

**JEWISH FAMILY SERVICE
OF LOS ANGELES**

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2023

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**AUDIT
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Jewish Family Service of Los Angeles

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Jewish Family Service of Los Angeles (JFSLA) (a non-profit organization), which comprise the consolidated statement of financial position as of June 30, 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of JFSLA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

Report on Summarized Comparative Information

We have previously audited JFSLA's June 30, 2022 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated November 22, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

To the Board of Directors
Jewish Family Service of Los Angeles

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidated schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. The accompanying consolidated schedule of awards from the City of Los Angeles, consolidating statement of position and consolidating statement of activities are also presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2023 on our consideration of JFSLA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering JFSLA's internal control over financial reporting and compliance.

Green Hasson & Janks LLP

November 16, 2023
Los Angeles, California

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

June 30, 2023

With Summarized Totals at June 30, 2022

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 22,488,594	\$ 25,802,744
Investments	37,382,833	11,099,315
Accounts and Other Receivables (Net)	8,237,586	7,794,228
Pledges Receivable (Net)	4,521,762	4,461,407
Beneficial Interest in Charitable Remainder Trusts	1,997,385	2,030,116
Beneficial Interest in Perpetual Trusts	3,080,127	2,916,882
Deposits and Other Assets	639,470	612,691
Right of Use Assets	1,574,849	-
Land, Buildings and Equipment (Net)	37,126,988	37,857,883
TOTAL ASSETS	\$ 117,049,594	\$ 92,575,266
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts Payable	\$ 4,255,206	\$ 3,022,545
Accrued Liabilities	1,897,141	1,935,969
Refundable Advances	411,533	4,754,746
Notes Payable	1,925,000	4,557,334
Loan Payable (Net)	1,209,789	2,055,038
Lease Liabilities	1,621,860	-
TOTAL LIABILITIES	11,320,529	16,325,632
NET ASSETS:		
Without Donor Restrictions	49,896,333	50,023,117
With Donor Restrictions	55,832,732	26,226,517
TOTAL NET ASSETS	105,729,065	76,249,634
TOTAL LIABILITIES AND NET ASSETS	\$ 117,049,594	\$ 92,575,266

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATED STATEMENT OF ACTIVITIES

For the year ended June 30, 2023

With Summarized Totals for the Year Ended June 30, 2022

	2023			2022
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUES:				
Government Fees and Contracts	\$ 17,804,710	\$ 29,992,475	\$ 47,797,185	\$ 18,896,359
Client Fees, Program Income and Reimbursements	5,501,526	-	5,501,526	6,038,076
Contributions	4,250,540	553,620	4,804,160	4,307,991
Special Events (Net of Direct Expenses of \$273,662)	790,248	-	790,248	1,369,883
Grants	23,217,184	1,874,000	25,091,184	23,850,127
Jewish Federation Council Grants	215,458	3,013,077	3,228,535	2,401,334
Grants Passed Through Jewish Federation Council	395,000	-	395,000	450,000
Gifts-In-Kind	3,646,564	-	3,646,564	1,225,699
Change in Value of Charitable Remainder Trusts	-	(32,731)	(32,731)	(195,101)
Change in Value of Beneficial Interest in Perpetual Trusts	-	163,245	163,245	(577,303)
Investment Return (Net)	1,511,346	815,859	2,327,205	(501,333)
Other Income	103,520	-	103,520	156,251
Net Assets Released from Donor Restrictions	6,773,330	(6,773,330)	-	-
TOTAL REVENUES	64,209,426	29,606,215	93,815,641	57,421,983
EXPENSES:				
Program Services	54,544,745	-	54,544,745	42,893,652
Supporting Services	9,891,465	-	9,891,465	8,855,194
TOTAL EXPENSES	64,436,210	-	64,436,210	51,748,846
CHANGE IN NET ASSETS BEFORE OTHER INCOME	(226,784)	29,606,215	29,379,431	5,673,137
OTHER INCOME:				
Forgiveness of Note Payable	100,000	-	100,000	100,000
Employee Retention Credits	-	-	-	2,413,822
TOTAL OTHER INCOME	100,000	-	100,000	2,513,822
CHANGE IN NET ASSETS	(126,784)	29,606,215	29,479,431	8,186,959
Net Assets - Beginning of Year	50,023,117	26,226,517	76,249,634	68,062,675
NET ASSETS - END OF YEAR	<u>\$ 49,896,333</u>	<u>\$ 55,832,732</u>	<u>\$ 105,729,065</u>	<u>\$ 76,249,634</u>

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended June 30, 2023
With Summarized Totals for the Year Ended June 30, 2022

	Program Services						Supporting Services			Total	Total Expenses	
	Nutrition and Hunger	Senior/Older Adults	Children and Families	Counseling	Shelter Services	Nonprofit Consulting Services	Total Program Services	Management and General	Fundraising	Supporting Services	2023	2022
Salaries	\$ 1,852,438	\$ 13,306,394	\$ 1,166,767	\$ 395,340	\$ 2,037,020	\$ 60,072	\$ 18,818,031	\$ 3,789,167	\$ 722,255	\$ 4,511,422	\$ 23,329,453	\$ 21,199,806
Payroll Taxes and Employee Benefits	535,209	2,911,274	273,069	103,742	587,426	15,787	4,426,507	1,993,741	154,649	2,148,390	6,574,897	5,712,988
Employee Expenses	15,191	170,154	8,409	931	6,731	365	201,781	161,170	15,852	177,022	378,803	241,526
TOTAL PERSONNEL COSTS	2,402,838	16,387,822	1,448,245	500,013	2,631,177	76,224	23,446,319	5,944,078	892,756	6,836,834	30,283,153	27,154,320
Direct Client Services	1,816,577	19,171,714	2,103	610,809	231,973	19	21,833,195	10,968	18,350	29,318	21,862,513	16,367,236
Contributed Food and Supplies	3,646,564	-	-	-	-	-	3,646,564	-	-	-	3,646,564	1,225,699
Equipment and Technology Purchases	449,984	115,588	7,612	5,780	9,823	608	589,395	1,055,945	102,471	1,158,416	1,747,811	727,689
Professional and Temporary Services	335,860	592,922	34,221	30,938	4,833	352	999,126	284,085	63,200	347,285	1,346,411	1,160,132
Rent and Occupancy	515,861	362,686	51,344	64,157	179,497	2,319	1,175,864	89,797	15,162	104,959	1,280,823	1,046,049
Depreciation and Amortization	199,893	380,576	7,701	16,155	13,831	11,146	629,302	318,283	61,864	380,147	1,009,449	935,216
Property Taxes and Insurance	74,738	304,752	42,186	16,975	80,301	1,879	520,831	103,993	10,465	114,458	635,289	631,007
Data Communications	53,919	196,624	27,887	4,815	38,900	961	323,106	131,605	7,410	139,015	462,121	428,103
Interest and Other Fees	76,464	85,165	2,060	119	874	904	165,586	234,887	20,322	255,209	420,795	486,789
Supplies and Materials	102,690	161,804	7,503	2,168	35,159	363	309,687	47,621	14,768	62,389	372,076	300,123
Publicity and Advertising	14,040	147,954	1,476	-	-	-	163,470	43,687	113,530	157,217	320,687	208,828
Security	124,021	87,323	11,447	3,490	10,474	1,448	238,203	51,199	9,338	60,537	298,740	265,373
Program Activities	20	248,833	2,022	-	196	-	251,071	7,891	22,837	30,728	281,799	202,386
Equipment, Repairs and Maintenance	97,169	35,243	2,660	884	20,934	237	157,127	22,569	1,554	24,123	181,250	165,436
Dues and Subscriptions	4	38,097	1,088	120	1,077	-	40,386	80,023	3,229	83,252	123,638	114,034
Miscellaneous	4,106	13,859	-	29	-	-	17,994	72,552	-	72,552	90,546	213,864
Printing and Reproduction	5,874	9,292	-	-	109	-	15,275	3,910	19,726	23,636	38,911	77,790
Postage and Delivery	2,125	15,545	2,255	433	1,764	122	22,244	5,662	5,728	11,390	33,634	38,772
TOTAL 2023 FUNCTIONAL EXPENSES	<u>\$ 9,922,747</u>	<u>\$ 38,355,799</u>	<u>\$ 1,651,810</u>	<u>\$ 1,256,885</u>	<u>\$ 3,260,922</u>	<u>\$ 96,582</u>	<u>\$ 54,544,745</u>	<u>\$ 8,508,755</u>	<u>\$ 1,382,710</u>	<u>\$ 9,891,465</u>	<u>\$ 64,436,210</u>	
TOTAL 2022 FUNCTIONAL EXPENSES	<u>\$ 6,412,439</u>	<u>\$ 30,623,826</u>	<u>\$ 1,470,610</u>	<u>\$ 1,243,541</u>	<u>\$ 3,000,134</u>	<u>\$ 143,102</u>	<u>\$ 42,893,652</u>	<u>\$ 7,306,629</u>	<u>\$ 1,548,565</u>	<u>\$ 8,855,194</u>		<u>\$ 51,748,846</u>

