167,942
U.S. government grants receivable (Note 2)	4,189	2,477
Grants receivable, North American programs, current (Notes 2 and 4)	9,655	15,544
Contributions receivable, primarily for capital projects in Israel, net, current (Notes 2 and 5)	64	124
Advances, other receivables, and other assets, current (Note 2)	4,167	3,378
Operating lease right-of-use asset, current (Note 11)	2,862	1,929
Investments, current (Note 6)	38,144	34,589
Total Current Assets	440,721	289,762
Grants Receivable, North American Programs, less current portion (Notes 2 and 4)	695	3,805
Contributions Receivable, Primarily for Capital Projects in Israel, Net, less current portion (Notes 2 and 5)	-	55
Advances, Other Receivables, and Other Assets, less current portion (Note 2)	876	79
Operating Lease Right-of-Use Asset, less current portion (Note 11)	21,291	11,659
Investments, less current portion (Note 6)	40,610	37,510
Capital Projects in Israel, Net (Notes 2 and 8)	25,326	29,761
Fixed Assets, Net (Notes 2 and 9)	1,864	2,424
Total Assets	\$ 531,383	\$ 375,055

The Jewish Federations of North America, Inc. and Subsidiaries

Consolidated Statement of Financial Position (with summarized comparative totals for 2023) (in thousands)

<i>June 30,</i>	2024	2023
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses (Note 2)	\$ 68,659	\$ 11,719
Accrued postretirement benefits other than pensions, current (Note 10)	389	310
Amounts held for others (Note 2)	2,471	2,575
Accrued pension benefit cost, current (Note 10)	2,673	2,627
Deferred revenue	3,785	1,979
Operating lease right-of-use liability, current (Note 11)	2,650	2,351
Other payables, current	214	229
Total Current Liabilities	80,841	21,790
Accrued Postretirement Benefits Other Than Pensions, less current portion (Note 10)	4,943	3,719
Operating Lease Right-of-Use Liability, net of current portion (Note 11)	25,489	15,830
Obligations Due Under Split-Interest Agreements (Note 7)	1,714	1,851
Accrued Pension Benefit Cost, less current portion (Note 10)	7,109	8,495
Other Payables, less current portion	269	456
Total Liabilities	120,365	52,141
Commitments and Contingencies (Notes 2, 7, 8, 10, and 11)		
Net Assets (Note 2)		
Net assets without donor restrictions	135,614	129,764
Net assets with donor restrictions (Note 12)	275,404	193,150
Total Net Assets	411,018	322,914
Total Liabilities and Net Assets	\$ 531,383	\$ 375,055

See accompanying notes to consolidated financial statements.

The Jewish Federations of North America, Inc. and Subsidiaries

Consolidated Statement of Activities (with summarized comparative totals for 2023) (in thousands)

Year ended June 30,

	Without Donor Restrictions	With Donor Restrictions	Total	
			2024	2023
Operating Revenues, Gains, and Other Support				
Campaign allocations from communities and annual assessments (Note 2)	\$ 188,550	\$ 33,596	\$ 222,146	\$ 204,710
Israel Emergency Campaign	-	431,694	431,694	-
Ukraine Crisis campaign allocations from communities	-	6,060	6,060	29,851
Grants for North American programs	-	23,357	23,357	19,362
Contributions and grants	1,153	4,777	5,930	3,423
U.S. government grants	10,627	-	10,627	6,977
General Assembly and other conference revenues	1,622	-	1,622	4,041
Missions	2,358	-	2,358	1,435
Program revenues	1,547	247	1,794	1,149
Investment income, net (Note 6)	4,728	3,710	8,438	6,624
Rental income (Note 8)	225	-	225	239
Other revenues	2,410	-	2,410	2,738
Net assets released from restrictions (Note 12)	421,187	(421,187)	-	-
Total Operating Revenues, Gains, and Other Support	634,407	82,254	716,661	280,549
Expenses				
Program services:				
United Israel Appeal, Inc. program services in Israel	468,340	-	468,340	166,030
Missions	3,036	-	3,036	1,854
JDC and other programs	142,543	-	142,543	115,904
Total Program Services	613,919	-	613,919	283,788
Supporting services:				
Management and general	13,409	-	13,409	8,892
Fundraising	733	-	733	749
Total Supporting Services	14,142	-	14,142	9,641
Total Operating Expenses	628,061	-	628,061	293,429
Change in Net Assets from Operating Activities	6,346	82,254	88,600	(12,880)
Non-Operating Activities				
Adjustment to minimum pension liabilities and other postretirement benefits (Note 10)	(496)	-	(496)	1,937
Forgiveness of debt - Paycheck Protection Program loan	-	-	-	2,000
Change in Net Assets	5,850	82,254	88,104	(8,943)
Net Assets, beginning of year	129,764	193,150	322,914	331,857
Net Assets, end of year	\$ 135,614	\$ 275,404	\$ 411,018	\$ 322,914

See accompanying notes to consolidated financial statements.

The Jewish Federations of North America, Inc. and Subsidiaries

Consolidated Statement of Functional Expenses
(with summarized comparative totals for 2023)
(in thousands)

Year ended June 30,

	Program Services			Supporting Services		Total		
	United Israel Appeal, Inc. Program Services in Israel	Missions	JDC and Other Programs	Total Program Services	Management and General	Fundraising	2024	2023
Allocations:								
Israel and overseas	\$ 146,738	\$ -	\$ 46,566	\$ 193,304	\$ -	\$ -	\$ 193,304	\$ 191,322
Ukraine Crisis	1,924	-	4,136	6,060	-	-	6,060	24,487
Israel emergency campaign	308,887	-	27,052	335,939	-	-	335,939	799
U.S. government grant	6,131	-	3,316	9,447	-	-	9,447	6,143
Real estate-related activities	225	-	-	225	-	-	225	749
Total Allocations	463,905	-	81,070	544,975	-	-	544,975	223,500
Payroll and benefits	-	843	17,527	18,370	6,141	665	25,176	24,408
Missions	-	2,120	417	2,537	-	-	2,537	1,947
Meetings and conferences	-	20	8,009	8,029	178	41	8,248	8,241
Travel	-	-	220	220	3	7	230	286
Promotional and media	-	2	1,624	1,626	10	3	1,639	1,484
Occupancy and other related costs (Note 11)	-	19	3,360	3,379	625	-	4,004	3,624
Interest	-	-	23	23	-	-	23	36
Professional and other services	-	15	9,184	9,199	2,069	10	11,278	5,999
Communication and postage	-	3	105	108	129	5	242	279
Supplies, stationery, and subscriptions	-	3	463	466	598	2	1,066	734
Grants to organizations	-	-	19,701	19,701	3,250	-	22,951	17,212
Other	-	11	341	352	309	-	661	494
Total Expenses, before depreciation and amortization	463,905	3,036	142,044	608,985	13,312	733	623,030	288,244
Depreciation and amortization	4,435	-	499	4,934	97	-	5,031	5,185
Total Expenses	\$ 468,340	\$ 3,036	\$ 142,543	\$ 613,919	\$ 13,409	\$ 733	\$ 628,061	\$ 293,429

See accompanying notes to consolidated financial statements.

