



**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Consolidated Financial Statements and Schedules

June 30, 2023

(With Independent Auditors' Report Thereon)



KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Directors
United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc.:

Opinion

We have audited the consolidated financial statements of United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. and its related entities (the Organization), which comprise the consolidated balance sheet 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 the Organization as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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



In performing an audit in accordance with GAAS, we:

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2023 consolidating information included on the consolidated balance sheets and statements of activities and supplementary information included in schedules 1, 2 and 3 as of and for the year ended June 30, 2023 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

New York, New York
December 11, 2023

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Consolidated Balance Sheet

June 30, 2023
(with consolidating information for 2023)

(Dollars in thousands)

Assets	Consolidating information (note 1)						Consolidation and Elimination Items	Consolidated Total
	UJA-Federation	New York Jewish Institutions Investment Fund, LLC.	Jewish Communal Fund	Gross Funds	Supporting Organizations	Other Entities		
Cash	\$ 26,304	—	—	334	877	467	—	27,982
Contributions receivable, net (note 4)	102,528	—	—	—	—	284	—	102,812
Other assets and receivables (notes 5, 8 and 13)	126,333	—	19,940	1,020	—	99,582	(659)	246,216
Intercompany receivables (payables)	2,113	—	—	—	(2,098)	(15)	—	—
Amounts held on behalf of other agencies	3,351	—	—	—	—	—	—	3,351
Investments (notes 5 and 6)	1,272,408	1,188,627	2,811,935	38,649	52,089	3,001	(1,183,791)	4,182,918
Right-of-use assets - operating leases (note 11)	3,033	—	2,305	—	—	—	—	5,338
Assets held under charitable trust agreements (notes 3 and 5)	24,437	—	—	—	—	—	—	24,437
Fixed assets, net (note 8)	47,522	—	—	—	—	15,356	—	62,878
Total assets	<u>\$ 1,608,029</u>	<u>1,188,627</u>	<u>2,834,180</u>	<u>40,003</u>	<u>50,868</u>	<u>118,675</u>	<u>(1,184,450)</u>	<u>4,655,932</u>
Liabilities and Net Assets								
Liabilities:								
Accounts payable, accrued expenses, and other liabilities (notes 9 and 13)	\$ 28,440	1,521	1,198	545	—	62,079	(659)	93,124
Grants payable	25,644	—	89,747	4,250	351	480	—	120,472
Amounts held on behalf of other agencies	3,351	—	—	—	—	—	—	3,351
Lease liabilities (note 11)	3,414	—	2,339	—	—	—	—	5,753
Liabilities under charitable trust and annuity agreements (note 3)	32,310	—	—	—	—	—	—	32,310
Long-term debt, net (note 9)	65,374	—	—	—	—	—	—	65,374
Accrued postretirement benefits (note 12)	2,756	—	—	—	—	—	—	2,756
Total liabilities	<u>161,289</u>	<u>1,521</u>	<u>93,284</u>	<u>4,795</u>	<u>351</u>	<u>62,559</u>	<u>(659)</u>	<u>323,140</u>
Commitments and contingencies (notes 6 and 13)								
Net assets:								
Without donor restrictions:								
Undesignated	178,988	1,187,106	2,719,594	(3,826)	50,517	56,116	(1,121,090)	3,067,405
Board designated (notes 7 and 14)	455,838	—	21,302	—	—	—	6,264	483,404
Total without donor restrictions	<u>634,826</u>	<u>1,187,106</u>	<u>2,740,896</u>	<u>(3,826)</u>	<u>50,517</u>	<u>56,116</u>	<u>(1,114,826)</u>	<u>3,550,809</u>
With donor restrictions (notes 7 and 15)	811,914	—	—	39,034	—	—	(68,965)	781,983
Total net assets	<u>1,446,740</u>	<u>1,187,106</u>	<u>2,740,896</u>	<u>35,208</u>	<u>50,517</u>	<u>56,116</u>	<u>(1,183,791)</u>	<u>4,332,792</u>
Total liabilities and net assets	<u>\$ 1,608,029</u>	<u>1,188,627</u>	<u>2,834,180</u>	<u>40,003</u>	<u>50,868</u>	<u>118,675</u>	<u>(1,184,450)</u>	<u>4,655,932</u>

See accompanying notes to consolidated financial statements.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Consolidated Statement of Activities

Year ended June 30, 2023
(with consolidating information for 2023)

(Dollars in thousands)

	Consolidating information (note 1)							
	UJA-Federation	New York Jewish Institutions Investment Fund, LLC.	Jewish Communal Fund	Gross Funds	Supporting Organizations	Other Entities	Consolidation and Elimination Items	Consolidated Total
Changes in net assets without donor restrictions:								
Revenue and gains (losses):								
Annual/special giving (note 3):								
Annual giving contributions, including event and mission revenue of \$4,173 in 2023	\$ 125,025	—	—	—	—	—	—	125,025
Less event and mission costs	(9,710)	—	—	—	—	—	—	(9,710)
Less provision for uncollectible contributions, net of prior years' recoveries	(2,017)	—	—	—	—	—	—	(2,017)
Net annual/special giving contributions, including special events and missions	113,298	—	—	—	—	—	—	113,298
Legacies and bequests	26,967	—	—	—	—	—	—	26,967
Split-interest agreements (note 3)	1,974	—	—	—	—	—	—	1,974
Change in value of split-interest agreements (note 3)	(2,313)	—	—	—	—	—	—	(2,313)
Donated goods and services	150	—	—	—	—	—	—	150
Amounts raised on behalf of others (note 3)	19,760	—	—	—	—	—	—	19,760
Net contribution revenue, including amounts raised on behalf of others and before contributions from related organizations under common control	159,836	—	—	—	—	—	—	159,836
Contributions from related organizations under common control	20,361	—	—	—	—	—	—	20,361
Net contribution revenue, including amounts raised on behalf of others and contributions from related organizations under common control	180,197	—	—	—	—	—	—	180,197
Less amounts raised on behalf of others	(19,760)	—	—	—	—	—	—	(19,760)
Net contribution revenue, including contributions from related organizations under common control and excluding amounts raised on behalf of others	160,437	—	—	—	—	—	—	160,437
Contributions – consolidated entities	—	—	934,492	—	2,632	1,360	(20,361)	918,123
Net contribution revenue without donor restrictions, including consolidated entities	160,437	—	934,492	—	2,632	1,360	(20,361)	1,078,560
Net investment income and gains (losses) (note 6)	11,398	—	31,736	135	36	(1,361)	(4,574)	37,370
Net appreciation (depreciation) in fair value of investments	2,988	86,365	213,460	(11,412)	3,888	177	(82,521)	212,945
Endowment spending rate used in operations (note 7)	7,014	—	—	—	—	—	—	7,014
Rental income (notes 10 and 13)	26,326	—	—	—	—	4,134	—	30,460
Other income	991	—	—	64	—	20,764	—	21,819
Net assets released from restrictions (note 15)	90,998	—	—	1,325	—	—	—	92,323
Total revenue and gains (losses) without donor restrictions	300,152	86,365	1,179,688	(9,888)	6,556	25,074	(107,456)	1,480,491
Grants and expenses:								
Grants and other program services:								
Grants (note 10)	185,290	—	883,424	6,719	2,065	480	—	1,077,978
Other program services	25,831	—	1,337	613	—	15,511	—	43,292
Total grants and other program services	211,121	—	884,761	7,332	2,065	15,991	—	1,121,270
Fundraising	34,710	—	1,977	—	—	239	—	36,926
Management and general	23,408	—	5,480	1,302	52	3,366	—	33,608
Total expenses before grants and other expenses to related entities	269,239	—	892,218	8,634	2,117	19,596	—	1,191,804
Grants and other expenses to related entities under common control (note 10)	—	—	24,196	—	1,279	—	(25,475)	—
Total expenses after grants and other expenses to related entities	269,239	—	916,414	8,634	3,396	19,596	(25,475)	1,191,804
Increase (decrease) in net assets without donor restrictions before investment returns not utilized in operations and postretirement plan adjustments	30,913	86,365	263,274	(18,522)	3,160	5,478	(81,981)	288,687
Investment returns not used in operations	22,240	—	—	—	—	—	—	22,240
Postretirement benefit changes not included in net periodic benefit cost	139	—	—	—	—	—	—	139
Increase (decrease) in net assets without donor restrictions	53,292	86,365	263,274	(18,522)	3,160	5,478	(81,981)	311,066

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Consolidated Statement of Activities

Year ended June 30, 2023

(with consolidating information for 2023)

(Dollars in thousands)

