

The United Jewish Community of Broward County, Inc. and Affiliate D/B/A Jewish Federation of Broward County

Consolidated Financial Statements
Years Ended June 30, 2024 and 2023

**The United Jewish Community of Broward County, Inc. and
Affiliate D/B/A Jewish Federation of Broward County**

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D/B/A Jewish Federation of Broward County**

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Independent Auditor's Report

Board of Directors

The United Jewish Community of Broward County, Inc. and Affiliate
D/B/A Jewish Federation of Broward County
Davie, Florida

Opinion

We have audited the consolidated financial statements of The United Jewish Community of Broward County, Inc. and Affiliate D/B/A Jewish Federation of Broward County (the Federation), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, consolidated statements of functional expenses and consolidated statements of 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 Federation as of June 30, 2024 and 2023, and the results of its operations 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 in accordance with auditing standards generally accepted in the United States of America (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 Federation 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 Federation'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 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 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, 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 Federation'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 Federation'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.

BDO USA, P.C.

February 12, 2025

Consolidated Financial Statements

**The United Jewish Community of Broward County, Inc. and Affiliate
D/B/A Jewish Federation of Broward County**

Consolidated Statements of Financial Position

<i>June 30,</i>	2024	2023
Assets		
Cash and cash equivalents	\$ 1,372,234	\$ 1,692,283
Investments, at fair value	175,801,199	163,381,877
Pledges receivable, net	4,054,332	4,163,034
Other receivables	291,073	212,622
Trust assets managed by others	274,372	394,224
Prepaid expenses and other assets	259,962	405,455
Property and equipment, net	9,388,033	9,505,367
Total Assets	\$ 191,441,205	\$ 179,754,862
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 2,147,831	\$ 1,624,616
Allocations payable	5,340,508	4,555,967
Trust assets held on behalf of affiliated agencies	17,159,096	14,775,535
Split-interest agreements	971,797	2,093,314
Agency funds	3,643,068	3,498,896
Total Liabilities	29,262,300	26,548,328
Commitments and Contingencies		
Net Assets		
Without donor restrictions (including \$100,358,823 and \$94,210,070 of board-designated endowment funds at June 30, 2024 and 2023, respectively)	107,716,482	99,716,205
With donor restrictions	54,462,423	53,490,329
Total Net Assets	162,178,905	153,206,534
Total Liabilities and Net Assets	\$ 191,441,205	\$ 179,754,862

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

**The United Jewish Community of Broward County, Inc. and Affiliate
D/B/A Jewish Federation of Broward County**

Consolidated Statements of Activities

Year ended June 30,

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support						
Campaign contributions, net	\$ 4,164,109	\$ 3,977,265	\$ 8,141,374	\$ 3,766,434	\$ 2,550,020	\$ 6,316,454
Planned giving, other contributions, and change in split-interest agreements	9,770,027	318,262	10,088,289	5,814,903	271,976	6,086,879
Sponsorship revenue	579,890	-	579,890	747,846	-	747,846
Program income	625,434	-	625,434	361,684	-	361,684
Other income, including contributions of nonfinancial assets (Note 13)	2,480,714	-	2,480,714	2,629,624	-	2,629,624
Net assets released from restrictions	9,163,742	(9,163,742)	-	3,777,075	(3,777,075)	-
Total Revenue and Support, before investment income	26,783,916	(4,868,215)	21,915,701	17,097,566	(955,079)	16,142,487
Investment Income, Net (Note 4)	8,555,787	5,840,309	14,396,096	6,856,044	4,504,380	11,360,424
Total Revenue and Support	35,339,703	972,094	36,311,797	23,953,610	3,549,301	27,502,911
Expenses						
Program services:						
Allocations	18,985,046	-	18,985,046	15,611,794	-	15,611,794
Program services	4,299,052	-	4,299,052	4,156,453	-	4,156,453
Management and general	2,528,455	-	2,528,455	2,302,889	-	2,302,889
Fundraising	1,526,873	-	1,526,873	1,442,034	-	1,442,034
Total Expenses	27,339,426	-	27,339,426	23,513,170	-	23,513,170
Change in Net Assets	8,000,277	972,094	8,972,371	440,440	3,549,301	3,989,741
Net Assets, beginning of year	99,716,205	53,490,329	153,206,534	99,275,765	49,941,028	149,216,793
Net Assets, end of year	\$ 107,716,482	\$ 54,462,423	\$ 162,178,905	\$ 99,716,205	\$ 53,490,329	\$ 153,206,534

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

**The United Jewish Community of Broward County, Inc. and Affiliate
D/B/A Jewish Federation of Broward County**

Consolidated Statement of Functional Expenses

Year ended June 30, 2024

	Program Services			Supporting Services			Total Expenses
	Allocations	Program Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Allocations:							
Allocations to Jewish Federations of North America	\$ 993,008	\$ -	\$ 993,008	\$ -	\$ -	\$ -	\$ 993,008
Allocations made by Jewish Community Foundation	9,355,760	-	9,355,760	-	-	-	9,355,760
Allocations to local, state, and national agencies, including contributions of nonfinancial assets of approximately \$2,009,000	8,636,278	-	8,636,278	-	-	-	8,636,278
Total Allocations	18,985,046	-	18,985,046	-	-	-	18,985,046
Salaries and related benefits:							
Salaries	-	2,067,203	2,067,203	1,108,308	1,012,042	2,120,350	4,187,553
Payroll taxes	-	140,270	140,270	105,888	61,452	167,340	307,610
Employee health and other benefits	-	141,539	141,539	138,223	67,346	205,569	347,108
Total Salaries and Related Benefits	-	2,349,012	2,349,012	1,352,419	1,140,840	2,493,259	4,842,271
Advertising	-	627	627	457	267	724	1,351
Auto/transportation	-	4,963	4,963	17,734	10,209	27,943	32,906
Bad debt on pledges	-	-	-	167,838	-	167,838	167,838
Bank charges and credit card fees	-	7,500	7,500	25,338	94,555	119,893	127,393
Community activities	-	1,342,702	1,342,702	741	-	741	1,343,443
Conferences	-	28,820	28,820	20,994	12,298	33,292	62,112
Consulting	-	29,058	29,058	29,828	17,353	47,181	76,239
Depreciation	-	147,519	147,519	260,327	26,033	286,360	433,879
Insurance	-	51,975	51,975	135,134	20,790	155,924	207,899
Local meetings	-	25,161	25,161	18,328	10,737	29,065	54,226
Occupancy	-	114,377	114,377	278,412	48,808	327,220	441,597
Office service and equipment contracts	-	56,656	56,656	37,544	24,242	61,786	118,442
Office supplies and other	-	16,239	16,239	20,532	7,646	28,178	44,417
Other	-	8,898	8,898	6,481	4,296	10,777	19,675
Postage	-	5,380	5,380	10,347	4,967	15,314	20,694
Printing	-	63,477	63,477	1,165	26,039	27,204	90,681
Professional fees	-	38,716	38,716	128,570	67,859	196,429	235,145
Telephone	-	7,972	7,972	16,266	9,934	26,200	34,172
Total Functional Expenses	\$ 18,985,046	\$ 4,299,052	\$ 23,284,098	\$ 2,528,455	\$ 1,526,873	\$ 4,055,328	\$ 27,339,426