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2023

With Summarized Totals for the Year Ended June 30, 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 29,479,431	\$ 8,186,959
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	1,009,449	935,216
Amortization of Loan Issuance Costs	9,780	45,413
Forgiveness of Note Payable	(100,000)	(100,000)
Net Realized and Unrealized (Gain) Loss on Investments	(769,021)	803,486
Donated Stocks	(220,544)	(182,797)
Proceeds on Sale of Donated Stocks	218,154	181,774
Contributions Required to Be Held in Perpetuity	(265,000)	(23,000)
Change in Value of Beneficial Interest in Charitable Remainder Trusts	32,731	195,101
Change in Value of Beneficial Interest in Perpetual Trusts	(163,245)	577,303
(Increase) Decrease in:		
Accounts and Other Receivables	(443,358)	1,775,638
Pledges Receivable	18,924	(3,840,272)
Deposits and Other Assets	(26,779)	(133,804)
Right of Use Assets	272,046	-
Increase (Decrease) in:		
Accounts Payable	1,232,661	(828,236)
Accrued Liabilities	(38,828)	(348,336)
Refundable Advances	(4,343,213)	754,039
Lease Liabilities	(225,035)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	25,678,153	7,998,484
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Property and Equipment	(278,554)	(508,462)
Reinvested Interest and Dividends (Net)	(489,990)	(173,010)
Proceeds from Sale of Investments	277,657	3,378,170
Purchase of Investments	(25,299,774)	(2,600,081)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(25,790,661)	96,617
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Contributions Required to Be Held in Perpetuity	107,000	96,533
Proceeds from Contributions Restricted for Capital Campaign	78,721	319,571
Payments on Notes Payable	(2,532,334)	(67,666)
Payments on Loan Payable	(855,029)	(1,371,810)
NET CASH USED IN FINANCING ACTIVITIES	(3,201,642)	(1,023,372)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,314,150)	7,071,729
Cash and Cash Equivalents - Beginning of Year	25,802,744	18,731,015
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 22,488,594	\$ 25,802,744

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended June 30, 2023

With Summarized Totals for the Year Ended June 30, 2022

	<u>2023</u>	<u>2022</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash Paid During the Year for Interest	<u>\$ 140,370</u>	<u>\$ 191,123</u>
Interest Capitalized during the Year	<u>\$ -</u>	<u>\$ 11,301</u>
SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Property and Equipment Financed by Notes and Loan Payable	\$ -	\$ 195,000
Non-Cash Impact of Implementation of Accounting Standards Codification (ASC) 842, <i>Leases</i>		
Increase in Right of Use Assets	1,846,895	-
Increase in Lease Liabilities	1,846,895	-

The Accompanying Notes are an Integral Part of These Consolidated Financial Statements

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 1 - ORGANIZATION

Jewish Family Service of Los Angeles (JFSLA) is a diversified social service agency, providing a comprehensive range of services. From its beginning in 1854, JFSLA has evolved along with a changing community and currently serves tens of thousands of people annually at various sites located throughout the County of Los Angeles. JFSLA serves clients of all ages, ethnicities and religions.

JFSLA's goals are to strengthen and preserve individual, family and community life by providing a wide range of social services to people in need. For more than 165 years, JFSLA has provided compassionate social services to all in need regardless of age, ethnicity, religion or ability to pay. JFSLA counsels families, supports the elderly, feeds the hungry, assists the disabled, and empowers survivors of violence to create independent lives. JFSLA connects older adults and people with disabilities to vital resources, and helps relatives and friends care for loved ones, young and old.

JFSLA employs a dedicated staff of about 260 people, including licensed social workers, psychiatrists, psychologists, nurses and case managers. They are joined by hundreds of dedicated volunteers. A volunteer program, including recruitment, training and placement within JFSLA, provides resources upon which many JFSLA programs rely.

JFS Care, a California nonprofit public benefit corporation, was founded in 2011 and employs about 190 people. It was formed with the primary purpose of providing in-home care services to individuals and families, and to connect those individuals and families with additional services. JFS Care was formed, and is operated exclusively to support JFSLA, and is controlled by JFSLA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of JFSLA and JFS Care. All significant inter-company transactions and balances have been eliminated on consolidation.

(b) BASIS OF PRESENTATION

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) NET ASSETS

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

- **Net Assets Without Donor Restrictions.** Net assets available for use in general operations and not subject to donor-imposed restrictions. The governing board has designated, from net assets without donor restrictions, net assets for operating reserves and emergency needs.
- **Net Assets With Donor Restrictions.** Contributions restricted by donors are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from donor restrictions.

(d) CASH AND CASH EQUIVALENTS

Cash and cash equivalents are short-term, highly liquid investments with maturities of three months or less at the time of purchase. The carrying value of cash and cash equivalents at June 30, 2023 approximates its fair value.

(e) INVESTMENTS

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at fair value. Investments held in the Common Investment Pool managed by the Jewish Community Foundation (JCF) are valued by JCF using the net asset value method. These investments (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS **June 30, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) INVESTMENTS (continued)

Securities are generally held in custodial investment accounts administered by financial institutions. Investment purchases and sales are accounted for on a trade-date basis. Interest income is recorded as earned on an accrual basis, and dividend income is recorded based upon the ex-dividend date. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Unrealized gains and losses are included in investment return in the consolidated statement of activities and represent the change in the difference between the cost and fair value of investments held at the end of the fiscal year.

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Because of the level of risk associated with certain long-term investments, it is reasonably possible that changes in the values of these investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated statement of financial position.

(f) ACCOUNTS AND OTHER RECEIVABLES AND RELATED REVENUE RECOGNITION

Receivables are recorded when billed or accrued and represent claims against third parties that will be settled in cash. The carrying value of receivables, net of the allowance for doubtful accounts, represents their estimated net realizable value. The allowance for doubtful accounts is estimated based on historical collection trends, type of customer, the age of outstanding receivables and existing economic conditions. If events or changes in circumstances indicate that specific receivable balances may be impaired, further consideration is given to the collectability of those balances and the allowance is adjusted accordingly. Past due receivable balances are written-off when internal collection efforts have been unsuccessful in collecting the amount due. At June 30, 2023, JFSLA has established an allowance for uncollectible accounts receivable in the amount of \$285,878.

JFSLA's revenues from contracts with customers are generated from client fees, program income and reimbursements.