	Consolidating information (note 1)						Consolidated Total
	UJA-Federation	New York Jewish Institutions Investment Fund, LLC.	Jewish Communal Fund	Gross Funds	Supporting Organizations	Other Entities	
Changes in net assets with donor restrictions:							
Annual giving contributions (note 3)	\$ 18,341	—	—	—	—	—	18,341
Special giving contributions (note 3)	11,842	—	—	—	—	—	11,842
Less provision for uncollectible contributions, net of prior years' recoveries	(2,498)	—	—	—	—	—	(2,498)
Net contributions – annual/special giving	27,685	—	—	—	—	—	27,685
Endowment contributions (note 7)	3,391	—	—	—	—	—	3,391
Legacies and bequests	3,897	—	—	—	—	—	3,897
Split-interest agreements (note 3)	1,734	—	—	—	—	—	1,734
Change in value of split-interest agreements (note 3)	1,591	—	—	—	—	—	1,591
Net campaign revenue before contributions from related organizations under common control	38,298	—	—	—	—	—	38,298
Contributions from related organizations under common control	5,114	—	—	—	—	(5,114)	—
Net campaign revenue including contributions from related organizations under common control	43,412	—	—	—	—	(5,114)	38,298
Net investment loss	(1,234)	—	—	—	—	—	(1,234)
Net appreciation (depreciation) in fair value of investments	1,488	—	—	—	—	—	1,488
Endowment spending rate used in operations	36,351	—	—	—	—	—	36,351
Changes of donor's designation	(21)	—	—	—	—	—	(21)
Net assets released from restrictions (note 15)	(90,998)	—	—	(1,325)	—	—	(92,323)
Decrease in net assets with donor restrictions before investment returns not utilized in operations	(11,002)	—	—	(1,325)	—	—	(17,441)
Investment returns not used in operations	11,660	—	—	—	—	—	11,660
Increase (decrease) in net assets	53,950	86,365	263,274	(19,847)	3,160	5,478	305,285
Net assets at beginning of year	1,392,790	—	2,477,622	55,055	47,357	53,129	3,979,308
Contributions to (return of) capital	—	1,100,741	—	—	—	(2,491)	48,199
Net assets at end of year	<u>\$ 1,446,740</u>	<u>1,187,106</u>	<u>2,740,896</u>	<u>35,208</u>	<u>50,517</u>	<u>(1,183,791)</u>	<u>4,332,792</u>

See accompanying notes to consolidated financial statements.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Consolidated Statement of Functional Expenses

For the year ended June 30, 2023

(Dollars in thousands)

	Grants and Other Program Services	Supporting Services		Total Supporting Services	Total Expenses	Consolidation and Elimination Items	Consolidated Total
		Fundraising	Management and General				
Grants	\$ 1,077,978	—	—	—	1,077,978	—	1,077,978
Salaries and related benefits	14,445	27,675	20,050	47,725	62,170	—	62,170
Consultant fees and expenses	2,660	804	4,026	4,830	7,490	—	7,490
Captive insurance related	14,791	—	—	—	14,791	—	14,791
Depreciation and amortization	3,778	1,429	1,673	3,102	6,880	—	6,880
Occupancy	945	2,177	2,680	4,857	5,802	—	5,802
Printing, postage and office	527	1,590	360	1,950	2,477	—	2,477
Interest	1,505	232	460	692	2,197	—	2,197
Tuition and stipends	1,554	6	14	20	1,574	—	1,574
Data processing related	164	416	1,732	2,148	2,312	—	2,312
Travel and other staff expenses	596	381	358	739	1,335	—	1,335
Advertising and communications	504	1,282	354	1,636	2,140	—	2,140
Other	1,823	934	1,901	2,835	4,658	—	4,658
Sub-total before grants and other expenses to related entities	1,121,270	36,926	33,608	70,534	1,191,804	—	1,191,804
Grants and other expenses to related entities under common control	25,475	—	—	—	25,475	(25,475)	—
Total expenses	\$ 1,146,745	36,926	33,608	70,534	1,217,279	(25,475)	1,191,804
Event and mission costs							9,710
Total expenses and event and mission costs							<u>1,201,514</u>

See accompanying notes to consolidated financial statements.

PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES

Consolidated Statement of Cash Flows

Year ended June 30, 2023

(dollars in thousands)

Cash flows from operating activities:	
Increase in net assets	\$ 305,285
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Postretirement benefit changes not included in net periodic benefit cost	(139)
Depreciation and amortization	6,880
Net appreciation in fair value of investments	(291,698)
Contributions restricted for long-term investment and capital projects	(4,298)
Provision for uncollectible contributions and other receivables	9,547
Contributions and change in value of charitable trust agreements	(3,282)
Noncash transactions	(4,695)
Contributions of securities, including private equity securities	(13,888)
Changes in assets and liabilities:	
Increase in contributions receivable	(13,715)
Increase in other assets and receivables	(31,925)
Increase in accounts payable, accrued expenses, and other liabilities	7,067
Increase in grants payable	88,422
Decrease in accrued postretirement benefits	(221)
Net decrease in lease liabilities and right-of-use assets	<u>(1,106)</u>
Net cash provided by operating activities	<u>52,234</u>
Cash flows from investing activities:	
Purchases of investments	(14,437,041)
Proceeds from sales of investments	14,369,335
Increase in other loans receivable, included in other assets and receivables	(302)
Increase in accounts payable relating to acquisition of other assets for investing activities	1,331
Acquisition of fixed and other assets, net	<u>(16,844)</u>
Net cash used in investing activities	<u>(83,521)</u>
Cash flows from financing activities:	
Repayment of long-term debt	(6,255)
Contributions restricted for long-term investment and capital projects	4,862
Members' capital contribution	8,116
Members' capital withdrawal	(850)
Expiration of charitable trust agreements, net of payments	1,171
Increase in liability under annuity agreements, net of payments to annuitants	<u>2,090</u>
Net cash provided by financing activities	<u>9,134</u>
Net decrease in cash	(22,153)
Cash, cash held as collateral and restricted cash:	
Beginning of year	<u>74,218</u>
End of year	\$ <u><u>52,065</u></u>
Reconciliation of cash, cash held as collateral and restricted cash reported within the consolidated balance sheet that sum to total of the same such amount shown above:	
Cash	\$ 15,934
Cash held as collateral	12,048
Restricted cash included in investments	<u>24,083</u>
Total cash, cash held as collateral and restricted cash	\$ <u><u>52,065</u></u>
Supplemental data:	
Noncash operating activities:	
Contribution(s) of:	
State of Israel Bonds	2,058
Amortization and other	<u>2,637</u>
Total noncash operating activities	\$ <u><u>4,695</u></u>
Capital contribution-in-kind, net	\$ 45,986
Real estate taxes paid	\$ 1,026
Interest paid	\$ 2,556

See accompanying notes to consolidated financial statements.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Notes to Consolidated Financial Statements

June 30, 2023

(Dollars in thousands)

(1) Organization

United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. (UJA-Federation) cares for Jews everywhere and New Yorkers of all backgrounds, responds to crises close to home and far away, and shapes the Jewish future.

UJA-Federation pursues its mission by providing financial support and capacity-building services to hundreds of nonprofit organizations, both local and global, including major health and human service agencies, community centers and camps, and agencies that support Jewish life and education. UJA-Federation also serves an important communal planning function by identifying new issues facing the Jewish community and mobilizing institutions and resources to address those issues.

Responding to the evolving needs of vulnerable populations in the aftermath of the pandemic continues to be a focus for UJA-Federation as well as addressing the needs of people affected by the war in Ukraine including those still in Ukraine and refugees in Europe, Israel, and New York. Please see subsequent events note 2(k) for information about the Israel Emergency Fund.

To support these activities, UJA-Federation conducts an annual campaign that raises funds without donor restrictions and funds for specific targeted purposes. UJA-Federation also receives funds from legacies, bequests, and other planned gifts. From time to time, UJA-Federation conducts special campaigns to respond to particular situations such as economic dislocations, wars and natural disasters, and to raise capital and other funds for its own needs and for the benefit of its affiliated agencies and Jewish day schools.

UJA-Federation is a publicly supported not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code (the Code); accordingly, it is exempt from federal income taxation.

The following is a description of the related entities included with UJA-Federation in the accompanying consolidated financial statements (collectively, the Organization):

New York Jewish Institutions Investment Fund, LLC (JIIF) - On July 1, 2022, UJA-Federation transferred approximately \$1.125 billion in investment assets to the New York Jewish Institutions Investment Fund, LLC (JIIF). JIIF is a charitable pooled investment fund sponsored and managed by UJA-Federation. In addition to managing most of UJA-Federation's endowment assets and similar long-duration assets of supporting organizations, UJA-Federation grantees and synagogues, Jewish day schools, and other Jewish institutions with which UJA-Federation maintains relationships may also invest similar kinds of assets in JIIF. JIIF is a limited liability company that is exempt from registration under the Investment Company Act of 1940 by virtue of being a charitable pooled investment vehicle. As of June 30, 2023, UJA-Federation had a membership interest in JIIF of 91.7%; 35 other non-profit institutions located primarily in the greater New York area held the balance of the ownership interest.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Notes to Consolidated Financial Statements

June 30, 2023

(Dollars in thousands)

Jewish Communal Fund – The Jewish Communal Fund (JCF) was established to advance the philanthropic objectives of the Jewish community through the establishment of donor-advised philanthropic funds. JCF extends to donors or their successors the privilege of recommending grants from their philanthropic funds to the qualified charities of their choice and is committed to facilitating its donors' philanthropic goals. JCF is a publicly supported organization exempt from income taxes under Section 501(c)(3) of the Code.