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

**The United Jewish Community of Broward County, Inc. and Affiliate
D/B/A Jewish Federation of Broward County**

Consolidated Statement of Functional Expenses

Year ended June 30, 2023

	Program Services			Supporting Services			Total Expenses
	Allocations	Program Services	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Allocations:							
Allocations to Jewish Federations of North America	\$ 868,684	\$ -	\$ 868,684	\$ -	\$ -	\$ -	\$ 868,684
Allocations made by Jewish Community Foundation	8,745,777	-	8,745,777	-	-	-	8,745,777
Allocations to local, state, and national agencies, including contributions of nonfinancial assets of approximately \$1,969,000	5,997,333	-	5,997,333	-	-	-	5,997,333
Total Allocations	15,611,794	-	15,611,794	-	-	-	15,611,794
Salaries and related benefits:							
Salaries	-	1,954,756	1,954,756	955,994	1,006,335	1,962,329	3,917,085
Payroll taxes	-	143,212	143,212	76,103	64,484	140,587	283,799
Employee health and other benefits	-	148,468	148,468	80,173	68,295	148,468	296,936
Total Salaries and Related Benefits	-	2,246,436	2,246,436	1,112,270	1,139,114	2,251,384	4,497,820
Advertising	-	67,964	67,964	41,824	27,791	69,615	137,579
Auto/transportation	-	14,912	14,912	9,177	6,098	15,275	30,187
Bad debt on pledges	-	-	-	132,620	-	132,620	132,620
Bank charges and credit card fees	-	7,214	7,214	18,035	46,890	64,925	72,139
Community activities	-	1,276,508	1,276,508	8,493	-	8,493	1,285,001
Conferences	-	31,213	31,213	25,776	17,048	42,824	74,037
Consulting	-	32,055	32,055	22,048	14,278	36,326	68,381
Depreciation	-	163,315	163,315	288,200	28,820	317,020	480,335
Insurance	-	19,072	19,072	95,358	12,715	108,073	127,145
Local meetings	-	27,413	27,413	16,869	11,209	28,078	55,491
Occupancy	-	153,516	153,516	259,768	34,312	294,080	447,596
Office service and equipment contracts	-	60,840	60,840	27,212	26,175	53,387	114,227
Office supplies and other	-	17,086	17,086	17,368	12,500	29,868	46,954
Other	-	8,683	8,683	14,675	2,445	17,120	25,803
Postage	-	1,283	1,283	8,753	3,026	11,779	13,062
Printing	-	4,307	4,307	7,178	17,227	24,405	28,712
Professional fees	-	13,909	13,909	184,392	30,147	214,539	228,448
Telephone	-	10,727	10,727	12,873	12,239	25,112	35,839
Total Functional Expenses	\$ 15,611,794	\$ 4,156,453	\$ 19,768,247	\$ 2,302,889	\$ 1,442,034	\$ 3,744,923	\$ 23,513,170

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

**The United Jewish Community of Broward County, Inc. and Affiliate
D/B/A Jewish Federation of Broward County**

Consolidated Statements of Cash Flows

<i>Year ended June 30,</i>	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ 8,972,371	\$ 3,989,741
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	433,879	480,335
Net realized and unrealized gains on investments	(10,949,424)	(8,827,550)
Change in discount on pledges receivable	(36,579)	28,369
Allocation of building and equipment	-	948,077
Endowment contributions	(141,059)	(23,308)
Bad debt on pledges	167,838	132,620
Change in split-interest agreements	(1,306,067)	(193,219)
Decrease (increase) in assets:		
Pledges receivable	(29,895)	(1,596,446)
Other receivables	(78,451)	12,539
Trust assets managed by others	119,852	107,372
Other assets	145,493	1,882
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	523,215	94,726
Allocations payable	784,541	(1,433,045)
Agency funds	144,172	(87,685)
Total Adjustments	(10,222,485)	(10,355,333)
Net Cash Used in Operating Activities	(1,250,114)	(6,365,592)
Cash Flows from Investing Activities		
Purchases of property and equipment	(316,545)	(52,266)
Proceeds from sale of investments	56,294,012	46,590,279
Purchases of investments	(57,763,910)	(42,007,928)
Net Cash (Used in) Provided by Investing Activities	(1,786,443)	4,530,085
Cash Flows from Financing Activities		
Endowment contributions	148,397	58,461
Repayments on split-interest obligations	184,550	65,654
Trust assets held on behalf of affiliated agencies	2,383,561	929,148
Proceeds from line of credit	-	23,007
Repayments on line of credit	-	(23,007)
Net Cash Provided by Financing Activities	2,716,508	1,053,263
Net Decrease in Cash and Cash Equivalents	(320,049)	(782,244)
Cash and Cash Equivalents, beginning of year	1,692,283	2,474,527
Cash and Cash Equivalents, end of year	\$ 1,372,234	\$ 1,692,283
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	\$ -	\$ 18
Supplemental Disclosure of Non-Cash Information		
Allocation of building and equipment	\$ -	\$ 948,077

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

The United Jewish Community of Broward County, Inc. and Affiliate D/B/A Jewish Federation of Broward County

Notes to Consolidated Financial Statements

1. Organization and Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements include the accounts of The United Jewish Community of Broward County, Inc. D/B/A Jewish Federation of Broward County, and its wholly owned affiliate, UJCBC 5890 Partners, LLC (collectively, the Federation). All intercompany accounts and transactions have been eliminated in consolidation.