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

<i>Year ended June 30,</i>	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ 88,104	\$ (8,943)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	5,031	5,185
Realized gain on investments, net	(498)	(3,047)
Unrealized gain on investments	(4,816)	(2,632)
Endowment contributions	(1,670)	(1,632)
Non-cash operating lease expenses	2,073	1,861
Forgiveness of debt - Paycheck Protection Program	-	(2,000)
Adjustment to minimum pension liabilities	496	(1,937)
Decrease (increase) in assets:		
Campaign allocations and annual assessments receivable, net	851	5,773
U.S. government grant receivable	(1,712)	(1,194)
Grants receivable - North American programs	8,999	11,744
Contributions receivable, primarily for capital projects in Israel, net	115	149
Advances, other receivables, and other assets	(1,586)	1,720
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	56,940	4,096
Other payables	(202)	60
Deferred revenue	1,806	(207)
Principal reduction in operating lease liability	(2,411)	(2,284)
Obligations due under split-interest agreements	(137)	(221)
Accrued pension benefit cost	(286)	(882)
Accrued postretirement benefits other than pensions	(247)	(352)
Amounts held for others	(104)	541
Net Cash Provided by Operating Activities	150,746	5,798
Cash Flows from Investing Activities		
Proceeds from sale of investments	4,093	12,733
Purchase of investments	(5,434)	(12,440)
Fixed-asset acquisitions	(36)	(198)
Net Cash (Used in) Provided by Investing Activities	(1,377)	95
Cash Flows from Financing Activities		
Endowment contributions	1,670	1,632
Outlay for DC Office	(269)	-
Net Cash Provided by Financing Activities	1,401	1,632
Net Increase in Cash and Cash Equivalents	150,770	7,525
Cash and Cash Equivalents, beginning of year	63,779	56,254
Cash and Cash Equivalents, end of year	\$ 214,549	\$ 63,779
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	\$ 560	\$ 596
Supplemental Disclosure of Non-Cash Flow Information		
Acquisition of right-of-use asset	\$ 12,638	\$ 15,449

See accompanying notes to consolidated financial statements.

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

1. Description of Organization and Principles of Consolidation

The Jewish Federations of North America, Inc. (JFNA or the Organization) is the national organization for 146 Jewish federations and over 300 independent Jewish communities across North America. The Jewish Federation system collectively raises and distributes more than \$3 billion annually to support flourishing Jewish life and the needs of the Jewish people in their home communities and around the world. The Organization's mission is to protect and enhance the wellbeing of Jews worldwide through meaningful contributions to the community, Israel, and civil society. The Organization leads programming across North America, and provides fundraising support, organizational assistance, training, and overall leadership to the Jewish federations and communities throughout the United States and Canada.

The accompanying consolidated financial statements include the accounts of The Jewish Federations of North America, Inc. and its subsidiaries: United Israel Appeal, Inc. (UIA) and Jewish Federation Bond Pool, LLC (JFBP, LLC), which are affiliated through common management and/or common ownership, and collectively referred to as JFNA. Six members of the Board of Trustees (the Board) of the Organization are on the Board of Directors of UIA. All material intercompany transactions and balances have been eliminated.

Each of the Jewish federations and communities conducts an ongoing annual campaign and, from time to time, special campaigns in furtherance of their missions, and allocates to the Organization that portion of the campaigns intended for overseas needs. The programs funded by these overseas allocations are primarily conducted by the Jewish Agency for Israel (The Jewish Agency) and the American Jewish Joint Distribution Committee (JDC). Other significant sources of revenues include fair share dues paid by member federations towards JFNA's operating budget, U.S. government grants, grants from philanthropic organizations, and contributions from the general public.

JFNA, by partnering with communities, helps maximize financial resources to meet the global human service needs of the Jewish people. This includes oversight of humanitarian programs overseas, community building and security, leadership training, and social justice. With the outbreak of war in Ukraine in February 2022, JFNA has partnered with the Jewish Federation system, along with The Jewish Agency, JDC, and others, to raise and deploy substantial funds to support the emergency needs of millions of refugees displaced by the war (the Ukraine Crisis).

The principal function of UIA is to administer and supervise the funds allocated to The Jewish Agency, UIA's operating agent, principally related to the immigration and absorption of humanitarian migrants to Israel and Jewish identity programs in Israel and the former Soviet Union. The absorption process includes social welfare services, health services, education, youth care, and training and housing facilities. Allocations of funds are made only for programs acceptable under the Internal Revenue Service (IRS) guidelines for charitable organizations.

JFBP, LLC facilitates the issuance of tax-exempt bonds and other financing by federations and their affiliates and is a disregarded entity for tax purposes. The Organization is the sole member of JFBP, LLC.

Immediately following the brutal attack by Hamas on Israel on October 7, 2024, JFNA launched an Israel Emergency Campaign to support the immediate needs of the victims of terror and evacuees, and provide trauma support, psychosocial care, and emergency medical equipment. Programs have also been developed focusing on economic recovery, community resilience, and ongoing support for impacted youth and families. As of June 2024, the Jewish federation system raised approximately \$848 million.

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

The Jewish federations were able to mobilize quickly to address the needs of evacuees and victims. The campaign has touched people far and wide, helping more than 480 businesses with emergency relief loans; providing 407,000 Israelis with mental health support, and serving 1.2 million hot meals. The Jewish federations community's philanthropy has helped shelter nearly 37,000 Israeli evacuees and provided equipment and supplies to 27 hospitals.

The Jewish federations' strong core partnerships and decades of experience allowed it to quickly launch two historic campaigns: the first, the Israel Emergency Campaign, set out to raise vast resources to assist in immediate and long-term aid, and the second to mount the largest community mobilization in the history of the Jewish federations' system to support Israel at home.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), as applicable to not-for-profit organizations. In the consolidated statement of financial position, assets and liabilities are presented in order of liquidity or conversion to cash and their maturity resulting in the use of cash, respectively.

Consolidated Financial Statement Presentation

The classification of a not-for-profit organization's net assets and its support, revenue, and expenses is based on the existence or absence of donor-imposed restrictions. It requires that the amounts for each of the classes of net assets—with donor restrictions and without donor restrictions—be displayed in a consolidated statement of financial position and that the amounts of change in each of those classes of net assets be displayed in a consolidated statement of activities.

These classes are defined as follows:

With Donor Restrictions - Net assets with donor restrictions consist of assets whose use is limited by donor-imposed, time, and/or purpose restrictions. JFNA reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires—that is, when a stipulated time restriction ends, or purpose restriction is accomplished—the net assets are reclassified as net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Net assets with restrictions that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization are classified as net assets with donor restrictions - perpetual in nature. These net assets with donor restrictions may include stipulations that assets provided be maintained in perpetuity, while permitting the Organization to expend the income generated by the assets in accordance with provisions of additional donor-imposed stipulations or a Board-approved spending policy.

See Note 12 for more information on the composition of net assets with donor restrictions and the releases from restrictions.

Without Donor Restrictions - Net assets without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. These amounts are not subject to donor-imposed stipulations.

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

Income from investment gains and losses, including unrealized gains and losses, dividends, and interest, are reported as increases (or decreases) in net assets without donor restrictions, unless the use of the income received is limited by donor-imposed restrictions.