UJA-Federation is the sole member of JCF and six limited liability companies ("LLCs") established to hold certain real property. In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Subtopic 958-810, *Not-for-Profit Entities – Consolidation*, sole corporate membership of one not-for-profit organization in another shall be considered a controlling financial interest. Accordingly, JCF and the LLCs are consolidated with UJA-Federation.

Gruss Funds – The Caroline and Joseph S. Gruss Life Monument Funds, Inc. (Gruss) is a tax-exempt organization under Section 501(c)(3) of the Code and is a supporting organization of UJA-Federation under Section 509(a)(3) of the Code. Gruss provides a wide range of education-related scholarships, grants, and awards for the benefit of students and teachers, and support for a variety of other Jewish community activities. Gruss is included in UJA-Federation's consolidated financial statements because a majority of Gruss' board of directors is required by its charter to be individuals who participate in the control or management of UJA-Federation by virtue of being a trustee, officer, executive employee, or holder of another important office in UJA-Federation, and the net assets of Gruss would revert to UJA-Federation in the event of dissolution of Gruss. Amounts presented for Gruss are as of and for the year ended December 31, 2022. Effective December 1, 2022, the boards of directors of UJA-Federation and Gruss approved a framework under which Gruss planned to dissolve, effective June 30, 2023, subject to receiving necessary governmental approvals. See subsequent events note 2(k).

Supporting Organizations – UJA-Federation receives support from 23 other supporting organizations. These supporting organizations are organized to carry out the exempt purposes of UJA-Federation under Section 509(a)(3) of the Code. These organizations are included in the accompanying consolidated financial statements because UJA-Federation appoints a majority of the members of their boards of directors and the net assets of each organization would revert to UJA-Federation upon dissolution.

The assets and revenue of JIIF, JCF, Gruss, and the supporting organizations are not available to meet the liabilities or obligations of UJA-Federation or any other entity included in the consolidated financial statements, except for each of these entities' own liabilities and obligations.

Other Entities – Other entities, primarily owned by UJA-Federation, include two title holding companies, organized under Section 501(c)(2) of the Code. One of these entities holds a condominium unit in the building in New York City utilized by UJA-Federation as its headquarters. The other 501(c)(2) organization holds interests in real property gifted to UJA-Federation. UJA-Federation continues to operate these properties until eventual sale. In addition, other entities include a 501(c)(3) organization established for specialized charitable purposes which, effective June 30, 2023 is no longer controlled

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Notes to Consolidated Financial Statements

June 30, 2023

(Dollars in thousands)

by UJA-Federation and a captive insurance company established to serve UJA-Federation and affiliated agencies that, pursuant to a novation, assumed the policy obligations of a former captive insurance company; the former captive insurance company is also included in other entities.

(2) Summary of Significant Accounting Policies and Related Matters

The significant accounting policies followed by the Organization are described below to enhance the usefulness of the consolidated financial statements to the reader.

(a) Consolidated Financial Statement Presentation

The accompanying consolidated financial statements are prepared on the accrual basis of accounting. All significant interorganizational balances have been eliminated in consolidation.

Net assets, revenue, 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:

Without donor restrictions – Net assets that are not subject to donor-imposed restrictions but may be designated by the Board. Contributions that permit the Organization to vary the terms of the gift are classified as net assets without donor restrictions.

With donor restrictions – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time or that stipulate that the principal be maintained permanently by the Organization but permit the Organization to expend part or all of the income derived therefrom.

Revenue and gains and losses on investments and other assets are reported as changes in net assets without donor restrictions unless use of the related assets is limited by explicit donor-imposed restrictions or by law. Investment return on net assets with donor restrictions is classified as net assets with donor restrictions until appropriated for expenditure. Expenses are reported as decreases in net assets without donor restrictions. Expiration of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) is reported as net assets released from restrictions.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Investment returns appropriated and released from the endowment for current operations represent UJA-Federation's investment returns from its investment in JIIF utilized during the current year. The balance of UJA-Federation's investment returns from its investment in JIIF to be used in future periods is reflected in nonoperating activities as investment returns not used in operations.

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(b) Accounting Estimates

The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions include allowances for uncollectible receivables, the present value of multiyear contributions receivable, the valuation of alternative investments, actuarial assumptions on accrued postretirement benefit obligations, estimated rental value of property owned and leased to grantees, the allocation of expenses to functional classifications, and assumption of discount rate in calculating the right of use assets – operating leases.

(c) Contributions

Contributions, including unconditional promises to give, are reported initially at fair value as revenue in the period received. A contribution is conditional when it is subject to a donor-imposed condition that includes a right of return (either a return of assets transferred or a right of release from a promise to transfer assets) and a barrier that must be overcome before the recipient is entitled to the assets transferred or promised. Conditional contributions to give are not recognized until they become unconditional, that is, when the barriers on which they depend are met. The Organization did not have any conditional contributions at June 30, 2023.

Contributions receivable are reported at their net present value less an allowance for estimated uncollectible amounts. The allowance is determined by reviewing historical collectibility trends and analyses of specific receivable balances and taking account of current economic conditions. Contributions to be received after one year are discounted. Amortization of the discount is recorded as additional contribution revenue in accordance with the donor-imposed restrictions, if any, on the contributions.

Contributions of publicly traded securities are recorded at their fair value at the time of donation, except for State of Israel Bonds, which are recorded at their face value at the time of receipt. It is UJA-Federation's policy generally to convert contributions of readily marketable securities to cash upon receipt of the security, except for State of Israel Bonds. Other noncash contributions are converted to cash as soon as practicable and prudent, and are recorded at their estimated fair value at the time of donation.

(d) Investments and Fair Value

The Organization follows the provisions of ASC Topic 820, *Fair Value Measurement* (ASC 820). The objective of a fair value measurement is to determine the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes and ranks the level of market price observability used in measuring fair value. Valuation methods based upon inputs with readily available quoted or published prices in active markets for identical assets or liabilities (Level 1 measurements)

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will have a higher degree of market price observability and a lesser degree of judgment used in determining fair value than the lowest priority measurements involving significant unobservable inputs (Level 3 measurements).

Investments that do not have readily determinable fair values, including private equity investments, hedge funds, real estate funds, and other funds are measured using the net asset value (NAV) per share or its equivalent practical expedient, as reported by the investment managers and reviewed by management for reasonableness.

Cost approximates fair value for short-term and money market instruments. Investments in marketable equity and debt securities/funds are presented at fair value based on quoted or published market prices. State of Israel Bonds are carried at face value. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Purchases and sales are recorded on the trade date.

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

(e) Risks and Uncertainties

The Organization may invest in various types of investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated financial statements.

(f) Depreciation

Fixed assets for UJA-Federation and other entities and other property for UJA-Federation included in other assets and receivables are depreciated using the straight-line method over the estimated useful lives of the asset as follows:

Buildings and building improvements	10 to 40 years
Furniture and equipment	3 to 5 years
Camp pools and sports facilities	20 to 30 years
Infrastructure projects	50 years

(g) Grant Expense and Commitments

Grant expense and liability are recognized in the year the award is approved by the board of directors and the grant recipient is notified. Conditional grants are not recorded until barriers for which they were awarded are met. There were no conditional grants at June 30, 2023.

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(h) Functional Allocation of Expenses

The costs of providing the Organization's various grant and supporting services have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses presents expenses by functional classification as well as natural classification. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation methods. Personnel costs and most non-personnel costs are allocated based on estimates of time and effort. Costs other than personnel not allocated based upon estimates of time and effort are specifically allocated. Occupancy costs have been allocated based on headcount.

(i) Leases

The Organization follows the provisions of ASU No. 2016-02, *Leases* (Topic 842). This guidance requires a lessee to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments on the consolidated balance sheet and disclosing key information about leasing arrangements. The Organization elected the short-term lease exemption for leases with a term of twelve months or less. The Organization recognized right-of-use assets and lease liabilities based on the present value of lease payments over the lease terms at commencement date.

(j) Income Taxes

The Organization follows the provisions of ASC Subtopic 740-10, *Income Taxes – Overall* (ASC 740-10), relating to uncertainty in income taxes. For the Organization, ASC 740-10 is primarily applicable to the incurrence of unrelated business income tax attributable to certain of its investments. ASC 740-10 establishes a minimum threshold for financial statement recognition of the benefits of positions taken, or expected to be taken, in filing tax returns. It requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Organization's income tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the "more-likely-than-not" threshold are recorded as tax expense. There are no tax positions not deemed to meet the "more-likely-than-not" threshold for the year ended June 30, 2023.