Organization

The United Jewish Community of Broward County, Inc. D/B/A Jewish Federation of Broward County was incorporated in 1947 as a not-for-profit organization under the state of Florida to support Jewish social service cultural and educational advancement of the Jewish community through local programs and by funding other not-for-profit affiliated agencies locally, nationally, and in Israel and overseas.

UJCBC 5890 Partners, LLC was incorporated on August 17, 2022, under the laws of the state of Florida to own property used for the purpose of providing educational, cultural, recreational, and social service programming for the community.

Basis of Accounting

The Federation prepares its consolidated financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Consolidated Financial Statement Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence of donor-imposed or time restrictions as follows:

Net Assets Without Donor Restrictions - These include net assets that are free of donor-imposed restrictions and all revenues, gains, and losses that are not changes in net assets with donor restrictions. This includes Board-designated funds, which the Federation has internally earmarked. Gifts to donor-advised funds are classified as support without restrictions.

Net Assets with Donor Restrictions - These include net assets that are subject to explicit donor-imposed restrictions, such as time and/or purpose restrictions. Some donor restrictions are temporary in nature, which will be met by actions of the Federation or by the passage of time. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently while permitting the Federation to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or the Board-approved spending policy. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions.

The United Jewish Community of Broward County, Inc. and Affiliate D/B/A Jewish Federation of Broward County

Notes to Consolidated Financial Statements

Cash and Cash Equivalents

The Federation considers all highly liquid investments held at financial institutions with a maturity of three months or less when purchased to be cash equivalents. Money market funds that are included within investments are not included within cash and cash equivalents.

Pledges Receivable, Net

Pledges, less a provision for estimated uncollectible amounts and unamortized discounts, are recorded as a receivable and revenue when pledges are made. The provision for uncollectible pledges is based, among other things, on the Federation's past collection experience and the impact of changes in the current economic conditions and other pertinent factors. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Other Receivables

From time to time, the Federation is notified that it is named as a beneficiary in various estates and trusts. The Federation estimates the value of its interests in these estates and trusts.

Prepaid Expenses and Other Assets

Prepaid expenses and other assets represent prepaid insurance and receivables related to insurance policies at their cash surrender value.

Allocations and Donated Facilities

Allocations represent financial support pledged by the Federation to other not-for-profit organizations or institutions. Total financial support available for allocations is based on the amount of public support received by the Federation after deducting support service expenses. The amounts allocated are approved by a majority of the Board of Directors and are recorded as liabilities of the Federation when awarded.

Additionally, assets were purchased and constructed for the Federation and for the benefit of the David Posnack Jewish Community Center (JCC) and the Hebrew Day School of Broward County, Inc. d/b/a The David Posnack Jewish Day School and Subsidiary (the School). The Federation allows JCC and the School to use these facilities.

The Federation records contributions of nonfinancial assets and allocation expenses to reflect the fair value of the donated use of the facility. Contributions of nonfinancial assets and expenses for donated facilities totaled approximately \$2,009,000 and \$1,969,000 for the years ended June 30, 2024 and 2023, respectively.

Additionally, and as described in Note 15, on December 9, 2022, the Federation contributed a building and equipment to the School that had a net book value of \$948,000 as of the date of the grant. As a result of the following transaction, the Federation removed the net book value of the asset from its property and equipment, and recorded an additional allocation, which is included in allocations to local, state, and national agencies, including contributions of nonfinancial assets on the consolidated statements of functional expenses.

The United Jewish Community of Broward County, Inc. and Affiliate D/B/A Jewish Federation of Broward County

Notes to Consolidated Financial Statements

Revenue Recognition

Contributions

Transfer of cash or other assets or settlement of liabilities that are both voluntary and nonreciprocal are recognized as contributions. Contributions may either be conditional or unconditional. A contribution is considered conditional when the donor imposes both a barrier and a right of return. Conditional contributions are recognized as revenue on the date all donor-imposed barriers are overcome or explicitly waived by the donor. Barriers may include specific and measurable outcomes, limitations on the performance of an activity, and other stipulations related to the contribution. A donor has a right of return of any assets transferred or a right of release of its obligation to transfer any assets in the event the Federation fails to overcome one or more barriers. Assets received before the barrier is overcome are accounted for as refundable advances.

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor-imposed restrictions limit the use of the donated assets but are less specific than donor-imposed conditions. Contributions received and unconditional promises to give are measured at their fair value and are reported as an increase in net assets. Contributions are considered to be available for general operations of the Federation unless specifically restricted by the donor. The Federation reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires—that is, when a stipulated time restriction ends, or the purpose restriction is accomplished—net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period in which received are recorded within the net assets without donor restrictions category.

The Federation reports gifts of land, buildings, and equipment as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. In the absence of explicit donor stipulations about how long those long-lived assets must be maintained, the Federation reports expirations of donor restrictions with the donated or acquired long-lived assets when the assets are placed in service.

The Federation receives contributions of cash or property from sources other than annual campaign contributions. Such donations are received under numerous types of arrangements, which specify who is to manage the funds and who is to receive the funds upon the passage of time or other donor-imposed restrictions. Pledges determined to be uncollectible subsequent to the year in which such pledges are received are charged to the allowance. Pledges determined to be uncollectible during the year in which such pledges are received are shown as a reduction of contributions.

The United Jewish Community of Broward County, Inc. and Affiliate D/B/A Jewish Federation of Broward County

Notes to Consolidated Financial Statements

Program and Other Income

In accordance with Accounting Standards Codification (ASC) 606, the Federation recognizes revenues from conferences, missions, and other programs when the performance obligations are satisfied in accordance with the five-step model.