Cash and Cash Equivalents

JFNA considers all highly liquid instruments purchased with maturities of three months or less to be cash equivalents. Cash and cash equivalents held by brokers for long-term investment are classified as investments.

Campaign Allocations from Communities and Annual Assessments Receivables

JFNA's revenues largely consist of federations' allocations from their annual campaigns. Annual assessments relate to federations' participation in funding certain programs. JFNA records such revenues and related receivables when amounts are reported to JFNA or when federations' allocations are reasonably determinable. For the year ended June 30, 2024, these revenues included significant amounts related to the Israel Emergency Campaign.

JFNA determines whether an allowance for uncollectibles should be provided. Such estimates are based on management's assessments of its receivables, current economic conditions, subsequent collections, and historical information. Receivables are written off when all reasonable collection efforts have been exhausted. As of June 30, 2024, the allowance for doubtful accounts was \$7,278.

U.S. Government Grants Receivable

U.S. government grants receivable represents amounts due from the U.S. government to fund and/or enhance various programs. JFNA has determined that no allowance for uncollectible accounts for U.S. government grants receivable was necessary as of June 30, 2024. Such estimates are based on the aged basis of the receivables and subsequent collections.

Contributions Receivable

Unconditional promises to give are recorded as receivables and revenues and are recognized when the promises are made, at their fair value. Unconditional promises to give 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-adjusted interest rates applicable to the year in which the promises are received. Amortization of discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. There were no conditional contributions for the year ended June 30, 2024. The collectability of such promises is reviewed, and allowances are provided for amounts estimated to be uncollectible. As of June 30, 2024, the allowance for doubtful accounts was \$478.

Advances, Other Receivables, and Other Assets

Advances, other receivables, and other assets principally include security deposits with landlords, prepaid expenses, deferred costs, and other receivables. JFNA records receivables when billed based on established rates or contracts for services provided. Reserves are established based on periodic review by management. Factors used to determine whether an allowance should be recorded include the age of the receivable and a review of payments subsequent to year-end. Interest is not recorded or accrued on outstanding receivables.

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

Investments

Accounting Standards Codification (ASC) 820, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value, and expands the disclosures about fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in a principal or most advantageous market. Fair value is a market-based measurement that is determined based on inputs, which refer broadly to assumptions that market participants use in pricing assets or liabilities. These inputs can be readily observable, market corroborated, or unobservable. ASC 820 established a fair value hierarchy, which prioritizes the inputs to valuation techniques used to measure fair value in three broad levels. The standard requires that assets and liabilities be classified in their entirety based on the level of input that is significant to the fair value measurement. Assessing the significance of a particular input may require judgment considering factors specific to the asset or liability and may affect the valuation of the asset or liability and its placement within the fair value hierarchy. JFNA classifies fair value balances based on the fair value hierarchy defined by ASC 820, as follows:

Level 1 - Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Valuations are based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations are based on inputs that are unobservable and significant to the overall fair value measurement.

Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy table.

Capital Projects in Israel

Capital projects in Israel are stated at cost. Depreciation is provided on capital projects in Israel on the straight-line basis over the estimated useful life of the respective assets, which is 25 years (see Note 8).

Fixed Assets, Net

Fixed assets, net, are stated at cost less accumulated depreciation and amortization. The cost of major improvements and betterments to existing fixed assets is capitalized, while maintenance and repairs are charged to expense when incurred. Upon retirement or other disposal of fixed assets, the realized gain or loss sustained on such transaction is reflected in other income or expenses. Depreciation of fixed assets is calculated on the straight-line basis over the estimated useful lives of the assets.

Asset Category	Years
Data-processing equipment	3
Furniture and fixtures	7
Automobiles	3
Software costs	5-7
Leasehold improvements	Lesser of lease term or estimated useful life

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

Impairment of Long-Lived Assets

ASC 360, *Property, Plant, and Equipment*, requires JFNA to review long-lived assets, such as fixed assets, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. For the year ended June 30, 2024, there were no impairment charges.

Amounts Held/Distributed for Others

In accordance with GAAP, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust That Raises or Holds Contributions for Others*, transfers of assets in which the reporting entity acts as an agent, trustee, or intermediary, rather than as a donor, should not be accounted for as contributions received but rather as amounts held and received for others. In these consolidated financial statements, amounts held for others represent assets held on behalf of other agencies, investments on behalf of network communities, and charitable gift annuities. Amounts received for distribution to others and amounts distributed to others included in the consolidated statements of activities and functional expenses principally represent amounts distributed to the agencies noted above.

Split-Interest Agreements

JFNA holds assets under split-interest agreements consisting of charitable remainder trusts and charitable gift annuities for which JFNA serves as the trustee. Such agreements provide for payments to the donors, or their stipulated beneficiaries of either income earned on related investments or specified annuity amounts. Assets held under these agreements are reported as investments on the consolidated statement of financial position. A portion of the contributed assets is considered to be a charitable contribution for income tax purposes and has been recognized as a contribution at the date of gift. When the terms of the gift instrument have been met, the remaining amount of the gift may be used for general or specific purposes, as stipulated by the respective donor.

Under JFNA's charitable remainder trusts and charitable gift annuities programs where JFNA is the trustee, liabilities are recorded for the present value of the estimated future payments expected to be made to the donors and/or beneficiaries, as long as they live, after which time the remaining assets, if any, are available for the use of JFNA without restrictions, unless otherwise stipulated by the donor. Upon termination of a life interest, the share of the corpus attributable to the life tenant becomes available to JFNA.

Revenue Recognition

Campaign Allocations from Communities and Annual Assessments

As noted above, a majority of JFNA's revenues consist of federations' allocations from their annual fundraising campaigns, which are used for overseas needs. Funds are allocated to JFNA as either contributions without donor restrictions or with donor restrictions for specific programs of JFNA's beneficiary agencies.

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Each year, JFNA assesses each federation dues' "fair share" to cover a portion of JFNA's operating budget (annual assessment). The assessments are made and accrued at the end of each fiscal year. Therefore, fair share is reflected as time-restricted revenue on the consolidated statement of activities (with donor restrictions).

Grants for North American Programs, Contributions, and Grants

Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the earlier of the date the contribution commitment is established or is received. The gifts are reported as with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Upon expiration of the restriction(s), funds are reclassified and reported in the consolidated statement of activities as net assets released from restrictions.

U.S. Government Grants

JFNA receives a number of grants from the U.S. Department of Health and Human Services for programs with Holocaust survivors and victims of trauma, as well as for resettlement of humanitarian migrants to Israel. The majority of these grants are then sub-granted to other organizations. Expense-based grants are recognized as allowable expenses are incurred. Revenues from government agencies are subject to audit by the agencies. No provision for any disallowance is reflected in the consolidated financial statements since management does not anticipate any material adjustments.

Other Revenues

JFNA records revenue associated with programs and activities, including the General Assembly and missions, as the exchange transaction performance obligation is met. Any payments received prior to the event taking place are deferred as a liability on the consolidated statement of financial position.

In accordance with Financial Accounting Standards Board (FASB) ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), JFNA recognizes revenues from the General Assembly and other conferences, missions, and programs when the performance obligations are satisfied in accordance with a five-step model. ASC 606 also requires new and expanded disclosures regarding revenue recognition to ensure an understanding as to the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The revenues that are subject to ASC 606 are not significant to the Organization.