(k) Subsequent Events

The Organization evaluated events subsequent to June 30, 2023 and through December 11, 2023, the date on which the consolidated financial statements were issued.

Effective September 30, 2023, government approval of the framework under which Gruss will dissolve was received. Upon dissolution, \$16.8 million of Gruss's remaining net assets will be transferred to UJA-Federation for restricted purposes and the balance will be transferred to another organization exempt from taxation under Section 501(c)(3) of the Code.

In October 2023, in response to the aftermath of one of the darkest days in modern Israeli history, UJA-Federation created the Israel Emergency Fund with the Board of Directors approving a \$10 million draw from the endowment. UJA-Federation has been in constant communication with our partners on the ground to understand the immediate needs and mobilizing the entirety of its nonprofit network and

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donor community to provide help. Through November 2023, UJA-Federation has allocated more than \$45 million to work on the ground in Israel.

(3) Campaigns

A description of the various campaigns of UJA-Federation and other income sources is as follows:

(a) Annual Campaign

The Annual Campaign is a 12-month campaign that coincides with UJA-Federation's fiscal year. This campaign is the main source of funding for grants and UJA-Federation's operating budget. UJA-Federation also receives contributions without purpose restrictions for use domestically, overseas, or in Israel. While the Annual Campaign principally raises funds without donor restrictions, it also raises funds for needs of particular groups or program activities such as Holocaust survivors, the elderly, the poor, Jewish education, and camping.

(b) Capital and Special Initiatives Campaign

UJA-Federation conducts a Capital and Special Initiatives Campaign to fund capital improvements and programmatic endowments, including in cooperation with its domestic affiliated agencies, Jewish day schools, and certain overseas organizations. Most of these contributions are directed to other agencies. Capital and Special Initiatives Campaign contributions intended for the benefit of UJA-Federation and recorded as special giving revenue for the year ended June 30, 2023 was \$13,249. Capital and Special Initiatives Campaign contributions intended for the benefit of others for the year ended June 30, 2023 amounted to \$3,238 and is a component of amounts raised on behalf of others in the accompanying consolidated statements of activities.

(c) Planned Giving and Endowments

UJA-Federation enters into agreements with donors to accept and administer charitable gift annuities and charitable remainder trusts, the beneficiaries of which include UJA-Federation and/or affiliated agencies, synagogues and Jewish day schools. Generally, UJA-Federation manages and invests these assets on behalf of these beneficiaries until the agreement expires and the assets are distributed.

During fiscal year 2023, UJA-Federation entered into split-interest agreements consisting of charitable gift annuities of \$4,733 and charitable remainder unitrusts of \$1,734. Such split-interest agreements provide for payments, to the donors or their beneficiaries, based upon either the income earned on related investments or specified annuity amounts. Assets held under charitable gift annuities are included in investments, and assets held under charitable remainder trusts are invested in marketable securities and are reflected separately in the accompanying consolidated balance sheet. Contribution revenue is recognized at the date the trust or annuity contract is established after recording liabilities for the present value of the estimated future payments expected to be made to the donors and/or other beneficiaries. The liabilities are adjusted annually for changes in the life expectancy of the income beneficiary, amortization of the discount, and other changes in the estimates of future payments. Such adjustments are reported as change in value of split-interest agreements in the accompanying consolidated statements of activities.

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(4) Contributions Receivable

Contributions receivable consist of the following at June 30, 2023:

Amounts expected to be collected within:	
One year	\$ 82,005
One to ten years	17,222
Thereafter	34,212
	133,439
Less discount to present value (ranging from 2.3% to 6.25%)	(13,491)
Less allowance for estimated uncollectible amounts	(17,136)
	\$ 102,812

At June 30, 2023, the top five donors comprised 38% of gross receivables.

(5) Fair Value

The fair value hierarchy under the fair value measurement provisions of ASC 820, prioritizes the inputs to valuation techniques used to measure fair value, are as follows:

Level 1: Valuations are based on observable inputs that reflect quoted market or published prices in active markets for identical assets and liabilities at the reporting date.

Level 2: Valuations are based on either (1) quoted prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in markets that are not active, or (3) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.

Level 3: Fair value is determined based on pricing inputs that are unobservable and includes situations where there is little, if any, market activity for the asset or liability.

Alternative investments consist of shares or units in investment funds as opposed to direct interests in the funds' underlying holdings, which may be marketable. The NAV reported by each fund is used as a practical expedient to estimate the fair value of the Organization's interest therein. The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

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The following table summarize the fair value of the Organization's assets at June 30, 2023 in accordance with the ASC 820 fair value hierarchy levels:

	UJA- Federation	JJIF	JCF	Gross Funds	Supporting Organizations and Other Entities	Consolidation and Elimination Items	Total
Investments in Level 1 marketable securities:							
Short-term and money market instruments	\$ 45,993	16,911	52,441	593	1,391	—	117,329
Equity securities/funds	19,573	161,276	737,188	—	6,440	—	924,477
Debt securities/funds	61,228	41,405	954,728	37,744	1,615	—	1,096,720
Total Level 1 investments	126,794	219,592	1,744,357	38,337	9,446	—	2,138,526
Other Assets	—	—	—	—	76,400	—	76,400
Assets held under charitable trust agreements:	24,437	—	—	—	—	—	24,437
Total Level 1 assets	24,437	—	—	—	76,400	—	100,837
Total Level 1 investments and assets	151,231	219,592	1,744,357	38,337	85,846	—	2,239,363

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	UJA- Federation	JIIF	JCF	Gross Funds	Supporting Organizations and Other Entities	Consolidation and Elimination Items	Total
Investments in Level 2 marketable securities: \$							
Short-term and money market instruments	—	—	4,937	—	—	—	4,937
Equity securities/funds	—	—	7,370	—	—	—	7,370
Debt securities/funds	—	—	376,388	—	—	—	376,388
Total Level 2 investments	—	—	388,695	—	—	—	388,695
Investments in Level 3 securities funds:							
Equity securities/funds	15,439	—	—	—	—	(15,439) (a)	—
State of Israel Bonds	4,453	6,250	25,720	—	—	—	36,423
Investments in Level 3 alternative securities:							
Private equity	—	—	1,368	—	—	—	1,368
Real estate	475	—	—	—	—	—	475
Not readily marketable securities/other	—	8,097	92,402	—	—	—	100,499
Total Level 3 investments	20,367	14,347	119,490	—	—	(15,439)	138,765
Investments measured at NAV (or its equivalent):							
Equity securities/funds	33,289	261,100	—	—	—	(33,289) (b)	261,100
Debt securities/funds	—	99,395	—	—	—	—	99,395
Investment in JIIF (consolidated entities)	1,089,419	—	—	—	45,644	(1,135,063)	—
Hedge funds	34	356,654	378,384	270	—	—	735,342
Private equity	—	220,237	181,009	42	—	—	401,288
Real estate	2,505	6,615	—	—	—	—	9,120
Other	—	10,687	—	—	—	—	10,687
Total NAV investments	1,125,247	954,688	559,393	312	45,644	(1,168,352)	1,516,932
Total assets	\$ 1,296,845	1,188,627	2,811,935	38,649	131,490	(1,183,791)	4,283,755

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	UJA- Federation	JIIF	JCF	Gross Funds	Supporting Organizations and Other Entities	Consolidation and Elimination Items	Total
Total investments	\$ 1,272,408	1,188,627	2,811,935	38,649	55,090	(1,183,791)	4,182,918
Other assets	—	—	—	—	76,400	—	76,400
Assets held under charitable trust agreements:	24,437	—	—	—	—	—	24,437
Total assets	<u>\$ 1,296,845</u>	<u>1,188,627</u>	<u>2,811,935</u>	<u>38,649</u>	<u>131,490</u>	<u>(1,183,791)</u>	<u>4,283,755</u>

- (a) Represents an investment in a title holding company that holds a condominium unit in the building utilized by UJA-Federation as its headquarters (see “Other Entities” in note 1) and eliminated in consolidation.
- (b) Represents investment by UJA-Federation in a current (\$16,255) and former (\$17,034) captive insurance company (see “Other Entities” in note 1) eliminated in consolidation.

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The following summarizes the changes in the Organization's investments in Level 3 of the fair value hierarchy during the year ended June 30, 2023:

	<u>Purchases/ Donations</u>	<u>Sales</u>	<u>Transfers in</u>	<u>Transfers out</u>	<u>Total</u>
State of Israel Bonds	\$ 28,998	(14,779)	—	—	14,219
Alternative investments:					
Private equity	—	(331)	—	—	(331)
Real estate	—	—	—	—	—
Not readily marketable securities/other	692	(21,538)	—	—	(20,846)
Total alternative investments	692	(21,869)	—	—	(21,177)
Total investments	\$ 29,690	(36,648)	—	—	(6,958)

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(6) Investments

The Organization's alternative investments are segmented into five distinct investment strategies, as follows:

Equity Securities/funds – Represents both direct investments and holdings in funds that employ strategies focused on the publicly traded common stock of corporations. These strategies are diversified across geographies, sectors, and market-capitalizations.

