

Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties

Consolidated Financial Statements as of and
for the Years Ended June 30, 2024 and 2023, and
Independent Auditor's Report

JEWISH COMMUNITY FEDERATION OF SAN FRANCISCO, THE PENINSULA, MARIN AND SONOMA COUNTIES

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties
San Francisco, California

Opinion

We have audited the consolidated financial statements of Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties (the "Federation") and its consolidated supporting foundations, which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Federation's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute

assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 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 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 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.

DELOITTE + TOUCHE LLP

January 30, 2025

**JEWISH COMMUNITY FEDERATION OF SAN FRANCISCO,
THE PENINSULA, MARIN AND SONOMA COUNTIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2024 AND 2023
(Rounded to thousands)**

	2024	2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 218,449	\$ 205,849
Pledges receivable	7,433	7,232
Other receivables	4,579	3,882
Loans receivable	13,130	9,725
Prepays and other assets	<u>1,073</u>	<u>848</u>
Total current assets	244,664	227,536
PLEDGES RECEIVABLE—Net—long term	2,682	2,605
LOANS RECEIVABLE—Long term	26,662	27,027
INVESTMENT SECURITIES—At fair value	2,071,761	2,003,508
PROPERTY, BUILDINGS, AND EQUIPMENT—Net	25,785	26,920
OTHER ASSETS	<u>31,820</u>	<u>35,967</u>
TOTAL	<u><u>\$ 2,403,374</u></u>	<u><u>\$ 2,323,563</u></u>

See notes to consolidated financial statements.

(Continued)

**JEWISH COMMUNITY FEDERATION OF SAN FRANCISCO,
THE PENINSULA, MARIN AND SONOMA COUNTIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2024 AND 2023
(Rounded to thousands)**

	2024	2023
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 2,567	\$ 3,031
Due to grant recipients	10,116	11,705
Notes payable	<u>1,691</u>	<u>1,515</u>
Total current liabilities	14,374	16,251
DUE TO GRANT RECIPIENTS—Long term	2,130	4,857
NOTES PAYABLE—Long term	10,601	12,165
ANNUITY OBLIGATIONS	842	855
OTHER LIABILITIES	<u>67,243</u>	<u>57,906</u>
Total liabilities	<u>95,190</u>	<u>92,034</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Unrestricted—undesignated	155,180	156,616
Unrestricted—board designated	17,305	11,933
Donor-advised funds and supporting foundations	<u>1,843,971</u>	<u>1,797,927</u>
Total net assets without donor restrictions	2,016,456	1,966,476
NET ASSETS WITH DONOR RESTRICTIONS	<u>291,728</u>	<u>265,053</u>
Total net assets	<u>2,308,184</u>	<u>2,231,529</u>
TOTAL	<u>\$ 2,403,374</u>	<u>\$ 2,323,563</u>

See notes to consolidated financial statements.

(Concluded)

JEWISH COMMUNITY FEDERATION OF SAN FRANCISCO, THE PENINSULA, MARIN AND SONOMA COUNTIES

CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (Rounded to thousands)

	2024	2023
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Revenues and other support:		
Contributions	\$ 120,110	\$ 123,078
Investment returns—net	166,952	118,770
Other revenue	4,608	4,157
Net assets released from restrictions	<u>31,289</u>	<u>25,349</u>
Total revenues and other support without restrictions	<u>322,959</u>	<u>271,354</u>
Expenses:		
Grants	211,853	189,775
Programs and community services	16,593	18,902
Management and general	14,507	14,074
Fundraising	8,308	9,937
Property expenses	<u>2,730</u>	<u>3,042</u>
Total expenses	<u>253,991</u>	<u>235,730</u>
Assigned interest in supporting foundation	<u> </u>	<u>42,680</u>
Transfers	<u>(9,014)</u>	<u>(7,068)</u>
Increase in net assets without donor restrictions	<u>59,954</u>	<u>71,236</u>
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:		
Revenues and other support:		
Contributions	10,893	3,878
Investment returns—net	28,338	14,206
Net assets released from restrictions	<u>(31,289)</u>	<u>(25,349)</u>
Total revenues and other support with restrictions	7,942	(7,265)
Assigned endowments and donor advised funds	(255)	(1,111)
Transfers	<u>9,014</u>	<u>7,068</u>
Increase (Decrease) in net assets with donor restrictions	<u>16,701</u>	<u>(1,308)</u>
INCREASE IN NET ASSETS	76,655	69,928
NET ASSETS—Beginning of year	<u>2,231,529</u>	<u>2,161,601</u>
NET ASSETS—End of year	<u>\$ 2,308,184</u>	<u>\$ 2,231,529</u>

See notes to consolidated financial statements.