Revenues from campaign allocations from communities and annual assessments, grants for North American programs, contributions, and U.S. government grants are recognized in accordance with ASC 958, *Not-for-Profit Entities*. Accordingly, JFNA evaluates whether a transfer of assets is (1) an exchange transaction in which a resource provider is receiving commensurate value in return for the resources transferred or (2) a contribution. If the transfer of assets is determined to be a contribution, JFNA evaluates whether the contribution is conditional based upon whether the agreement includes both (1) one or more barriers that must be overcome before JFNA is entitled to the assets transferred and promised and (2) a right of return of assets or a right of release of a promisor's obligation to transfer assets. Revenues that are deemed to be unconditional are considered to be available for general purposes (without donor restrictions) unless specifically restricted by the donor. Unconditional contributions, including promises to give cash and other assets, are reported at fair value at the date the contribution is received. The gifts are reported

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within net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected after one year are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates. Amortization of the discount is included in contribution revenue. Conditional promises to give are not recognized until the conditions are substantially met.

Foreign Currency Translation

Foreign currency is translated in accordance with ASC 830, *Foreign Currency Matters*. Under the provisions of ASC 830, the local currency used in the Organization's foreign operations is considered to be the functional currency of these operations. Assets and liabilities denominated in New Israeli Shekels (NIS) are translated to U.S. dollars (USD) using the exchange rate in effect at the date of the consolidated statement of financial position. Revenues, expenses, gains, and losses are translated using the average exchange rate for the year. Gains or losses on foreign currency translation are recognized in the accompanying consolidated financial statements. The foreign currency exchange rate utilized within the consolidated statement of financial position at June 30, 2024 was USD \$1/3.70 NIS. The average rate utilized to translate revenue, expenses, gains, and losses relating to the year ended June 30, 2024 was USD \$1/3.70 NIS.

The cumulative translation gain is included in net assets without donor restrictions. Loss on foreign currency translation for the year ended June 30, 2024 amounted to \$19.

Functional Allocation of Expenses

The costs of providing JFNA's program and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated by management among the programs and supporting services benefited, including occupancy, communication, office services, and depreciation, based on an estimation of time and/or space utilized.

Use of Estimates

In preparing consolidated financial statements in conformity with GAAP, management is required to make estimates and judgments 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization and UIA were incorporated in the state of New York and are exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and, therefore, have made no provision for income taxes in the accompanying consolidated financial statements. The Organization and UIA have been determined by the IRS not to be "private foundations" within the meaning of Section 509(a) of the Code.

Under ASC 740, *Income Taxes*, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained upon examination by a taxing authority. The implementation of ASC 740 had no impact

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Notes to Consolidated Financial Statements (in thousands)

on JFNA's consolidated financial statements. The Organization and UIA do not believe they have taken any material uncertain tax positions and, accordingly, they have not recorded any liability for unrecognized tax benefits. The Organization and UIA have filed for and received income tax exemptions in the jurisdictions where they are required to do so. Additionally, the Organization and UIA have filed IRS Form 990 information returns, as required, and all other applicable returns in jurisdictions where so required. For the year ended June 30, 2024, there were no interest or penalties recorded or included in the consolidated statement of activities.

Financial Instruments - Credit Losses

In June 2016, the FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended. The ASU introduces a new credit loss methodology, current expected credit losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. Since its original issuance in 2016, the FASB has issued several updates to the original ASU. The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses for loans, held-to-maturity securities, and other receivables at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The methodology replaces the multiple existing impairment methods in current GAAP, which generally require that a loss be incurred before it is recognized. JFNA's credit loss was not material to the consolidated financial statements and no adjustments were required related to this ASU.

JFNA recognizes credit losses for financial assets carried at amortized cost to present the net amount expected to be collected as of the year-end. Such amounts are based on the credit losses expected to arise over the life of the asset (contractual term), which includes consideration of prepayments and is based on the expectation as of the financial position date.

Assets are written off when JFNA determines that such financial assets are deemed uncollectible or based on regulatory requirements, whichever is earlier. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate of the amount previously written off, are included in determining the necessary reserve at the financial position date.

JFNA pools its accounts receivable based on similar risk characteristics in estimating expected credit losses. In situations where certain accounts receivable do not share same risk characteristics with other receivables, JFNA measures the expected credit losses for those receivables individually. JFNA also continuously evaluates such pooling decisions and adjusts as needed from period to period as risk characteristics change.

JFNA determines its estimated credit losses for accounts receivable using a loss-rate approach in determining its lifetime expected credit losses on its receivables from customers. This method is used for calculating an estimate of losses based primarily on JFNA's historical loss experience. In determining its loss rates, JFNA evaluates information related to its historical losses, adjusted for current conditions, and further adjusted for the period of time that JFNA can reasonably forecast. Qualitative and quantitative adjustments related to current conditions and the reasonable and supportable forecast period consider all of the following: the customers' creditworthiness, changes in policy and procedures, existence, effect of any concentration of credit and changes in level of such considerations, and the current and forecasted direction of the economic and operation environment.

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Notes to Consolidated Financial Statements (in thousands)

Reclassifications

Certain amounts in the 2023 consolidated financial statements have been reclassified to conform to the 2024 presentation.

Comparative Financial Information

The consolidated financial statements include certain prior-year summarized comparative information. With respect to the consolidated statement of activities, the prior-year information is presented in total, not by net asset class. With respect to the consolidated statement of functional expenses, the prior-year expenses are presented by expense classification in total rather than functional category. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with JFNA's consolidated financial statements for the year ended June 30, 2023, from which the summarized information was derived.

3. Liquidity and Availability of Resources

JFNA's financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

June 30, 2024

Cash and cash equivalents	\$	214,549
Campaign allocations from communities and annual assessments receivable, net, current		167,091
U.S. government grants receivable		4,189
Grants receivable, North American programs, current		9,655
Contributions receivable, primarily for capital projects in Israel, net, current		64
Advances, other receivables, and other assets, current		4,167
Operating lease right-of-use asset, current		2,862
Investments, current		38,144
Total Financial Assets Available		440,721
Less:		
Amounts unavailable for general expenditures within one year due to:		
Restricted by donors with purpose or time		(219,834)
Total Financial Assets Available to Management for General Expenditures Within One Year	\$	220,887

Liquidity Management

As part of JFNA's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, JFNA invests cash in excess of daily requirements in short-term investments, including mutual funds, money market funds, equity securities, bonds, and certificate of deposits, all of which can be liquidated within 12 months, to help manage unanticipated liquidity needs.

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Notes to Consolidated Financial Statements (in thousands)

4. Grants Receivable, North American Programs

JFNA receives support for its North American programs from several private foundations, as well as from individual donors. Grants receivable have been recorded at present value. Those receivables that are due in more than one year have been discounted to their present value using an average discount rate of 4.72% at June 30, 2024. Grants receivable for these programs consisted of the following:

June 30, 2024

Private and supporting foundations	\$	9,284
Individual donors and other		1,138
		10,422
Less: discount to present value		(72)
	\$	10,350

5. Contributions Receivable - Primarily for Capital Projects in Israel, Net

Contributions receivable have been recorded at present value. Contributions receivable consist of the following:

June 30, 2024

Under one year	\$	149
		149
Less: allowance for doubtful accounts		(85)
	\$	64

6. Investments

JFNA's assets recorded at fair value have been categorized based upon a fair value hierarchy, in accordance with ASC 820. See Note 2 for the discussion of JFNA's policies regarding this hierarchy.