Debt Securities/funds - Represents both direct investments and holdings in funds that employ strategies focused on publicly traded or private debt. The debt may include U.S. Treasuries, corporate debt, bank loans, and other debt instruments. These strategies primary invest in the U.S. and to a lesser extent, developed markets. They are diversified across several sectors.

Hedge funds – Represent investments in hedge funds that vary across geographies and strategies. Strategies include event-driven and long/short equity, long/short credit, distressed securities, relative value or arbitrage. Funds may also invest across multiple strategies, varying exposure based on opportunities due to temporary dislocations or structural inefficiencies.

Private equity – Represents investments in buyout and venture capital funds. Private equity buyout funds purchase significant equity stakes in established companies with the goal of increasing value through financial, operational, and strategic changes. Venture capital funds provide capital and professional expertise to early-stage businesses in exchange for equity ownership with the potential for significant growth and value creation.

Real estate – Represents investments in funds that focus on the purchase and development, improvement, and management of residential, commercial, and industrial real estate with potential value realization through both rental income and gains from property sales.

Not readily marketable securities/other – Represents investments in funds that do not fall into the aforementioned categories. Strategies include investments in funds that invest in real assets (other than real estate), investment in funds that invest in private credit and investment in private companies. This category also includes a not readily marketable investment in a financial service company of \$92,402 that was appraised using the market approach at June 30, 2023.

As of June 30, 2023, the following table summarizes the composition of \$735,342 at fair value of hedge fund investments by the monthly, quarterly, semiannual, and annual redemption provisions with required written notice ranging from 1 to 180 days and lock-up/liquidation periods that are not redeemable within the next year or are presently in liquidation, awaiting final redemption proceeds:

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<u>Redemption period</u>	<u>UJA- Federation</u>	<u>JIIF</u>	<u>JCF</u>	<u>Gross Funds</u>	<u>Supporting organizations and other entities</u>	<u>Total</u>
Monthly	—	39,538	14,514	—	—	54,052
Quarterly	—	194,037	335,405	270	—	529,712
Semiannual	—	95,350	15,550	—	—	110,900
Annual	—	—	825	—	—	825
Lockup/liquidation (a)	34	27,729	12,090	—	—	39,853
Total	\$ 34	356,654	378,384	270	—	735,342

(a) The amount subject to redemption lock-up or in liquidation is set to expire or expected to be received as follows:

<u>Redemption period</u>	<u>UJA- Federation</u>	<u>JIIF</u>	<u>JCF</u>	<u>Gross Funds</u>	<u>Supporting organizations and other entities</u>	<u>Total</u>
2024	\$ —	—	11,195	—	—	11,195
2026 and thereafter	34	27,729	895	—	—	28,658
Total	\$ 34	27,729	12,090	—	—	39,853

The Organization's private equity and real estate limited partnership and limited liability company interests and other drawdown funds are generally for five to fifteen-year terms, with extensions of up to four one-year terms with the exception of one related entity which holds certain investments for the duration of the funds. These investments also contain minimum subscription or capital commitments. The Organization's unfunded capital commitments approximated \$232,708 at June 30, 2023. The Organization maintains sufficient liquidity in its investment portfolio to cover such capital commitments.

UJA-Federation's investment in charitable gift annuity funds includes a segregated investment account, which is maintained in compliance with New York State Insurance Law. The balance of this account was \$31,322 at June 30, 2023.

Investment income is reported net of related expenses, such as custodial fees and investment management costs.

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(7) Endowment Funds

The endowment for UJA-Federation, totaling \$1,093,257 at June 30, 2023, consists of 518 individual funds representing net assets with (note 15) and without (note 14) donor restrictions subject to its spending policy.

UJA-Federation follows the provisions of the New York Prudent Management of Institutional Funds Act (NYPMIFA). Among other things, NYPMIFA provides a standard of organizational conduct for managing and delegating authority with respect to “institutional funds” and rules for appropriations from these funds. An endowment fund is defined as a type of institutional fund that, under the terms of the gift instrument, is not entirely expendable by an institution on a current basis. However, unlike prior law in which an institution could appropriate for expenditure only a prudent portion of any appreciation in the endowment fund over the original dollar value, NYPMIFA allows an institution to appropriate or accumulate so much of the donor-restricted endowment fund as is prudent for the uses, benefits, purposes, and duration for which the fund is established, subject to the intent of the donor as expressed in the gift instrument, absent explicit donor stipulations to the contrary. In compliance with NYPMIFA, the board of directors of UJA-Federation considers the following factors in managing and investing its endowment funds (the Funds):

- 1) The duration and preservation of the Funds
- 2) The purposes of UJA-Federation and the donor-restricted endowment Funds
- 3) General economic conditions
- 4) The possible effect of inflation and deflation
- 5) The expected total return from income and the appreciation of investments
- 6) Other resources of UJA-Federation
- 7) Alternatives to expenditure of the Funds, giving due consideration to the effect such alternatives may have on UJA-Federation
- 8) The investment policy of UJA-Federation.

NYPMIFA eliminated the concept of “historic dollar value” for spending from endowment funds unless a living donor of a fund existing at the time NYPMIFA was adopted declined to approve such change (in which case UJA-Federation does not appropriate for expenditure any amount that would cause the value of the fund to be reduced below historic dollar value). Accounting guidance associated with the enactment of NYPMIFA as set forth in ASC Topic 958, Section 205-45, Classification of Donor-Restricted Endowment Funds Subject To UPMIFA (Uniform Prudent Management of Institutional Funds Act), requires that all endowment funds subject to NYPMIFA be classified as net assets with donor restrictions until appropriated for expenditure in a manner consistent with the standards of prudence required by NYPMIFA. UJA-Federation further classifies such funds as with or without donor-imposed purpose restrictions (board-designated).

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The provisions of NYPMIFA contain a “rebuttable presumption of imprudence” if expenditures in any given year from a fund are greater than 7% of its fair market value, determined at least quarterly and averaged over a period of not less than five years immediately preceding the year of appropriation. UJA-Federation utilizes a Total Return Spending Rate Policy (the Spending Rate). A spending rate is applied to a rolling 12-quarter average of endowment net assets and an additional amount is spent from legacies and bequests received during a fiscal year. A separate test is performed to confirm that the proposed spending is within NYPMIFA’s rebuttable presumption. UJA-Federation’s policy is that legacies and bequests without donor restrictions received during a fiscal year in excess of the budgeted approved amount are added to board-designated funds in the endowment. If legacies and bequests without donor restrictions received in a fiscal year are less than the amount, the shortfall is borrowed from board-designated funds in the endowment and repaid in subsequent years. The overall endowment-spending amount is reviewed by management and approved by the board of directors to ensure compliance with NYPMIFA. For fiscal year ended June 30, 2023 the spending rate was 4.5%, and the budgeted legacies and bequests spending amount was \$20 million for each year.

UJA-Federation’s approved Investment Policy Statement defines the endowment’s investment objectives, return and risk parameters, asset allocation targets and ranges, benchmark performance measurement and evaluation, and procedures for compliance with NYPMIFA. The long-term investment objective is to target superior risk-adjusted capital appreciation with a net return that at least equals the Consumer Price Index plus the Spending Rate in order to preserve and enhance the endowment’s real value. Strategic asset allocation targets and ranges are reviewed periodically with the intention of setting them at a level that will allow for the achievement of the long-term objective while taking an appropriate level of risk through diversification.

JCF

JCF has a board-designated endowment fund totaling \$21,302 at June 30, 2023, where grants are recommended by the board of trustees. JCF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs that meet the needs of the Jewish community, at home and abroad, while seeking to maintain the purchasing power of the endowment assets. JCF has a policy of appropriating for distribution a percentage of its endowment fund’s average fair value over the prior 12 quarters through the calendar year-end that precedes the fiscal year in which the distribution is planned. The spending rate was 5% for fiscal year ended June 30, 2023. There were no special appropriations from the endowment in fiscal 2023. JCF expects its endowment funds, over time, to provide an average rate of return that exceeds the S&P 500 Index. To satisfy this long-term investment objective, JCF relies on a total-return strategy in which investment returns are achieved through both capital appreciation and current income. JCF targets a diversified asset allocation with prudent risk constraints.