<i>Year ended June 30,</i>		2024		2023
Program income	\$	625,434	\$	361,684
Investment management fee (included in other income)		288,419		477,694
Total Revenue Subject to ASC 606	\$	913,853	\$	839,378

Split-Interest Gifts

The Federation is the trustee and remainder beneficiary of various charitable remainder trusts, charitable lead trusts, and charitable gift annuities. Trust assets are stated at fair market value. Liabilities are recorded as split-interest agreements in the accompanying consolidated statements of financial position and are determined using Internal Revenue Service (IRS) actuarial assumptions, discounted using the applicable federal rate in effect at the date of the gift. In addition, certain contributions are received pursuant to trusts that name other agencies as the beneficiary in whole or in part and, therefore, those amounts due to other agencies are recorded as agency funds within the accompanying consolidated statements of financial position. In some cases, trusts are created where the Federation is not the trustee but is the ultimate beneficiary. The assets in these trusts are separately identified in the accompanying consolidated statements of financial position as trust assets managed by others.

When a gift is committed, a contribution is recorded that consists of the difference between the fair value of the assets received and the liabilities incurred in the exchange portion of the agreement for these irrevocable transfers of assets. Contribution revenue and the net changes in the value of these split-interest agreements amounted to approximately \$166,000 and \$60,000 for the years ended June 30, 2024 and 2023, respectively, and are included in the accompanying consolidated statements of activities within planned giving, other contributions, and change in split-interest agreements.

The assets related to the split-interest agreements are included in the accompanying consolidated statements of financial position within investments, at fair value, and totaled approximately \$1,385,000 and \$1,268,000 at June 30, 2024 and 2023, respectively. Additionally, certain assets are reflected as trust assets managed by others and totaled approximately \$274,000 and \$394,000 at June 30, 2024 and 2023, respectively. The liabilities of the split-interest agreements, which are included in the accompanying consolidated statements of financial position, totaled approximately \$972,000 and \$2,093,000 at June 30, 2024 and 2023, respectively.

Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and support services benefited. Expenses that can be directly identified with the program or supporting service are reported as expenses of those functional areas. Personnel and all other expenses, except depreciation, are allocated among

The United Jewish Community of Broward County, Inc. and Affiliate D/B/A Jewish Federation of Broward County

Notes to Consolidated Financial Statements

program and supporting services based on estimated time and effort. Depreciation is allocated among program and supporting services based on estimated usage of square footage.

Investments, at Fair Value

The Federation follows the provision of an accounting standard, which requires investments in marketable securities with readily determinable fair values and all investments in debt securities to be valued at their fair values in the consolidated statements of financial position.

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair value in the consolidated statements of financial position. Realized and unrealized gains and losses on investments and interest and dividends are reflected in the consolidated statements of activities within investment income, net. Investment income that is limited to specific uses by donor restrictions is reported as increases in net assets without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

As of June 30, 2024 and 2023, the Federation held various financial instruments. Regarding cash and cash equivalents, accounts receivable, and accounts payable, the carrying value on the consolidated financial statements approximates fair value because of the short-term nature. The long-term pledges receivable and split-interest agreement liabilities have been discounted and approximate fair value. The carrying value of other receivables, other assets, accounts payable and accrued expenses, line of credit, allocation payable, trust assets held on behalf of agencies, and agency funds on the consolidated statements of financial position approximates fair value.

Property and Equipment, Net

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful lives of the assets, which range from three to 39 years. When assets are sold or retired, the cost and related accumulated depreciation are removed from the accounts and a gain or loss, if any, is recognized. Repairs and maintenance are charged to expense as incurred. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the assets for a specific purpose.

The carrying value of long-lived assets is reviewed if the facts and circumstances, such as significant declines in revenues, earnings, or cash flows or material adverse changes indicate that assets may have been impaired. If any impairment in the value of the long-lived assets is indicated, the carrying value of the long-lived assets is adjusted to reflect such impairment based on the fair value of the impaired assets or an estimate of fair value based on discounted cash flows. No impairment was recognized for the years ended June 30, 2024 and 2023.

Use of Estimates

The accompanying consolidated financial statements have been prepared in conformity with U.S. GAAP. In preparing the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amount of assets and liabilities as of the dates of the consolidated statements of financial position. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may

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ultimately differ from actual results. Material estimates that are particularly susceptible to change include the fair value of investments, the allowance for uncollectible pledges, mortalities associated with split-interest agreement liabilities, the functional allocation of expenses, and obligations for allocations payable.

Concentration of Credit Risk

Financial instruments that potentially subject the Federation to concentrations of credit risk are cash and cash equivalents, contributions, pledges receivable, and investments.

Cash and Cash Equivalents

At various times during the year, the Federation had deposits at financial institutions in excess of federally insured limits. The Federation maintains its cash with high-quality financial institutions, which, the Federation believes, limits these risks.

Contributions and Pledges Receivable

Management considers credit risk associated with pledges receivable to be low due to the diversity of the donors and the recurring nature of many donations.

Investments

Investments are subject to both credit and market risks. Credit risk is the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Market risk is the possibility that fluctuations in the investment markets will impact the value of the portfolio.

Additionally, due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the Federation's investment balances and the amounts reported in the consolidated statements of financial position. The Federation utilizes an investment policy and an investment committee, which periodically reviews its investment portfolios to monitor these risks.

Income Taxes

The Federation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and sales-and-use tax under the laws of the state of Florida.

The Federation recognizes and measures tax positions based on their technical merit and assesses the likelihood that the positions will be sustained upon examination based on the facts, circumstances, and information available at the end of each period. Interest and penalties on tax liabilities, if any, would be recorded in interest expense and other non-interest expense, respectively. The Federation did not incur any tax expenses during the years ended June 30, 2024 and 2023. The Federation does not believe it has taken any material uncertain tax positions and, accordingly, it has not recorded any liability for unrecognized tax benefits. The Federation is subject to routine audits by a taxing authority. As of June 30, 2024 and 2023, the Federation was not subject to any examination by a taxing authority.