Client fees revenue is earned from contracts with individuals for the provision of in-home care services, housekeeping, and transportation and is generally billed based on a pre-determined hourly rate for hours incurred by caregivers and third-party vendors after the services are provided. Program income and reimbursements consist of fees collected from various programs managed by JFSLA. Revenue from contract with customers is recognized over time during the period of service when the respective performance obligations are satisfied.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS **June 30, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) CONTRIBUTIONS AND PLEDGES RECEIVABLE

JFSLA recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest are received. JFSLA reports unconditional contributions as restricted support if they are received with donor stipulations that limit the use of the donated assets. Pledges are discounted to their present value when payments are expected in future periods exceeding one year. These discounts are recorded as reductions to contribution revenue and pledges receivable and are adjusted annually. A discount rate of 2% has been used to calculate the present value of pledges receivable. At June 30, 2023, JFSLA evaluated the collectability of pledges receivable. Pledges receivable at June 30, 2023, are net of an allowance for uncollectible pledges of \$145,071.

Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are not recognized until the conditions on which they depend have been met. JFSLA had no significant conditional pledges as of June 30, 2023.

A portion of JFSLA's revenue is derived from fee-for-service and cost reimbursement grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Such grants are generally considered nonreciprocal transactions restricted by the awarding agencies for certain purposes. Amounts received are recognized as revenue when JFSLA has satisfied the specific performance requirements or incurred expenditures in compliance with specific contract or grant provisions. JFSLA has elected to adopt a policy whereby donor-restricted grants and contributions that were initially conditional and whose conditions and restrictions are met in the same reporting period are recognized as revenue without donor restrictions. Amounts received prior to incurring qualifying expenditures or fulfilling the specific performance obligations are reported as refundable advances in the consolidated statement of financial position.

During the year ended June 30, 2023 JFSLA received two significant unconditional grant allocations from the California Department of Social Services (CDSS) totaling \$29,992,475. These funds have been restricted by CDSS to provide services to Holocaust survivors, pursuant to the California Holocaust Survivor Assistance Program. The grants are to be spent during the years ended June 30, 2023 through 2026 and have been recognized as increases in net assets with donor restrictions on the consolidated statement of activities.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS **June 30, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) CONTRIBUTIONS AND PLEDGES RECEIVABLE (continued)

During the year ended June 30, 2022, JFSLA filed for the Employee Retention Credit (ERC), a refundable payroll tax credit program enacted by the Coronavirus Aid, Relief, and Economic Security (CARES) Act in March 2020. JFSLA has accounted for the ERC as a conditional government grant and considers that it substantially met the various conditions prescribed in the ERC program for the period of July through September 2021 and accordingly, has recognized ERC income during the year ended June 30, 2022. Included in accounts and other receivables at June 30, 2023 are ERC credits expected to be collected within one year of \$725,012.

(h) BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUSTS

JFSLA has been designated as the beneficiary of assets held in charitable remainder trusts administered by other trustees. JFSLA recognizes contribution revenue with donor restrictions and, as a receivable, the present value of the estimated future benefits to be received when the trust assets are distributed. Adjustments to the receivable to reflect the revaluation of the present value of the estimated future payments to JFSLA are recognized in the consolidated statement of activities as a change in value of beneficial interest in charitable remainder trusts. JFSLA has been named as a beneficiary for several living trusts and wills. Due to the conditional nature of these trusts and wills, no amounts have been recorded on the accompanying consolidated financial statements.

(i) BENEFICIAL INTEREST IN PERPETUAL TRUSTS

Donors have established and funded trusts, which are administered by third parties other than JFSLA. Under the terms of each trust, JFSLA has the irrevocable right to receive all or a portion of the income earned on the trust assets either in perpetuity or for the life of the trust. JFSLA does not control the assets held by the outside trusts. Annual distributions from the trusts are reported as investment income. Adjustments to the beneficial interest to reflect changes in the fair value are reflected in the consolidated statement of activities as a change in value of beneficial interest in perpetual trusts.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment are recorded at cost at the date of acquisition if purchased or at estimated fair value at the date of donation if donated. Depreciation and amortization are computed using the straight-line basis over the estimated useful lives of the related assets. Land, buildings and equipment are capitalized if the cost of an asset is greater than or equal to \$5,000 and the useful life is greater than one year. The estimated useful lives are as follows:

Buildings and Improvements	10 - 40 Years
Furniture, Vehicles and Equipment	3 - 5 Years
Leasehold Improvements	Lease Term

Expenditures for repairs and maintenance are charged to expense as incurred. Expenditures for fixed assets from certain grant funds are expensed when acquired because the grantor retains title to such assets.

(k) LONG-LIVED ASSETS

JFSLA evaluates the carrying values of its long-lived assets for possible impairment whenever events or changes in circumstances indicate that the book value of the assets may not be recoverable. An impairment loss is recognized when the sum of the undiscounted future cash flows is less than the carrying amount of the asset, in which case a write-down is recorded to reduce the related asset to its estimated fair value. No impairment losses were recognized during the year ended June 30, 2023.

(l) REFUNDABLE ADVANCES

Grant funds are recognized as revenue in accordance with the term of the grant and when funds are expended for grant purposes. Refundable advances include both amounts received in excess of funds expended to date as well as grant amounts awarded and not yet expended.

(m) LOAN ISSUANCE COSTS

Loan issuance costs are amortized by use of the straight-line method over the anticipated life of the related debt. Loan issuance costs are netted against the long-term portion of the corresponding liability as reflected in the consolidated statement of financial position.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) GIFTS-IN-KIND

Gifts-in-kind are recorded as contributions at their estimated fair value in the period received and expensed when utilized. Gifts-in-kind are valued based upon estimates of fair market value that would be received for selling the goods in their principal market considering their condition and utility for use at the time the goods are contributed by the donor. Donated gifts-in-kind are not sold but rather used for JFSLA's operations.

Gifts-in-kind that consist of donated services are recognized at fair value if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

A substantial number of volunteers have donated significant amounts of their time to JFSLA. The services that these individuals rendered, however, do not meet the above criteria and, as such, are not recognized as revenue.

(o) PUBLICITY AND ADVERTISING

Publicity and advertising costs are expensed as incurred. Total publicity and advertising expense were \$320,687 for the year ended June 30, 2023.

(p) INCOME TAXES

JFSLA is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and corresponding provisions of California law.

JFSLA is subject to income taxes for unrelated business income, if any, realized in connection with unrelated business activities.

In accordance with the Financial Accounting Standards Board's (FASB's) Accounting Standards Codification (ASC) Topic No. 740, *Uncertainty in Income Taxes*, JFSLA recognizes the impact of tax positions in the consolidated financial statements if that position is more likely than not to be sustained on audit, based on the technical merits of the position. During the year ended June 30, 2023, JFSLA performed an evaluation of uncertain tax positions and did not note any matters that would require recognition in the consolidated financial statements or which might have an effect on its tax-exempt status.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing JFSLA's programs and other activities have been presented in the consolidated statement of functional expenses. During the year, such costs are accumulated into separate groupings as either direct or indirect. Indirect or shared costs are allocated among program and support services by a method that best measures the relative degree of benefit. JFSLA uses full-time equivalents to allocate indirect costs.

(r) LEASES

JFSLA recognizes and measures its leases in accordance with the FASB ASC 842, *Leases*. JFSLA is a lessee in operating leases for warehouse and office space. JFSLA determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. JFSLA recognizes a lease liability and a right of use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate if it is readily determinable or otherwise JFSLA uses the risk-free rate. The implicit rates of JFSLA's leases are not readily determinable and accordingly, JFSLA used the risk-free rate based on the information available at the commencement date for all leases.

The ROU asset is subsequently measured throughout the lease term at the amount of the re-measured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

JFSLA has elected, for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement, and do not include an option to purchase the underlying asset that JFSLA is reasonably certain to exercise. JFSLA recognizes lease cost associated with short-term leases on a straight-line basis over the lease term.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(s) CONCENTRATION OF CREDIT RISK

JFSLA maintains its cash and cash equivalents in bank deposit accounts and other investment accounts, which, at times, may exceed federally insured limits. JFSLA has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on these accounts.