JEWISH COMMUNITY FEDERATION OF SAN FRANCISCO, THE PENINSULA, MARIN AND SONOMA COUNTIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (Rounded to thousands)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets	\$ 76,655	\$ 69,928
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Net realized and unrealized gain on investments	(142,631)	(80,184)
Depreciation and amortization	2,765	1,870
Loss on disposal of property, buildings and equipment	4	3,057
Change in discount and allowance related to pledge receivables	(401)	107
Change in discount related to long-term due to grant recipients	(42)	18
Pledges receivable—bad debt expense		
Donated securities and other assets	(57,844)	(59,409)
Assigned interest in supporting foundation	-	(42,929)
Changes in assets and liabilities:		
Pledges receivable	(293)	1,306
Other receivables	(697)	925
Prepays and other assets	4,252	250
Accounts payable and accrued expenses	(464)	(210)
Due to grant recipients	(4,274)	(10,099)
Annuity obligations	(96)	(234)
Other liabilities	<u>9,337</u>	<u>6,818</u>
Net cash used in operating activities	<u>(113,729)</u>	<u>(108,786)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property, buildings, and equipment	(1,487)	(2,330)
Purchases of investment securities	(347,834)	(267,833)
Proceeds from sale of property, buildings, and equipment		1,783
Proceeds from sales and maturities of investment securities	480,078	353,470
Investments in program related loans and other loans receivable	(8,460)	(12,504)
Collections on program related loans and other loans receivable	<u>5,420</u>	<u>6,255</u>
Net cash provided by investing activities	<u>127,717</u>	<u>78,841</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on notes payable	<u>(1,388)</u>	<u>(2,238)</u>
Net cash used in financing activities	<u>(1,388)</u>	<u>(2,238)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	12,600	(32,183)
CASH AND CASH EQUIVALENTS—Beginning of year	<u>205,849</u>	<u>238,032</u>
CASH AND CASH EQUIVALENTS—End of year	<u>\$ 218,449</u>	<u>\$ 205,849</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid during the year for income taxes	<u>\$ (221)</u>	<u>\$ (78)</u>
Cash paid during the year for interest expense	<u>\$ (361)</u>	<u>\$ (438)</u>

See notes to consolidated financial statements.

JEWISH COMMUNITY FEDERATION OF SAN FRANCISCO, THE PENINSULA, MARIN AND SONOMA COUNTIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023 (Dollars rounded to thousands)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization—The Jewish Community Federation of San Francisco, the Peninsula, Marin and Sonoma Counties (the “Federation”) is a not-for-profit corporation which serves to build, maintain, and strengthen Jewish identity, Jewish community, and Jewish life by investing strategically for high impact and enduring community; building the capacity of the community organizations to better fulfill their missions; and, developing leaders and philanthropists committed to its collective Jewish future. The Federation partners with donors, organizations, and foundations to address the pressing issues facing the community, and to develop innovative strategies that result in deep and lasting impact locally, in Israel, and around the world.

Basis of Presentation and Consolidation—The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“generally accepted accounting principles” or “GAAP”). The consolidated financial statements include the accounts and funds of the Federation, including 31 separately incorporated supporting foundations. Supporting foundations are separately incorporated not-for-profit organizations, organized to support the charitable purposes of the Federation. The supporting foundations are included within the Federation’s consolidated financial statements because the Federation has control through majority board representation; an economic interest; and their primary function is to support the charitable purposes of the Federation. All interfund transactions and balances have been eliminated.

Transfers—Transfers primarily relate to changes in donor-imposed restrictions.

Net Assets without Donor Restrictions—Net assets without donor restrictions represent unrestricted resources available to support the Federation’s operations and donor restricted resources which became available for use by the Federation in accordance with the intentions of donors.

Net Assets with Donor Restrictions—Net assets with donor restrictions represent contributions that are intended to be held as investments in perpetuity as directed by the original donor or limited in use by the Federation in accordance with donor-imposed restrictions. These restrictions may expire with time or may be satisfied and removed by the actions of the Federation according to the terms of the contribution. Upon satisfaction of such restrictions, the associated net assets are released from net assets with donor restrictions and recognized as net assets without donor restrictions.

Cash and Cash Equivalents—Cash and cash equivalents include cash and all highly liquid investments purchased with an original maturity of three months or less. As of June 30, 2024 and 2023, cash and cash equivalents included \$188,086 and \$153,258, respectively, of investments in money market funds, which are considered to be Level I in the fair value hierarchy, held at U.S. financial institutions.

Pledges Receivable—Pledges receivable consist of unconditional promises to give. Unconditional promises to give that are expected to be collected in more than one year are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable in the years in which those promises are received. Amortization of the discounts is included in contributions in the accompanying consolidated statements of activities and changes in net assets. Conditional promises to give are not included as contributions until the conditions are substantially met.

Investment Securities—All publicly traded debt and equity securities are carried at estimated fair value, using quoted market prices. Collective trust funds are carried at estimated fair value, using net asset value (“NAV”) provided by the fund’s trustee. The NAV is based on the fair value of the underlying assets owned by the funds, minus its liabilities, divided by the number of units outstanding at the valuation date. The funds are traded on a private market that is not active; however, the unit price is based on observable market data of the funds’ underlying assets. Private equity securities, including limited partnerships, are also carried at estimated fair value. Private equity securities include nonmarketable and restricted investment securities whose values have been estimated by management in the absence of readily determinable fair values. Management estimates of fair value of investments in limited partnerships are based on information provided by the fund managers or the general partners of the underlying limited partnerships. Management estimates of direct investments in private equity securities are based on a number of factors including the price at which the investment was acquired, the nature of the investment, trading value for comparable securities, current and projected operating performance, and financing transactions subsequent to the acquisition of the investment. Because of the inherent uncertainty of valuation of nonmarketable and restricted investments, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material. Investments received through gifts are recorded at estimated fair value at the date of donation.