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The composition of UJA-Federation's and JCF's endowment, by net asset class, at June 30, 2023 is as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
UJA-Federation:			
Endowment – in perpetuity	\$ —	302,902	302,902
Endowment – income subject to purpose restrictions	—	135,565	135,565
Endowment – income not subject to purpose restrictions	—	65,737	65,737
Purpose restricted funds subject to spending policy	—	175,753	175,753
Board designated	413,336	—	413,336
Underwater endowments	<u>—</u>	<u>(36)</u>	<u>(36)</u>
Total	<u>\$ 413,336</u>	<u>679,921</u>	<u>1,093,257</u>
JCF:			
Board designated	<u>\$ 21,302</u>	<u>—</u>	<u>21,302</u>

A donor-restricted endowment fund is considered underwater if the fair value of the fund is less than either the original gift amount or the amount required to be maintained by the donor or by law. At times, the Organization may have individual donor-restricted endowment funds that are underwater. The Organization permits spending from underwater funds unless specifically prohibited by the donor. At June 30, 2023 the amount by which funds were underwater was calculated as follows:

Aggregate original gift	\$ 1,426
Aggregate fair value	<u>1,390</u>
Aggregate deficiency	<u>\$ (36)</u>

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Changes in UJA-Federation's and JCF's endowment net assets for the fiscal year ended June 30, 2023 were as follows:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
UJA-Federation:			
Net assets – July 1, 2022	\$ 386,205	663,430	1,049,635
Investment return, net	28,095	46,281	74,376
Contributions, net	387	5,019	5,406
Change in value of split-interest agreements	—	1,163	1,163
Distributions	(7,014)	(36,351)	(43,365)
Transfers in (out) (a)	5,663	379	6,042
Net assets – June 30, 2023	<u>\$ 413,336</u>	<u>679,921</u>	<u>1,093,257</u>
JCF:			
Net assets – July 1, 2022	\$ 19,432	—	19,432
Investment return, net	3,390	—	3,390
Contributions, net	—	—	—
Distributions	(1,520)	—	(1,520)
Net assets – June 30, 2023	<u>\$ 21,302</u>	<u>—</u>	<u>21,302</u>

(a) Includes \$2,860 of funds in excess of UJA-Federation's separate legacies and bequests policy transferred to the endowment.

(8) Fixed Assets

Fixed assets, at cost, consist of the following at June 30, 2023:

	<u>UJA- Federation</u>	<u>Related entities</u>	<u>Total</u>
Land	\$ 1,118	600	1,718
Buildings and building improvements	74,725	23,869	98,594
Furniture and equipment	6,573	106	6,679
Total cost	82,416	24,575	106,991
Accumulated depreciation	(34,894)	(9,219)	(44,113)
Net fixed assets	<u>\$ 47,522</u>	<u>15,356</u>	<u>62,878</u>

In 2023, UJA-Federation wrote off \$2,514 of fully depreciated fixed assets.

Assets leased to beneficiary agencies at below market rents are included in other assets and receivables on the consolidated balance sheet.

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(9) Long-Term Debt, Net

In June 2004, the New York City Industrial Development Agency issued \$41,830 of Series 2004A and \$25,000 of Series 2004B Civic Facility Revenue Bonds (collectively, Series 2004 Bonds) for the benefit of UJA-Federation, in the amount of \$66,830 at par. The Series 2004 Bonds were issued in order to finance part of the costs of the renovation, equipping, and furnishing of the portion of a building owned by UJA-Federation and occupied as its headquarters (the Facility).

During fiscal 2015, the Build NYC Resource Corporation issued at par \$27,335 of revenue bonds (Series 2014 Bonds) for the benefit of UJA-Federation for the purpose of refunding the outstanding principal amount of the Series 2004A Bonds. The Series 2014 Bonds were issued at a premium of \$3,923, which is being amortized over the life of the bonds. The Series 2014 Bonds are fixed rate serial bonds with annual maturity dates through July 1, 2025 and interest rates ranging from 2.00% to 5.00%. The Series 2014 Bonds are subject to optional redemption on or after July 1, 2024, in whole or in part, at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the date of redemption. The Series 2014 Bonds are also subject to mandatory and extraordinary redemption, as defined.

During fiscal 2021, UJA-Federation issued at par \$28,840 of taxable bonds (Series 2020 Bonds). The proceeds of issuance were used to advance refund and defease the Series 2004B Bonds (\$24,246) and to pay costs of issuance (\$331); the remaining proceeds (\$4,263) will be used for general corporate purposes. The Series 2020 Bonds comprise fixed-rate serial bonds with maturity dates commencing February 1, 2023 and continuing annually thereafter until February 1, 2035, except that no bonds mature in 2029, 2032 and 2033. The bonds bear interest at rates ranging from 0.699% to 2.545% payable on each February 1 and August 1, commencing February 1, 2021.

In April 2017, the Colorado Educational and Cultural Facilities Authority issued Revenue Bonds (Series 2017B Bonds) for the benefit of UJA-Federation, in the amount of \$35,000 at par. The Series 2017B Bonds were issued in order to construct, renovate, improve, and equip various capital projects at camp facilities, owned by UJA-Federation and leased to and operated by Henry Kaufmann Campgrounds, Inc., and to pay certain issuance expenses. UJA-Federation is obligated to and guarantees to make required payments of principal, sinking fund installments, and interest on the Series 2017B Bonds.

The Series 2017B Bonds are comprised of \$6,510 of fixed-rate serial bonds with maturity dates commencing February 1, 2019 and annually thereafter until February 1, 2032 and \$28,490 of fixed-rate term bonds with mandatory sinking fund requirements commencing February 1, 2026 and annually thereafter until final maturity on February 1, 2047.

The fixed-rate serial bonds bear interest at rates ranging from 1.77% to 3.99%. The fixed-rate term bonds bear interest at rates ranging from 3.54% to 4.42%. The bonds maturing after February 1, 2027 are subject to optional redemption by UJA-Federation prior to maturity, in whole or in part, on or after February 1, 2027 at par plus accrued interest through the date of redemption. The Series 2017B Term Bonds maturing on or after February 1, 2029 are subject to mandatory sinking fund redemptions at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date.

In connection with issuance of the Series 2017B Bonds, UJA-Federation incurred bond issuance costs of \$372. This amount has been deferred and is being amortized over the life of the bonds.

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Unamortized debt issuance costs of \$667 at June 30, 2023 are reflected as a direct reduction of long-term debt. Amortization of debt issuance costs for fiscal year ended June 30, 2023 was \$87.

The minimum annual payments for principal and interest relating to long-term debt, net at June 30, 2023 are as follows:

Year ending June 30:	Principal				Interest				Total debt service
	Series 2014 Bonds	Series 2017B Bonds	Series 2020 Bonds	Total	Series 2014 Bonds	Series 2017B Bonds	Series 2020 Bonds	Total	
2024	\$ 2,890	815	2,730	6,435	312	1,293	484	2,089	8,524
2025	3,010	840	1,370	5,220	179	1,269	459	1,907	7,127
2026	2,688	865	1,385	4,938	52	1,242	444	1,738	6,676
2027	—	895	4,290	5,185	—	1,211	424	1,635	6,820
2028	—	930	4,345	5,275	—	1,180	358	1,538	6,813
Thereafter	—	26,580	11,741	38,321	—	13,159	1,331	14,490	52,811
	<u>\$ 8,588</u>	<u>30,925</u>	<u>25,861</u>	<u>65,374</u>	<u>543</u>	<u>19,354</u>	<u>3,500</u>	<u>23,397</u>	<u>88,771</u>

Interest expense for the year ended June 30, 2023 was \$2,197.

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(10) Grants

The following is a list, by program area, of grants awarded by UJA-Federation and related entities during the year ended June 30, 2023:

UJA-Federation:

Jewish Communal Network:

Overseas agencies; The Jewish Federations of North America (a)	\$ 27,696
Operating support grants to domestic network agencies	34,020
Other program grants	<u>4,796</u>
Total Jewish Communal Network	<u>66,512</u>

Jewish Life:

Jewish education and experiences	18,280
Global communities	3,383
Grassroots and community organizing	5,099
Combatting anti-semitism	4,694
Scholarships	4,186
Social cohesion in Israel	3,441
Other program grants	<u>620</u>
Total Jewish Life	<u>39,703</u>

Caring:

Poverty	14,675
Aging	6,871
Social mobility in Israel	2,057
Mental health and special needs	4,628
Crisis response	529
Other program grants	<u>13,612</u>
Total Caring	42,372

Global Crisis Response:

Crisis Response - Ukraine	10,271
Crisis Response - COVID-19	<u>245</u>
Total Global Crisis Response	<u>10,516</u>

Lease of properties to grantee organizations (b)

Lease of properties to grantee organizations (b)	<u>26,187</u>
Total UJA-Federation	<u>\$ 185,290</u>

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JCF:	
Cultural and educational	\$ 420,066
Community organizations	112,649
Health, human services, and environment	119,193
International	148,541
Religious	81,345
UJA-Federation	<u>25,826</u>
Total JCF	907,620
Gross Funds:	
Educational and other philanthropic programs	6,719
Supporting organizations and other entities	3,824
Less consolidation and elimination items	<u>(25,475)</u>
Total	<u>\$ 1,077,978</u>

- (a) The Jewish Federations of North America (JFNA) is the umbrella organization for the Jewish federations in North America and is the principal vehicle through which UJA-Federation distributes funds for overseas program activities. Distributions by JFNA go primarily to the Jewish Agency for Israel and the American Jewish Joint Distribution Committee, Inc. Organizations receiving funds from JFNA utilize such funds for activities and programs that support UJA-Federation's charitable purposes.
- (b) UJA-Federation recognizes the estimated rental value of property owned by it and leased to various grantee organizations at rates significantly below market. The estimates were based upon independent appraisals of the properties, utilizing cap rates ranging from 5% - 7% to impute rental income and the corresponding grant to the lessees. The consolidated statement of activities reflect \$26,187 of imputed rental income and grant expense related to these lease agreements for the year ended June 30, 2023.