A description of the valuation techniques applied to JFNA's major categories of assets measured at fair value is as follows. There have been no changes in the valuation methodologies as of June 30, 2024.

Equities - These assets are valued at the closing price reported on the active market on which the individual securities are traded. These investments are classified as Level 1.

Mutual Funds - These assets are valued on a daily basis at the close of business day. Each mutual fund's NAV is the value of a single share that is actively traded on national securities exchanges. These investments are classified as Level 1.

State of Israel Bonds - These assets are valued based on yields currently available on comparable securities of issuers with similar credit ratings. These investments are classified as Level 2.

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Alternative investments are those made in limited partnerships, government money market funds, commingled funds, and hedge funds, all of which are valued based on the NAV of the interest owned by JFNA at year-end. Given the absence of market quotations, alternative investments at fair value are estimated using information provided to JFNA by the investment advisor, New England Pension Consultants (NEPC). The values are based on estimates that require varying degrees of judgment and, for fund of funds investments, are primarily based on financial data supplied by the investment managers of the underlying funds. Individual investment holdings within the alternative investments may include investments in both nonmarketable and market-traded securities. Nonmarketable securities may include equity in private companies, real estate, thinly traded securities, and other investment vehicles. The investments may indirectly expose JFNA to the effects of securities lending; short sales of securities; and trading in futures and forward contracts, options, swap contracts, and other derivative products. While these financial instruments entail varying degrees of risk, JFNA's exposure with respect to each such investment is limited to its carrying amount (fair value, as described above) in each investment plus JFNA's commitment to provide additional funding as described in the following paragraph. The financial statements of the investees are audited annually by nationally recognized firms of independent auditors. JFNA does not directly invest in the underlying securities of the investment funds and, due to restrictions on transferability and timing of withdrawals from the limited partnerships, the amounts ultimately realized upon liquidation could differ from reported values that are based on current conditions.

Investments are made under the authority and oversight of an Investment Committee in consultation with an outside consultant. Together, they have established investment guidelines and developed a diversified asset allocation structure, which includes high-cap equities, low-cap equities, international equities, fixed-income securities, and alternative investments. JFNA engages individual managers who specialize in each asset category, and each manager is monitored for compliance with guidelines, and performance is evaluated against appropriate benchmarks.

The following table sets forth, by level within the fair value hierarchy, the financial assets at fair value.

June 30, 2024

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equities	\$ 36,481	\$ -	\$ -	\$ 36,481
Fixed income	16,781	-	-	16,781
State of Israel bonds	-	695	-	695
Total Investments , in the fair market value hierarchy	\$ 53,262	\$ 695	\$ -	53,957
Investments measured at NAV*:				
Government money market fund				1,663
Commingled fund				6,128
Hedge funds				17,006
Total Investments				\$ 78,754

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statement of financial position.

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Notes to Consolidated Financial Statements (in thousands)

There were no transfers between levels for the year ended June 30, 2024.

JFNA uses, as a practical expedient for fair value, a reported NAV per share or its equivalent for purposes of valuing certain alternative investments within its investment portfolio as of June 30, 2024, as detailed below.

The following table sets forth a summary of the investments held by JFNA reported at NAV:

June 30, 2024

	Fair Value	Redemption Frequency	Redemption Notice Period
Money market fund:			
PNC Government Money Market Fund ^(a)	\$ 1,663	Daily	None
Commingled fund:			
Wellington Trust Company, N.A. CTF Research Equity Portfolio ^(b)	6,128	Daily	See note (b)
Limited partnerships:			
Davidson Kempner Institutional Partners, LP ^(c)	3,805	Quarterly	65 days
Independent Franchise Partners Global Eq., LP	5,044	Bi-Monthly	3 days
Hedge funds:			
Emerging Markets Equity Series of RBC	4,757	Daily	5 days
WA Global Multi-Sector LLC	3,400	Daily	Daily
Total	\$ 24,797		

(a) The principal investment objective of the money market fund is to provide high current income consistent with stability of principal and liquidity.

(b) The fund's investment objective is a long-term return in excess of the S&P 500 Index. The redemption notice period is due by 4 p.m. ET on the trade date.

(c) The partnership is a multi-strategy fund with an event-driven focus, seeking to exploit situations in which announced or anticipated events create opportunities to invest in securities and other financial instruments at a discount to their exist values.

7. Split-Interest Agreements

JFNA is the beneficiary or agent for a third-party beneficiary of a number of split-interest agreements with donors. Certain agreements provide that JFNA hold the contributed assets as trustee (e.g., charitable remainder trusts), while other agreements are part of the general assets of JFNA (e.g., charitable gift annuities). Under both forms of agreement, JFNA invests the donated assets and distributes to the donor or donor's designee income generated from those assets until such time as stated in the agreement (usually upon the death of the donor or donor's designee). JFNA will be able to utilize that part of the gift in which it has an interest upon the death of the respective life income beneficiary and will distribute to any third-party beneficiaries their respective remainder interests.

At the time of the gift, and adjusted annually, JFNA records contribution income and a liability for amounts payable to annuitants and third-party beneficiaries using an actuarial calculation based on estimated mortality rates and other assumptions that could change in the near term. The discount

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Notes to Consolidated Financial Statements (in thousands)

rates used in the calculation of obligations due to annuitants under split-interest agreements at June 30, 2024 ranged from 1.2% to 6.2%. State-mandated insurance reserves related to charitable gift annuity agreements are maintained at the required level.

The fair value of the investments under these agreements totaled \$1,958 at June 30, 2024 and is included in investments in the consolidated statement of financial position. At June 30, 2024, annuities payable were \$1,714.

Assets held for split-interest agreements are as follows:

June 30, 2024

Charitable gift annuities	\$	1,946
Charitable remainder trusts		12
	\$	1,958

JFNA's investments held under split-interest agreements, by level within the fair value hierarchy, consist of the following:

June 30, 2024

	Level 1	Level 2	Level 3	Total
Mutual funds:				
Equities	\$ 670	\$ -	\$ -	\$ 670
Fixed income	1,065	-	-	1,065
Total Investment Assets, in the fair value hierarchy	\$ 1,735	\$ -	\$ -	1,735
Investments measured at NAV*:				
Government money market fund				223
Total Investments			\$	1,958

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts inserted in this table are intended to present reconciliation of the fair value hierarchy table to the amounts presented in the consolidated statement of financial position.

8. Capital Projects in Israel

Capital projects consist principally of housing projects and other buildings, such as pre-schools, day care centers, sports halls, and colleges, in which educational and social services are provided. The majority of such projects are held under long-term renewable leases from the Israel Land Administration, a governmental organization, which restricts use of such projects for their current purpose. Housing is provided at rentals that are below-market rates. For the year ended June 30, 2024, the rental income was \$225. The housing-related costs are included in allocations to The Jewish Agency; therefore, JFNA does not realize substantial income from such housing.