Investment subscriptions paid in advance are segregated from investments and presented as current assets on the statement of financial position until the subscription date on which the investment is recognized by the investment fund managers.

Investment returns-net consists principally of interest, dividends, and both realized and unrealized gains and losses on investments. Interest and dividend income are accrued when earned. Gains and losses that result from market fluctuations are recognized in the period such fluctuations occur. Management and advisory fees of \$2,585 and \$2,527 were incurred for fiscal years 2024 and 2023, respectively.

State of Israel bonds are sometimes received by the Federation in satisfaction of pledges. Certain bonds can be transferred by the Federation to the Jewish Federations of North America (“JFNA”) in partial satisfaction of its allocation payable to that agency. JFNA accepts the bonds at par value in satisfaction of the Federation’s allocation. Accordingly, the bonds are recorded at par value.

Property, Buildings, and Equipment—Property, buildings, and equipment are stated at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, which range from 3 to 39 years. The estimated useful lives of buildings and building improvements range from 10 to 39 years. The estimated useful lives of equipment range from 3 to 7 years.

Impairment losses on long-lived assets used in operations and land and improvements are recorded when events and circumstances indicate that the assets are impaired and the undiscounted cash flows estimated to be generated by those assets are less than the carrying amount. If an asset is considered

to be impaired, a loss is provided to reduce the carrying value of the property to its estimated fair value. No impairment losses were experienced during fiscal years 2024 and 2023.

Leases—The Federation considers an arrangement to contain a lease if it conveys the right to control the use of an identified asset for a period in time in exchange for compensation. Right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent the present value of the fixed payment obligations. Leases with a term of 12 months or less are not recorded on the statement of financial position. The Federation uses a risk-free rate as a discount rate at commencement or modification. Operating leases may require fixed payments or variable payments. Variable payments are excluded from the right-of-use-assets and lease liabilities and are recognized in the period in which the obligation is incurred. Operating lease expense is recognized on a straight-line basis over the lease term. The Federation’s lease terms include renewal options that are reasonably certain to be exercised.

Charitable Gift Annuities, Pooled Income Funds, and Annuity Obligations—Assets contributed by donors under gift annuity agreements controlled by the Federation are recognized at fair value with a corresponding liability to beneficiaries of the annuity agreements. Such liability is calculated at the present value of the estimated future cash flows to be distributed to the income beneficiaries over their expected lives. The Federation has determined such liability using investment returns consistent with the composition of investment portfolios, single or joint life expectancies from the IRS Life Table 80CNSMT, and discount rates applicable in the years in which the agreements were established. The related assets are included in other assets in the accompanying consolidated financial statements.

Revenue Recognition—Contributions are recognized as revenue when received or unconditionally promised; or the conditions of a promise have been substantially met. The Federation reports gifts of cash and other assets as temporarily restricted support if such gifts 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 a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period as the contribution is recorded are reported as temporarily restricted contributions and net assets released from restrictions in that period.

Rental revenue is recognized when earned on a straight-line basis over the terms of the respective leases. Included in rental revenue are certain tenant reimbursements and percentage rents earned in accordance with the terms of the lease agreements. Rental revenue is included in other revenue in the accompanying consolidated financial statements of activities and changes in net assets.

Grants—Grants are recorded upon approval by the Board of Directors of the Federation (“the Board”). Grants approved for distribution in future fiscal years are recorded when unconditionally promised or when conditions are met by the grant recipients at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable in the years in which those promises are made. Amortization of the discounts is included in grant expense in the accompanying consolidated statements of activities and changes in net assets. Conditional grants, although approved by the Board, depend on the occurrence of a specified future and uncertain event and are not recorded on the consolidated financial statements until such conditions have been met. As of June 30, 2024 and 2023, the Federation had conditional grants of \$12,182 and \$8,327, respectively.

Income Taxes—The Federation has received rulings from the Internal Revenue Service and the State of California Franchise Tax Board granting exemption from income taxation. To the extent the Federation carries out activities which are subject to the unrelated business income tax, it is subject to income taxation.

Use of Estimates—The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Expense Allocation—Expenses applicable to more than one program or activity, such as depreciation, have been allocated among the programs and supporting services based on management estimates.

Fair Value of Financial Instruments—Financial instruments included in the Federation’s consolidated statements of financial position include cash and cash equivalents, investments, pledges and other receivables, loans receivable, accounts payable and accrued expenses, amounts due to grant recipients, and notes payable. For cash and cash equivalents, other receivables, accounts payable and accrued expenses, and notes payable, the carrying amounts represent a reasonable estimate of the corresponding fair values. Investments, pledges receivable, and amounts due to grant recipients are reflected in the accompanying consolidated statements of financial position at their estimated fair values using methodologies described above. The carrying values of loans receivable represent reasonable estimates of the corresponding fair values based on the Federation’s discounted cash flow analyses and comparison with similar financial instruments in the marketplace having similar interest rate and maturity structures.

Concentrations of Credit Risk—Financial instruments which potentially subject the Federation to credit risk consist primarily of cash, cash equivalents, pledges and loans receivable, and investments. The Federation maintains cash and cash equivalents with various major financial institutions. Cash equivalents include investments in money market funds and short-term commercial paper. At times, such amounts may exceed Federal Deposit Insurance Corporation limits. The Federation’s investments have been placed with major counterparties. The Federation closely monitors the investments and pledges and loans receivable and has not experienced significant credit losses.