JFSLA is a beneficiary agency of the Jewish Federation Council of Greater Los Angeles (JFC). Approximately 3% of JFSLA's revenue and support is provided by JFC.

Approximately 51% of JFSLA's total revenues is provided by various government agencies. Included in the accounts and other receivables balance at June 30, 2023 is \$3,677,563 of government contracts receivable due from city, county, state, and federal granting agencies. Concentration of credit risk with respect to these receivables is limited due to the nature of the payers.

Approximately 24% of JFSLA's revenue and support is provided by one non-government grant. Accounts receivable related to this grantor totaled \$1,447,500 at June 30, 2023.

Approximately 68% of JFSLA's labor force is covered by a collective bargaining agreement, which covers the period of July 1, 2022 through June 30, 2025. The agreement provided a 5% wage increase in the first year and a 4% increase in each of the following two years of the agreement period.

(t) USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues and expenses as of the date and for the period presented. Accordingly, actual results could differ from those estimates.

(u) RECLASSIFICATIONS

Certain reclassifications have been made to the 2022 summarized comparative information to conform to the 2023 consolidated financial statement presentation. These reclassifications had no effect on the previously reported change in net assets.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS **June 30, 2023**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(v) COMPARATIVE TOTALS

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with JFSLA's consolidated financial statements for the year ended June 30, 2022, from which the summarized information was derived.

(w) NEW ACCOUNTING PRONOUNCEMENTS

In February 2016, FASB issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, which is intended to improve financial reporting about leasing transactions. The new standard requires organizations that lease assets with terms of more than 12 months to recognize on the consolidated statement of financial position the assets and liabilities for the rights and obligations created by those leases. The ASU also requires disclosures to help consolidated financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. These disclosures include qualitative and quantitative requirements and provide additional information about the amounts recorded in the consolidated financial statements. JFSLA adopted this ASU with a date of initial application of July 1, 2022 using the optional transition method which allows entities to continue to apply expedients on a consistent basis permitting entities not to reassess historical accounting guidance in the comparative periods presented in the year of adoption.

JFSLA elected to apply the following package of practical expedients: (i) whether any expired or existing contracts are or contain a lease; (ii) lease classification for any expired or existing leases and (iii) whether initial direct costs for any expired or existing leases qualify for capitalization under the amended guidance.

The impact of adopting the amended guidance primarily relates to the recognition of ROU assets and lease liabilities on the consolidated statement of financial position for all leases previously classified as operating leases. JFSLA recognized \$1,846,895 of ROU assets and related lease liabilities as of July 1, 2022 for contracts that are classified as operating leases. Leases with an initial term of 12 months or less have not been recorded on the consolidated statement of financial position. There was no other material impact on JFSLA's consolidated financial statements. Refer to Notes 1(r) and Note 9 for disclosures related to JFSLA's accounting for leases.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2023

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(w) NEW ACCOUNTING PRONOUNCEMENTS (continued)

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which replaces the incurred loss impairment methodology previously used for certain financial instruments with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates in their measurement. The guidance has subsequently been amended through a series of targeted ASUs. For JFSLA the ASU and the subsequent amendments will be effective for the year ending June 30, 2024, and are expected to be adopted using the modified-retrospective approach.

(x) SUBSEQUENT EVENTS

JFSLA has evaluated events and transactions occurring subsequent to the consolidated statement of financial position date of June 30, 2023 for items that should potentially be recognized or disclosed in these consolidated financial statements. The evaluation was conducted through November 16, 2023, the date these consolidated financial statements were available to be issued. No such material events or transactions were noted to have occurred, except as described in Note 10.

NOTE 3 - INVESTMENTS

At June 30, 2023, investments consist of the following:

Money Market Funds and Cash Equivalents	\$ 11,215,348
Mutual Funds:	
Large Cap Equity	5,821,336
Small Cap Equity	728,397
Foreign Markets	1,547,599
Fixed Income	15,777,056
Alternative Investments	1,867,772
Jewish Community Foundation Common	
Investment Pool - Other Investments	<u>425,325</u>
TOTAL INVESTMENTS	<u>\$ 37,382,833</u>

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 4 - FAIR VALUE MEASUREMENTS

JFSLA has implemented the accounting standard for those assets (and liabilities) that are re-measured and reported at fair value at each reporting period. This standard establishes a single authoritative definition of fair value, sets out a framework for measuring fair value based on inputs used, and requires additional disclosures about fair value measurements. This standard applies to fair value measurements already required or permitted by existing standards.

In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets (or liabilities). Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset (or liability) and include situations where there is little, if any, market activity for the asset (or liability).

The following table presents information about JFSLA's assets that are measured at fair value on a recurring basis at June 30, 2023 and indicates the fair value hierarchy of the valuation techniques utilized to determine such fair value:

	Year Ended June 30, 2023	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Funds and Cash Equivalents	\$ 11,215,348	\$ 11,215,348	\$ -	\$ -
Mutual Funds:				
Large Cap Equity	5,821,336	5,821,336	-	-
Small Cap Equity	728,397	728,397	-	-
Foreign Markets	1,547,599	1,547,599	-	-
Fixed Income	15,777,056	15,777,056	-	-
Alternative Investments	1,867,772	1,867,772	-	-
TOTAL MUTUAL FUNDS	36,957,508	36,957,508	-	-
Jewish Community Foundation Common Investment Pool - Other Investments	425,325	-	425,325	-
TOTAL INVESTMENTS	37,382,833	36,957,508	425,325	-
Beneficial Interest in:				
Charitable Remainder Trusts	1,997,385	-	-	1,997,385
Perpetual Trusts	3,080,127	-	-	3,080,127
TOTAL	\$ 42,460,345	\$ 36,957,508	\$ 425,325	\$ 5,077,512

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2023

NOTE 4 - FAIR VALUE MEASUREMENTS (continued)

The fair values of marketable securities within Level 1 inputs were obtained based on quoted market prices at the closing of the last business day of the fiscal year.

The fair values of the common investment pool partnership interest, and beneficial interest in charitable remainder trusts and perpetual trusts were determined as described in Notes 2(e), 2(h), and 2(i).

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Beneficial Interest in Charitable Remainder Trusts	Beneficial Interest in Perpetual Trusts	Total
Beginning Balance	\$ 2,030,116	\$ 2,916,882	\$ 4,946,998
Distributions	-	-	-
Change in Fair Value/ Beneficial Interest	(32,731)	163,245	130,514
ENDING BALANCE	\$ 1,997,385	\$ 3,080,127	\$ 5,077,512

NOTE 5 - PLEDGES RECEIVABLE

Pledges receivable at June 30, 2023 are expected to be collected as follows:

Within One Year	\$ 2,062,116
In Two to Five Years	<u>2,773,572</u>
TOTAL	4,835,688
Less: Allowance for Doubtful Pledges	(145,071)
Less: Present Value Discount	<u>(168,855)</u>
PLEDGES RECEIVABLE (NET)	\$ 4,521,762

NOTE 6 - BENEFICIAL INTEREST IN CHARITABLE REMAINDER TRUSTS

JFSLA is the beneficiary of one charitable remainder trust, the assets of which are administered by other trustees. Assets held in charitable remainder trust totaled \$1,997,385 at June 30, 2023, representing the portion of the net present value of the charitable remainder trust for which JFSLA is the designated beneficiary.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 7 - BENEFICIAL INTEREST IN PERPETUAL TRUSTS

JFSLA is the 100% beneficiary of eleven perpetual trusts and the 16.67%-25.00% beneficiary of four perpetual trusts whose assets are held by a third party trustee. JFSLA has legally enforceable rights or claims to the annual income. The carrying value of JFSLA's portion of these perpetual trusts at June 30, 2023 was \$3,080,127.