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UJCBC 5890 Partners, LLC is treated as a disregarded entity for federal and state income tax purposes and, accordingly, would not incur income taxes or have any unrecognized tax benefits. Instead, the earnings and losses are included in the income tax returns of its sold member, The United Jewish Community of Broward County, Inc. D/B/A Jewish Federation of Broward County. As a result, the accompanying consolidated financial statements do not reflect a provision for income taxes.

Reclassifications

Certain items in the 2023 consolidated financial statements were reclassified to conform to the 2024 presentation.

Recently Adopted Accounting Pronouncements

Measurement of Credit Losses on Financial Instruments

In June 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326)*. 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 U.S. GAAP, which generally require that a loss be incurred before it is recognized. For available-for-sale securities where fair value is less than cost, credit-related impairment, if any, is recognized through an allowance for credit losses and adjusted each period for changes in credit risk. This update is effective on a modified-retrospective basis for financial statements issued for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. The Federation adopted ASU 2016-13 on July 1, 2023. The adoption of this update did not have a material effect on the Federation’s consolidated financial statements.

2. Liquidity Management and Availability of Resources

The Federation maintains a policy of structuring its financial assets to be available as general expenditures, liabilities, and other obligations come due. The Federation considers all expenditures related to its ongoing activities to accomplish its mission, as well as the conduct of services undertaken to support those activities to be general expenditures. Board-designated reserves (approximately \$73,093,000 and \$71,770,000 as of June 30, 2024 and 2023, respectively) can be released upon resolution of the Board and used for general expenditures. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Federation holds cash in various interest-bearing bank accounts with well-known financial institutions.

The Federation engages qualified third-party investment advisors to invest excess cash net of working capital in instruments as stipulated under the investment policy. The policy is reviewed annually by the investment committee. Market performance is monitored continuously, including review of performance reports at quarterly meetings.

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

<i>June 30,</i>	2024	2023
Cash and cash equivalents	\$ 1,372,234	\$ 1,692,283
Pledges receivable, net	4,054,332	4,163,034
Other receivables	291,073	212,622
Investments, at fair value	175,801,199	163,381,877
Trust assets managed by others	274,372	394,224
Total Financial Assets	181,793,210	169,844,040
Less: amounts not available to be used within one year or without Board approval:		
Board-designated endowment	73,092,656	71,769,748
Philanthropic and annual campaign endowment funds	27,266,167	22,440,322
Obligations to affiliated agencies for assets held in trust	17,159,096	14,775,535
Trust assets managed by others	274,372	394,224
Endowed in perpetuity	37,800,878	37,652,482
Time restrictions greater than one year	227,600	952,202
Split-interest agreements and agency fund investments	4,945,451	5,842,675
Total Financial Assets Not Available to Be Used for General Expenditures Within One Year	160,766,220	153,827,188
Total Financial Assets Available to Management for General Expenditures Within One Year	\$ 21,026,990	\$ 16,016,852

3. Pledges Receivable, Net

Pledges receivable, net, consist of annual campaign pledges, PJ Library endowment pledges, March of the Living and Friends endowment pledges, and Women's Foundation endowment pledges. Pledges receivable pertaining to the general campaign represent commitments from donors to fund the ongoing operations of the Federation. Pledges receivables are reported as assets at their net realizable value.

Pledges receivable, net, are as follows:

<i>June 30,</i>	2024	2023
Gross pledges receivable	\$ 4,513,450	\$ 4,544,900
Less: allowance for estimated uncollectible pledges	(439,247)	(325,416)
Less: discount on long-term pledges	(19,871)	(56,450)
	\$ 4,054,332	\$ 4,163,034

Pledges receivable with payment terms in excess of one year have been discounted using a market rate of interest (approximately 4.58% and 4.92% as of June 30, 2024 and 2023, respectively) to reflect their estimated present value. Pledges receivables are unsecured and are primarily from South Florida residents.

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Payments due on pledges receivable as of June 30, 2024 are as follows:

Year ending June 30,

2025	\$	4,308,450
2026		159,800
2027		32,200
2028		13,000
	\$	4,513,450

Bad debt expense totaled approximately \$168,000 and \$133,000 for the years ended June 30, 2024 and 2023, respectively, and was included in the consolidated statements of functional expenses as an expense and in the consolidated statements of activities as revenue, respectively.

4. Investments, at Fair Value

Investments, at fair value, are comprised of the following:

<i>June 30,</i>	2024	2023
Money market funds	\$ 3,968,061	\$ 2,076,210
Equity securities	3,708,523	3,533,263
Bonds	2,065,893	2,255,445
Mutual funds	135,113,660	128,887,826
State of Israel bonds	3,674,200	3,374,200
Alternative investments	27,270,862	23,254,933
Total Investments	\$ 175,801,199	\$ 163,381,877

Investment income, net, from investments is comprised of the following:

<i>Year ended June 30,</i>	2024	2023
Interest and dividends (net of fees of approximately \$720,000 and \$681,000 for the years ended June 30, 2024 and 2023, respectively)	\$ 3,446,672	\$ 2,532,874
Net realized gain	1,350,924	4,209,263
Net unrealized gain	9,598,500	4,618,287
Investment Income, Net	\$ 14,396,096	\$ 11,360,424

Certain investments have been invested on behalf of affiliated agencies (see Note 8). These investments are reflected as investments, at fair value and trust assets held on behalf of affiliated agencies in the consolidated statements of financial position. As of June 30, 2024 and 2023, total investments of approximately \$17,159,000 and \$14,776,000, respectively, are held in trust for affiliated agencies.

The majority of the Federation's financial assets are invested in publicly traded equities and mutual funds that are listed on national exchanges, Treasury and agency bonds of the United States of America and international governments, and investment-grade corporate bonds for which active trading markets exist. Such assets are valued at quoted closing prices at year-end.

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5. Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures*, established a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy under FASB ASC are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Federation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

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

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Money Market Funds, Mutual Funds, and Equity Securities - These consist of investments managed primarily by independent investment advisors with discretionary investment authority. Equity securities consist primarily of common stocks. These investments are valued at the closing price reported in the active market in which the individual securities are traded. Securities that are not traded in the active market are valued at their net asset value (NAV) provided by the investment manager.