Gross pledges receivable at June 30, 2024 and 2023, include \$440 and \$330, respectively, from members of the Board of the Federation.

Recently Issued Accounting Pronouncements—In June 2022, the FASB issued ASU No. 2022-03, *Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions* (“ASU 2022-03”). ASU 2022-03 (1) clarifies the guidance in ASC 820 on the fair value measurement of an equity security that is subject to a contractual sale restriction and (2) requires specific disclosures related to such an equity security. ASU 2022-03 is effective for fiscal years beginning after December 15, 2023 and interim periods within that fiscal year, with early adoption permitted. The Federation is currently evaluating the impact of the adoption of ASU 2022-03 on our consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments-Credit Losses* (Topic 326), *Measurement of Credit Losses on Financial Instruments*, which modifies or replaces existing models for lease and other receivables, debt securities, loans, and certain other financial instruments. For instruments measured at amortized cost, including lease and other receivables and loans, the standard

will replace the current “incurred loss” approach with an “expected loss” model. The adoption of this standard in the year beginning July 1, 2023 had no material impact on our consolidated financial statements.

In March 2022, the FASB issued ASU No. 2022-02, *Financial Instruments – Credit Losses* (Topic 326): Troubled Debt Restructurings and Vintage Disclosures, which requires evaluation of loan modifications under the general CECL model and disclose information about modifications made to borrowers experiencing financial difficulties. The Company adopted ASU 2022-02 on July 1, 2023 and the adoption of this ASU did not have a material impact on the Company’s consolidated financial statements.

2. PLEDGES RECEIVABLE

Pledges receivable as of June 30, 2024 and 2023, are expected to be collected as follows:

	2024	2023
Less than one year	\$ 8,468	\$ 7,232
One to five years	1,055	1,872
More than five years	<u>2,336</u>	<u>2,462</u>
Total	11,859	11,566
Less: discount for multi-year pledges receivable	(709)	(834)
Less: allowance for uncollectible pledges	<u>(1,035)</u>	<u>(895)</u>
Pledges receivable—net	<u>\$ 10,115</u>	<u>\$ 9,837</u>

3. INVESTMENT SECURITIES

The fair value of the investment securities portfolio by asset type as of June 30, 2024 and 2023, is as follows:

	2024	2023
Mutual funds	\$ 257,035	\$ 249,256
Public equity securities	569,174	498,912
Corporate bonds	679,790	727,482
U.S. government securities	15,848	3,414
International government bonds	46,972	44,017
Money market funds/certificates of deposit	15,356	39,804
State of Israel bonds	6,763	7,027
Private equity/hedge funds	479,763	432,188
Direct private investments	<u>1,060</u>	<u>1,408</u>
Total	<u>\$ 2,071,761</u>	<u>\$ 2,003,508</u>

As of June 30, 2024 and 2023, the Federation had commitments of \$52,050 and \$48,185, respectively, to make additional investments in private equity securities.

Investment securities at June 30, 2024 and 2023, included \$66,657 and \$57,877, respectively, in funds held and invested for other organizations and a corresponding liability is recorded in other liabilities in the accompanying consolidated statements of financial position.

4. FAIR VALUE MEASUREMENTS

GAAP defines fair value as the amount that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). Current guidance establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

In accordance with current guidance, the Federation’s investments are measured and reported at fair value and are classified and disclosed in one of the following categories.

Level I—Quoted prices are available in active markets for identical assets and liabilities as of the reporting date, without adjustments. Market price data is generally obtained from relevant exchanges or dealer markets.

Level II—Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date. Inputs are obtained from various sources including market participants, dealers and brokers.

Level III—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

NAV Practical Expedient—In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment’s level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The following table summarizes the valuation of the Federation’s investments by the fair value hierarchy levels as of June 30, 2024 and 2023:

	Fair Value Measurements as of June 30, 2024				
	Total	Level I	Level II	Level III	NAV Practical Expedient
Investments:					
Mutual funds	\$ 257,035	\$ 257,035	\$	\$	\$
Public equity securities	569,174	569,174			
Corporate bonds	679,790		679,790		
U.S. government securities	15,848		15,848		
International government bonds	46,972		46,972		
Money market funds	15,356	15,356			
State of Israel bonds	6,763		6,763		
Private equity/hedge funds	479,763				479,763
Direct private investments	<u>1,060</u>			<u>1,060</u>	
Total investments	<u>\$ 2,071,761</u>	<u>\$ 841,565</u>	<u>\$ 749,373</u>	<u>\$ 1,060</u>	<u>\$ 479,763</u>

Fair Value Measurements as of June 30, 2023

	Total	Level I	Level II	Level III	NAV Practical Expedient
Investments:					
Mutual funds	\$ 249,258	\$ 249,258	\$	\$	\$
Public equity securities	498,912	498,912			
Corporate bonds	727,482		727,482		
U.S. government securities	3,414		3,414		
International government bonds	44,017		44,017		
Money market funds	39,804	39,804			
State of Israel bonds	7,025		7,025		
Private equity/hedge funds	432,188				432,188
Direct private investments	<u>1,408</u>			<u>1,408</u>	
Total investments	<u>\$ 2,003,508</u>	<u>\$ 787,974</u>	<u>\$ 781,938</u>	<u>\$ 1,408</u>	<u>\$ 432,188</u>

There were no purchases or transfers of Level III investments during the years ending June 30, 2024 and 2023, respectively.