NOTE 8 - LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment consist of the following at June 30, 2023:

Land	\$ 1,728,590
Construction in Process	892,859
Buildings and Improvements	42,538,420
Furniture, Vehicles and Equipment	1,560,918
Leasehold Improvements	<u>538,338</u>
TOTAL	47,259,125
Less: Accumulated Depreciation and Amortization	<u>(10,132,137)</u>
LAND, BUILDINGS AND EQUIPMENT (NET)	<u>\$ 37,126,988</u>

Depreciation and amortization expense for the year ended June 30, 2023 was \$1,009,449.

NOTE 9 - LEASES

JFSLA leases various facilities from third parties which are accounted for as operating leases, with various terms expiring through February 2029. Some of the leases have renewal options of up to 5 years. The exercise of lease renewal options is at JFSLA's discretion. JFSLA has chosen to include the renewal term in the calculation of the ROU assets and related lease liabilities when such renewals are reasonably certain of being exercised. Leases with an initial term of 12 months or less, which are not expected to be renewed beyond one year, are not recorded on the consolidated statement of financial position and are recognized as lease expense on a straight-line basis over the lease term. As of June 30, 2023, JFSLA recognized \$1,574,849 of ROU assets and \$1,621,860 of related lease liabilities for contracts that are classified as operating leases. Lease cost for the year ended June 30, 2023 was \$322,092.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 9 - LEASES (continued)

As of June 30, 2023, the weighted-average remaining lease terms of operating leases are approximately 5.31 years. The weighted-average discount rate used to determine the lease liabilities as of June 30, 2023 was approximately 2.91%.

Maturities of lease liabilities as of June 30, 2023 are as follows:

Years Ending June 30	
2024	\$ 308,187
2025	319,917
2026	329,794
2027	339,978
2028	350,476
Thereafter	<u>103,209</u>
Total Lease Payments	1,751,561
Less: Imputed Interest	<u>(129,701)</u>
TOTAL	<u><u>\$ 1,621,860</u></u>

NOTE 10 - LINE OF CREDIT

JFSLA has a real estate line of credit with a financial institution due April 15, 2024 in the amount of \$5,800,000. The line is secured by certain real estate of JFSLA and bears interest at the prime rate less 0.75%, subject to an interest rate floor of 2.75%. At June 30, 2023, there were no draws on the line of credit and the entire amount was available. At June 30, 2023, the prime rate was 8.25%. This line of credit contains various covenants. At June 30, 2023, JFSLA was in compliance with all applicable covenants.

Subsequent to year end, in September 2023, JFSLA closed the real estate line of credit and entered into a new line of credit agreement with a different financial institution in the amount of \$6,000,000 maturing October 1, 2025. The new line of credit bears interest at the sum of (1) greater of the institution's daily floating rate or 1%, plus (2) 1.75%. The line is secured by certain assets of JFSLA.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2023

NOTE 11 - NOTES PAYABLE

Notes payable at June 30, 2023 consists of the following:

Note payable to the City of Los Angeles Housing Department (LAHD) as successor to the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) in the original principal amount of \$175,000. secured by first deed of trust on land and buildings of the Gramercy Shelter, principal and interest at 3% due in annual payments made exclusively from residual receipts (as defined in the loan agreement) derived from the project at the financed property. No residual receipts are anticipated as the Gramercy Shelter does not charge fees for use. The note payable is due May 2029 and expected to be forgiven in full. \$ 175,000

Note payable to the U.S. Department of Housing and Urban Development (HUD) passed through the City of Los Angeles Housing and Community Investment Department (HCID) in the original principal amount of \$1,950,000 for reimbursement of certain project construction costs. Secured by a deed of trust on the real property of the Gunther-Hirsh Family Center with an interest rate of 0%. To be forgiven in \$100,000 increments over 19.5 years commencing upon project completion in July 2022. 1,750,000

TOTAL NOTES PAYABLE \$ 1,925,000

No interest expense on the forgivable LAHD and HUD notes payable was recognized during the year ended June 30, 2023. Forgiveness of note payable of \$100,000 was recognized during the year ended June 30, 2023 and is included in other income in the consolidated statement of activities.

The future maturities of the notes payable at June 30, 2023, are as follows:

Year Ending June 30

2024	\$ 100,000
2025	100,000
2026	100,000
2027	100,000
2028	100,000
Thereafter	1,425,000
TOTAL	\$ 1,925,000

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 12 - LOAN PAYABLE

In November 2017, JFSLA entered into a loan agreement with Pacific Western Bank (the lender) and Colorado Educational and Cultural Facilities Authority (the authority). Under the terms of the agreement the lender agreed to loan up to \$15,125,000 to the authority in return for tax-exempt Series R-1 bonds. The authority in turn agreed to lend the loan proceeds to JFSLA to finance the construction of a new facility. The agreement called for an initial loan disbursement of \$50,001 upon closing.

The loan proceeds accrue interest at a fixed 3.75% interest rate or at a variable one-month LIBOR rate at the option of JFSLA. At June 30, 2023, the LIBOR rate was 1.49%. Interest is payable monthly. As of June 30, 2023, the repayment of the loan proceeds was scheduled to be in a series of principal and interest monthly payments of \$12,269 until maturity in November 2045, unless otherwise prepaid. The loan agreement permits optional prepayments without penalty. At June 30, 2023, the balance due on the loan payable was \$1,431,986.

The loan agreement contains various covenants. At June 30, 2023, JFSLA was in compliance with all applicable covenants.

The future maturities of the loan payable at June 30, 2023, are as follows:

Year Ending June 30

2024	\$	41,363
2025		43,371
2026		45,026
2027		46,744
2028		48,399
Thereafter		<u>1,207,083</u>
TOTAL	\$	<u>1,431,986</u>

The loan payable provided for the payment of loan issuance costs totaling \$277,390. Loan issuance costs are amortized using the straight-line method over the term of the loan payable. At June 30, 2023, loan issuance costs of \$222,197 are included as a reduction of loan payable on the consolidated statement of financial position.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2023

NOTE 13 - NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions consist of undesignated and Board designated amounts for the following purposes at June 30, 2023:

Undesignated	\$ 35,960,822
Board Designated:	
Emergency Needs Reserve Fund	8,890,675
Operating and Capital Reserve	<u>5,044,836</u>
TOTAL NET ASSETS WITHOUT DONOR RESTRICTIONS	<u>\$ 49,896,333</u>

The Board designated, from net assets without donor restrictions, certain funds for emergency needs included in the emergency needs reserve fund. In addition, the Board set aside funds for planned special and capital projects in the operating and capital reserve fund.

NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2023:

Subject to Passage of Time:	
Beneficial Interests in Charitable Remainder Trusts	\$ 1,997,385
Subject to Expenditure for Specified Purpose:	
Holocaust Survivor Services	29,507,299
Early Childhood	4,115,669
Resource Development	1,859,312
SOVA Program	1,734,139
Other Programs	2,947,790
Jona Goldrich Multipurpose Center	785,063
Central Access	733,039
Capital Campaign	270,204
Special Needs	252,205
Jewish Community Programs	<u>6,003</u>
TOTAL SUBJECT TO EXPENDITURE FOR SPECIFIED PURPOSE	42,210,723
Subject to Appropriation or Spending Policy:	
Donor-Restricted Perpetual Endowments:	
Capital Campaign	1,235,922
Other Endowments	5,644,450
Unspent Endowment Earnings	<u>1,664,125</u>
TOTAL SUBJECT TO APPROPRIATION OR SPENDING POLICY	8,544,497
Not Subject to Appropriation or Spending Policy:	
Beneficial Interests in Perpetual Trusts	<u>3,080,127</u>
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	<u>\$ 55,832,732</u>

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended June 30, 2023:

Satisfaction of Purpose Restrictions:	
Holocaust Survivor Services	\$ 2,622,505
Other Programs	1,649,092
Early Childhood	836,243
Jewish Community Programs	811,378
SOVA Program	361,566
Jona Goldrich Multipurpose Center	492,546
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS	\$ 6,773,330

NOTE 15 - ENDOWMENTS

JFSLA's endowments consist of funds established for a variety of purposes. Endowment funds are established by gifts with donor restrictions and bequests to either provide a permanent endowment, which is to provide a permanent source of income to JFSLA, or a term endowment, which is to provide income for a specified period to JFSLA. Beneficial interests in perpetual trusts administered by outside trustees are not considered part of JFSLA's endowments.