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The capital projects are reflected as follows:

June 30, 2024

	Useful Life (Years)	Cost	Accumulated Depreciation	Balance
General Fund	25	\$ 136,883	\$ (136,883)	\$ -
Project Renewal Fund	25	92,233	(91,907)	326
Israel Education Fund	25	227,584	(202,584)	25,000
U.S. Government Grant Fund	25	24,309	(24,309)	-
		\$ 481,009	\$ (455,683)	\$ 25,326

The aggregate depreciation expense charged to program services in Israel was \$4,435 during the year ended June 30, 2024.

9. Fixed Assets, Net

Fixed assets, net, are as follows:

June 30, 2024

Data-processing equipment	\$ 2,451
Furniture and fixtures	1,118
Automobiles	11
Software costs	1,145
Leasehold improvements	6,917
	11,642
Less: accumulated depreciation and amortization	(9,778)
	\$ 1,864

Depreciation and amortization expense was \$596 for the year ended June 30, 2024.

10. Retirement Plans

JFNA has a trustee noncontributory defined benefit retirement plan (the Plan) covering substantially all employees who were employed prior to it being frozen (see below). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is financed by employer contributions actuarially determined to be sufficient to meet the requirements of the Plan and ERISA.

JFNA provided a non-qualified Benefit Restoration Plan (BRP) for certain individuals whose salaries were above the IRS limit for pensions. Participation in BRP required approval by JFNA's Compensation Committee. The benefit has its own caps and is intended to make up pension benefits over IRS compensation limits.

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The Plan and BRP were frozen, effective June 30, 2013. Beginning July 1, 2013, a new defined contribution pension plan was created for new and current employees. The terms of the new plan offer the following: a) a 50% match of an employee's own contribution to the plan, up to a maximum match by JFNA of 3% of eligible gross salary; and b) an employer-directed contribution of 2% of eligible gross salary, regardless of how much or whether an employee contributes to the plan.

Effective August 1, 2017, the Plan was amended to provide a lump-sum benefit option for all terminating and retiring participants.

For former United Jewish Appeal (UJA) (predecessor organization) employees, there is a grandfathered Medigap program commencing at the employee's age of 65. Former UJA employees with a minimum of ten years of service on December 31, 1999 were 100% vested and eligible to participate in the Medigap program. Those with less than ten years of service at UJA were vested at the rate of 10% for each completed year of service, up to December 31, 1999, provided that they served a minimum of ten years with the Organization, including years served at JFNA.

The following table sets forth the funded status and amounts recognized in JFNA's consolidated financial statements:

June 30, 2024

	Retirement Plan	Postretirement Medicare Supplement Plan
Change in Projected Benefit Obligation		
Projected Benefit Obligation, beginning of year	\$ 29,955	\$ 4,029
Service cost	13	-
Interest cost	1,482	220
Changes in assumptions - discount rate and mortality projection	-	364
Benefits paid	(2,466)	(297)
Actuarial gain (loss)	(151)	1,016
Projected Benefit Obligation, end of year	28,833	5,332
Change in Plan Assets		
Fair Value of Plan Assets, beginning of year	18,833	-
Gain on plan assets (net of expenses)	1,561	-
Contributions	1,123	297
Benefits paid	(2,466)	(297)
Fair Value of Plan Assets, end of year	19,051	-
Funded Status	\$ (9,782)	\$ (5,332)

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Notes to Consolidated Financial Statements (in thousands)

June 30, 2024

	Retirement Plan	Postretirement Medicare Supplement Plan
Components of net periodic cost:		
Service cost	\$ 13	\$ -
Interest cost	1,482	220
Expected loss on assets	(934)	-
Amortization of gain (loss) during prior years	277	(170)
Net Periodic Cost	\$ 838	\$ 50
Adjustment to minimum pension liabilities	\$ 1,054	\$ (1,550)

The expected pension contribution for the year ended June 30, 2025 is \$1,450.

The expected benefit payments are as follows:

Year ending June 30,

	Retirement Plan	Postretirement Medicare Supplement Plan
2025	\$ 2,673	\$ 389
2026	2,658	398
2027	2,614	397
2028	2,530	401
2029	2,490	409
2030-2034	11,051	1,960
Measurement date	June 30	June 30
Weighted-average assumptions (%):		
Discount rate - beginning of year	5.17	5.19
Discount rate - end of year	5.26	5.29
Expected return on plan assets	5.00	N/A
Rate of compensation increase	2.50	N/A

For measurement purposes, a 6.75% annual rate of increase in the per-capita cost of covered health care benefits was assumed.

The Pri-2012 Mortality Table for employees and healthy annuitants projected generationally with scale MP-2021 was used for year-end disclosure purposes.

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The health care cost trend rate assumption has a significant effect on the amounts reported. Increasing or decreasing the assumed health care cost trend rate by one percentage point would have the following effect:

	1% Increase	1% Decrease
Effect on total of service and interest cost components	\$ 2	\$ (2)
Effect on postretirement benefit obligation	53	(53)

The fair value of JFNA's retirement plan assets is as follows:

June 30, 2024

	Assets at Fair Value			Total
	Level 1	Level 2	Level 3	
Investments at fair value:				
Mutual funds	\$ 14,871	\$ -	\$ -	\$ 14,871
Total Investments , in the fair value hierarchy	\$ 14,871	\$ -	\$ -	14,871
Investments measured at NAV*:				
Commingled fund				1,309
Hedge funds				2,595
Commingled fund				276
Total Fair Value Investments**				\$ 19,051

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts inserted in this table are intended to present reconciliation of the fair value hierarchy table to the amounts presented in the consolidated statement of financial position.

** In addition to total fair value investments, JFNA's retirement plan held \$0 of cash assets as of June 30, 2024.

The Organization had no financial assets that were measured at fair value on a non-recurring basis during the year ended June 30, 2024.

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The following table sets forth a summary of JFNA's investments with a reported NAV:

June 30, 2024

	NAV in Funds	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Commingled fund ^(a)	\$ 1,309	\$ -	Daily	See note (a)
Hedge funds:				
RBC Emerging Markets ^(b)	1,479	-	Daily	5 days
WA Global Multi-Sector LLC ^(c)	1,116	-	Daily	Daily
Money market fund ^(d)	278	-	Daily	None
Total	\$ 4,182	\$ -		

- (a) The fund's investment objective is long-term return in excess of the S&P 500 Index by anticipating fundamental changes and pricing anomalies with dedicated bottom-up research. The WTC-CIF & WTF-CTF Research Equity pool redemption requests must be submitted by 4:00 PM EST on the same day as the trade date; transactions will typically settle one day after the trade date selected.
- (b) RBC Emerging Markets is an emerging market equity strategy seeking to provide long-term capital growth by investing in quality companies with efficient profitability. The strategy is benchmarked against MSCI Emerging Markets Index.
- (c) WA is a Global Multi-Sector fixed-income fund. It holds liquid fixed-income investments and seeks to outperform a globally diversified fixed-income benchmark. Instructions for redemption must be submitted no later than 11 a.m. PST.
- (d) The principal investment objective of the money market fund is to maintain a NAV of \$1 per share.

JFNA maintains a 457(b) deferred compensation plan limited to a select group of management. JFNA will make non-elective contributions to the plan up to the maximum amount permitted by Section 457(b)(2) of the Code. As of June 30, 2024, the benefit liability and related asset was \$116 and is included in other payables, and advances, other receivables, and other assets, in the consolidated statement of financial position.