Bonds - These are managed primarily through investments held by independent investment advisors with discretionary investment authority. These securities include U.S. and non-U.S. debt instruments. These investments are valued at the closing price reported in the active market in which the individual securities are traded. Securities that are not traded in the active market are valued at their NAV provided by the investment manager.

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State of Israel Bonds - These consist of individual bonds issued by the state of Israel. These securities are held to maturity. Because the Federation holds these instruments to maturity, the valuation on the consolidated financial statements is equal to the face value that approximates fair value.

Alternative strategies are valued by the underlying investments of the funds and are valued at fair value on a monthly basis by the investment managers. Certain funds are redeemable at their NAV per share on a monthly basis. The fair value of the investments is a publicly quoted pricing input used in determining the NAV of the alternative strategies, which is not publicly quoted. The Federation considers the length of time until the investment is redeemable, including notice and lock-up periods or any other restriction on the disposition of the investment. The Federation also considers the nature of the portfolios of the underlying investments and their ability to liquidate their underlying investments. The NAV per share is used as a practical expedient to estimate the fair value of the alternative strategies as long as certain requirements are met.

Fair value of shares of underlying alternative strategies equals the number of shares of the respective underlying investments multiplied by the closing NAV per share quoted by that investment and held by the Federation at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Federation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The values assigned to certain investments are based upon currently available information and do not necessarily represent amounts that may ultimately be realized. Because of the inherent uncertainty of valuation, those estimated fair values may differ significantly from the values that would have been used had a ready market for the investments existed and the differences could be material. The following tables represent the Federation's investments that are measured at fair value on a recurring basis for each of the fair value hierarchy levels:

June 30, 2024

Description	Fair Value	Level 1	Level 2	Level 3
Assets:				
Money market funds	\$ 3,968,061	\$ 3,968,061	\$ -	\$ -
Equity securities	3,708,523	3,708,523	-	-
Bonds	2,065,893	-	2,065,893	-
Mutual funds	135,113,660	135,113,660	-	-
State of Israel bonds	3,674,200	-	3,674,200	-
Total Assets, in the fair value hierarchy	148,530,337	142,790,244	5,740,093	-
Investments, measured at NAV*	27,270,862	-	-	-
	\$ 175,801,199	\$ 142,790,244	\$ 5,740,093	\$ -

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June 30, 2023

Description	Fair Value	Level 1	Level 2	Level 3
Assets:				
Money market funds	\$ 2,076,210	\$ 2,076,210	\$ -	\$ -
Equity securities	3,533,263	3,328,608	204,655	-
Bonds	2,255,445	69,936	2,185,509	-
Mutual funds	128,887,826	128,887,826	-	-
State of Israel bonds	3,374,200	-	3,374,200	-
Total Assets , in the fair value hierarchy	140,126,944	134,362,580	5,764,364	-
Investments, measured at NAV*	23,254,933	-	-	-
	\$ 163,381,877	\$ 134,362,580	\$ 5,764,364	\$ -

* In accordance with Subtopic 820-10, certain investments that are measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy.

Net Asset Value Per Share

Alternative strategies include investments in limited partnerships where the Federation has the right to withdraw its investments at least quarterly, or annually after the expiration of lock-up periods of one to three years pursuant to the respective offering memorandums. The underlying investments of the funds are valued at fair value on a quarterly basis by the partnerships for which fair value is measured using the NAV per-share practical expedient. Also included in alternative strategies are investments in offshore funds that include investments in hedge funds. As part of the alternative strategies investment structure, initial capital call commitments are required.

	Fair Value, June 30, 2024	Fair Value, June 30, 2023	Commitments	Frequency	Notice Period
SEI Core Property Fund, LP (a)	\$ 9,301,518	\$ 10,333,442	\$ -	Quarterly	105 days
SEI Structured Credit Master Fund (b)	10,133,634	7,852,501	-	Quarterly	65 days
SEI Global Private Assets IV Fund (c)	3,856,729	3,929,291	1,091,602	None*	N/A*
SEI Global Private Assets V Fund (c)	1,152,210	872,628	783,801	None*	N/A*
SEI Global Private Assets VI Fund (c)	2,826,771	-	8,930,561	None*	N/A*
UBS PACE Fund (d)	-	267,071	-	Not available	90 days
Total	\$27,270,862	\$ 23,254,933	\$ 10,805,964		

* These three funds represent private commitments that are illiquid. The Federation is not able to redeem the investments as they are committed until capital is returned.

As of June 30, 2024, the Federation had unfunded capital commitments of approximately \$10,806,000, which include the unfunded commitments in the investments reflected in the above table.

The following is a summary of the investment strategies of the investments valued using the NAV per-share practical expedient:

- a) The fund seeks both current income and long-term capital appreciation through investing in underlying funds that acquire, manage, and dispose of commercial real estate properties.

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- b) The fund seeks to generate high total returns. The fund pursues its investment objective by investing in a portfolio comprised of collateral debt obligations, which includes collateralized loan obligations and other structured credit investments.
- c) These funds' investment strategy is to offer exposure to a diversified pool of global private asset fund investments. Further, the fund will seek to shorten the duration of the typical private asset fund of funds through a dedicated focus on secondary strategies (i.e., funds whose investment strategy is to purchase interests in other private market investments/funds as a way to provide the original investors liquidity prior to the end of those investments'/funds' contracted end date) and income-producing investment strategies (e.g., debt; real estate; and to a lesser extent, real assets).
- d) The fund seeks long-term capital appreciation by investing in U.S. and international equity securities, fixed-income securities not subject to any credit rating, or maturity limitations, issued by companies, governments, and supranational entities globally. The fund, which is non-diversified, may invest in emerging and developed markets and securities of other investment companies, including exchange-traded funds.