JFSLA's management understands California State law as (1) requiring the preservation of the fair value of the original gifts as of the gift date of the donor restricted endowment funds, absent donor stipulations to the contrary and (2) allowing the spending of income and gains on endowments required to be held in perpetuity, absent explicit donor stipulations that all or a portion of such gains be maintained in perpetuity.

The primary long-term financial objective for JFSLA's endowments is to preserve the real (inflation-adjusted) purchasing power of endowment assets and income after accounting for endowment spending, inflation and costs of portfolio management. Performance of the overall endowment against this objective is measured over an investment horizon of ten years. The endowments are also managed to optimize the long run total rate of return on invested assets, assuming a prudent level of risk. The goal for this rate of return is one that funds JFSLA's existing spending policy and allows sufficient reinvestment to grow the endowment principal at a rate that exceeds inflation (as measured by the Consumer Price Index). Over the short term, the return for each element of the endowment portfolio should match or exceed each of the returns for the broader capital markets in which assets are invested.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2023

NOTE 15 - ENDOWMENTS (continued)

JFSLA has developed a spending policy that will distribute a specific payout rate of the endowment base to support JFSLA's programs. The endowment base has been defined as a 12-quarter moving average of the market value of the total endowment portfolio. The distribution or payout rate will be at 5% of the base. Such a policy will allow for a greater predictability of spendable income for budgeting purposes and for gradual steady growth for the support of operations by the endowments. In addition, this policy will minimize the probability of invading the principal over the long term.

At times, the fair value of assets associated with these endowment funds may fall below the level that the donors require JFSLA to retain as funds of perpetual duration. These deficiencies result from unfavorable market fluctuations. In accordance with generally accepted accounting principles, there are no deficiencies of this nature that are reported in net assets without donor restrictions at June 30, 2023.

At June 30, 2023, JFSLA's endowment net assets composition by type of fund as follows:

Endowment Net Asset Composition by Type of Fund at June 30, 2023	<u>With Donor Restrictions</u>
Donor-Restricted:	
Original Donor-Restricted Gift Amount	\$ 6,880,372
Accumulated Investment Return	<u>1,664,125</u>
ENDOWMENT NET ASSETS - JUNE 30, 2023	<u>\$ 8,544,497</u>

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

Endowment Net Assets -	
Beginning of Year	\$ 7,481,011
Contributions	265,000
Investment Return (Net)	815,859
Appropriations	<u>(17,373)</u>
ENDOWMENT NET ASSETS - END OF YEAR	<u>\$ 8,544,497</u>

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS **June 30, 2023**

NOTE 16 - RETIREMENT BENEFITS

JFSLA participates with other agencies in the Basic Pension Plan for Employees of Jewish Federation Council of Greater Los Angeles, (employer identification number: 95-1643388; plan number: 001), a multiemployer defined benefit and contribution pension plan (Multiemployer Plan). The risks of participating in a Multiemployer Plan are different from single-employer plans in the following aspects:

- Assets contributed to a Multiemployer Plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to a Multiemployer Plan, the unfunded obligations of the Multiemployer Plan may be borne by the remaining participating employers.
- If JFSLA chooses to stop participating in the Multiemployer Plan, JFSLA may be required to pay the Multiemployer Plan an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Multiemployer Plan covers employees hired prior to January 1, 2006 and is subject to a collective bargaining agreement which expires on June 30, 2025. JFSLA's employer contributions under this plan for the year ended June 30, 2023 were \$1,460,194. JFSLA's contributions during the Multiemployer Plan year ended December 31, 2022 represented greater than 5% of total contributions to the Multiemployer Plan (per the most recently available annual report). Management believes the Multiemployer Plan may be underfunded; however, the amount that may be attributable to JFSLA is indeterminable at this time and, therefore, any potential underfunding is not reflected on the accompanying consolidated financial statements.

The Multiemployer Plan's zone status, as defined by the Pension Plan Protection Act (the Act), for the year ended December 31, 2022, was considered to be in the "Green Zone" because the Multiemployer Plan's funded percentage was more than 80%. For the year ended December 31, 2022, the Multiemployer Plan's funded percentage was 89.9%. The funded percentage is determined by dividing the value of the plan's assets by the plan's liability for accrued pension benefits, measured as of the first day of the plan year.

The Multiemployer Plan adopted a Funding Improvement Plan on November 12, 2008 to meet compliance requirements under the Act. The Funding Improvement Plan provided for the Multiemployer Plan to continue its funding policy as described above. In November 2011, the Funding Improvement Plan was updated to adjust the schedule of projected contributions in future years, in order to ensure that the Multiemployer Plan would remain on target to achieve the required goals of the Funding Improvement Plan. The current Funding Improvement Plan is no longer in effect since the Plan is no longer in endangered status.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2023

NOTE 16 - RETIREMENT BENEFITS (continued)

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for benefits promised under the Multiemployer Plan currently and in future years. The funding policy of the Multiemployer Plan is to fund the plan based on contributions from the Participating Employers. The Participating Employers are required to make contributions that, collectively, are designed to meet or exceed the minimum ERISA funding requirements. The minimum ERISA funding requirements are determined by an actuary on an annual basis. The Participating Employers' contributions for the Multiemployer Plan's year ended December 31, 2022 exceeded the minimum funding requirements of ERISA.

Effective January 1, 2006, new employees are no longer eligible to participate in the Multiemployer Plan; instead they are eligible to participate in the defined contribution plan, which provides contributions at a set percentage of eligible compensation. JFSLA made contributions of \$551,354 to this defined contribution plan for the year ended June 30, 2023.

NOTE 17 - GIFTS IN-KIND

For the year ended June 30, 2023, gifts-in-kind consist of the following:

Category	Valuation Methodology	Amount
Food	Feeding America Average Wholesale Value of \$1.92 per Pound	\$ 3,532,595
Household Goods, Hygiene Products and Other Supplies	Wholesale Prices of Identical of Similar Products	113,969
TOTAL		<u>\$ 3,646,564</u>

NOTE 18 - COMMITMENTS AND CONTINGENCIES

JFSLA's grants and contracts are subject to inspection and audit by the appropriate governmental funding agencies. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated.

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS June 30, 2023

NOTE 19 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

The total financial assets held by JFSLA at June 30, 2023 and the amounts of those financial assets that could be made available for general expenditures within one year of the date of the consolidated statement of financial position are summarized in the following table:

Financial Assets at June 30, 2023:	
Cash and Cash Equivalents	\$ 22,488,594
Investments	37,382,833
Accounts and Other Receivables (Net)	8,237,586
Pledges Receivable (Net)	4,521,762
Beneficial Interest in Charitable Remainder Trusts	1,997,385
Beneficial Interest in Perpetual Trusts	<u>3,080,127</u>
TOTAL FINANCIAL ASSETS	
AT JUNE 30, 2022	77,708,287
Less Amounts Not Available to Be Used within One Year, Due to:	
Donor-Imposed Restrictions:	
Beneficial Interest in Perpetual Trusts	(3,080,127)
Donor-Restricted Endowment Funds	(8,544,497)
Funds Held with Purpose Restrictions *	(36,022,818)
Beneficial Interest in Charitable Remainder Trusts	(1,997,385)
Pledges Restricted by Purpose or Time	(4,740,405)
Accounts Receivable Restricted by Purpose	(1,447,500)
Board-Imposed Designations:	
Board Designated Reserve Funds	<u>(13,935,511)</u>
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES WITHIN ONE YEAR	<u><u>\$ 7,940,044</u></u>

* Funds Held with Purpose Restrictions include a combination of cash and cash equivalents and investments.