The table below sets forth significant terms of the agreements with certain investment companies as of June 30, 2024.

Asset Class	Fair Value	Unfunded Commitment	Redemption Terms	Redemption Notice Period
Hedge funds:				
Event driven	\$ 47,831	\$	Quarterly, semi-annually	65–90 days
Equity hedge	77,793		Quarterly, semi-annually, annually	0–90 days
Commodity	5,968		Quarterly, annually	30–120 days
Emerging markets	36,107		Monthly	30 days
Fund of funds	78,899		Quarterly, annually	30–120 days
Macroeconomic	1,374		Monthly, quarterly, annually	45–90 days
Relative value	22,879		Monthly, quarterly, annually	0–90 days
Private equity funds	<u>208,912</u>	52,050	Not eligible for redemption	Not redeemable
Total	<u>\$ 479,763</u>			

The table below sets forth significant terms of the agreements with certain investment companies as of June 30, 2023.

Asset Class	Fair Value	Unfunded Commitment	Redemption Terms	Redemption Notice Period
Hedge funds:				
Event driven	\$ 54,461	\$	Quarterly, semi-annually	65–90 days
Equity hedge	90,479		Quarterly, semi-annually, annually	0–90 days
Commodity	8,214		Quarterly, annually	30–120 days
Emerging markets	11,543		Monthly	30 days
Fund of funds	58,605		Quarterly, annually	30–120 days
Macroeconomic	4,197		Monthly, quarterly, annually	45–90 days
Relative value	23,221		Monthly, quarterly, annually	0–90 days
Private equity funds	<u>181,468</u>	48,185	Not eligible for redemption	Not redeemable
Total	<u>\$432,188</u>			

Investments in hedge funds have lock-up periods (generally one to two years) where the Federation is not allowed to make redemptions. After the initial lock up period, the funds have redemption windows (monthly, quarterly, etc.) where the Federation can redeem out of the funds.

As of June 30, 2024, the Federation has not been informed of any redemption restrictions for its investments that are eligible for redemptions.

The Federation values investments in hedge funds and private equity funds in good faith at the Federation's pro rata interest in the net assets of these entities, as a practical expedient, at fair value based on information, including but not limited to, subscription documents, audited financial statements, investor statements, and fund manager reports provided by fund managers, general partners, and independent advisors. Considerable judgment is required to interpret the factors used by management to develop such estimates of fair value. Accordingly, it is possible that an entity's results may subsequently be adjusted and the adjustments may be material to the Federation.

5. OTHER ASSETS

Other assets as of June 30, 2024 and 2023, consist of the following:

	2024	2023
Estates receivable	\$ 21,760	\$ 25,957
Charitable gift annuities	798	795
Charitable remainder trusts	1,417	1,429
Pooled income funds	632	618
Cash surrender value of life insurance policies	565	507
Real estate	3,860	3,860
Other	<u>2,788</u>	<u>2,801</u>
Total	<u>\$ 31,820</u>	<u>\$ 35,967</u>

6. LOANS RECEIVABLE

Loans receivable as of June 30, 2024 and 2023, consist of the following:

	2024	2023
Program related impact loans	\$ 22,794	\$ 18,710
Pension termination loans to community agencies (Note 10)	8,678	9,921
Other	<u>8,320</u>	<u>8,121</u>
Total	<u>\$ 39,792</u>	<u>\$ 36,752</u>

Program related impact loans consist of loans made to other community organizations and community development financial institutions for the purpose of providing capital to underserved communities and areas of philanthropic impact at below-market terms. These loans are unsecured, with interest varying from 0% to 2% and maturity up to 5 years. Management performs due diligence on all potential program related impact loans, including the hiring of independent evaluators to assess both credit risk and collectability risk mitigation.

Other loans receivable consist of deed of trust backed short term equity loans made by a supporting foundation.

Loans receivable as of June 30, 2024 and 2023, are expected to be collected as follows:

	2024	2023
Less than one year	\$ 13,130	\$ 9,725
One to five years	22,057	19,588
More than five years	<u>4,605</u>	<u>7,439</u>
Total	<u>\$ 39,792</u>	<u>\$ 36,752</u>

7. PROPERTY, BUILDINGS, AND EQUIPMENT-NET

The components of property, buildings, and equipment-net as of June 30, 2024 and 2023, are as follows:

	2024	2023
Land	\$ 3,748	\$ 3,748
Buildings and improvements	46,546	50,138
Furniture, fixtures, and equipment	<u>4,032</u>	<u>3,692</u>
Total	54,326	57,578
Less: accumulated depreciation and amortization	<u>(28,541)</u>	<u>(30,658)</u>
Net	<u>\$ 25,785</u>	<u>\$ 26,920</u>

8. DUE TO GRANT RECIPIENTS

Amounts due to grant recipients as of June 30, 2024 and 2023, are expected to be paid as follows:

	2024	2023
Less than one year	\$ 10,116	\$ 11,705
One to five years	2,372	4,989
Less: discount for multi-year grants	<u>(242)</u>	<u>(132)</u>
Total	<u>\$ 12,246</u>	<u>\$ 16,562</u>

9. OTHER LIABILITIES

Other liabilities as of June 30, 2024 and 2023, consist of the following:

	2024	2023
Funds held for other organizations	\$ 66,824	\$ 57,702
Other	<u>419</u>	<u>204</u>
Total	<u>\$ 67,243</u>	<u>\$ 57,906</u>

10. NOTES PAYABLE

During the fiscal year ended June 30, 2016, the Federation executed a promissory note with First Republic Bank (the "Lender") that converted to a fully amortizing Term Loan for \$17,386, bearing interest at 4.35%, and a final maturity date of January 1, 2031. The proceeds from the borrowing were used to fully fund the termination of the Defined Benefit Plan (see Note 14), and is secured by Deeds of Trust and Assignment of Rents/Lease on 121 Steuart Street and 131/141 Steuart Street. Covenants between the Lender and the Federation exist, requiring the Federation to (a) deliver audited financial statements within 210 days of the end of its fiscal year, (b) maintain unencumbered liquid assets in excess of 40% of the outstanding principal balance of the loan, and (c) obtain Lender's written consent prior to obtaining certain additional indebtedness. The Federation remained in compliance with all covenants throughout the fiscal year ended June 30, 2024.

During the fiscal year ended June 30, 2022, the Term Loan was re-financed at an interest rate of 3.00% and a new principal amount of \$14,725. The final maturity date and other terms and covenant requirements remained from the original Term Loan. The required monthly payments during the fiscal years ended June 30, 2024 and 2023 of \$155 and \$155, respectively, includes principal and interest. As of June 30, 2024 and 2023, principal balances of \$10,537 and \$11,925, respectively, remained outstanding.

A supporting foundation of the Federation held an interest only mortgage on property owned by the foundation. As of June 30, 2024 and 2023, the total outstanding principal balance was \$1,755 and \$1,755, respectively.

In conjunction with the term loan with the lender, during the fiscal year ended June 30, 2016, the Federation entered into fully amortizing promissory notes with eight (8) community agencies to fund their portions of the termination cost of the Defined Benefit Plan. The total principal value of the notes receivable was \$17,372 at execution, bearing interest at 4.35% and maturity dates of January 31, 2031. Coinciding with the re-finance of the Federation's term loan during the fiscal year ended June 30, 2022, the agency loans were adjusted to a 3.00% rate with no change to the monthly payment amounts. The total monthly principal and interest payment due to the Federation is \$132. As of June 30, 2024 and 2023, the total outstanding principal balance receivable was \$8,678 and \$9,921, respectively.

11. COMMITMENTS AND CONTINGENCIES

On July 31, 2018, one of the Federation's consolidated supporting foundations was named as a defendant in a legal action, only insofar as the foundation has received and may continue to receive funds and assets from an estate to which the plaintiff has asserted claim. The Federation has not been named in the suit. Management cannot predict the outcome of this litigation, and based on facts presently known, asserts that the potential exposure to liability for the supporting foundation would not have a material effect on the Federation's consolidated financial position, cash flows, or future results of operations.

12. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30, 2024 and 2023, are available for the following purposes or periods:

	2024	2023
Health and welfare	\$ 93,009	\$ 88,670
Educational/vocational training	64,225	60,170
Support for the elderly	10,710	8,437
Local agency support	20,057	17,302
Overseas	25,530	25,420
Time restriction	26,694	1,121
Other	<u>51,503</u>	<u>63,933</u>
Total net assets with donor restrictions	<u>\$ 291,728</u>	<u>\$ 265,053</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose of the restriction, by the passage of time, or by the occurrence of other specific events for the years ended June 30, 2024 and 2023, as follows:

	2024	2023
Health and welfare	\$ 7,034	\$ 5,466
Educational/vocational training	5,856	8,348
Support for the elderly	634	707
Local agency support	1,728	2,567
Overseas	11,333	2,442
Passage of time	488	823
Other	<u>4,216</u>	<u>4,996</u>
Total net assets with donor restrictions released from restrictions	<u>\$ 31,289</u>	<u>\$ 25,349</u>

13. ENDOWMENT FUNDS

The Federation's endowment fund consists of individual donor-restricted endowment funds and funds designated by the Board to function as endowments. The net assets associated with endowment funds, including those funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The State of California adopted a version of UPMIFA as its State Prudent Management of Investment Funds Act ("SPMIFA"); which is applicable to funds established on or after January 1, 2009, and funds established prior to January 1, 2009, only with respect to actions taken after January 1, 2009. The Board, on the advice of legal counsel, has determined that the Federation holds net assets that are endowment funds as defined under SPMIFA. The Federation classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board has interpreted the SPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates to the

contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Federation considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Federation has interpreted SPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with SPMIFA, 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 appreciation of investments
6. Other resources of the Federation
7. The investment policies of the Federation

Where the Board designates funds to function as endowments they are classified as net assets without donor restrictions. Where the Board designates donor-restricted non endowment funds to function as endowments; they are classified as net assets with donor restrictions.