JFNA maintains a 403(b) retirement plan that covers all eligible employees. Employees may elect to defer compensation and make contributions to the plan. The employer will make a discretionary matching contribution of 50% of the employee contribution, limited to 3% of compensation for full-time employees and employees over the age of 21. Full-time employees over the age of 21, who worked 23 weeks or more from January 1, 2023 through December 31, 2023, are eligible for an additional employer non-elective contribution of a discretionary amount based on compensation of 2%. The total expense for the year ended June 30, 2024 was \$678.

11. Commitments and Contingencies

In October 2008, JFNA entered into a lease for office premises through December 2039 (the NY Office lease began Sept 2008 and ends in 2029 and the DC Office lease began April 2024 and ends in 2037), which is classified as an operating lease based on the terms of the agreement. Leases are classified as either finance or operating leases based on the underlying terms of the agreement and certain criteria, such as the term of the lease relative to the useful life of the asset and the total

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Notes to Consolidated Financial Statements (in thousands)

lease payments to be made as compared to the fair value of the asset, amongst other criteria. Finance leases result in an accounting treatment similar to an acquisition of the asset.

For leases with initial terms greater than a year (or initially, greater than one year remaining under the lease at the date of adoption of ASU 2016-02), JFNA records the related right-of-use (ROU) assets and liabilities at the present value of the lease payments to be paid over the life of the related lease. JFNA's leases may include variable lease payments and renewal options. Variable lease payments are excluded from the amounts used to determine the ROU assets and liabilities unless the variable lease payments depend on an index or rate or are in substance fixed payments. Lease payments related to periods subject to renewal options are also excluded from the amounts used to determine the ROU assets and liabilities unless JFNA is reasonably certain to exercise the option to extend the lease. The present value of lease payments is calculated by utilizing the rate stated in the lease, when readily determinable. For leases for which this rate is not readily available, JFNA has elected to use a risk-free discount rate, determined using a period comparable with that of the lease term. JFNA has made an accounting policy election not to separate lease components from non-lease components in contracts when determining its lease payments for all of its asset classes, as permitted by ASU 2016-02. As such, JFNA accounts for the applicable non-lease components together with the related lease components when determining the ROU assets and liabilities.

JFNA has made an accounting policy election not to record leases with an initial term of less than a year as ROU assets and liabilities.

The following tables summarize information related to the lease assets and liabilities:

Year ended June 30, 2024

Lease costs:	
Operating lease cost - NY Office	\$ 2,421
Operating lease cost - DC Office	190
Total Lease Cost	\$ 2,611

June 30, 2024

ROU assets and liabilities:	
Operating lease ROU assets:	
NY Office	\$ 11,659
DC Office	12,494
Total Operating Lease ROU Assets	\$ 24,153
Operating lease liabilities:	
NY Office	\$ 15,830
DC Office	12,309
Total Operating Lease Liabilities	\$ 28,139

Year ended June 30, 2024

Other information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 2,411

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

Weighted-average remaining lease term - operating leases:	
NY Office	6.33 years
DC Office	13.33 years
Weighted-average discount rate - operating leases:	
NY Office	2.92%
DC Office	2.21%

For operating leases, ROU assets are recorded in operating lease right-of-use asset and lease liabilities are recorded in operating lease right-of-use liability in the accompanying consolidated statement of financial position.

The following is a schedule of future minimum lease payments, including interest, under the term of the leases, together with the present value of the net minimum lease payments, as of June 30, 2024:

Year ending June 30,

NY Office	
2025	\$ 3,071
2026	3,234
2027	3,234
2028	3,234
2029-2039	4,312
Total Minimum Lease Payments	17,085
Less: amounts representing interest	(1,254)
Present Value of Net Minimum Lease Payments	15,831
Less: current portion	(2,650)
	\$ 13,181

Year ending June 30,

DC Office	
2025	\$ -
2026	-
2027	236
2028	718
2029-2030	13,833
Total Minimum Lease Payments	14,787
Less: amounts representing interest	(2,478)
Present Value of Net Minimum Lease Payments	12,309
Less: current portion	-
	\$ 12,309

Beginning in 2015, JFNA entered into various capital lease arrangements for the use of a data-processing system. No new leases were added during the year ended June 30, 2024. The balance

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

outstanding at June 30, 2024 was \$347, which is included in other payables on the consolidated statement of financial position.

Future minimum lease payments are as follows:

Year ending June 30,

2025	\$	177
2026		128
2027		58
2028		18
2029		-
		381
Less: amount representing interest		(34)
Present Value of Net Minimum Lease Payments	\$	347

JFNA, at various times, is a party to litigation and other claims in the ordinary course of business. In the opinion of management, the ultimate resolution of these matters will not have a significant effect on JFNA's consolidated financial position.

12. Net Assets with Donor Restrictions

JFNA maintained the following net assets with donor restrictions:

June 30, 2024

Net Assets Restricted in Perpetuity		
Overseas	\$	18,643
Federations		6,531
Domestic		4,264
Other		806
Total Net Assets Restricted in Perpetuity		30,244
Net Assets with Purpose and Time Restrictions		
Fair share allocations for fiscal year 2024		29,687
Property, equipment, and capital projects		25,326
Israel Emergency Campaign		97,084
Israel Education Fund		5,043
Ukraine Crisis and other overseas programs		8,506
Other domestic programs		79,514
Total Net Assets with Purpose and Time Restrictions		245,160
	\$	275,404

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

Net assets were released from donor restrictions by incurring expenses satisfying the following purposes:

Year ended June 30, 2024

Fair share allocations for fiscal year 2024	\$	29,521
Property, equipment, and capital projects		4,435
Israel Emergency Campaign		337,751
Israel Education Fund		1,915
Ukraine Crisis and other overseas programs		6,035
Other domestic programs		41,530
	\$	421,187

Endowment Funds

General

JFNA has donor-restricted and Board-designated endowment funds principally established to help fund various projects for Israel and overseas or domestic purposes. The funds that were established, including the Board-designated funds, by the predecessor organizations must be used for the purposes of their respective predecessor organization. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of JFNA has adopted the New York Prudent Management of Institutional Funds Act (NYPMIFA). NYPMIFA moves away from the “historic dollar value” standard and permits charities to apply a spending policy to endowments based on certain specified standards of prudence. JFNA is now governed by the NYPMIFA spending policy, which establishes a standard maximum prudent spending limit of 7% of the average of its previous five years’ balance. As a result of this interpretation, JFNA classifies with donor restriction - perpetual in nature (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund and accumulations to the permanent endowment (interest/dividends, etc.), that is not classified in with donor restriction - perpetual in nature, is classified as net assets with donor restriction - purpose restricted until those amounts are appropriated for expenditure by JFNA, in a manner consistent with the standards of prudence prescribed by NYPMIFA.

JFNA has adopted investment and spending policies for endowment assets that attempt to provide a stream of returns that would be utilized to fund various programs while seeking to maintain the purchasing power of the endowment assets. The endowment funds are invested in vehicles, such as government and equity securities, as well as alternative investments.

JFNA considers the following factors in making a determination to appropriate or accumulate endowment funds:

- The duration and preservation of the funds.
- The purposes of JFNA and the donor-restricted endowment funds.