JFSLA regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. JFSLA is substantially supported by contributions and government grants and contracts. As part of JFSLA'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.

JFSLA has various sources of liquidity at its disposal, including cash and cash equivalents and marketable debt and equity securities, and a \$5,800,000 line of credit with the entire balance available at June 30, 2023. In addition, JFSLA has Board designated reserve funds of \$5,044,836 at June 30, 2023 that could be drawn upon for liquidity needs.

**JEWISH FAMILY SERVICE
OF LOS ANGELES**

SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2023

JEWISH FAMILY SERVICE OF LOS ANGELES
CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

Federal Grantor/Passed Through Grantor/Program or Cluster Title	Grant Period	Contract and/or Passed through Grantor's Number	Assistance Listing Number	Disbursements or Expenditures
U.S. Department of Health and Human Services				
Substance Abuse and Mental Health Services Projects of Regional and National Significance	15-Jan-23 to 14-Jan-24	5H79SM080624-03	93.243	\$ 308,355
Passed through City of Los Angeles Department of Aging:				
City C1-Congregate (West Wilshire) (a)	1-Jul-22 to 30-Jun-23	C-139312-3	93.045	80,594
City C2-Home Delivered (West Wilshire) (a)	1-Jul-22 to 30-Jun-23	C-139312-3	93.045	74,805
City C1-Congregate (Westside) (a)	1-Jul-22 to 30-Jun-23	C-139312-3	93.045	23,226
City C2-Home Delivered (Westside) (a)	1-Jul-22 to 30-Jun-23	C-139312-3	93.045	131,145
West Wilshire C1 (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.045	373,642
West Wilshire C2 (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.045	206,368
NSIP-West Wilshire C1 (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.053	28,130
NSIP-West Wilshire C2 (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.053	29,478
City C1-Congregate (Westside) (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.045	127,328
City C2-Home Delivered (Westside) (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.045	139,890
City C1-NSIP (Westside) (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.053	26,473
City C2-NSIP (Westside) (a)	1-Jul-22 to 30-Jun-23	C-141828-2	93.053	27,741
OASIS (a)	1-Jul-22 to 30-Jun-23	C-142539	93.044	39,571
City IIIB-Westside (a)	1-Jul-22 to 30-Jun-23	C-141828, C-139339	93.044	239,489
City IIIB-West Wilshire (a)	1-Jul-22 to 30-Jun-23	C-141828, C-139339	93.044	245,012
Passed through County of Los Angeles:				
County Congregate Meals C1 (a)	1-Jul-22 to 30-Jun-23	ENP222303	93.045	423,264
County C1-NSIP (a)	1-Jul-22 to 30-Jun-23	ENP222303	93.053	22,719
County C2-Home Delivered Meals (a)	1-Jul-22 to 30-Jun-23	ENP222303	93.045	356,960
County C2-NSIP (a)	1-Jul-22 to 30-Jun-23	ENP222303	93.053	19,952
County Telephone Reassurance (a)	1-Jul-22 to 30-Jun-23	ENP222303	93.044	1,994
Supportive Services Program (a)	1-Jul-22 to 30-Jun-23	SSP192010	93.044	46,085
TOTAL AGING CLUSTER				2,663,866
Passed through State of California Department of Aging:				
Multi-Purpose Senior Service Program, Medicaid Cluster	1-Jul-22 to 30-Jun-23	MS-2223-04	93.778	1,689,706
Passed through County of Los Angeles:				
Temporary Assistance for Needy Families	1-Jul-22 to 30-Jun-23	PH-004250	93.558	423,381
Total U.S. Department of Health and Human Services				5,085,308
U.S. Department of Homeland Security:				
Passed through United Way of Greater LA				
COVID-19 - Emergency Food and Shelter National Board Program for SNP	1-Nov-21 to 31-Dec-23	Phase ARPA-R	97.024	180,000
COVID-19 - Emergency Food and Shelter National Board Program for JFS Hope	1-Nov-21 to 31-Dec-23	Phase ARPA	97.024	100,000
COVID-19 - Emergency Food and Shelter National Board Program for SOVA	1-Nov-21 to 31-Dec-23	Phase ARPA	97.024	150,000
Total U.S. Department of Homeland Security, 97.024				430,000

See Independent Auditor's Report

JEWISH FAMILY SERVICE OF LOS ANGELES
CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2023

Federal Grantor/Passed Through Grantor/Program or Cluster Title	Grant Period	Contract and/or Passed through Grantor's Number	Assistance Listing Number	Disbursements or Expenditures
U.S. Department of Housing and Urban Development:				
Passed through Los Angeles Homeless Services Authority:				
Continuum of Care Program	1-Apr-23 to 31-Mar-24	AD-0372-2215-001-01	14.267	\$ 107,427
Continuum of Care Program	1-Apr-22 to 31-Mar-23	AD-0372-2114-001-01	14.267	229,996
Total 14.267				<u>337,423</u>
Passed through City of Los Angeles				
Community Development Block Grant Program for Entitlement Communities	1-Jul-22 to 30-Jun-23	C-138707-2	14.218	257,251
Community Development Block Grant Program for Entitlement Communities	1-Jul-21 to 30-Jun-23	C-138921-2	14.218	309,974
Community Development Block Grant Program for Entitlement Communities	1-Jan-23 to 31-Dec-23	C-142441-1	14.218	100,544
Community Development Block Grant Program for Entitlement Communities	1-Jul-22 to 30-Jun-23	C-141971	14.218	18,750
Community Development Block Grant Program for Entitlement Communities	1-Jul-22 to 30-Jun-23	C-141971	14.218	18,750
Community Development Block Grant Program for Entitlement Communities	1-Jul-22 to 30-Jun-23	C-140063	14.218	7,997
TOTAL CDBG - ENTITLEMENT GRANTS CLUSTER				<u>713,266</u>
Total U.S. Department of Housing and Urban Development				<u>1,050,689</u>
U.S. Department of Justice:				
Passed through State of California Office of Criminal Justice Planning:				
Crime Victim Assistance (a)	1-Oct-20 to 30-Sep-22	DV20201773	16.575	59,963
Crime Victim Assistance (a)	1-Oct-22 to 30-Sep-23	DV22221773	16.575	274,512
Crime Victim Assistance (a)	1-Jan-23 to 31-Dec-23	DV9-2023	16.575	41,192
Crime Victim Assistance (a)	1-Jan-22 to 31-Dec-22	DV9-2022	16.575	28,544
Crime Victim Assistance (a)	1-Oct-22 to 30-Sep-23	DV22191773	16.575	298,227
Crime Victim Assistance (a)	1-Oct-20 to 30-Sep-22	DV20171773	16.575	69,026
Crime Victim Assistance (a)	1-Jan-22 to 31-Dec-22	XH21041773	16.575	27,478
Total U.S. Department of Justice, 16.575				<u>798,942</u>
TOTAL FEDERAL AWARDS				<u>\$ 7,364,939</u>
(a) Audited as a Major Program				

See Independent Auditor's Report

JEWISH FAMILY SERVICE OF LOS ANGELES

NOTES TO CONSOLIDATED SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS Year Ended June 30, 2023

NOTE 1 - BASIS OF PRESENTATION

The accompanying Consolidated Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of JFSLA under programs of the Federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of JFSLA, it is not intended to and does not present the financial position, changes in net assets, or cash flows of JFSLA.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 - INDIRECT COST RATE

JFSLA has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

Total Disbursements or Expenditures by Assistance Listing Number are summarized as follows:

Assistance Listing Number	Program Description	Disbursements or Expenditures
14.218	Community Development Block Grants/Entitlement Grants	\$ 713,266
14.267	HUD CoC (JFS Hope)	337,423
16.575	State of California OES	798,942
93.044	Special Programs for the Aging Title III Part B	572,151
93.045	Special Programs for the Aging Title III Part C	1,937,222
93.053	Nutritional Services Incentive Program	154,493
93.243	Substance Abuse and Mental Health Services Projects of Regional and National Significance	308,355
93.558	Emergency Shelter Program for Battered Women and Children	423,381
93.778	Medical Assistance Program - MSSP	1,689,706
97.024	EFSP for SOVA Community Food & Resource Center	430,000
TOTAL FEDERAL AWARDS		\$ 7,364,939

NOTE 4 - AWARDS TO SUBRECIPIENTS

JFSLA has not provided any federal awards to subrecipients from the federal expenditures presented in this Schedule.