In June 2023, the board of directors of UJA-Federation approved \$155,529 for fiscal year 2024 grants and related program activities recommended by the planning departments responsible for the allocation of funds to affiliated agencies of UJA-Federation and to others. In July 2023, the planning departments awarded approximately \$87,478 of grants for programs to be conducted during fiscal year 2024 and notified the grant recipients. UJA-Federation will record these grants and the remaining unallocated budget of \$68,051 in fiscal year 2024 when the grants are awarded and the recipients notified.

(11) Leases

UJA-Federation leases office space under the terms of various leases expiring through fiscal year 2033. JCF leases office space under the terms of an operating lease expiring in March 2028.

The leases generally provide for annual base rentals plus real estate and operating expense escalations. Operating leases with lease terms greater than one year are reported as right-of-use assets – operating leases and lease liabilities in the consolidated balance sheet.

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Information relating to the “lease costs”, which includes all costs during the period associated with an operating lease as well as the costs related to variable lease components:

	<u>UJA-Federation</u>	<u>JCF</u>	<u>Total</u>
Operating lease costs	\$ 686	600	1,286
Variable costs	<u>6</u>	<u>—</u>	<u>6</u>
Total	<u>\$ 692</u>	<u>600</u>	<u>1,292</u>

The table below presents a maturity analysis of lease liabilities and a reconciliation of the total amount of such liabilities recognized in the consolidated balance sheet at June 30, 2023:

	<u>UJA-Federation</u>	<u>JCF</u>	<u>Total</u>
Year ending June 30:			
2024	\$ 757	560	1,317
2025	776	565	1,341
2026	417	581	998
2027	391	581	972
2028	399	436	835
Thereafter	<u>814</u>	<u>—</u>	<u>814</u>
Total	\$ 3,554	2,723	6,277
Less: Amount representing interest	<u>(140)</u>	<u>(384)</u>	<u>(524)</u>
Amount reported on consolidated balance sheet	<u>\$ 3,414</u>	<u>2,339</u>	<u>5,753</u>

The table below presents additional information relating to UJA-Federation and JCF’s leases for fiscal year ended June 30, 2023:

	<u>UJA-Federation</u>	<u>JCF</u>
Weighted average remaining lease term - operating leases	6 years	7 years
Discount rate - incremental borrowing rate	N/A	5.43%
Discount rate - risk-free rate	1.03%	N/A

Rent expense for the year ended June 30, 2023 was \$1,329.

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(Dollars in thousands)

(12) Retirement Benefits

Multiemployer Plan

UJA-Federation and JCF participate in a multiemployer defined-benefit pension plan (the Plan) covering eligible union and nonunion employees of these organizations as well as eligible employees of participating affiliated agencies of UJA-Federation. The Plan, Retirement Plan for Employees of United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. and Affiliated Agencies and Institutions, is filed under the Employer Identification Number 51-0172429 and the three-digit Pension Plan Number 333. The Organization is not required to file an annual zone certification under the Pension Protection Act of 2006 (PPA) and disclosures concerning a financial improvement plan or a rehabilitation plan are not applicable. The Plan is at least 85% funded using the most recent financial information as of October 1, 2022, the beginning of the Plan year.

UJA-Federation and JCF contributions to the Plan for the year ended June 30, 2023 were \$2,942. These contributions represented 10.6% of the total contributions to the Plan for those year ended. The expiration date of the collective-bargaining agreement requiring contributions to the Plan for those union employees who elect to participate is January 31, 2025. The Plan is noncontributory for nonunion employees.

All Plan participants accrue benefits under a cash balance formula. The cash balance formula provides for Plan participants to be credited with an annual pay credit as well as an annual interest credit at a rate based on the yield on 30-year United States Treasury bonds.

Other Retirement Benefits

UJA-Federation has also entered into arrangements with executives and certain employees related to supplemental retirement benefits. Costs associated with such arrangements have been accrued and are included in the accompanying consolidated financial statements.

In addition, UJA-Federation provides certain postretirement healthcare benefits to eligible retired employees. Some of UJA-Federation's employees will become eligible for those benefits if they reach normal retirement age while working for UJA-Federation. UJA-Federation follows the provisions of ASC Topic 715, Compensation – Retirement Benefits. The unfunded postretirement benefit obligation at June 30, 2023 recognized by UJA-Federation in the consolidated balance sheet, was \$2,756. For the year ended June 30, 2023, UJA-Federation's net periodic postretirement benefit income was \$92.

(13) Commitments and Contingencies

(a) Rental Income

A consolidated real estate title holding company of UJA-Federation owns a condominium unit and leases office space to tenants in the building in New York City also used by UJA-Federation as its headquarters. The leases contain operating expense and real estate tax escalation clauses. For the year ended June 30, 2023 rental income amounted to \$4,134.

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Future minimum rental income under these leases, excluding escalations, is as follows:

	Amount
Year ending June 30:	
2024	\$ 4,139
2025	3,902
2026	3,307
2027	3,124
2028	3,127
Thereafter	13,209
Total	\$ 30,808

(b) Contingencies

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

UJA-Federation is a guarantor to Healthcare Risk Advisors, Inc. (HRA), an entity that provides risk management and insurance procurement services for UJA-Federation and many network agencies, of all insurance premiums due from network agencies to HRA for policies written for participating network agencies until such time as UJA-Federation determines to cease guaranteeing future policies payments. UJA-Federation has the right to terminate an agency's participation in the insurance program in the event of such agency's nonpayment of its monthly premium in order to reduce the liability under the guaranty. The total balance of unpaid insurance premiums for policies that continued in force at June 30, 2023 was \$16,315. At June 30, 2023, no network agencies were in arrears.

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(Dollars in thousands)

(14) Net Assets Without Donor Restrictions

Net assets without donor restrictions were designated by the UJA-Federation board of directors at June 30, 2023 as follows:

Board designated endowment - spending policy (note 7)	\$	413,336
Headquarters facility		15,439
Properties used by agencies		7,729
Revolving and special loans		3,000
Other board designated purposes		<u>16,334</u>
Total	\$	<u><u>455,838</u></u>

JCF's funds functioning as endowment are those where the Board of Trustees and the Special Gifts Committee have grantmaking responsibility. These totaled \$21,302 at June 30, 2023.

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(Dollars in thousands)

(15) Net Assets With Donor Restrictions

Net assets with donor restrictions consisted of the following at June 30:

	2023
UJA-Federation:	
Donor-restricted purpose funds for (a):	
Education and scholarships	\$ 165,435
Multipurpose and other programs	115,483
Caring for the vulnerable	87,857
Camps and community centers	22,478
Programs for the aged	20,911
Jewish education and continuity	5,661
Capital projects	1,401
	419,226
Donor-restricted funds - time (b)	89,823
Historical gift value of endowment funds to be held in perpetuity for:	
General purposes	133,128
Multipurpose and other programs	50,855
Education and scholarships	42,944
Caring for the vulnerable	31,434
Programs for the aged	18,808
Camps and community centers	11,741
Jewish education and continuity	9,875
Rescue and resettlement	4,080
	302,865
Total UJA-Federation	811,914
Grass Funds:	
Donor-restricted purpose funds for:	
Educational and other philanthropic programs	39,034
Less consolidation and elimination items	(68,965)
Total net assets with donor restrictions	\$ 781,983

(a) Includes \$135,565 of unappropriated endowment appreciation as of June 30, 2023.

(b) Includes \$65,737 of unappropriated endowment appreciation as of June 30, 2023.