6. Property and Equipment, Net

Property and equipment, net, are comprised of the following:

<i>June 30,</i>	2024	2023
Land and improvements	\$ 5,194,519	\$ 5,194,519
Buildings and equipment	18,560,162	18,261,701
Furniture and equipment	237,883	219,799
	23,992,564	23,676,019
Less: accumulated depreciation	(14,604,531)	(14,170,652)
Total	\$ 9,388,033	\$ 9,505,367

Total depreciation expense for the years ended June 30, 2024 and 2023 was approximately \$434,000 and \$480,000, respectively.

7. Unsecured Line of Credit

The Federation entered into an agreement for a revolving line of credit with a financial institution. The line has a maximum borrowing limit of \$1,500,000. The line was scheduled to mature on August 23, 2023. On August 21, 2023, the Federation entered into an extension with the financial institution to change the maturity date of the line of credit to August 26, 2028. As of June 30, 2024 and 2023, there was no balance on the line. The interest rate on the amended line of credit was the Daily Secured Overnight Financing Rate plus 1.50% (6.83% and 6.59% as of June 30, 2024 and 2023, respectively.) Interest expense under the line of credit for the years ended June 30, 2024 and 2023 was \$0 and \$18, respectively. The line of credit has certain financial covenants, which management was in compliance with during the year ended June 30, 2024.

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8. Trust Assets Held on Behalf of Affiliated Agencies

The Federation entered into an agreement with certain affiliated agencies to hold assets of the agencies in the general investment accounts of the Federation and to provide the agencies with an annual return on these assets. All monies held at the Federation are recorded at their fair market values.

The agencies can request the release of these funds at any time. Accordingly, these amounts have been recorded as a liability of the Federation. It is the agencies' intention not to invade the corpus of these funds unless needed to fund operations and to only use the income generated for annual operating or program costs.

The Federation held the following amounts on behalf of affiliated agencies:

<i>June 30,</i>	2024	2023
Jewish Family Service	\$ 5,715,216	\$ 5,216,233
Jewish Adoption and Foster Care Options	5,344,553	3,825,624
Friends of the March of the Living	2,482,536	2,282,109
David Posnack Jewish Community Center	1,607,719	1,550,635
Leo Martin Friends of the March of the Living	880,930	878,595
Temple Bat Yam	749,019	678,736
Congregation Etz Chaim	231,639	209,910
Brauser Maimonides Academy	59,294	55,752
Young Israel of Hollywood	50,836	45,482
B'Nai Aviv	37,354	32,459
Total	\$ 17,159,096	\$ 14,775,535

9. Employee Benefit Plan

The Federation provides retirement benefits to its employees through a 401(k) plan covering all full-time employees with one year of eligible experience. The Federation contributes up to 3% of gross wages. Contributions to the 401(k) plan during the years ended June 30, 2024 and 2023 were approximately \$148,000 and \$77,000, respectively.

10. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted based on time and purpose restrictions or are restricted to investments in perpetuity, the income from which is expendable to support various designated purposes and is included in net assets with donor restrictions until spent. The time restrictions will be met when the contribution is received in the future. The purpose restrictions will be met when the net assets are used for specific programs or purposes.

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Net assets with donor restrictions consist of the following:

<i>June 30,</i>	2024	2023
Special purpose funds and appreciation of endowment funds not appropriated	\$ 49,162,914	\$ 47,824,747
Split-interest agreements and trust assets managed by others	674,100	730,933
Other	3,741,770	4,068,356
Lion of Judah endowment funds	603,400	596,063
Annual campaign endowment funds	280,239	270,230
	\$ 54,462,423	\$ 53,490,329

11. Endowment

The Federation's endowment consists of individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds, trusts held by others, and funds designated by the Federation to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Federation to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The state of Florida adopted the Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA). The Federation has interpreted the FUPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Federation classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Also included in net assets with donor restrictions is accumulated appreciation on donor-restricted endowment funds, which are available for expenditure in a manner consistent with the standard of prudence prescribed by the FUPMIFA, and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift.

The Federation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund.
- (2) The purposes of the Federation and the donor-restricted endowment fund.
- (3) General economic conditions.
- (4) The possible effect of inflation and deflation.
- (5) The expected total return from income and the appreciation of investments.
- (6) Other resources of the Federation.
- (7) The investment policy of the Federation.

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For the years ended June 30, 2024 and 2023, the Federation has elected not to add appreciation for cost of living or other spending policies to its permanently restricted endowment for inflation and other economic conditions.

A summary of endowment assets at June 30, 2024 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 50,046,553	\$ 50,046,553
Board-designated endowment funds	73,092,656	-	73,092,656
Philanthropic and annual campaign endowment funds	27,266,167	-	27,266,167
Total Endowment Net Assets	\$ 100,358,823	\$ 50,046,553	\$ 150,405,376

A summary of endowment assets at June 30, 2023 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 48,691,038	\$ 48,691,038
Board-designated endowment funds	71,769,748	-	71,769,748
Philanthropic and annual campaign endowment funds	22,440,322	-	22,440,322
Total Endowment Net Assets	\$ 94,210,070	\$ 48,691,038	\$ 142,901,108

Changes in endowment net assets for the year ended June 30, 2024 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets , beginning of year	\$ 94,210,070	\$ 48,691,038	\$ 142,901,108
Interest and dividends	1,842,146	1,277,856	3,120,002
Investment income, net	6,524,543	4,562,453	11,086,996
Contributions	9,698,850	272,318	9,971,168
Released from restriction, expenditures, and transfers	(11,916,786)	(4,757,112)	(16,673,898)
Endowment Net Assets , end of year	\$ 100,358,823	\$ 50,046,553	\$ 150,405,376

Changes in endowment net assets for the year ended June 30, 2023 are as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets , beginning of year	\$ 92,939,320	\$ 46,409,399	\$ 139,348,719
Interest and dividends	1,649,110	850,778	2,499,888
Investment income, net	5,626,524	2,926,628	8,553,152
Contributions	5,947,032	245,733	6,192,765
Released from restriction, expenditures, and transfers	(11,951,916)	(1,741,500)	(13,693,416)
Endowment Net Assets , end of year	\$ 94,210,070	\$ 48,691,038	\$ 142,901,108

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The permanent endowment is as follows:

<i>Year ended June 30,</i>	2024	2023
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulation or by FUPMIFA	\$ 37,800,878	\$ 37,652,482

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Federation to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions and amounted to approximately \$116,000 and \$88,000 at June 30, 2024 and 2023, respectively. These deficiencies resulted from unfavorable market fluctuations and continued appropriations for certain programs that were deemed prudent by the Federation. At June 30, 2024 and 2023, the fair market value of these donor-restricted endowment funds was approximately \$612,000 and \$962,000, respectively.