See Independent Auditor's Report

JEWISH FAMILY SERVICE OF LOS ANGELES
CONSOLIDATED SCHEDULE OF AWARDS FROM THE CITY OF LOS ANGELES
Year Ended June 30, 2023

Funding	Program	Grant Number	Location	Department of Aging	USDA Entitlement (NSIP)	Housing & Community Investment Department	Non-Government Reimbursement (Non-Match)	Program Income	Matching (1)	Total (2)
Title III B	Supportive svcs	C-141828	Westside	\$ 245,076	\$ -	\$ -	\$ -	\$ -	\$ 68,086	\$ 313,162
Title III B	Supportive svcs	C-141828	West Wilshire	250,503	-	-	-	-	113,570	364,073
Title III B-OASIS	Supportive svcs	C-142539	Citywide	39,571	-	-	-	-	34,541	74,112
Title III C1	Congregate Meals	C-139312-3	West Wilshire	100,399	-	-	-	1,887	-	102,286
Title III C2	Home Delivered Meals	C-139312-3	West Wilshire	74,805	-	-	-	-	-	74,805
Title III C1	Congregate Meals	C-139312-3	Westside	46,823	-	-	-	323	-	47,146
Title III C2	Home Delivered Meals	C-139312-3	Westside	131,145	-	-	-	1,356	-	132,501
Title III C1	Congregate Meals	C-141828-2	West Wilshire	550,263	28,130	-	-	2,582	122,392	703,367
Title III C2	Home Delivered Meals	C-141828-2	West Wilshire	694,874	29,478	-	-	11,768	67,780	803,900
Title III C1	Congregate Meals	C-141828-2	Westside	167,440	26,473	-	-	1,160	24,851	219,924
Title III C2	Home Delivered Meals	C-141828-2	Westside	233,651	27,741	-	-	2,753	8,336	272,481
City of LA-EBP Westside	Health and Wellness	C-141971	Westside	75,000	-	-	-	-	21,543	96,543
City of LA-EBP West Wilshire	Health and Wellness	C-141971	West Wilshire	75,000	-	-	-	-	31,806	106,806
Proposition A	Cityride-Transportation	C-141828-2	West Wilshire	237,377	-	-	-	-	202,864	440,241
Proposition A	Cityride	C-141828-2	Westside	269,734	-	-	-	-	81,023	350,757
City of L.A. CIFD DVSO 2022-23	D V Transitional Shelter	C-138707-2	North H'wood	-	-	634,561	-	-	187,802	822,363
City of L.A. CIFD Survivor First 2021-23	D V Transitional Shelter	C-138921-2	North H'wood	-	-	309,974	-	-	39,297	349,271
City of LA CIFD Family Homeless Challenge	D V Transitional Shelter	C-142441-1	North H'wood	-	-	100,218	-	-	-	100,218
TOTAL AWARDS FROM THE CITY OF LOS ANGELES				\$ 3,191,661	\$ 111,822	\$ 1,044,753	\$ -	\$ 21,829	\$ 1,003,891	\$ 5,373,956

See Independent Auditor's Report

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATING STATEMENT OF FINANCIAL POSITION June 30, 2023

	Jewish Family Service of Los Angeles	JFS Care	Eliminations	Total
ASSETS				
Cash and Cash Equivalents	\$ 22,020,943	\$ 467,651	\$ -	\$ 22,488,594
Investments	37,382,833	-	-	37,382,833
Accounts and Other Receivables (Net)	7,092,999	1,144,587	-	8,237,586
Pledges Receivable (Net)	4,521,762	-	-	4,521,762
Beneficial Interest in Charitable Remainder Trusts	1,997,385	-	-	1,997,385
Beneficial Interest in Perpetual Trusts	3,080,127	-	-	3,080,127
Deposits and Other Assets	574,371	65,099	-	639,470
Right of Use Asset - Operating	974,156	600,693	-	1,574,849
Land, Buildings and Equipment (Net)	37,116,990	9,998	-	37,126,988
Due from Related Party	-	6,639,687	(6,639,687)	-
TOTAL ASSETS	\$ 114,761,566	\$ 8,927,715	\$ (6,639,687)	\$ 117,049,594
LIABILITIES AND NET ASSETS				
LIABILITIES:				
Accounts Payable	\$ 4,216,412	\$ 38,794	\$ -	\$ 4,255,206
Accrued Liabilities	1,527,490	369,651	-	1,897,141
Refundable Advances	411,533	-	-	411,533
Notes Payable	1,925,000	-	-	1,925,000
Loan Payable (Net)	1,209,789	-	-	1,209,789
Operating Lease Liability	1,011,016	610,844	-	1,621,860
Due to Related Party	6,639,687	-	(6,639,687)	-
TOTAL LIABILITIES	16,940,927	1,019,289	(6,639,687)	11,320,529
NET ASSETS:				
Without Donor Restrictions	41,987,907	7,908,426	-	49,896,333
With Donor Restrictions	55,832,732	-	-	55,832,732
TOTAL NET ASSETS	97,820,639	7,908,426	-	105,729,065
TOTAL LIABILITIES AND NET ASSETS	\$ 114,761,566	\$ 8,927,715	\$ (6,639,687)	\$ 117,049,594

See Independent Auditor's Report

JEWISH FAMILY SERVICE OF LOS ANGELES

CONSOLIDATING STATEMENT OF ACTIVITIES For the year ended June 30, 2023

	Jewish Family Service of Los Angeles	JFS Care	Eliminations	Total
REVENUES:				
Government Fees and Contracts	\$ 47,797,185	\$ 152,904	\$ (152,904)	\$ 47,797,185
Client Fees, Program Income and Reimbursements	298,143	9,623,390	(4,420,007)	5,501,526
Contributions	4,804,160	-	-	4,804,160
Special Events (Net of Direct Expenses of \$273,662)	790,248	-	-	790,248
Grants	24,796,184	295,000	-	25,091,184
Jewish Federation Council Grants	3,228,535	-	-	3,228,535
Grants Passed Through Jewish Federation Council	395,000	-	-	395,000
Gifts-In-Kind	3,646,564	-	-	3,646,564
Change in Value of Charitable Remainder Trusts	(32,731)	-	-	(32,731)
Change in Value of Beneficial Interest in Perpetual Trusts	163,245	-	-	163,245
Investment Return (Net)	2,263,781	63,424	-	2,327,205
Other Income	313,520	-	(210,000)	103,520
TOTAL REVENUES	88,463,834	10,134,718	(4,782,911)	93,815,641
TOTAL EXPENSES	60,820,418	8,398,703	(4,782,911)	64,436,210
CHANGE IN NET ASSETS BEFORE OTHER INCOME	27,643,416	1,736,015	-	29,379,431
OTHER INCOME:				
Forgiveness of Note Payable	100,000	-	-	100,000
TOTAL OTHER INCOME	100,000	-	-	100,000
CHANGE IN NET ASSETS	27,743,416	1,736,015	-	29,479,431
Net Assets - Beginning of Year	70,077,223	6,172,411	-	76,249,634
NET ASSETS - END OF YEAR	\$ 97,820,639	\$ 7,908,426	\$ -	\$ 105,729,065

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