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation/depreciation of investments.
- Other resources of JFNA.
- The investment policy of JFNA.

Endowment Net Asset Composition by Type of Fund

June 30, 2024

	Board- Designated	Restricted in Perpetuity	Total
Endowment Net Assets , beginning of year	\$ 24,693	\$ 30,240	\$ 54,933
Contributions	1,665	4	1,669
Transfers in	-	-	-
Investment income, net	2,923	763	3,686
Appropriation of endowment assets for expenditure	(1,198)	(763)	(1,961)
Endowment Net Assets , end of year	\$ 28,083	\$ 30,244	\$ 58,327

June 30, 2024

	Board- Designated	Restricted in Perpetuity	Total
Investment by Type of Fund			
Donor-restricted endowment:			
Historical gift value	\$ -	\$ 30,244	\$ 30,244
Board-designated endowment	28,083	-	28,083
Endowment Net Assets	\$ 28,083	\$ 30,244	\$ 58,327

13. Related Organizations

UIA is the primary shareholder of public benefit corporations in Israel. As such, it has the authority to select certain Board members when there are vacancies or when the Board members' terms expire. UIA does not control the operations or have any rights to their assets. In the event of dissolution, the net assets would revert to another not-for-profit entity(ies) in Israel. Accordingly, the assets and liabilities and activities of the public benefit corporations have not been consolidated in the accompanying financial statements.

UIA and the Jewish Agency have some common Board members. UIA has the power to appoint 36 members to the Jewish Agency's Board, which does not represent the majority of the Jewish Agency Board members, and a majority of UIA Board members do not sit on the Jewish Agency Board.

The Jewish Federations of North America, Inc. and Subsidiaries

Notes to Consolidated Financial Statements (in thousands)

14. Concentration of Credit Risk

The financial instruments that potentially subject JFNA to concentration of credit risk consist primarily of cash and cash equivalents. At various times, JFNA has cash deposits at financial institutions that exceed the Federal Deposit Insurance Corporation (FDIC) limit. These financial institutions have strong credit ratings; therefore, management believes the risk related to these accounts is minimal.

15. Subsequent Events

JFNA's management has performed subsequent events procedures through March 13, 2025, which is the date the consolidated financial statements were available to be issued, and there were no subsequent events requiring adjustment to the consolidated financial statements or disclosures as stated herein.

Supplementary Information

The Jewish Federations of North America, Inc. and Subsidiaries

Consolidating Schedule of Financial Position (in thousands)

June 30, 2024

	The Jewish Federations of North America, Inc. and Subsidiary	United Israel Appeal, Inc.	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	\$ 213,583	\$ 966	\$ -	\$ 214,549
Campaign allocations from communities and annual assessments receivable	167,091	144,762	(144,762)	167,091
U.S. government grants receivable	4,189	-	-	4,189
Grants receivable, North American programs, current	9,655	-	-	9,655
Contributions receivable, primarily for capital projects in Israel, net, current	-	64	-	64
Advances, other receivables, and other assets, current	4,201	-	(34)	4,167
Operating lease right-of-use asset, current	2,862	-	-	2,862
Investments, current	38,144	-	-	38,144
Total Current Assets	439,725	145,792	(144,796)	440,721
Grants Receivable, North American Programs, less current portion	695	-	-	695
Advances, Other Receivables, and Other Assets, less current portion	37	839	-	876
Operating Lease Right-of-Use Asset, less current portion	21,291	-	-	21,291
Investments, less current portion	40,610	-	-	40,610
Capital Projects in Israel, Net	-	25,326	-	25,326
Fixed Assets, Net	1,864	-	-	1,864
Total Assets	\$ 504,222	\$ 171,957	\$ (144,796)	\$ 531,383

The Jewish Federations of North America, Inc. and Subsidiaries

Consolidating Schedule of Financial Position (in thousands)

June 30, 2024

	The Jewish Federations of North America, Inc. and Subsidiary	United Israel Appeal, Inc.	Eliminations	Total
Liabilities and Net Assets				
Current Liabilities				
Accounts payable and accrued expenses	\$ 164,360	\$ 49,061	\$ (144,762)	\$ 68,659
Accrued postretirement benefits other than pensions, current	389	-	-	389
Amounts held for others	2,471	-	-	2,471
Accrued pension benefit cost, current	2,673	-	-	2,673
Deferred revenue	3,785	-	-	3,785
Operating lease right-of use liability, current	2,650	-	-	2,650
Other payables, current	214	34	(34)	214
Total Current Liabilities	176,542	49,095	(144,796)	80,841
Accrued Postretirement Benefits Other Than Pensions, less current portion	4,943	-	-	4,943
Operating Lease Right-of-Use Liability, net of current portion	25,489	-	-	25,489
Obligations Under Split-Interest Agreements	1,714	-	-	1,714
Accrued Pension Benefit Cost, less current portion	7,109	-	-	7,109
Other Payables, less current portion	269	-	-	269
Total Liabilities	216,066	49,095	(144,796)	120,365
Net Assets	288,156	122,862	-	411,018
Total Liabilities and Net Assets	\$ 504,222	\$ 171,957	\$ (144,796)	\$ 531,383

The Jewish Federations of North America, Inc. and Subsidiaries

Consolidating Schedule of Activities (in thousands)

Year ended June 30, 2024

	The Jewish Federations of North America, Inc. and Subsidiary	United Israel Appeal, Inc.	Eliminations	Total
Operating Revenues, Gains, and Other Support				
Campaign allocations from communities and annual assessments	\$ 221,344	\$ 146,390	\$ (145,588)	\$ 222,146
Israel Emergency Campaign	431,616	308,867	(308,789)	431,694
Ukraine Crisis campaign allocations from communities	6,060	1,924	(1,924)	6,060
Grants for North American programs	23,357	-	-	23,357
Contributions and grants	5,930	-	-	5,930
U.S. government grants	4,496	6,131	-	10,627
General Assembly and other conference revenues	1,622	-	-	1,622
Missions	2,358	-	-	2,358
Program revenues	1,794	-	-	1,794
Investment income, net	7,211	1,227	-	8,438
Rental income	-	225	-	225
Other revenues	2,406	4	-	2,410
Total Operating Revenues, Gains, and Other Support	708,194	464,768	(456,301)	716,661
Expenses				
Program services:				
United Israel Appeal, Inc. program services in Israel	455,980	468,340	(455,980)	468,340
Missions	3,036	-	-	3,036
JDC and other programs	142,543	-	-	142,543
Total Program Services	601,559	468,340	(455,980)	613,919
Supporting services:				
Management and general	13,405	325	(321)	13,409
Fundraising	733	-	-	733
Total Supporting Services	14,138	325	(321)	14,142
Total Operating Expenses	615,697	468,665	(456,301)	628,061
Change in Net Assets from Operating Activities	92,497	(3,897)	-	88,600
Non-Operating Activities				
Adjustment to minimum pension liabilities and other postretirement benefits	(496)	-	-	(496)
Change in Net Assets	92,001	(3,897)	-	88,104
Net Assets, beginning of year	196,155	126,759	-	322,914
Net Assets, end of year	\$ 288,156	\$ 122,862	\$ -	\$ 411,018