The Federation's endowment composition, changes, and net asset classifications as of and for the year ended June 30, 2024, are as follows:

Endowment Net Asset Composition by Type of Fund as of June 30, 2024	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment fund	\$(2,737)	\$ 282,849	\$ 280,112
Board-designated endowment fund	<u>12,053</u>	<u> </u>	<u>12,053</u>
Total funds	<u>\$ 9,316</u>	<u>\$ 282,849</u>	<u>\$ 292,165</u>
Change in Endowment Net Asset Composition by Type of Fund for the Year Ended June 30, 2024	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets—June 30, 2023	\$ 5,167	\$ 256,554	\$ 261,721
Investment returns—net	4,573	24,960	29,533
Additions from contributions		693	693
Appropriation of endowment assets for expenditure	(2,281)	(12,659)	(14,940)
Other changes—interfund transfers	<u>1,857</u>	<u>13,301</u>	<u>15,158</u>
Endowment net assets—June 30, 2024	<u>\$ 9,316</u>	<u>\$ 282,849</u>	<u>\$ 292,165</u>

The Federation’s endowment composition, changes, and net asset classifications as of and for the year ended June 30, 2023, are as follows:

Endowment Net Asset Composition by Type of Fund as of June 30, 2023	Without Donor Restriction	With Donor Restriction	Total
Donor-restricted endowment fund	\$ (4,450)	\$ 256,554	\$ 252,104
Board-designated endowment fund	<u>9,617</u>	<u> </u>	<u>9,617</u>
Total funds	<u>\$ 5,167</u>	<u>\$ 256,554</u>	<u>\$ 261,721</u>

Change in Endowment Net Asset Composition by Type of Fund for the Year Ended June 30, 2023	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets—June 30, 2022	\$ 5,569	\$ 254,624	\$ 260,193
Investment returns—net	2,078	14,205	16,283
Additions from contributions		1,378	1,378
Appropriation of endowment assets for expenditure	(602)	(14,480)	(15,082)
Other changes—interfund transfers	<u>(1,878)</u>	<u>827</u>	<u>(1,051)</u>
Endowment net assets—June 30, 2023	<u>\$ 5,167</u>	<u>\$ 256,554</u>	<u>\$ 261,721</u>

Endowment Funds with Deficits—From time to time, the fair value of assets associated with individual donor endowment funds may fall below the value of the initial and subsequent donor gift amounts (deficit). When donor endowment deficits exist, they are classified as a reduction of unrestricted net assets. Deficits associated with funds functioning as endowments, when they exist, are likewise classified as a reduction of unrestricted net assets. Deficits of this nature reported in unrestricted net assets were \$2,737 and \$4,450 as of June 30, 2024 and 2023, respectively. These deficits resulted from unfavorable market conditions and authorized appropriations and expenditures that were deemed prudent.

Return Objectives and Risk Parameters—The Federation has established an endowment investment policy that guides the management of endowment funds. As stated in this investment policy, the Federation seeks to earn a rate of return on the total endowment fund, net of fees, that meets the Federation’s established spending guidelines plus inflation. The Federation also acknowledges that adequate diversification of assets is a key factor in managing portfolio risk. The Federation believes a moderate level of risk is acceptable and necessary in order to meet the return objectives of the endowment fund. However, the Federation prefers (a) avoiding large risk with the result of possibly limiting large gains, and (b) consistent year-to-year results to large fluctuations in returns.

Strategies Employed for Achieving Investment Objectives—The Federation has determined that investing prudently across a diversified portfolio, using its target asset allocation, is the appropriate strategy for achieving the investment objectives stated above.

Relationship of Spending Policy to Investment Objectives—As required by SPMIFA, the Federation has, in consultation with its advisors, considered carefully the factors described in SPMIFA, and specifically has endeavored to balance prudently the needs of the Federation’s beneficiaries and the economic climate with the Federation’s obligation to steward its donor endowed funds in perpetuity, and has determined that a spending guideline ranging from five (5%) to six and one-half percent (6.5%) of the average of a fund’s value over 12 trailing quarters would be an appropriate general spending guideline.

14. BENEFIT PLANS

April 1, 2007, the Federation created a 403(b) plan. Participating employees enter into salary-reduction arrangements with the trustee. The Federation contributes 3% of the participants’ salaries. Contributions of \$352 and \$344 were made by the Federation to the 403(b) plan for the years ended June 30, 2024 and 2023, respectively. One of the consolidated supporting foundations has employees that participate in a 403(b) plan. That supporting foundation contributes 8% of the participants’ salaries plus up to an additional 7% of the participants’ salaries based on matching. Contributions of \$159 and \$165 were made by the supporting foundation to the 403(b) plan for the years ended June 30, 2024 and 2023, respectively.

15. RENTAL INCOME

The Federation leases excess office space to three unrelated local non-profit agencies under various terms, and leases rooftop and outdoor space for a cellular tower and billboard, respectively.

The operations of one of the Federation’s consolidated supporting foundations consist primarily of leasing commercial office and retail space to tenants for various periods. Scheduled office and retail rent increases and various free-rent periods are provided for in the lease agreements. Rental income is recognized in an amount equal to minimum base rent, plus future fixed rental increases amortized on a straight-line basis over the terms of the leases. As of June 30, 2024 and 2023, three tenants accounted for approximately 68% and 60%, respectively, of rental income.

Two other consolidated supporting foundations own rental properties and one subleases a long term lease of office space to a local agency for social service activities.