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A portion of the above net assets were released from donor restriction by satisfying the restricted purpose or by the passage of time. Net assets were released as follows during the year ended June 30:

	2023
Release of net assets due to the passage of time	\$ 12,233
Release of net assets due to:	
Endowment grants and expenses	35,952
Satisfaction of program restrictions	44,138
Net assets released from restrictions	\$ 92,323

(16) Liquidity and Availability of Resources

The Organization's financial assets available within one year of the consolidated statement of financial position date for operating expenditures and grant payments at June 30, 2023 were as follows:

	UJA- Federation	JIIF	JCF	Gross Funds	Supporting organizations and other entities	Consolidation and Elimination Items	Total
Financial assets at June 30, 2023:							
Cash	\$ 26,304	—	—	334	1,344	—	27,982
Contributions receivable, net	102,528	—	—	—	284	—	102,812
Other receivables	52,649	—	2,092	—	—	—	54,741
Intercompany receivables (payable)	2,113	—	—	—	(2,113)	—	—
Investments, after intercompany eliminations	1,272,408	1,188,627	2,811,935	38,649	55,090	(1,183,791)	4,182,918
Total financial assets at June 30, 2023	1,456,002	1,188,627	2,814,027	38,983	54,605	(1,183,791)	4,368,453
Less amounts not available to meet general expenditures within one year:							
Cash held as collateral	(12,048)	—	—	—	—	—	(12,048)
Contributions receivable not expected to be collected within one year or donor restricted	(47,268)	—	—	—	(174)	—	(47,442)
Investments not available for operations within one year	(95,849)	(380,842)	(106,216)	—	(18,303)	412,433	(188,777)
Board-designated endowment, net of spending policy	(374,738)	—	(21,302)	—	—	—	(396,040)
Donor-restricted funds, net of spending policy	(352,406)	—	—	(38,983)	—	—	(391,389)
Donor-restricted funds to be held in perpetuity	(277,078)	—	—	—	—	—	(277,078)
Amounts held for special purposes/time restrictions	(95,612)	—	(23,391)	—	—	—	(119,003)
Financial assets available within one year	201,003	807,785	2,663,118	—	36,128	(771,358)	2,936,676
Other resources available							
Line of credit (a)	—	50,000	—	—	—	—	50,000
Total financial assets and other resources available within one year	201,003	857,785	2,663,118	—	36,128	(771,358)	2,986,676

(a) In September 2022, JIIF entered into a secured line of credit agreement which provides borrowings up to \$50 million. The line of credit is collateralized by certain assets of JIIF. Interest on borrowings bears a rate per annum for each day equal to the Federal Reserve Bank of New York's 30-Day Average Secured Overnight Financing Rate (30-Day SOFR Average) plus 1.20%. No amounts are outstanding at June 30, 2023.

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UJA-Federation regularly monitors liquidity required to meet its operating needs and other contractual commitments as they become due, while also striving to maximize the investment of its available funds. Cash in excess of daily operating requirements is invested in short-term investments. Short-term investments also are maintained in UJA-Federation's investment in JIIF as a back-up source for operating needs. A portion of UJA-Federation's endowment consists of board-designated funds; although UJA-Federation's policy is to expend from these funds only the amount computed pursuant to UJA-Federation's endowment spending policy, additional funds can be released with the approval of the Board of Directors. UJA-Federation's donor-restricted endowments and income from these endowments (some of which is also restricted for specific purposes) are not available for general expenditure except pursuant to the spending policy.

In addition to financial assets available to meet general expenditures over the next 12 months, UJA-Federation expects to receive gifts without donor restrictions through its principal fundraising activity, the annual campaign. Based on prior experience, as a majority of these gifts will be collected during the 12-month period and will be available for expenditure, they are included as sources of funds under UJA-Federation's budget process. UJA-Federation also receives legacy and bequest gifts, which support the legacy spending policy. Purpose-restricted gifts received as part of the annual campaign generally are not budgeted for expenditure until collected.

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Schedule of Balance Sheet Information for UJA-Federation

June 30, 2023

(Dollars in thousands)

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total All Funds
Assets			
Cash	\$ 13,401	12,903	26,304
Contributions receivable, net	53,469	49,059	102,528
Other assets and receivables	110,600	15,733	126,333
Intercompany receivables (payables)	21,186	(19,073)	2,113
Amounts held on behalf of other agencies	3,351	—	3,351
Investments	526,222	746,186	1,272,408
Right-of-use asset - operating leases	3,033	—	3,033
Assets held under charitable trust agreements	—	24,437	24,437
Fixed assets, net	47,522	—	47,522
Total assets	<u>\$ 778,784</u>	<u>829,245</u>	<u>1,608,029</u>
Liabilities and Net Assets			
Liabilities:			
Accounts payable, accrued expenses, and other liabilities	\$ 27,927	513	28,440
Grants payable	18,093	7,551	25,644
Amounts held on behalf of other agencies	3,351	—	3,351
Lease liabilities	3,414	—	3,414
Liabilities under charitable trust and annuity agreements	23,043	9,267	32,310
Long-term debt, net	65,374	—	65,374
Accrued postretirement benefits	2,756	—	2,756
Total liabilities	<u>143,958</u>	<u>17,331</u>	<u>161,289</u>
Net assets:			
Without donor restrictions:			
Undesignated	178,988	—	178,988
Board designated	455,838	—	455,838
Total without donor restrictions	<u>634,826</u>	<u>—</u>	<u>634,826</u>
With donor restrictions			
Total net assets	<u>—</u>	<u>811,914</u>	<u>811,914</u>
Total net assets	<u>634,826</u>	<u>811,914</u>	<u>1,446,740</u>
Total liabilities and net assets	<u>\$ 778,784</u>	<u>829,245</u>	<u>1,608,029</u>

See accompanying independent auditors' report.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
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Schedule of Statement of Activities Information for UJA-Federation

Year ended June 30, 2023

(Dollars in thousands)

	2023		Total All Funds
	Without Donor Restrictions	With Donor Restrictions	
Revenue and gains (losses):			
Annual/special giving:			
Annual giving contributions, including event and mission revenue of \$4,173 in 2023	\$ 125,025	18,341	143,366
Less event and mission costs	(9,710)	—	(9,710)
Special giving contributions	—	11,842	11,842
Less provision for uncollectible contributions, net of prior years' recoveries	(2,017)	(2,498)	(4,515)
Net contributions – annual/special giving	113,298	27,685	140,983
Endowment contributions	—	3,391	3,391
Legacies and bequests	26,967	3,897	30,864
Split-interest agreements	1,974	1,734	3,708
Change in value of split-interest agreements	(2,313)	1,591	(722)
Donated goods and services	150	—	150
Amounts raised on behalf of others	19,760	—	19,760
Net contribution revenue, including amounts raised on behalf of others and before contributions from related organizations under common control	159,836	38,298	198,134
Contributions from related organizations under common control	20,361	5,114	25,475
Net contribution revenue, including amounts raised on behalf of others and contributions from related organizations under common control	180,197	43,412	223,609
Less amounts raised on behalf of others	(19,760)	—	(19,760)
Net contribution revenue, including contributions from related organizations under common control and excluding amounts raised on behalf of others	160,437	43,412	203,849
Net investment income (loss)	11,398	(1,234)	10,164
Net appreciation (depreciation) in fair value of investments	2,988	1,488	4,476
Endowment spending rate used in operations	7,014	36,351	43,365
Rental income	26,326	—	26,326
Other income	991	—	991
Changes of donor's designation	—	(21)	(21)
	209,154	79,996	289,150
Net assets released from restrictions	90,998	(90,998)	—
Total revenue and gains (losses)	300,152	(11,002)	289,150

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Schedule of Statement of Activities Information for UJA-Federation

Year ended June 30, 2023

(Dollars in thousands)

	2023		Total All Funds
	Without Donor Restrictions	With Donor Restrictions	
Grants and expenses:			
Grants and other program services:			
Grants	185,290	—	185,290
Other program services	25,831	—	25,831
Total grants and other program services	211,121	—	211,121
Fundraising	34,710	—	34,710
Management and general	23,408	—	23,408
Total grants and expenses	269,239	—	269,239
Increase (decrease) in net assets before investment returns not utilized in operations and postretirement plan adjustments	30,913	(11,002)	19,911
Investment returns not used in operations	22,240	11,660	33,900
Postretirement benefit changes not included in net periodic benefit cost	139	—	139
Increase in net assets	53,292	658	53,950
Net assets at beginning of year	581,534	811,256	1,392,790
Net assets at end of year	\$ 634,826	811,914	1,446,740

See accompanying independent auditors' report.

**UNITED JEWISH APPEAL-FEDERATION OF JEWISH
PHILANTHROPIES OF NEW YORK, INC. AND RELATED ENTITIES**

Schedule of Statement of Functional Expenses Information for UJA-Federation

For the year ended June 30, 2023

(Dollars in thousands)

	Grants and Other Program Services	Supporting Services			Total Expenses
		Fundraising	Management and General	Total Supporting Services	
Grants	\$ 185,290	—	—	—	185,290
Salaries and related benefits	12,550	26,273	16,509	42,782	55,332
Consultant fees and expenses	2,484	798	2,194	2,992	5,476
Depreciation and amortization	3,742	1,400	972	2,372	6,114
Occupancy	672	2,031	1,028	3,059	3,731
Printing, postage and office	488	1,549	301	1,850	2,338
Interest	1,505	232	460	692	2,197
Tuition and stipends	1,554	6	14	20	1,574
Data processing related	164	416	1,138	1,554	1,718
Travel and other staff expenses	504	288	314	602	1,106
Advertising and communications	420	865	330	1,195	1,615
Other	1,748	852	148	1,000	2,748
Total expenses	\$ 211,121	34,710	23,408	58,118	269,239
Event and mission costs					9,710
Total expenses and event and mission costs					278,949

See accompanying independent auditors' report.