Return Objectives and Risk Parameters

The Federation 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 the Federation must hold in perpetuity or for a donor-specified period(s), as well as Board-designated funds. Under this policy, as approved by the Federation, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year may vary.

The Federation invests the endowment funds in its investment pool. Each year, the Federation credits the endowment funds based on a portfolio performance-based structure, with the exception of certain special purpose funds that will continue to receive 5% based on contractual obligations.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Federation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Federation targets a diversified asset allocation that places emphasis on investments in equities and mutual funds to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy

On Federation-held investments, the Federation employs a total return endowment spending policy that establishes the amount of endowment investment return that is available to support current needs and restricted purposes. The Federation has an endowment variable spending policy based upon a five-year rolling average, which provides for steady growth in annual spending. Any income earned in excess of the spending limit is reinvested while funds may be withdrawn from investment return earned in prior years if income is less than the spending policy provision. This is designed to insulate investment policy from budgetary pressures, and to insulate program spending from

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fluctuation in capital markets. For the year ended June 30, 2024, the Board of Directors approved additional unrestricted grants to other organizations, which resulted in an actual spending percentage of approximately 7.95%. For the year ended June 30, 2023, the actual spending percentage was approximately 6.20%.

Included in the Federation's endowment as of June 30, 2024 and 2023 are donor-advised funds amounting to approximately \$14,590,000 and \$11,097,000, respectively. The Federation serves as the sponsoring organization, in accordance with IRS regulations, to separately identified donor-advised fund accounts comprised of contributions made by donors and related earnings from investments. Once donors make contributions, the Federation has exclusive legal control over the funds. The donor, or the donor's named representatives, retains advisory privileges with respect to the distribution of funds and, in a limited manner, the investment of assets in the account. The Federation typically honors donors' grant recommendations for grants to 501(c)(3) public charities in good standing with the IRS, for charitable purposes that are not in conflict with the Federation's mission, subject to the Federation's review and approval.

12. Rental Income

In June 2018, the Federation entered into a ten-year lease agreement with Goodman Jewish Family Services of Broward County to lease space, which commenced on July 1, 2018. Additionally, in June 2018, the Federation entered into a five-year lease agreement with Jewish Family Home Care, Inc. to lease space, which commenced on July 1, 2018, and had an additional five-year option. Jewish Family Home Care, Inc. exercised this option, and the lease is set to mature on July 1, 2028. Jewish Family Homecare, Inc. also has a second option period to extend the lease an additional five years.

The following is a schedule by years of approximate future minimum rentals under the agreements at June 30, 2024:

<i>Year ending June 30,</i>		
2025	\$	182,000
2026		182,000
2027		182,000
2028		182,000
	\$	728,000

13. Contributions of Nonfinancial Assets

Contributed nonfinancial assets (in-kind donations) are as follows:

Nonfinancial Asset	Revenue Recognized		Utilization in Programs/ Activities	Donor Restrictions	Valuation Techniques and Inputs
	June 30, 2024	June 30, 2023			
Facility	\$ 2,008,964	\$ 1,968,526	Grants and Allocations	Without Donor Restrictions	The Federation estimated the fair value of the space contributed based on rent per square foot. This value is comparable to rental prices in the area.

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14. Commitments and Contingencies

Litigation

The Federation may be involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Federation's consolidated financial statements or results of operations.

Shared Premiums

In March 2020, the Federation established a shared premium insurance policy program. As of June 30, 2024, there were nine life insurance policies for the benefit of the Federation with a collective face value of approximately \$4,296,000. As of June 30, 2023, there were eight life insurance policies for the benefit of the Federation with a collective face value of approximately \$2,296,000. The donors pay the first five years of annual life insurance premiums, and the subsequent five annual premiums will be paid by the Federation as long as the insurance policies continue to be in force. In total, there are 25 required annual life insurance premiums to be paid by the donors totaling approximately \$378,000. In the event the policies remain in force, the Federation is committed to pay a maximum of approximately \$580,000. As of June 30, 2024, these policies had a cash surrender value of approximately \$110,000 and is recorded within prepaid expenses and other assets on the consolidated statements of financial position.

15. Transactions with the School

Previous High School Lease and Middle School Land Lease

On September 30, 2014, the Federation signed a ground lease with the School whereby the Federation was leasing land for 99 years at \$1 annually with an original maturity date of September 2113. On February 15, 2017, the Federation signed a new ground lease agreement with the School to lease land for 99 years with a base rent of \$1 per year with an original maturity date of September 2116. On December 9, 2022, the School terminated the 2014 and 2017 prior ground leases and entered an amended and restated ground lease described below.

Amended and Restated Ground Lease

On December 9, 2022, the Federation and the School entered into an amended ground lease. The payment terms are \$1 per year and the School is responsible for all operating expenses, including taxes and insurance amongst common maintenance items. As the ground lease is subject to various conditions, including a campus operating agreement, the Federation has not recorded any related contributions of nonfinancial assets associated with the amended and restated ground lease. As a part of the amended and restated ground lease, the Federation contributed to the School the lower school/legacy building, which the School was already occupying. On December 9, 2022, the Federation contributed a building and equipment to the School that had a net book value of \$948,000 as of the date of the grant. As a result of the following transaction, the Federation removed the net book value of the asset from its property and equipment, and recorded an additional allocation, which is included in allocations to local, state, and national agencies, including contributions of nonfinancial assets on the consolidated statements of functional expenses. The lease matures on December 9, 2121. The contribution of the building is subject to the terms of the ground lease.

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16. Subsequent Events

The Federation has evaluated subsequent events through February 12, 2025, which is the date the consolidated financial statements were available to be issued.