Total income is \$3,636 and \$3,474 for the years ended June 30, 2024 and 2023, respectively, and is included within other revenue in the consolidated statements of activities and changes in net assets.

Future minimum lease payments to be received under noncancelable operating leases in effect as of June 30, 2024, are as follows:

Years Ending June 30	
2025	\$ 2,471
2026	2,095
2027	1,628
2028	1,208
2029	946
Thereafter	<u>3,857</u>
Total	<u>\$ 12,205</u>

16. LEASE COMMITMENTS

Rental expense, which is recognized on a straight-line basis, amounted to \$257 and \$347 for the years ended June 30, 2024 and 2023, respectively.

Future minimum amounts payable under noncancelable operating leases as of June 30, 2024, are as follows:

Years Ending June 30

2025	<u>\$ 36</u>
Total	<u>\$ 36</u>

17. INFORMATION REGARDING LIQUIDITY AND FUNDS AVAILABLE

As part of the Federation'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. Investment and liquidity objectives are specifically designed to match the philanthropic objectives of the organization at all levels.

The following reflects the Federation's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general expenditures within one year of the combined statements of financial position because of contractual or donor-imposed restrictions and constraints on investment liquidity.

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 218,449	\$ 205,849
Investments	<u>2,071,761</u>	<u>2,003,508</u>
Total financial assets, at year-end	2,290,210	2,209,357
Less those unavailable for general expenditures within one year due to:		
Restricted by donor with time or purpose restrictions	(291,728)	(265,053)
Board-designated assets	(17,305)	(11,933)
Investments with greater than 1 year liquidity	<u>(162,099)</u>	<u>(144,661)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$1,819,078</u>	<u>\$1,787,710</u>

18. EXPENSES BY NATURE AND FUNCTION

The Federation's expenses by both their nature and their function for the fiscal years ended June 30, 2024 and June 30, 2023, are presented below. Expenses directly attributable to specific functional areas of the Federation are reported as expenses of those functional areas. The significant expenses that are allocated are salaries and benefits, which are allocated based on personnel's department and job classification for actual time and effort.

Statement of Functional Expenses for the Fiscal Year Ended June 30, 2024

	Programs and Community Services	Management and General	Fundraising	Property Expenses	Total
Conferences and travel	\$ 501	\$ 185	\$ 94	\$	\$ 780
Depreciation	1,039	1,713	13		2,765
Grants	211,853				211,853
Interest		361			361
Office and occupancy	838	1,457	383	2,730	5,408
Other program expenses	7,692	18	713		8,423
Salaries and benefits	5,464	5,931	5,882		17,277
Services and professional fees	1,059	4,621	1,223		6,903
Taxes and licenses		221			221
Total expenses	<u>\$ 228,446</u>	<u>\$ 14,507</u>	<u>\$ 8,308</u>	<u>\$ 2,730</u>	<u>\$ 253,991</u>

Statement of Functional Expenses for the Fiscal Year Ended June 30, 2023

	Programs and Community Services	Management and General	Fundraising	Property Expenses	Total
Conferences and travel	\$ 421	\$ 143	\$ 51	\$	\$ 615
Depreciation	972	889	9		1,870
Grants	189,775				189,775
Interest		438			438
Office and occupancy	945	4,552	338	3,042	8,877
Other program expenses	10,343	39	1,056		11,438
Salaries and benefits	5,009	4,088	7,646		16,743
Services and professional fees	1,211	3,951	835		5,997
Taxes and licenses	1	(26)	2		(23)
Total expenses	<u>\$ 208,677</u>	<u>\$ 14,074</u>	<u>\$ 9,937</u>	<u>\$ 3,042</u>	<u>\$ 235,730</u>

19. PROGRAM TRANSFER AND ACCEPTANCE AGREEMENT WITH THE JEWISH COMMUNITY FEDERATION OF THE GREATER EAST BAY

Effective July 1, 2019, the Federation entered into a program transfer and acceptance agreement with the Jewish Community Federation of the Greater East Bay ("JCFEB"). Under the terms of the

agreement, the Federation was transferred certain specified programs and designated funding to continue such operations for a period of three years. Beyond these specified programs, the Federation also assumed an operating lease terminating on June 30, 2024. No other liabilities were assigned to the Federation as part of the agreement. During the fiscal year ended June 30, 2022, the Federation entered into a merger with JC FEB. The Federation assumed all rights and obligations of JC FEB and was transferred \$552 cash representing the remaining financial assets of JC FEB.

20. ASSIGNED INTEREST IN SUPPORTING ORGANIZATION

Effective July 1, 2022, pursuant to an agreement with a private foundation, the Federation became the supported organization upon the filing of an election under Section 507(b)(1)(B) to terminate its private foundation status with Internal Revenue Service. The Federation recognized acceptance of the assets and liabilities of the supporting foundation as of the effective date. As a result, for the year ended June 30, 2023 the consolidated financial statements reflect the receipt of net assets of the supporting foundation in the amount of \$42,680, including \$42,929 in investment securities, \$882 in cash, and \$1,131 in assumed liabilities.

21. SUBSEQUENT EVENTS

Management has evaluated subsequent events during the period from July 1, 2024 to January 30, 2025, the date the consolidated financial statements are issued.

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